the path

Responsible transportation policy in the Mountain States

MOUNTAIN STATES POLICY CENTER

January 2023

introduction

Transportation systems are the backbone of a strong local economy, allowing people and goods to move efficiently and effectively. At its core, transportation infrastructure is no different than any other type of public or private good and is subject to the law of supply and demand.

In the case of traffic congestion, the demand for road travel exceeds the supply of roads, or capacity, the result of which leads to lost time, lost fuel and excess pollutants emitted into the atmosphere.

Traffic congestion may also lead to capping growth and access while limiting labor markets. In essence, the number of available jobs, available workforce, and accessible services is limited by both distance and time. The more traffic congestion, the fewer opportunities to participate in the economy.

Freedom of mobility allows the public to travel wherever and however they choose with no - or minimal - restrictions. In recent decades, many public officials have waged campaigns to "discourage" certain modes, like cars, by implementing regressive tolling schemes, limiting parking, taking travel lanes away from drivers, and increasing traffic congestion to push people to other modes of transport or eliminate trips entirely.

Instead, public officials should work to *accommodate travel demand* instead of *restricting or manipulating* it, thereby providing the public fair access to goods and services across the region.

Where public assistance is needed, it should be delivered quickly, safely, and efficiently, and managed conservatively with strong budgets and planning toward the future. Threatening service cuts in the absence of higher tax rates does little to build certainty among those most vulnerable in our society.

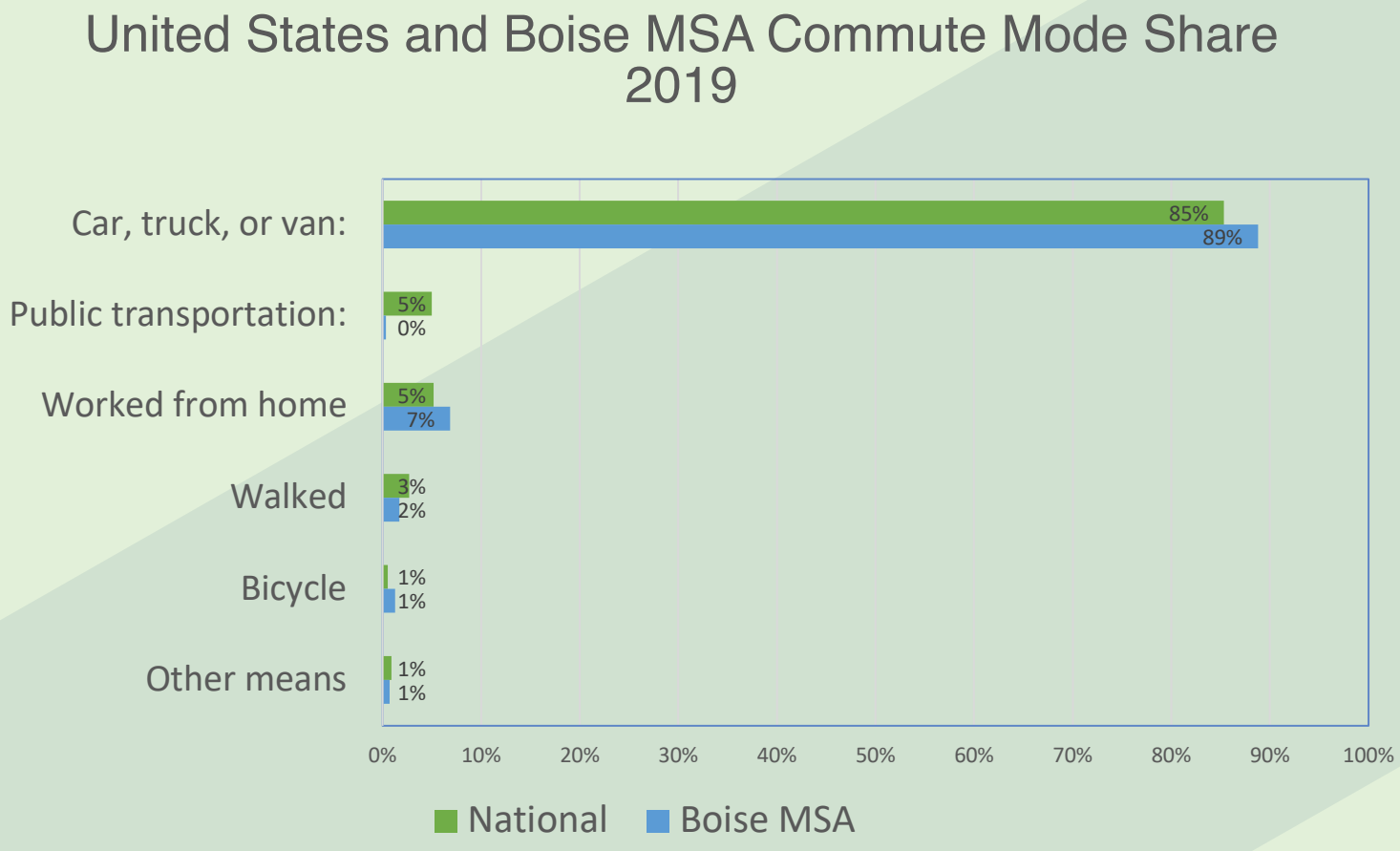
Policymakers should focus on the three key principles laid out in this report, which will not only benefit travelers, but freight movers and suppliers. Agricultural states, like ours, benefit immensely when goods and services can flow and strengthen regional economies over our competition.

