

Public perceptions on transportation funding

2009-2013

Methodology

- N=403
- Sampling error \pm 4.9%
- Last two weeks of May 2013
- Terry Madonna Opinion Research
- First Contact of Rehoboth, DE
- Registered voters, from statewide voter lists
- Weighted for gender, party, religion
- Data from pre-2012 surveys came from public at large (not exclusively registered voters)

How important do you think it is for the state of Pennsylvania to improve safety and relieve congestion on our highways; is it very important, somewhat important, not very important or not important at all?

	2013	2012	2011	2010	2009
Very important	60%	31%	65%	73%	50%
Somewhat important	32%	60%	27%	23%	42%
Not very important	4%	7%	6%	3%	6%
Not at all important	1%	1%	1%	1%	2%

Please tell me whether you agree or disagree with the following statements... Is that strongly or somewhat [agree/disagree]:

	Year	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Increasing the investment in our highway system will create jobs and help our economy recover.	2013	44%	38%	10%	4%
	2011	41%	39%	13%	7%
	2010	43%	42%	10%	3%
	2009	35%	41%	14%	9%
Relieving congestion and improving the condition of our highways would improve public safety.	2013	45%	45%	5%	2%
	2011	50%	40%	8%	3%
	2010	57%	36%	5%	1%
	2009	51%	38%	7%	4%
The state's economic health is dependant on having a good highway system.	2013	41%	46%	8%	2%
	2011	33%	42%	19%	4%
	2010	37%	39%	16%	6%
	2009	24%	44%	19%	11%

A transportation study group commissioned by the state reported that Pennsylvania should be spending about three-and-a-half billion dollars more per year on the state's roads, bridges and highways. Do you support or oppose an increase in state funding to improve safety and relieve congestion on the state's roads, bridges and highways?

	2013	2012	2011	2010	2009
Strongly support	26%	10%	28%	30%	23%
Somewhat support	44%	56%	44%	43%	42%
Strongly oppose	10%	9%	15%	15%	16%
Somewhat oppose	9%	19%	12%	8%	17%

How important is it for the state to provide adequate highway funding, even if it means increasing taxes or fees or making cuts to other programs - very important, somewhat important, not very important, or not important at all?

	2013	2012	2011	2010	2009
Very important	26%	8%	21%	18%	23%
Somewhat important	44%	50%	44%	45%	48%
Not very important	14%	32%	21%	24%	20%
Not at all important	7%	8%	14%	11%	7%

One funding plan would cost about \$3.50 per week for a typical Pennsylvania driver. Do you think \$3.50 per week is a reasonable investment to make for improved safety and reduced congestion?

(If no) Do you think \$2.50 per week is a reasonable investment to make for improved safety and reduced congestion?

Total of those who believe at least \$2.50 per week per driver is reasonable:

\$3.50	41%
\$2.50	59%*

**Cumulative*

If you knew that increasing state transportation funding by three-and-a-half billion dollars per year would create more than 50,000 jobs in Pennsylvania, would you be much more likely, somewhat more likely, or no more likely to support the state spending this money?

	2013	2012	2011	2010
Much more likely	49%	50%	38%	45%
Somewhat more likely	39%	40%	42%	40%
No more likely	10%	9%	19%	15%

If you knew that more than half of the jobs created by new highway and bridge spending would be created in industries other than highway construction, would you be much more likely, somewhat more likely, or no more likely to support the state spending this money?

	2013	2012	2011	2010
Much more likely	33%	34%	34%	33%
Somewhat more likely	44%	52%	44%	49%
No more likely	20%	13%	21%	17%

If you knew that new highway and bridge spending would be used to improve the roads and bridges in and around your community, would you be much more likely, somewhat more likely, or no more likely to support the state spending this money?

	2013	2012	2011	2010
Much more likely	40%	33%	36%	44%
Somewhat more likely	37%	43%	38%	39%
No more likely	21%	24%	26%	15%

If you knew that those who caused a greater proportion of wear and tear on roads and highways would pay a greater share of the cost for maintaining and repairing them, would you be much more likely, somewhat more likely, or no more likely to support the state spending this money?

	2013	2012	2011
Much more likely	35%	36%	44%
Somewhat more likely	31%	41%	39%
No more likely	29%	21%	16%



Conclusions

- Voters have never been more concerned and aware, and never more supportive of making a modest investment.
- ‘Safety,’ ‘congestion relief’ and ‘jobs’ are clearly the most effective messages for framing this issue.
- The 59% majority that is willing to spend an additional \$2.50 per week or more probably grows significantly after exposure to the key messages.

