

***ALABAMA TRANSPORTATION
BY THE NUMBERS:***

Meeting the State's Need for Safe, Smooth and
Efficient Mobility

FEBRUARY 2017



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

Ten Key Transportation Numbers in Alabama

\$4.2 billion	Driving on deficient roads costs Alabama motorists a total of \$4.2 billion annually in the form of additional vehicle operating costs (VOC), congestion-related delays and traffic crashes.
Birmingham: \$1,663 Huntsville: \$1,325 Mobile: \$1,437 Montgomery: \$1,296	TRIP has calculated the cost to the average motorist in Alabama's largest urban areas in the form of additional VOC, congestion-related delays and traffic crashes. Driving on deficient roads costs the average Birmingham area driver \$1,663 annually, while the average driver in the Huntsville area loses \$1,325 each year. The average driver in the Mobile area loses \$1,437 annually and the average Montgomery area driver loses \$1,296.
4,280 856	A total of 4,280 people were killed in Alabama traffic crashes from 2011 to 2015, an average of 856 fatalities annually.
1.26	Alabama's roads and highways have a fatality rate of 1.26 fatalities per 100 million vehicle miles of travel, significantly higher than the national average of 1.13.
2X	The fatality rate on Alabama's rural roads is more than double the fatality rate on all other roads in the state (1.96 fatalities per 100 million VMT vs. 0.92).
19%	Statewide, 19 percent of Alabama's major urban roads are in poor condition. Forty-one percent are in mediocre or fair condition and the remaining 40 percent are in good condition.
\$436 Billion	Annually, \$436 billion in goods are shipped to and from sites in Alabama, mostly by truck.
8%	Eight percent of the state's bridges are structurally deficient, meaning they have significant deterioration to the major components of the bridge.
Birmingham: 34 hours Huntsville: 23 hours Mobile: 30 hours Montgomery: 24 hours	Congestion is robbing Alabama drivers of time and money. The average driver in the Birmingham area loses 34 hours annually to congestion, while drivers in the Huntsville area lose 23 hours each year. Mobile area drivers spend an average of 30 hours each year stuck in traffic, while Montgomery area drivers lose 24 hours annually.
\$1.00 = \$5.20	The Federal Highway Administration estimates that each dollar spent on road, highway and bridge improvements results in an average benefit of \$5.20 in the form of reduced vehicle maintenance costs, reduced delays, reduced fuel consumption, improved safety, reduced road and bridge maintenance costs, and reduced emissions as a result of improved traffic flow.

Executive Summary

Nine years after the nation suffered a significant economic downturn, Alabama's economy continues to rebound. The rate of economic growth in Alabama, which will be greatly impacted by the reliability and condition of the state's transportation system, continues to have a significant impact on quality of life in the Yellowhammer State.

An efficient, safe and well-maintained transportation system provides economic and social benefits by affording individuals access to employment, housing, healthcare, education, goods and services, recreation, entertainment, family, and social activities. It also provides businesses with access to suppliers, markets and employees, all critical to a business' level of productivity and ability to expand. Reduced accessibility and mobility - as a result of traffic congestion, a lack of adequate capacity, or deteriorated roads, highways, bridges and transit facilities - diminishes a region's quality of life by reducing economic productivity and limiting opportunities for economic, health or social transactions and activities.

With an economy based largely on agriculture, manufacturing, aerospace, forestation and natural resource extraction, the quality of Alabama's transportation system plays a vital role in the state's economic growth and quality of life.

In this report, TRIP looks at the top transportation numbers in Alabama as the state addresses its need to modernize and maintain its system of roads, highways, bridges and transit.

In December 2015 the president signed into law a long-term federal surface transportation program that includes modest funding increases and allows state and local governments to plan and finance projects with greater certainty through 2020. The [Fixing America's Surface Transportation Act \(FAST Act\)](#) provides approximately \$305 billion for surface transportation with highway and transit funding slated to increase by approximately 15 and 18 percent, respectively, over the five-year duration of the program. While the modest funding increase and certainty provided by the FAST Act are a step in the right direction, the funding falls far short of the level needed to improve conditions and meet the nation's mobility needs and fails to deliver a sustainable, long-term source of revenue for the federal Highway Trust Fund.

