



May 19, 2021

Re: Modernizing Transportation Funding, Creating Jobs, and Cementing NC's Future

Dear Honorable Members of the North Carolina General Assembly:

For some time now, North Carolina and the nation have been racing toward a new crossroads on transportation policy. The speed of 21st century change shows itself daily on our roads and highways, in the form of more fuel efficient and autonomous vehicles, electric charging stations, and other innovative developments. Our formula for capturing the funds needed to maintain our state's transportation network, unfortunately, has failed to keep pace.

The NC Chamber and the undersigned businesses, trade associations, and local chambers of commerce – many of the them members of our **Destination 2030 Coalition** – commend legislators for your role in building a first-rate business climate and working tirelessly to help navigate North Carolina's relaunch from the pandemic. We ask you, at this crucial moment, not to let your foot off the pedal now. **On behalf of business, we urge you to cement our state's economic rebound and create a sustainable, competitive advantage for our citizens by taking bold, bipartisan steps toward a truly modernized transportation revenue formula in 2021.**

There are many challenges associated with transportation funding, but they are all emblematic of a more deeply rooted crisis. **North Carolina's transportation network, with its 80,000 highway miles – the second-largest system of state-maintained roads in the nation – depends for more than 60 percent of its funding needs on a gas tax that grows less viable each year.** In the hyper-competitive environment emerging out of COVID-19, as states adapt to the decade's worth of change crammed into the past year, we simply can no longer afford to fund our 21st century network with 20th century solutions.

North Carolina needs bold, transformative action if we aim to secure our economic relaunch and maintain our competitive edge. **Every \$1 billion invested in transportation yields more than ten times that number in its impact on our economy.** Job creators – from advanced manufacturers who rely on sophisticated logistics planning to cluster in supportive ecosystems, to the farmers that put food on America's tables, to your favorite local coffee shop with that magic brew – all need a well-funded transportation network to drive their success, and North Carolina's. The talented individuals we're attracting in droves need modern transportation amenities if we want them to stay and continue fueling our growth. And all North Carolinians deserve a safe network of roads and bridges we can count on to get us home at the day's end.

We understand the immensity of this challenge for state leaders. But there are roadmaps that can guide our way – if we can just agree on our destination. Current research shows the promise of a wide spectrum of funding options that could, in one combination or another, put us on a more sustainable funding trajectory. The time to start implementing these solutions is now. They range from traditional ideas like toll roads and sales tax transfers to game-changing concepts like registration-based access fees and public-private partnerships. One bill introduced this session, Senate Bill 322, includes a provision to ensure short-term vehicle rental fees are directed into the Highway Fund – a modest but meaningful measure that would generate roughly \$90 million a year in revenue.

Other states are looking hard at these and other options, and several have taken the lead to begin implementing solutions. Will North Carolina secure our spot at the top of this leaderboard, as we have in so many other areas? Or will we let ourselves get lapped by the competition?

The truth is, North Carolina has the makings of a transportation champion, and leaders like you are a big reason why. Members of our General Assembly have secured investments in key transportation assets throughout our state, including industry-leading air, rail, and port facilities. Our position midway up the Atlantic Seaboard at a nexus of interstate highways and our wealth of distribution centers make us a natural hub of East Coast commerce. If we can commit to a bold new approach to transportation funding this session, we stand to capitalize on these advantages in full – and secure our competitive future for decades to come.

The undersigned organizations believe there are many routes that can lead us to a modernized transportation funding model. We will continue to provide ideas and direction, but ultimately it is you, our elected leaders, who must steer. Make no mistake – job creators do not view this as a hope-to-see-it-if-we-can kind of issue, but a critical,

must-do priority for our state. Success, however, will take courage, vision, collaboration, and a commitment to the hard-earned but durable solution over the easy, temporary fix.

We expect nothing less from our elected leadership, who choose the narrow path of public service to our state. The NC Chamber, our partners on the Destination 2030 Coalition, and the co-signers of this letter thank you for your commitment to North Carolina. We stand ready to support your efforts to secure the stronger, more sustainable transportation future North Carolinians deserve.

Sincerely,

Gary J. Salamido
President and CEO
NC Chamber

2MQ Consulting, LLC
ACEC/North Carolina
Wilkes Chamber of Commerce
Acera Wealth Management
Activate Selma NC
Adventist World Aviation
Adventure Development, LLC
Andrew Consulting Engineers
Asheville Area Chamber of
Commerce
Barbetta LLC
Black Empowerment Network
Blue Cross NC
Blue Mind Coworking
Brooke Cashion and Associates-Allen
Tate
Burke County Chamber of Commerce
Burke International Tours/Christian
Tours
Carolinas AGC
Carolina Asphalt Pavement
Association
Carolinas Concrete Paving
Association
Carolinas Concrete Pipe and
Products Association
Cary Chamber of Commerce
CFB Contracting LLC
Charlotte Regional Business Alliance
Cintra
City of Wilmington
Coffee on Raiford
Cook Medical
Curi Holdings
Daniels Tours LLC
Davis-Martin-Powell & Associates
Denise Pilkington, Realtor
Digital Media Development
Downtown Smithfield Development
Corporation

Emery D. Ashley, Attorney
First Mutual Insurance Company
Fred Smith Company
Gannett Fleming, Inc.
Gaston Business Alliance/GSM
Services
Gaston Business Association
GlaxoSmithKline
Grady-White Boats, Inc.
Greater Durham Chamber of
Commerce
Greater Winston Salem, Inc.
Greenfield Development Company
Hanesbrands, Inc.
Highway 17/64 Association
HNTB
HTR Southern Properties
HUSTLE Winston-Salem
Jeff Navarro – Edward Jones
Johnston County Alumnae Chapter of
Delta Sigma
Leath HR Groups
LJB INC
Magic Murals, LLC
Martin Marietta
Matchmaker Logistics, Inc.
MedicalTraining.Me
MeMa's Chick'n' & Ribs
Moore County Chamber of
Commerce
NAMI Johnston County, NC, Inc.
NC Aggregates Association
NC Go
NC Metro Mayors Coalition
North Carolina League of
Municipalities
North State Bank

Organize for Success
Professional Engineers of North
Carolina
Raleigh Chamber of Commerce
Raleigh-Durham Airport Authority
Ramey Kemp Associates, Inc.
Results Optimized
Roberts & Wellons, Inc.
RTA/Regional Transportation Alliance
SAS
Sharpe Bros., A Division of Vecellio &
Grogan, Inc.
Shield Republic
Spangler Environmental, Inc.
Stantec Consulting Services, Inc.
Summit Design and Engineering
Services
The Chamber, Leading Business in
Cabarrus
The Rudy Theatre
Town of Micro
Triangle East Chamber of Commerce
Triangle Marketing Associates, Inc.
Truist Financial Corporation
Truliant Federal Credit Union
Uber
Vulcan Materials Company
W. Landis Bullock Industrial
Contractor Supply
Wetherill Engineering, Inc.
Wilmington Chamber of Commerce
Wilson-Covington Construction
Company
Wrightsville Beach Chamber of
Commerce
WSP
Xpressley Bookkeeping, Inc.