Don't Blame the Gas Tax for High Gas Prices

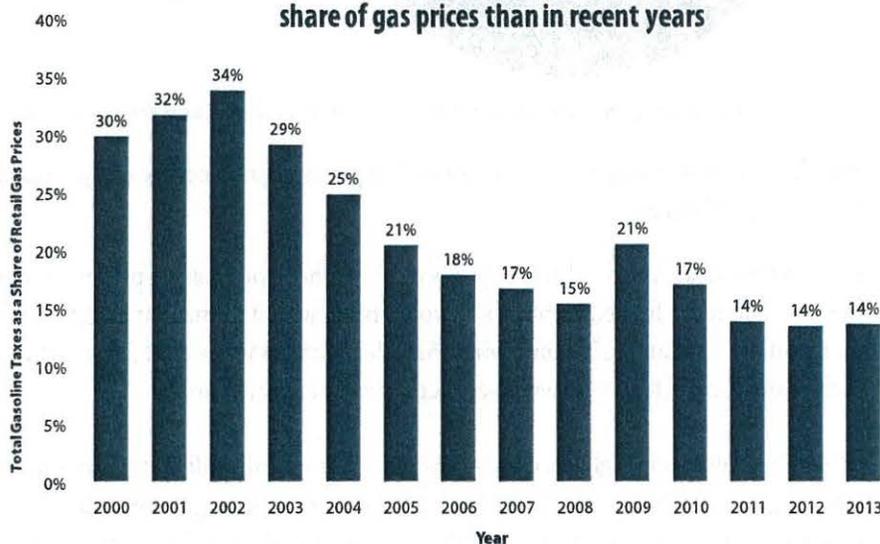
American consumers are keenly aware of the price of gasoline, but uninformed about what drives that price. When asked about the federal gas tax, for example, six in ten Americans said the tax rate goes up every year.¹ In reality, the federal gas tax hasn't budged from its 18.4 cent rate in almost twenty years, and roughly half the states haven't seen their gas tax rates change in a decade or more.²

Stagnant federal and state gas taxes have become an increasingly small fraction of what drivers pay at the pump. At the turn of the century, roughly one-third of the amount drivers paid for gasoline went toward funding transportation infrastructure through federal and state gas tax collections. As Figure 1 shows, that share has plummeted to just 14 percent today.

Rather than being driven by taxes, higher gas prices are almost entirely attributable to the rise in the price of crude oil—the main ingredient that goes into making gasoline. Growing worldwide demand for gasoline, oil industry mergers, OPEC's supply decisions, and a host of other factors have pushed crude oil prices upward, and gasoline prices along with them.³ Meanwhile, refiners' decisions to keep less gas on hand in their inventories, as well as a growing reliance on imported gasoline, have allowed for the wild up-and-down swings in gas prices with which American drivers are familiar.⁴

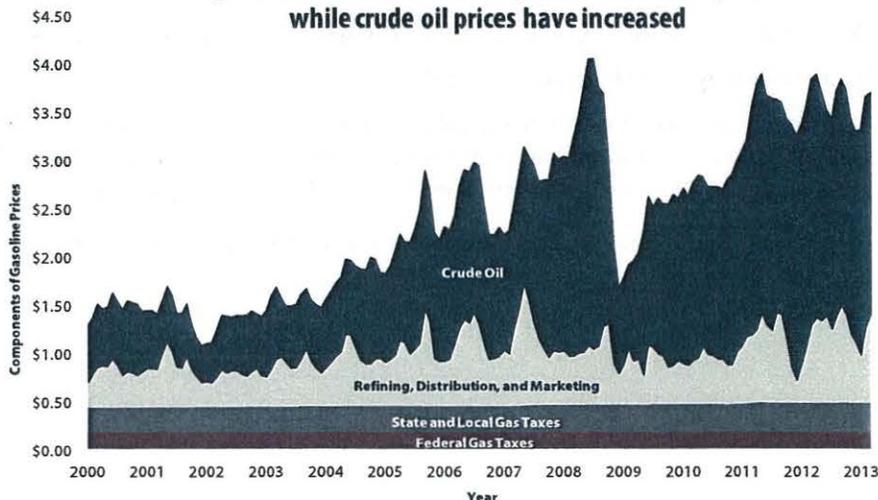
Gas taxes, meanwhile, have had virtually no impact on the increasingly high and volatile price of gasoline. The average combined state and local gas tax has increased by less than 5 cents per gallon since 2000, while the federal gas tax has remained completely unchanged over that period.⁵ Growth in crude oil prices by contrast, has tacked an additional \$1.73 onto the price of each gallon of gasoline—rising from a cost of 61 cents per gallon of gas to \$2.34 per gallon, as Figure 3 on the next page shows.

