Kentucky Transportation by the Numbers

MEETING THE STATE’S NEED FOR SAFE, SMOOTH AND EFFICIENT MOBILITY

TRIPNET.ORG

Founded in 1971, TRIP® of Washington, DC, is a nonprofit organization that researches, evaluates and distributes economic and technical data on surface transportation issues. TRIP is sponsored by insurance companies, equipment manufacturers, distributors and suppliers; businesses involved in highway and transit engineering and construction; labor unions; and organizations concerned with efficient and safe surface transportation.
KENTUCKY KEY TRANSPORTATION FACTS

THE HIDDEN COSTS OF DEFICIENT ROADS

Driving on Kentucky roads that are deteriorated, congested and that lack some desirable safety features costs Kentucky drivers a total of $4.5 billion each year. TRIP has calculated the cost to the average motorist in the state’s largest urban areas in the form of additional vehicle operating costs (VOC) as a result of driving on rough roads, the cost of lost time and wasted fuel due to congestion, and the financial cost of traffic crashes. The chart below details the cost of deficient roads statewide and for the average driver in the state’s largest urban areas.

<table>
<thead>
<tr>
<th>Location</th>
<th>VOC</th>
<th>Congestion</th>
<th>Safety</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
<td>$179</td>
<td>$758</td>
<td>$556</td>
<td>$1,493</td>
</tr>
<tr>
<td>Lexington</td>
<td>$392</td>
<td>$779</td>
<td>$383</td>
<td>$1,554</td>
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<tr>
<td>Louisville</td>
<td>$569</td>
<td>$726</td>
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<td>$1,712</td>
</tr>
<tr>
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<td>$562</td>
<td>$1,110</td>
<td>$353</td>
<td>$2,025</td>
</tr>
<tr>
<td>Owensboro</td>
<td>$456</td>
<td>$331</td>
<td>$390</td>
<td>$1,177</td>
</tr>
<tr>
<td>Kentucky Statewide</td>
<td>$1.2 Billion</td>
<td>$1.7 Billion</td>
<td>$1.6 Billion</td>
<td>$4.5 Billion</td>
</tr>
</tbody>
</table>

KENTUCKY ROADS PROVIDE A ROUGH RIDE

Due to inadequate state and local funding, 29 percent of major roads and highways in Kentucky are in poor or mediocre condition. Driving on rough roads costs the average Kentucky driver $402 annually in additional vehicle operating costs – a total of $1.2 billion statewide. The chart below details pavement conditions on major roads in the state’s largest urban areas and statewide.

<table>
<thead>
<tr>
<th>Location</th>
<th>Poor</th>
<th>Mediocre</th>
<th>Fair</th>
<th>Good</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
<td>5%</td>
<td>8%</td>
<td>11%</td>
<td>76%</td>
</tr>
<tr>
<td>Lexington</td>
<td>14%</td>
<td>16%</td>
<td>12%</td>
<td>58%</td>
</tr>
<tr>
<td>Louisville</td>
<td>19%</td>
<td>27%</td>
<td>20%</td>
<td>34%</td>
</tr>
<tr>
<td>Northern Kentucky</td>
<td>21%</td>
<td>24%</td>
<td>16%</td>
<td>40%</td>
</tr>
<tr>
<td>Owensboro</td>
<td>16%</td>
<td>17%</td>
<td>19%</td>
<td>48%</td>
</tr>
<tr>
<td>Kentucky Statewide</td>
<td>8%</td>
<td>21%</td>
<td>23%</td>
<td>48%</td>
</tr>
</tbody>
</table>

KENTUCKY BRIDGE CONDITIONS

Seven percent of Kentucky’s bridges are rated in poor/structurally deficient condition, meaning there is significant deterioration of the bridge deck, supports or other major components. Fifty-six percent of the state’s bridges are rated in fair condition and the remaining 36 percent are in good condition. Most bridges are designed to last 50 years before major overhaul or replacement, although many newer bridges are being designed to last 75 years or longer. In Kentucky, 41 percent of the state’s bridges were built in 1969 or earlier. The chart below details bridge conditions statewide and in the state’s largest urban areas.
KENTUCKY ROADS ARE INCREASINGLY CONGESTED

Congested roads choke commuting and commerce and cost Kentucky drivers $1.7 billion each year in the form of lost time and wasted fuel. In the most congested urban areas, drivers lose up to $1,110 and as many as 52 hours per year sitting in congestion.