1 spend resources based on demand

Transportation spending should be guided by current and future demand instead of ideological visions. Politicians and transportation officials often want to spend limited tax and fee dollars based on how the public *should* travel instead of how the public *chooses* to travel.

For example, Valley Transit in the Treasure Valley seeks additional tax revenue to subsidize service, despite the lack of demand for its services. According to the Metropolitan Planning Organization (MPO) for the Boise area, COMPASS, public transportation in The Valley will become insolvent around 2028, and by 2050, will have $328 million in deferred maintenance needs and $982 million in unfunded costs.

Yet in 2019, even before the COVID-19 pandemic, just 1,199 people took public transit as a commute mode, representing 0.4% of commuters, significantly lower than the 5.0% national average. To put this in perspective, 6.8% of people worked from home, and 88.8% of people commuted via car.



.4%

the percentage of commuters taking public transit in Boise MSA

10%

the percentage of total transportation dollars transit agencies spend

$1 billion

Public transit in the Boise Area will need more than $1 billion just to keep assets in good repair and maintain buses – to serve just 0.4% of commuters. Additionally, Treasure Valley Transit is currently looking to operate an expensive Bus Rapid Transit or Light Rail system and spend millions electrifying buses.

users pay, users benefit 2

The highway system is largely funded by user fees, though in recent years transportation and politicians have dedicated sales tax revenues to the highway fund. User fees are collected by the federal, state, and local governments to maintain, preserve, and expand the road and highway system. Taxes and fees include the $0.32 cents per gallon state fuel tax (Idaho), the $0.184 cents per gallon federal fuel tax, and license fees.

The public transportation system in the Treasure Valley is, in part, funded by user fees, but the vast majority is paid by general taxation or deficit spending. In 2019, it cost Valley Regional Transit $8.99 to take one bus passenger on one trip, yet fares on average only covered $0.69 per trip.

That results in taxpayers covering $8.30 per bus passenger trip, or just over 92% of the operating costs. On the capital side, local and federal taxpayers pay the entire 100% of new buses and maintenance facilities.