COST TO ALABAMA MOTORISTS OF DEFICIENT ROADS

An inadequate transportation system costs Alabama motorists a total of \$4.2 billion every year in the form of additional vehicle operating costs (VOC), congestion-related delays and traffic crashes.

- Driving on rough roads costs Alabama motorists a total of \$1.5 billion annually in extra vehicle operating costs. Costs include accelerated vehicle depreciation, additional repair costs, and increased fuel consumption and tire wear.
- Traffic crashes in which roadway design was likely a contributing factor cost Alabama residents a total of \$1.5 billion each year in the form of lost household and workplace productivity, insurance and other financial costs.
- Traffic congestion costs Alabama residents a total of \$1.2 billion each year in the form of lost time and wasted fuel.
- The chart below details the average cost per driver in the state's largest urban areas as well as statewide.

	VOC	Safety	Congestion	Total
Birmingham	\$487	\$285	\$891	\$1,663
Huntsville	\$619	\$196	\$510	\$1,325
Mobile	\$379	\$388	\$670	\$1,437
Montgomery	\$391	\$352	\$553	\$1,296
STATEWIDE TOTAL	\$1.5 Billion	\$1.5 Billion	\$1.2 Billion	\$4.2 Billion

POPULATION AND ECONOMIC GROWTH IN ALABAMA

The rate of population and economic growth in Alabama have resulted in increased demands on the state's major roads and highways, leading to increased wear and tear on the transportation system.

- Alabama's population reached approximately 4.9 million residents in 2015, a nine percent increase since 2000.
- Alabama had 3.9 million licensed drivers in 2014.
- Vehicle miles traveled (VMT) in Alabama increased 21 percent from 56.5 billion VMT in 2000 to 68.5 billion VMT in 2015. VMT in Alabama during the first six months of 2016 was 3.3 percent higher than during the first six months of 2015.
- From 2000 to 2015, Alabama's gross domestic product, a measure of the state's economic output, increased by 22 percent, when adjusted for inflation.

ALABAMA ROAD CONDITIONS

A lack of adequate state and local funding has resulted in 19 percent of major urban roads and highways in Alabama having pavement surfaces in poor condition, providing a rough ride and costing motorists in the form of additional vehicle operating costs.

- 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 Alabama Department of Transportation Cabinet (ALDOT) 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 that the data collected is adequate to provide an accurate assessment of pavement conditions on these roads and highways.
- Nineteen percent of Alabama’s major urban locally and state-maintained roads are in poor condition, while 41 percent are in mediocre or fair condition. The remaining 40 percent are in good condition.
- The chart below details the share of major roads in poor, mediocre, fair and good condition in the state’s largest urban areas.

	Poor	Mediocre	Fair	Good
Birmingham	15%	33%	25%	27%
Huntsville	29%	27%	13%	32%
Mobile	15%	17%	16%	52%
Montgomery	15%	18%	18%	49%

- Roads rated in mediocre to poor condition may show signs of deterioration, including rutting, cracks and potholes. In some cases, these roads can be resurfaced, but often are too deteriorated and must be reconstructed.
- Driving on rough roads costs Alabama motorists a total of \$1.5 billion annually in extra vehicle operating costs. Costs include accelerated vehicle depreciation, additional repair costs, and increased fuel consumption and tire wear.

ALABAMA BRIDGE CONDITIONS

Approximately one in twelve of locally and state-maintained bridges in Alabama show significant deterioration or do not meet current design standards often because of narrow lanes, inadequate clearances or poor alignment. This includes all bridges that are 20 feet or more in length.

- Eight percent of Alabama’s bridges are structurally deficient. A bridge is structurally deficient if there is significant deterioration of the bridge deck, supports or other major components. Structurally deficient bridges are often posted for lower weight or closed to traffic, restricting or redirecting large vehicles, including commercial trucks and emergency services vehicles.
- The chart below details bridge conditions statewide and in Alabama’s largest urban areas.