<table>
<thead>
<tr>
<th>Location</th>
<th>Number Poor/Structurally Deficient</th>
<th>Share Poor/Structurally Deficient</th>
<th>Number Fair</th>
<th>Share Fair</th>
<th>Number Good</th>
<th>Share Good</th>
<th>Total Bridges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
<td>16</td>
<td>5%</td>
<td>204</td>
<td>62%</td>
<td>107</td>
<td>33%</td>
<td>327</td>
</tr>
<tr>
<td>Lexington</td>
<td>28</td>
<td>4%</td>
<td>442</td>
<td>61%</td>
<td>219</td>
<td>30%</td>
<td>730</td>
</tr>
<tr>
<td>Louisville</td>
<td>124</td>
<td>7%</td>
<td>1,073</td>
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<td>6%</td>
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<td>58%</td>
<td>238</td>
<td>35%</td>
<td>673</td>
</tr>
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<td>Owensboro</td>
<td>10</td>
<td>4%</td>
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<td>174</td>
<td>62%</td>
<td>282</td>
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<td>7%</td>
<td>8,111</td>
<td>56%</td>
<td>5,239</td>
<td>36%</td>
<td>14,368</td>
</tr>
</tbody>
</table>

KENTUCKY TRAFFIC SAFETY AND FATALITIES

From 2014 to 2018, 3,773 people were killed in traffic crashes in Kentucky. In 2018, Kentucky had 1.46 traffic fatalities for every 100 million miles traveled, the sixth highest rate in the nation. The traffic fatality rate on Kentucky’s rural, non-Interstate roadways is approximately three times higher than on all other roads and the third highest rate in the nation.

Traffic crashes imposed a total of $4.8 billion in economic costs in Kentucky in 2018 and traffic crashes in which a lack of adequate roadway safety features were likely a contributing factor imposed $1.6 billion in economic costs.

TRANSPORTATION AND ECONOMIC DEVELOPMENT

The health and future growth of Kentucky’s economy is riding on its transportation system. Each year, $578 billion in goods are shipped to and from sites in Kentucky, mostly by trucks. Increases in passenger and freight movement will place further burdens on the state’s already deteriorated and congested network of roads and bridges. The value of freight shipped to and from sites in Kentucky, in inflation-adjusted dollars, is expected to increase 114 percent by 2045 and by 65 percent for goods shipped by trucks.

According to a report by the American Road & Transportation Builders Association, the design, construction and maintenance of transportation infrastructure in Kentucky supports approximately 47,000 full-time jobs across all sectors of the state economy. These workers earn $1.6 billion annually. Approximately 900,000 full-time jobs in Kentucky in key industries like tourism, retail sales, agriculture and manufacturing are completely dependent on the state’s transportation network.
INTRODUCTION

Kentucky’s roads, highways and bridges form vital transportation links for the state’s residents, visitors and businesses, providing daily access to homes, jobs, shopping, natural resources and recreation. Modernizing Kentucky’s transportation system is critical to quality of life and economic competitiveness in the Bluegrass State. Inadequate transportation investment, which will result in deteriorated transportation facilities and diminished access, will negatively affect Kentucky’s economic competitiveness and quality of life.

