

Justice's highways vision gets rolling



Brad McElhinny/MetroNews

Gov. Jim Justice's reception area has a map touting the highways projects his administration would like to accomplish.

By Brad McElhinny in News

CHARLESTON, W.Va. — A big push for Gov. Jim Justice's ambitious infrastructure plan has been underway at the state Capitol.

Today, the new state Transportation secretary and advocates for infrastructure projects gathered to tout a report that spotlights West Virginia's crumbling highways and bridges.

On Friday, Justice himself is expected to highlight the annual Transportation Day at the Capitol.

"Governor Justice has always thought big," said Transportation Secretary Tom Smith. "The type of development he's envisioning has a ripple effect."

The governor wants to do some <u>creative thinking</u> on highways funding, potentially raising license plate renewal fees from \$30 to \$50, increasing Turnpike tolls from \$2 to \$3 (although the governor wants to let West Virginians avoid the tolls with an E-ZPass) and seeking legal permission to expand what roads can be tolled, and raising the base tax on gasoline by 10 cents a gallon.

The administration then wants to leverage those revenue streams into bonds amounting to up to \$2.4 billion, although there are a lot of ifs.

The Legislature would have to approve the increased DMV fees and tolls, voters would have to approve the general obligation bond expected to be an outcome of the DMV fees, and the federal government would have to approve of changes to the tolling arrangement.

The Legislature would also have to increase the cap for Garvee bonds that are leveraged against anticipated federal highways funding.

All those are reasons the push is on.

At the Capitol on Thursday, advocates for highway construction and maintenance highlighted the results of a study by TRIP, a Washington, D.C.-based nonprofit that studies and evaluates surface transportation issues.

TRIP concluded that West Virginia motorists lose \$1.4 billion a year by driving on roads that are deteriorated, congested and that lack some desirable safety features.

MORE: Read the West Virginia highways report.

The organization says that amounts to as much as \$1,439 per driver in some urban areas.

Last year, the report concluded, West Virginia had the nation's fifth highest share of bridges rated structurally deficient at 17 percent. That

was worse than just two years ago, when the state's bridges ranked 12th worst nationally with 13 percent considered structurally deficient.

"The way I would describe it, is it's an alarming diagnosis," Smith said. "All of these things are getting worse, and the wear and tear on cars is increasing as well. It's a call to action. It's an alarm that we need to react to."

Smith contends that, rather than putting up with the costs of deteriorating roads and bridges, West Virginia's citizens should embrace Justice's plant to reinvest.

"What Governor Justice has proposed with this highway program is modest increases – which, if you do your back of the envelope type of calculation, I think you'll find the numbers would be a hundred to a hundred and fifty dollars per highway user," Smith said.

Smith agreed that the plan has a lot of elements, several of which would require public, legislative or even federal approval.

"It's a lot of moving parts," he said. "This requires a strong relationship with the Legislature — us working hand-in-hand with them to make sure those moving parts get nailed down.

"The revenue increases, the gas tax, the DMV fees, the ability to use tolls off of the Parkways and other locations and get to a higher toll rate – all of those things. All of these things are things we need the partnership of the Legislature."

In early discussions, <u>legislators</u> have wondered about the increased DMV fees but have shown the most concern about the increased gas tax and, particularly, its effects on spending habits in counties that border other states.

The ambition and discussion are good signs of momentum, said Mike Clowser, executive director of the Contractors Association of West Virginia.

"We are glad that people are talking about infrastructure," Clowser said. "We are glad people are talking about highways. Today's report was a very sobering report.

"That just signifies that the proposal the governor and the new administration are putting forth to invest in roads — we need it for jobs but we need it for the safety of our traveling public. We are encouraged that people realize if you don't have good roads, if we don't have safe roads, we are not going to attract jobs to West Virginia."





Justice's administration has projected 48,000 jobs could come out of its highways plan. Smith said that number was achieved by taking a benchmark of 20,000 jobs per \$1 billion of infrastructure investment and then multiplying by the \$2.4 billion the administration would like to spend.

Not all of those jobs would be directly involved with construction.

"We're looking at transportation being part of an overall context of what can happen with transportation dollars and the other resulting benefits," Smith said.

The state Affiliated Construction Trades has the workers — or at least it could provide them by kicking its training programs into high gear, said Steve White, executive director of ACT.

"We'd love to see some investment in the infrastructure," White said. "We'd love to see the jobs it could create. We've got people who really need those jobs. Skilled, construction, local people.

"Now, the scope of what he's putting forward is pretty big. And we need big ideas. I don't think it can all get done at one time. There's a great challenge of getting the people. We can do a lot for our returning veterans, for our out-of-work coal miners through our great training programs."

White, as always, would like to see local workers receive the highest consideration for the work that results.

"I think some of the numbers are talking about the economic impact. Not only the direct construction jobs, but the accountants, surveyors, engineers beyond the direct construction work," he said.

"I think, frankly, we have the capacity, because of our training programs, to double the number we have. We can do that. We have a great workforce, and they can be trained in some way."

The administration has divided its construction goals into two categories.

<u>Phase 1</u> includes 16 highways projects plus bridge and safety improvements that, in the administration's view, could be completed in the next two to four years.

<u>Phase 2</u> includes longer-term projects in more than a dozen counties.

"What we're talking about is advancing jobs that are already in the pipeline," White said. "You can't get them all started at once. I know he has an expectation and a desire to do it all at once. We'd like that. But frankly you have to do surveying and engineering and material purchase.

"That will all have to happen. We could do a huge amount. We could double what we're doing right now, easily."

Justice touts the infrastructure proposal as a jobs creation plan that would eventually lead to the lowering of other taxes and, eventually, to the elimination of the state's personal income tax.

During a Thursday appearance on "Talkline" with Hoppy Kercheval, the governor again said his proposal will create 48,000 new jobs for West Virginia.

"The second you do that, you can take the payroll tax on the 48,000 new jobs and sunset the half-penny on the consumer sales tax and the business commercial tax of two-tenths of a percent. Get rid of it. Then you're on your way to getting rid of our state income tax."