	Structurally Deficient
Birmingham	4%
Huntsville	4%
Mobile	3%
Montgomery	2%
STATEWIDE TOTAL	8%

HIGHWAY SAFETY AND FATALITY RATES IN ALABAMA

Improving safety features on Alabama’s roads and highways would likely result in a decrease in the state’s traffic fatalities and serious crashes. It is estimated that roadway features are likely a contributing factor in approximately one-third of all fatal and serious traffic crashes.

- A total of 4,280 people were killed in Alabama traffic crashes from 2011 to 2015, an average of 856 fatalities per year.
- Alabama’s overall traffic fatality rate of 1.26 fatalities per 100 million vehicle miles of travel in 2014 was significantly higher than the national average of 1.13.
- The fatality rate on Alabama’s non-interstate rural roads in 2015 was more than double that on all other roads in the state (1.96 fatalities per 100 million vehicle miles of travel vs. 0.92).
- In the Birmingham urban area, an average of 83 people were killed in traffic crashes over the last three years, while an average of 30 people were killed in traffic crashes in the Huntsville urban area during that time. An average of 71 people were killed in crashes in the Mobile area over the last three years, while in Montgomery, there was an average of 31 annual traffic fatalities over the last three years.

- Traffic crashes in Alabama imposed a total of \$4.6 billion in economic costs in 2014. TRIP estimates that traffic crashes in which roadway features were likely a contributing factor imposed \$1.5 billion in economic costs in 2014.
- 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.
- 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. The cost of serious crashes includes lost productivity, lost earnings, medical costs and emergency services.
- Several factors are associated with vehicle crashes that result in fatalities, including driver behavior, vehicle characteristics and roadway features. TRIP estimates that roadway features are likely a contributing factor in approximately one-third of fatal traffic crashes.
- Where appropriate, highway improvements can reduce traffic fatalities and crashes while improving traffic flow to help relieve congestion. Such improvements include removing or shielding obstacles; adding or improving medians; improved lighting; adding rumble strips, wider lanes, wider and paved shoulders; upgrading roads from two lanes to four lanes; and better road markings and traffic signals.
- Investments in rural traffic safety have been found to result in significant reductions in serious traffic crashes. A 2012 report by the [Texas Transportation Institute \(TTI\)](#) found that improvements completed recently by the Texas Department of Transportation that widened lanes, improved shoulders and made other safety improvements on 1,159 miles of rural state roadways resulted in 133 fewer fatalities on these roads in the first three years after the improvements were completed (as compared to the three years prior). TTI estimates that the improvements on these roads are likely to save 880 lives over 20 years.

ALABAMA TRAFFIC CONGESTION

Increasing levels of traffic congestion cause significant delays in Alabama, 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.

- Based on [Texas Transportation Institute \(TTI\)](#) estimates, the value of lost time and wasted fuel in Alabama is approximately \$1.2 billion per year.
- The chart below details what congestion costs the average driver in the state's largest urban areas in the form of lost time and wasted fuel and the number of hours lost annually to congestion.

	Congestion Cost	Hours Lost
Birmingham	\$891	34 Hours
Huntsville	\$510	23 Hours
Mobile	\$670	30 Hours
Montgomery	\$553	24 Hours

- Increasing levels of congestion add significant costs to consumers, transportation companies, manufacturers, distributors and wholesalers and can reduce the attractiveness of a location to a company when considering expansion or where to locate a new facility. Congestion costs can also increase overall operating costs for trucking and shipping companies, leading to revenue losses, lower pay for drivers and employees, and higher consumer costs.

TRANSPORTATION FUNDING IN ALABAMA

Investment in Alabama’s roads, highways and bridges is funded by local, state and federal governments. The current five-year federal surface transportation program includes modest funding increases and provides states with greater funding certainty, but falls far short of providing the level of funding needed to meet the nation’s highway and transit needs. The bill does not include a long-term and sustainable revenue source.