To accommodate population and economic growth, maintain its level of economic competitiveness and achieve further economic growth, Kentucky will need to maintain and modernize its roads, highways and bridges by improving the physical condition of its transportation network and enhancing the system’s ability to provide efficient, reliable and safe mobility for residents, visitors and businesses. Making needed improvements to Kentucky’s roads, highways, bridges and transit systems could also provide a significant boost to the state’s economy by creating jobs in the short term and stimulating long-term economic growth as a result of enhanced mobility and access.

This report examines the condition, use and safety of Kentucky’s roads, highways and bridges, and the state’s future mobility needs. Sources of information for this report include the Federal Highway Administration (FHWA), the American Association of State Highway and Transportation Officials (AASHTO), the Bureau of Transportation Statistics (BTS), the U.S. Census Bureau, the Texas Transportation Institute (TTI), the American Road & Transportation Builders Association (ARTBA), and the National Highway Traffic Safety Administration (NHTSA).

In addition to statewide data, the TRIP report includes regional data for the Bowling Green, Lexington, Louisville, Northern Kentucky and Owensboro urban areas. An urban area is defined as a region’s municipalities and surrounding suburbs for pavement condition and congestion data; bridge and traffic fatality data include a region’s major counties.1

POPULATION, TRAVEL AND ECONOMIC TRENDS IN KENTUCKY

Kentucky motorists and businesses require a high level of personal and commercial mobility. To foster quality of life and spur continued economic growth, it is critical that the state provide a safe and modern transportation system that can accommodate future growth in population, tourism, business, recreation and vehicle travel.
Kentucky’s population grew to approximately 4.5 million residents in 2018, an 11 percent increase since 2000. Kentucky had approximately three million licensed drivers in 2017. In 2018, the state’s transportation system carried 49.5 billion vehicle miles of travel (VMT), a five percent increase from 2013. From 2000 to 2018, Kentucky’s gross domestic product (GDP), a measure of the state’s economic output, increased by 22 percent, when adjusted for inflation. U.S. GDP increased 41 percent during the same period.

**CONDITION OF KENTUCKY ROADS**

The life cycle of Kentucky’s roads is greatly affected by the state and local governments’ ability to perform timely maintenance and upgrades to ensure that road and highway surfaces last as long as possible.

The pavement data in this report, which is for all arterial and collector roads and highways, is provided by the Federal Highway Administration (FHWA), based on data submitted annually by the Kentucky Transportation Cabinet on the condition of major state and locally maintained roads and highways. Pavement data for Interstate highways and other principal arterials is collected for all system mileage, whereas pavement data for minor arterial and all collector roads and highways is based on sampling portions of roadways as prescribed by FHWA to insure the data collected is adequate to provide an accurate assessment of pavement conditions on these roads and highways.

Statewide, 29 percent of Kentucky’s major roads are in poor or mediocre condition. Eight percent of Kentucky’s major locally and state-maintained roads are in poor condition and 21 percent are in mediocre condition. Twenty-three percent of Kentucky’s major roads are in fair condition and the remaining 48 percent are in good condition.

Sixteen percent of Kentucky’s major locally and state-maintained urban roads and highways have pavements rated in poor condition and 24 percent are in mediocre condition. Eighteen percent of Kentucky’s major urban roads are rated in fair condition and the remaining 42 percent are rated in good condition.

Six percent of Kentucky’s major locally and state-maintained rural roads and highways have pavements rated in poor condition and 20 percent are in mediocre condition. Twenty-four percent of Kentucky’s major rural roads are rated in fair condition and the remaining 50 percent are rated in good condition. The chart below details pavement conditions on major urban roads in the state’s largest urban areas and statewide.
Pavement failure is caused by a combination of traffic, moisture and climate. Moisture often works its way into road surfaces and the materials that form the road’s foundation. Road surfaces at intersections are more prone to deterioration because the slow-moving or standing loads occurring at these sites subject the pavement to higher levels of stress. It is critical that roads are fixed before they require major repairs because reconstructing roads costs approximately four times more than resurfacing them. As roads and highways continue to age, they will reach a point of deterioration where routine paving and maintenance will not be adequate to keep pavement surfaces in good condition and costly reconstruction of the roadway and its underlying surfaces will become necessary.