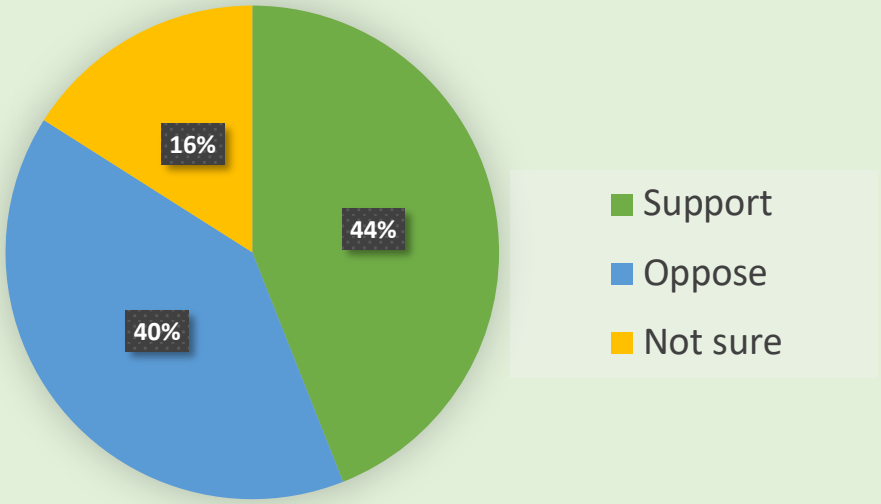
Due to the projected shortfall at public transportation agencies around Idaho, COMPASS officials have begun to analyze new “revenue streams,” none of which involves users of the public transportation system paying more. Instead, they look to other options including a higher sales tax, or a vehicle-miles traveled fee, paid by drivers, which could be used to funnel money to other, less popular modes.

Some argue that public transportation indirectly provides benefits to drivers by keeping cars off the road, leaving more space for everyone else. Yet road maintenance, preservation, and expansion, provide a real, direct benefit to drivers instead of a theoretical, indirect benefit like transit.

$8.99

the cost for Valley Regional Transit to take one bus passenger on one trip

Would you support or oppose a system that charges all drivers by the number of miles they drive, rather than the amount of gas they use?



The IDAHO POLL

3 establish performance measures

The state of Idaho has currently received high marks from the Reason Foundation, a national free market think tank, for its highway program.

The Reason Foundation ranked Idaho the 8th best state overall, mostly due to good Interstate pavement conditions as well as rural arterial condition. Compared to neighboring states, Idaho's performance exceeds Oregon (ranked 25th) and Washington (42nd), yet trails Utah (6th). Other notable states include Montana (11th) and Wyoming (12th).

As Idaho continues to grow, more pressure will continue to be put on the state's transportation network. It is important to establish performance measures whether for Interstates, state highways, local roads, or local public transportation, both in spending and ridership.

Looking to neighboring Washington state, official transportation policy goals once included things such as "delay on state highways should be significantly reduced and be no worse than the national mean," and, "delay per driver should be significantly reduced and be no worse than the national mean." Yet after stripping that policy goal from law, traffic congestion has continued to grow.

Other examples of policies that improve road and highway performance include maintaining strong level of service standards and requiring that road projects maximize real person-throughput.

Performance measures tied to revenue and spending can also benefit users. For example, if a passenger or commuter rail system is considered, it should be less costly and carry more riders than buses or a bus rapid transit line.

Some performance measures that can improve travel times, reliability, and public transit include:

Road	Reduce traffic delay and maintain competitiveness versus peer Metro areas
Road	Maintain strong Level of Service standards for highways, arterials and city streets and intersections
Road	Maintain and increase actual person-throughput levels on roads and highways, not theoretical; increases traveler and economic benefits
Transit	Maintain minimum ridership per route, prioritize cuts and reinvestment
Transit	Match mode spending to mode performance
Transit	Keep costs per platform hour under national average and peer agencies
Transit	Implement minimum farebox recovery standards of 25%
Project Selection	Ensure fair and adequate alternatives are studied with prioritization to most benefit/cost (and cost per rider, cost per user) over reasonable period.
Project Selection	Ensure projects selected are among the highest benefit-cost among potential projects using fair and accurate assumptions

about the author

Bob Pishue is based in Boise and is a visiting fellow at Mountain States Policy Center. Bob is currently the Transportation Analyst and Head of Research at the global traffic data and analytics company INRIX.

His research and analysis have been featured in key media outlets including the Wall Street Journal, Fox News, CNN, BBC, Forbes and the Washington Post.

MOUNTAIN STATES
POLICY CENTER