- Signed into law in December 2015, the [Fixing America’s Surface Transportation Act \(FAST Act\)](#), provides modest increases in federal highway and transit spending, allows states greater long-term 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 approximately a 15 percent boost in national highway funding and an 18 percent boost in national transit funding over the duration of the program, which expires in 2020.
- 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.
- According to the [2015 AASHTO Transportation Bottom Line Report](#), a significant boost in investment in the nation’s roads, highways, bridges and public transit systems is needed to improve their condition and to meet the nation’s transportation needs.
- AASHTO’s report found that based on an annual one percent increase in VMT annual investment in the nation’s roads, highways and bridges needs to increase 36 percent, from

\$88 billion to \$120 billion, to improve conditions and meet the nation's mobility needs, based on an annual one percent rate of vehicle travel growth. Investment in the nation's public transit system needs to increase from \$17 billion to \$43 billion.

- The Bottom Line Report found that if the national rate of vehicle travel increased by 1.4 percent per year, the needed annual investment in the nation's roads, highways and bridges would need to increase by 64 percent to \$144 billion. If vehicle travel grows by 1.6 percent annually the needed annual investment in the nation's roads, highways and bridges would need to increase by 77 percent to \$156 billion.

TRANSPORTATION AND ECONOMIC GROWTH IN ALABAMA

The efficiency of Alabama's transportation system, particularly its highways, is critical to the health of the state's economy. Businesses rely on an efficient and dependable transportation system to move products and services. A key component in business efficiency and success is the level and ease of access to customers, markets, materials and workers.

- Annually, \$436 billion in goods are shipped to and from sites in Alabama, mostly by truck.
- Eighty-one percent of the goods shipped annually to and from sites in Alabama are carried by trucks and another 12 percent are carried by courier services or multiple mode deliveries, which include trucking.
- 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 number two site selection factor behind only the availability of skilled labor in a 2015 survey of corporate executives by [Area Development Magazine](#).
- The [Federal Highway Administration](#) estimates that each dollar spent on road, highway and bridge improvements results in an average benefit of \$5.20 in the form of reduced vehicle maintenance costs, reduced delays, reduced fuel consumption, improved safety, reduced road and bridge maintenance costs and reduced emissions as a result of improved traffic flow.

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) and the National Highway Traffic Safety Administration (NHTSA).

Introduction

Alabama'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 Alabama's transportation system is critical to quality of life and economic competitiveness in the Yellowhammer State.

Supporting quality of life and a robust economy in Alabama requires that the state provide a safe, efficient and well-maintained transportation system. Inadequate transportation investment, which will result in deteriorated transportation facilities and diminished access, will negatively affect economic competitiveness and quality of life in Alabama.

To accommodate population and economic growth, maintain its level of economic competitiveness and achieve further economic growth, Alabama 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 Alabama'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 Alabama's roads, highways and bridges, funding needs, and the future mobility needs of the state. 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), and the National Highway Traffic Safety Administration (NHTSA).

Population, Travel and Economic Trends in Alabama

Alabama residents and businesses require a high level of personal and commercial mobility. Population increases and economic growth in the state have resulted in an increase in the demand for mobility as well as an increase in vehicle miles of travel (VMT). To foster quality of life and spur continued economic growth in Alabama, it will be critical that the state provide a safe and modern transportation system that can accommodate future growth in population, tourism, business, recreation and vehicle travel.

Alabama's population grew to approximately 4.9 million residents in 2015, a nine percent increase since 2000.¹ Alabama had 3.9 million licensed drivers in 2014.²

From 2000 to 2015, annual VMT in Alabama increased 21 percent from 56.5 billion miles traveled annually to 68.5 billion miles traveled annually.³ VMT in Alabama during the first six months of 2016 was 3.3 percent higher than during the first six months of 2015.⁴

From 2000 to 2015, Alabama's gross domestic product (GDP), a measure of the state's economic output, increased by 22 percent, when adjusted for inflation.⁵ U.S. GDP increased 27 percent during this period.⁶

Condition of Alabama's Roads

The life cycle of Alabama'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 Alabama Department of Transportation (ALDOT) 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 that the data collected is adequate to provide an accurate assessment of pavement conditions on these roads and highways.