**Chart 2. Pavement Condition Cycle Time with Treatment and Cost**

Long-term repair costs increase significantly when road and bridge maintenance is deferred, as road and bridge deterioration accelerates later in the service life of a transportation facility and requires more costly repairs. A report on maintaining pavements found that every $1 of deferred maintenance on roads and bridges costs an additional $4 to $5 in needed future repairs.\

**THE COST TO MOTORISTS OF ROADS IN INADEQUATE CONDITION**

TRIP has calculated the additional cost to motorists of driving on roads in poor, mediocre or fair condition. When roads are in poor, mediocre or fair condition – which may include potholes, rutting or rough surfaces – the cost to operate and maintain a vehicle increases. These additional vehicle operating costs (VOC) include accelerated vehicle depreciation, additional vehicle repair costs, increased fuel consumption and increased tire wear. TRIP estimates that additional VOC borne by Kentucky motorists as a result of deteriorated road conditions is $1.2 billion annually, an average of $402 per driver statewide. The chart below shows additional VOC per motorist in the state’s largest urban areas.

**Chart 3. Vehicle operating costs per motorist as a result of driving on deteriorated roads.**

<table>
<thead>
<tr>
<th>Location</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
<td>$179</td>
</tr>
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<td>Northern Kentucky</td>
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<td>Owensboro</td>
<td>$456</td>
</tr>
<tr>
<td>Kentucky Statewide</td>
<td>$1.2 Billion</td>
</tr>
</tbody>
</table>

Source: TRIP estimates.

Additional vehicle operating costs have been calculated in the Highway Development and Management Model (HDM), which is recognized by the U.S. Department of Transportation and more than 100 other countries as the definitive analysis of the impact of road conditions on vehicle
operating costs. The HDM report is based on numerous studies that have measured the impact of various factors, including road conditions, on vehicle operating costs.\textsuperscript{17} The HDM study found that road deterioration increases ownership, repair, fuel and tire costs. The report found that deteriorated roads accelerate the pace of depreciation of vehicles and the need for repairs because the stress on the vehicle increases in proportion to the level of roughness of the pavement surface. Similarly, tire wear and fuel consumption increase as roads deteriorate since there is less efficient transfer of power to the drive train and additional friction between the road and the tires.

TRIP’s additional VOC estimate is based on taking the average number of miles driven annually by a motorist, calculating current VOC based on AAA’s driving cost estimates and then using the HDM model to estimate the additional VOC paid by drivers as a result of substandard roads.\textsuperscript{18} Additional research on the impact of road conditions on fuel consumption by the Texas Transportation Institute (TTI) is also factored into TRIP’s vehicle operating cost methodology.

\section*{BRIDGE CONDITIONS IN KENTUCKY}

Kentucky’s bridges form key links in the state’s highway system, providing communities and individuals access to employment, schools, shopping and medical facilities, and facilitating commerce and access for emergency vehicles.

Seven percent (1,016 of 14,368) of Kentucky’s locally and state-maintained bridges are rated in poor/structurally deficient condition.\textsuperscript{19} This includes all bridges that are 20 feet or more in length. A bridge is deemed structurally deficient if there is significant deterioration of the bridge deck, supports or other major components.

Bridges that are structurally deficient may be posted for lower weight limits or closed if their condition warrants such action. Deteriorated bridges can have a significant impact on daily life. Restrictions on vehicle weight may cause many vehicles – especially emergency vehicles, commercial trucks, school buses and farm equipment – to use alternate routes to avoid posted bridges. Redirected trips also lengthen travel time, waste fuel and reduce the efficiency of the local economy.
Fifty-six percent of Kentucky’s locally and state-maintained bridges have been rated in fair condition. A fair rating indicates that a bridge’s structural elements are sound but minor deterioration has occurred to the bridge’s deck, substructure or superstructure. The remaining 36 percent of the state’s bridges are rated in good condition.

