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Research Shows that Americans Favor Additional Funding for Transportation – Under Certain Conditions

Mineta Transportation Institute's fourth annual tax survey could guide legislation.

San Jose, Calif., June 24, 2013 – Would Americans favor additional taxes and fees to support the nation's transportation infrastructure? A variety of questions on that topic were posed to a sample of people in a nationwide survey. The results are being released in a <u>Mineta</u> <u>Transportation Institute</u> (MTI) research report, <u>What Do Americans Think about Federal Tax</u> <u>Options to Support Public Transit, Highways, and Local Streets and Roads? Results from Year</u> <u>Four of a National Survey</u>. The study, available for free download, was conducted by Asha Weinstein Agrawal, PhD, and Hilary Nixon, PhD.

"A number of the results may surprise legislators," said Dr. Agrawal. "Some taxes received very little support, while others are far more acceptable. For example, a ten-cent gas tax increase to support undefined transportation needs received 23 percent support. But if it was spread over five years, it received 40 percent support."

She noted that increasing the gas tax rate had significantly more support if people received more information about how the revenue would be used as compared to an increase to be spent for undefined transportation purposes. For example, the researchers found much stronger support if the funds are to be used for highway maintenance or air pollution mitigation. This was true for every demographic that was surveyed.

In this, the fourth year of the survey project, responses have held steady as compared to previous years.

Among the key findings this year:

- Of the 11 transportation tax options, six had majority support.
- Linking tax increases to safety, maintenance, or environmental benefits substantially increased support among virtually all socio-demographic groups.
- Support levels varied considerably by the type of tax. When taxes were described with no information other than the tax type, a new sales tax was much more popular than either a gas tax increase or a new mileage tax.
- Eighty percent said that better transit is an important priority for their state.
- The majority did not support increasing gas taxes or transit fares to improve transit, but 64 percent supported spending current gas tax revenues on transit.
- Less than half the respondents 46 percent knew of the federal government's role in funding public transit.

The research report offered some policy recommendations based on the survey results. First, careful program design can increase support for higher gas taxes or a new mileage tax. The survey results show that the very low support levels for a gas tax increase or a new mileage tax can be raised by modifying how the tax is structured and the way it is described.

"For example," said Dr. Nixon, "support increases when revenues are dedicated to specific purposes popular with the public, when the tax increase is spread out over several years, or when information is provided about how much the increase will cost drivers annually."

In addition, stressing the environmental, safety, and maintenance benefits will increase support for transportation taxes, including those for transit. Devoting revenues to maintenance and safety can increase support levels substantially across the entire population. Also, linking a transportation tax to environmental benefits can strongly increase support among most population subgroups. Linking transit with environmental benefits may be a particularly successful way to increase support for transit revenues.

For a free PDF of the MTI research report, go to http://transweb.sjsu.edu/project/1228.html

ABOUT THE PROJECT INVESTIGATORS

Asha Agrawal, PhD, is director of the MTI National Transportation Finance Center and also an associate professor and chair of urban and regional planning at San José State University. Her research and teaching interests in transportation policy and planning include transportation finance, pedestrian and bicycle planning, and planning and transportation history. She has a BA from Harvard University in folklore and mythology, an MSc from the London School of Economics and Political Science in urban and regional planning, and a PhD from the University of California, Berkeley in city and regional planning. For a complete listing of her publications, see http://www.sjsu.edu/faculty/weinstein.agrawal/.

Hilary Nixon, PhD, is an associate professor of urban and regional planning at San José State University. Her research and teaching interests in environmental planning and policy focus on the relationship between environmental attitudes and behavior, particularly with respect to waste management and linkages between transportation and the environment. She has a BA from the University of Rochester in environmental management and a PhD in planning, policy, and design from the University of California, Irvine.

ABOUT THE MINETA TRANSPORTATION INSTITUTE (MTI):

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