Figure 1: Gas taxes (federal, state, and local) are a much smaller share of gas prices than in recent years



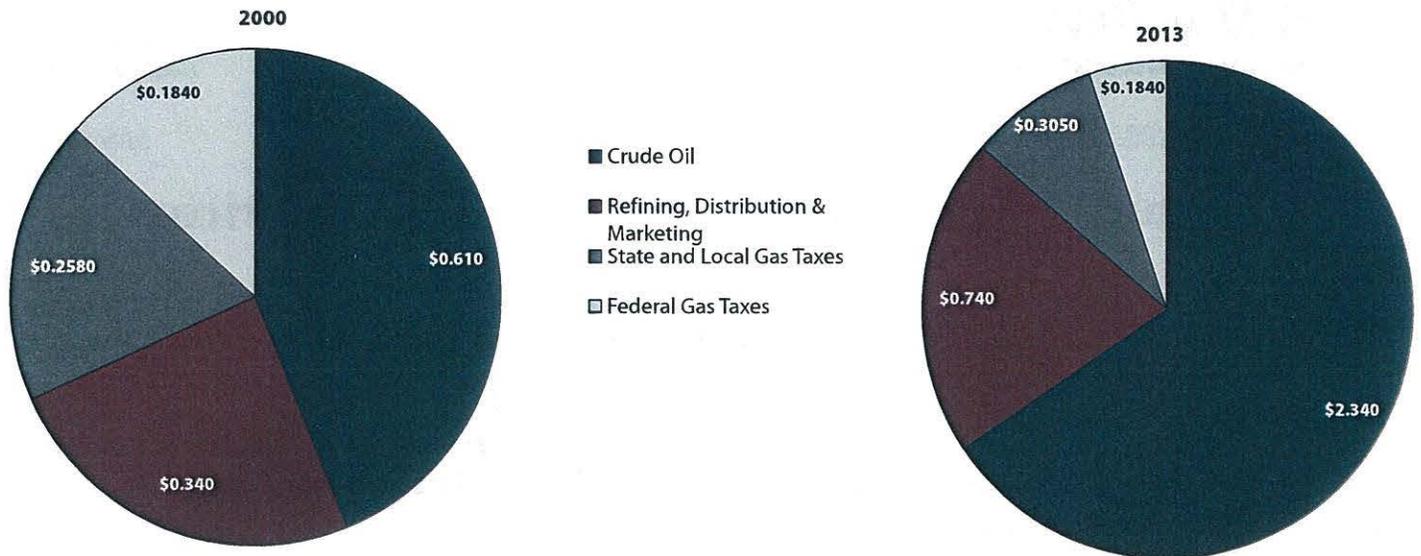
Source: ITEP analysis of data from the U.S. Energy Information Administration (EIA) and the American Petroleum Institute (API). 2013 data span January to March, while other years are annual averages.

Figure 2: Gas taxes have changed little in recent years, while crude oil prices have increased



Source: ITEP analysis of data from the U.S. Energy Information Administration (EIA) and the American Petroleum Institute (API).

Figure 3: What We Pay for in a Gallon of Gasoline: Then and Now



Source: ITEP analysis of first quarter data for 2000 and 2013 from the Energy Information Association (EIA) and the American Petroleum Institute (API).

Few drivers enjoy paying more for gasoline, but paying more because of a gas tax increase is very different than paying more because of rising crude oil prices.

Enacting increases in federal and state gas taxes—whose purchasing power has been decimated by construction cost growth and the switch to more fuel-efficient cars—would bring with it significant benefits in the form of funding for a safer and more efficient transportation system.⁶ At a time when American drivers waste over 5 billion hours and nearly 3 billion gallons of burnt fuel stuck in traffic each year, the need for such investments could not be more clear.⁷

While the stubbornly high price of gas has made it politically difficult for lawmakers to propose raising the gas tax, voters should be aware that the gas tax is not to blame for those high prices. Continuing to delay raising the gas tax because of crude oil price growth will bring with it enormous costs for American infrastructure and the hundreds of millions of people that use it every day. ■

¹ <http://www.infrastructurist.com/2010/01/21/how-often-is-the-gas-tax-raised-most-americans-have-no-clue/>

² <http://www.itep.org/bettergastax/>

³ <http://www.gao.gov/products/GAO-05-525SP> and <http://www.gao.gov/products/GAO-07-894T>

⁴ <http://www.gao.gov/products/GAO-05-525SP>

⁵ This is a volume-weighted average of nominal gas tax rates. See American Petroleum Institute. “Nationwide and State-by-State Motor Fuel Taxes.” Background Paper: Policy Analysis and Statistics Department. April 2000. See also American Petroleum Institute. “State Motor Fuel Taxes: 2013.” Last updated April 23, 2013. Available at: <http://www.api.org/oil-and-natural-gas-overview/industry-economics/fuel-taxes>

⁶ For an analysis of the impact of inflation on state and federal gas taxes, see: <http://www.itep.org/bettergastax/>

⁷ <http://mobility.tamu.edu/ums/>