The chart below shows the condition of bridges statewide and in Kentucky’s largest urban areas.

Chart 4. Bridge conditions statewide and in Kentucky’s largest urban areas.

<table>
<thead>
<tr>
<th></th>
<th>Number Poor/Structurally Deficient</th>
<th>Share Poor/Structurally Deficient</th>
<th>Number Fair</th>
<th>Share Fair</th>
<th>Number Good</th>
<th>Share Good</th>
<th>Total Bridges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
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<td>5%</td>
<td>204</td>
<td>62%</td>
<td>107</td>
<td>33%</td>
<td>327</td>
</tr>
<tr>
<td>Lexington</td>
<td>28</td>
<td>4%</td>
<td>442</td>
<td>61%</td>
<td>219</td>
<td>30%</td>
<td>730</td>
</tr>
<tr>
<td>Louisville</td>
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<td>63%</td>
<td>495</td>
<td>29%</td>
<td>1,692</td>
</tr>
<tr>
<td>Northern Kentucky</td>
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<td>6%</td>
<td>392</td>
<td>58%</td>
<td>238</td>
<td>35%</td>
<td>673</td>
</tr>
<tr>
<td>Owensboro</td>
<td>10</td>
<td>4%</td>
<td>98</td>
<td>35%</td>
<td>174</td>
<td>62%</td>
<td>282</td>
</tr>
<tr>
<td><strong>Kentucky Statewide</strong></td>
<td><strong>1,016</strong></td>
<td><strong>7%</strong></td>
<td><strong>8,111</strong></td>
<td><strong>56%</strong></td>
<td><strong>5,239</strong></td>
<td><strong>36%</strong></td>
<td><strong>14,368</strong></td>
</tr>
</tbody>
</table>


Most bridges are designed to last 50 years before major overhaul or replacement, although many newer bridges are being designed to last 75 years or longer. In Kentucky, 41 percent of the state’s bridges were built in 1969 or earlier.

The service life of bridges can be extended by performing routine maintenance such as resurfacing decks, painting surfaces, insuring that a facility has good drainage and replacing deteriorating components. But, most bridges will eventually require more costly reconstruction or major rehabilitation to remain operable.

TRAFFIC SAFETY IN KENTUCKY

A total of 3,773 people were killed in Kentucky traffic crashes from 2014 to 2018, an average of 755 fatalities per year.
Kentucky’s overall traffic fatality rate of 1.46 fatalities per 100 million vehicle miles of travel in 2018 is the sixth highest in the U.S. and significantly higher than the national average of 1.13. The traffic fatality rate on the state’s rural roads is disproportionately high. The fatality rate on Kentucky’s non-interstate rural roads in 2018 was approximately three times higher than on all other roads in the state (2.55 fatalities per 100 million vehicle miles of travel vs. 0.83).

The chart below shows the number of people killed in traffic crashes in the state’s largest urban areas between 2016 and 2018, and the cost of traffic crashes per driver.


<table>
<thead>
<tr>
<th>Year</th>
<th>Fatalities</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>672</td>
</tr>
<tr>
<td>2015</td>
<td>761</td>
</tr>
<tr>
<td>2016</td>
<td>834</td>
</tr>
<tr>
<td>2017</td>
<td>782</td>
</tr>
<tr>
<td>2018</td>
<td>724</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,773</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>755</td>
</tr>
</tbody>
</table>


Three major factors are associated with fatal vehicle crashes: driver behavior, vehicle characteristics and roadway features. It is estimated that roadway features are likely a contributing factor in approximately one-third of fatal traffic crashes. Roadway features that impact safety include the number of lanes, lane widths, lighting, lane markings, rumble strips, shoulders, guard rails, other shielding devices, median barriers and intersection design.

Traffic crashes in Kentucky imposed a total of $4.8 billion in economic costs in 2018. TRIP estimates that roadway features were likely a contributing factor in approximately one-third of all fatal traffic crashes, resulting in $1.6 billion in economic costs in Kentucky in 2018. According to a 2015 National Highway Traffic Safety Administration (NHTSA) report, the economic costs of traffic crashes...
includes work and household productivity losses, property damage, medical costs, rehabilitation costs, legal and court costs, congestion costs and emergency services.\textsuperscript{28}

Improving safety on Kentucky’s roadways can be achieved through further improvements in vehicle safety; improvements in driver, pedestrian, and bicyclist behavior; and, a variety of improvements in roadway safety features. The severity of serious traffic crashes could be reduced through roadway improvements, where appropriate, such as converting intersections to roundabouts; removing or shielding roadside objects; the addition of left-turn lanes at intersections; the signalization of intersections; adding or improving median barriers; improved lighting; adding centerline or shoulder rumble strips; providing appropriate pedestrian and bicycle facilities, including sidewalks and bicycle lanes; providing wider lanes, wider and paved shoulders; upgrading roads from two lanes to four lanes; providing better road and lane markings; and updating rail crossings.

The U.S. has a $146 billion backlog in needed roadway safety improvements, according to a 2017 \textit{report} from the AAA Foundation for Traffic Safety. The report found implementing these cost-effective and needed roadway safety improvements on U.S. roadways would save approximately 63,700 lives and reduce the number of serious injuries as a result of traffic crashes by approximately 350,000 over 20 years.

\textbf{TRAFFIC CONGESTION IN KENTUCKY}

Increasing levels of traffic congestion cause significant delays in Kentucky, particularly in its larger urban areas, choking commuting and commerce. Traffic congestion robs commuters of time and money and imposes increased costs on businesses, shippers and manufacturers, which are often passed along to the consumer. Increased levels of congestion can also reduce the attractiveness of a location to a company when considering expansion or where to locate a new facility.

Based on TTI methodology, TRIP estimates the value of lost time and wasted fuel in Kentucky is approximately $1.7 billion a year. The chart below shows the number of hours lost annually for each driver in the state’s largest urban areas, and the per-driver cost of lost time and wasted fuel due to congestion.
TRANSPORTATION AND ECONOMIC GROWTH

Today’s culture of business demands that an area have well-maintained and efficient roads, highways and bridges if it is to remain economically competitive. Global communications and the impact of free trade in North America and elsewhere have resulted in a significant increase in freight movement, making the quality of a region’s transportation system a key component in a business’s ability to compete locally, nationally and internationally.

Businesses have responded to improved communications and the need to cut costs with a variety of innovations including just-in-time delivery, increased small package delivery, demand-side inventory management and e-commerce. The result of these changes has been a significant improvement in logistics efficiency as firms move from a push-style distribution system, which relies on large-scale warehousing of materials, to a pull-style distribution system, which relies on smaller, more strategic movement of goods. These improvements have made mobile inventories the norm, resulting in the nation’s trucks literally becoming rolling warehouses.

Highways are vitally important to continued economic development in Kentucky. As the economy expands, creating more jobs and increasing consumer confidence, the demand for consumer and business products grows. In turn, manufacturers ship greater quantities of goods to market to meet this demand, a process that adds to truck traffic on the state’s highways and major arterial roads.

Every year, $578 billion in goods are shipped to and from sites in Kentucky. Twenty-nine Sixty-five percent of the goods shipped annually to and from sites in Kentucky are carried by truck and another 13 percent are carried by courier services or multiple-mode deliveries, which include trucking. Thirty The value of freight shipped to and from sites in Kentucky, in inflation-adjusted dollars, is expected to increase 114 percent by 2045 and by 65 percent for goods shipped by trucks.

<table>
<thead>
<tr>
<th>Location</th>
<th>Hours Lost</th>
<th>Congestion Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling Green</td>
<td>36</td>
<td>$758</td>
</tr>
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<td>$331</td>
</tr>
</tbody>
</table>

Source: TTI Urban Mobility Report.

Chart 7. Annual hours lost to congestion and congestion costs per driver.
Investments in transportation improvements in Kentucky play a critical role in the state’s economy. A [report by the American Road & Transportation Builders Association](https://www.arts.org) found that the design, construction and maintenance of transportation infrastructure supports the equivalent of approximately 47,000 full-time jobs across all sectors of the state economy, earning these workers approximately $1.6 billion annually. These jobs include approximately 23,000 full-time jobs directly involved in transportation infrastructure construction and related activities. Spending by employees and companies in the transportation design and construction industry supports an additional 24,000 full-time jobs in Kentucky. Transportation construction in Kentucky contributes an estimated $290.9 million annually in state and local income, corporate and unemployment insurance taxes and the federal payroll tax.

Approximately 907,000 full-time jobs in Kentucky in key industries like tourism, retail sales, agriculture and manufacturing are dependent on the quality, safety and reliability of the state’s transportation infrastructure network. These workers earn $33.7 billion in wages and contribute an estimated $6.1 billion in state and local income, corporate and unemployment insurance taxes and the federal payroll tax.

Local, regional and state economic performance is improved when a region’s surface transportation system is expanded or repaired. This improvement comes as a result of the initial job creation and increased employment created over the long-term because of improved access, reduced transport costs and improved safety.

Increasingly, companies are looking at the quality of a region’s transportation system when deciding where to re-locate or expand. Regions with congested or poorly maintained roads may see businesses relocate to areas with a smoother, more efficient and more modern transportation system. Highway accessibility was ranked the third highest site selection factor behind the availability of skilled labor and labor costs in a 2019 [survey](https://www.areadevelopment.com) of corporate executives by Area Development Magazine.

**TRANSPORTATION FUNDING IN KENTUCKY**

Investment in Kentucky’s roads, highways and bridges is funded by local, state and federal governments. A lack of sufficient funding at all levels will make it difficult to adequately maintain and improve the state’s existing transportation system.
The federal government is a critical source of funding for Kentucky’s roads, highways, bridges and transit systems and provides a significant return in road and bridge funding based on the revenue generated in the state by the federal motor fuel tax.

Most federal funds for highway and transit improvements in Kentucky are provided by federal highway user fees, largely an 18.4 cents-per-gallon tax on gasoline and a 24.4 cents-per-gallon tax on diesel fuel. Since 2008 revenue into the federal Highway Trust Fund has been inadequate to support legislatively set funding levels so Congress has transferred approximately $53 billion in general funds and an additional $2 billion from a related trust fund into the federal Highway Trust Fund.37

Signed into law in December 2015, the Fixing America’s Surface Transportation Act (FAST Act), provides modest increases in federal highway and transit spending. The five-year bill also provides states with greater funding certainty and streamlines the federal project approval process. But, the FAST Act does not provide adequate funding to meet the nation’s need for highway and transit improvements and does not include a long-term and sustainable funding source.

The five-year, $305 billion FAST Act will provide a boost of approximately 15 percent in highway funding and 18 percent in transit funding over the duration of the program, which expires in 2020.38 In addition to federal motor fuel tax revenues, the FAST Act will also be funded by $70 billion in U.S. general funds, which will rely on offsets from several unrelated federal programs including the Strategic Petroleum Reserve, the Federal Reserve and U.S. Customs.

The FAST-Act is a major source of funding for road, highway and bridge repairs in Kentucky. Throughout the five years of the FAST-Act – fiscal years 2016 to 2020 – the program will provide $3.5 billion to Kentucky for road repairs and improvements, an average of $704 million per year.39 From 2014 to 2018, the federal government provided $1.12 for road improvements in Kentucky for every $1.00 state motorists paid in federal highway user fees, including the federal state motor fuel tax.40
Federal funds are a critical source of highway investment in Kentucky and represent a significant share of funds used by the state for major road, highway and bridge repairs and improvements. From 2014 to 2018, federal funds provided for highway improvements were the equivalent of 41 percent of the amount of Kentucky state capital outlays on road, highway and bridge projects, including construction, engineering and right-of-way acquisition. 41

Kentucky federal-aid eligible roads, bridges and highways include the most critical routes in the state, including the Interstate Highway System, major highways and important rural and urban routes. Federal-aid eligible roadways in Kentucky account for 22 percent of state lane-miles and carry 84 percent of all vehicle miles of travel in the state. 42 Thirty-nine percent of Kentucky’s bridges by count, and 75 percent of bridges measured by deck area are eligible for Federal aid. 43

According to the Status of the Nation’s Highways, Bridges, and Transit, 23rd Edition, submitted to Congress by the United States Department of Transportation (USDOT) in 2019, the nation faces an $786 billion backlog in needed repairs and improvements to the nation’s roads, highways and bridges. 44 This backlog includes $435 billion for highway rehabilitation; $125 billion for bridge rehabilitation; $120 billion for system expansion and $106 billion for system enhancement. 45 The USDOT report found that the nation’s current $105 billion investment in roads, highways and bridges by all levels of government should be increased by 29 percent to $136 billion annually to improve the conditions of roads, highways and bridges, relieve traffic congestion and improve traffic safety.

CONCLUSION

As Kentucky works to enhance its thriving, growing and dynamic state, it will be critical that it is able to address the most significant transportation issues by providing a 21st century network of roads, highways, bridges and transit that can accommodate the mobility demands of a modern society.

Kentucky will need to modernize its surface transportation system by improving the physical condition of its transportation network and enhancing the system’s ability to provide efficient, safe and reliable mobility for residents, visitors and businesses. Making needed improvements to the state’s roads, highways, bridges and transit systems would provide a significant boost to the economy by creating jobs in the short term and stimulating long-term economic growth as a result of enhanced mobility and access.
Numerous projects to improve the condition and expand the capacity of Kentucky’s roads, highways, bridges and transit systems will not proceed without a substantial boost in state or local transportation funding. If Kentucky is unable to complete needed transportation projects it will hamper the state’s ability to improve the condition and efficiency of its transportation system or enhance economic development opportunities and quality of life.

# # #
ENDNOTES

1 Bridge condition data and safety data for each urban area includes the parishes noted: Bowling Green – Allen, Butler, Edmonson and Warren Counties; Lexington – Bourbon, Fayette, Clark, Jessamine, Scott and Woodford; Louisville – Bullitt, Henry, Jefferson, Meade, Shelby, Spencer, Trimble, Clark (IN), Floyd (IN), and Harrison (IN) Counties; Northern Kentucky – Boone, Bracken, Campbell, Gallatin, Grant, Kenton and Pendleton Counties; Owensboro – Daviess County.

2 U.S. Census Bureau (2018).

3 Highway Statistics (2017). Federal Highway Administration. DL-1C.


6 Ibid.


8 Ibid.

9 Ibid.

10 Ibid.

11 Ibid.

12 Ibid.

13 Ibid.

14 Selecting a Preventative Maintenance Treatment for Flexible Pavements. R. Hicks, J. Moulthrop. Transportation Research Board. 1999. Figure 1.

15 Pavement Maintenance, by David P. Orr, PE Senior Engineer, Cornell Local Roads Program, March 2006.

16 TRIP calculation.


19 Federal Highway Administration National Bridge Inventory. 2018.

20 Ibid.

21 Ibid.

22 TRIP analysis of Federal Highway Administration National Bridge Inventory data (2018).


27 Ibid.


30 Ibid.

31 Ibid.


33 Ibid.

34 Ibid

35 Ibid.


43 TRIP analysis of Federal Highway Administration National Bridge Inventory data (2020). https://www.fhwa.dot.gov/bridge/fc.cfm All bridges excluding bridges classified as local or rural collector are eligible for federal aid.
45 Ibid.