Nineteen percent of Alabama’s major urban locally and state-maintained roads are in in poor condition, while 41 percent are in mediocre or fair condition.⁷ The remaining 40 percent are in good condition.⁸

The chart below details the share of major roads in poor, mediocre, fair and good condition in Alabama’s largest urban areas.

Chart 1. Pavement conditions on major roads in Alabama’s largest urban areas.

	Poor	Mediocre	Fair	Good
Birmingham	15%	33%	25%	27%
Huntsville	29%	27%	13%	32%
Mobile	15%	17%	16%	52%
Montgomery	15%	18%	18%	49%

Source. TRIP analysis of Federal Highway Administration data.

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 even 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.⁹ 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.

The Costs 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 Alabama motorists as a result of deteriorated road conditions is \$1.5 billion annually, or \$382 per driver.¹⁰ The costs are typically higher in the state’s largest urban areas. The chart below details the annual VOC per driver in the state’s largest urban areas.

Chart 2. Average annual vehicle operating cost per driver.

	VOC
Birmingham	\$487
Huntsville	\$619
Mobile	\$379
Montgomery	\$391
STATEWIDE TOTAL	\$1.5 Billion

Source: TRIP.

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.¹¹

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 2015 VOC and then using the HDM model to estimate the additional VOC paid by drivers as a result of substandard roads.¹² Additional research on the impact of road conditions on fuel consumption by the Texas Transportation Institute (TTI) is also factored in to TRIP's vehicle operating cost methodology.

Bridge Conditions in Alabama

Alabama'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.

Eight percent of Alabama's locally and state maintained bridges are rated as structurally deficient.¹³ A bridge is 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.

The chart below details the share of bridges statewide and in Alabama’s largest urban areas that are rated structurally deficient.

Chart 3. Alabama bridge conditions.

	Structurally Deficient
Birmingham	4%
Huntsville	4%
Mobile	3%
Montgomery	2%
STATEWIDE TOTAL	8%

Source: National Bridge Inventory, Federal Highway Administration. 2015.

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 Alabama

A total of 4,280 people were killed in Alabama traffic crashes from 2011 to 2015, an average of 856 fatalities per year.¹⁴

Chart 4. Traffic Fatalities in Alabama from 2011 – 2015.

<i>Year</i>	<i>Fatalities</i>
2011	894
2012	865
2013	852
2014	820
2015	849
Total	4,280

Source: National Highway Traffic Safety Administration.

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.

Alabama's overall traffic fatality rate of 1.26 fatalities per 100 million vehicle miles of travel in 2015 is higher than the national average of 1.13.¹⁵ The traffic fatality rate on the state's rural roads is disproportionately high. The fatality rate on Alabama's non-interstate rural roads is more than double that on all other roads in the state (1.96 fatalities per 100 million vehicle miles of travel vs. 0.92).¹⁶

In the Birmingham urban area, an average of 83 people were killed in traffic crashes over the last three years, while an average of 30 people were killed in traffic crashes in the Huntsville urban area during that time.¹⁷ An average of 71 people were killed in crashes in the Mobile area in traffic crashes over the last three years, while in Montgomery, there was an average of 31 annual traffic fatalities over the last three years.¹⁸

Traffic crashes in Alabama imposed a total of \$4.6 billion in economic costs in 2014.¹⁹ TRIP estimates that traffic crashes in which roadway features were likely a contributing factor imposed \$1.5 billion in economic costs in 2014.²⁰

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.²¹

Improving safety on Alabama'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 adding turn lanes, removing or shielding obstacles, adding or improving medians, widening lanes, widening and paving shoulders, improving intersection layout, and providing better road markings and upgrading or installing traffic signals. Roads with poor geometry, with insufficient clear distances, without turn lanes, having inadequate shoulders for the posted speed limits, or poorly laid out intersections or interchanges, pose greater risks to motorists, pedestrians and bicyclists.

Investments in rural traffic safety have been found to result in significant reductions in serious traffic crashes. A [2012 report by TTI](#) found that improvements completed recently by TxDOT that widened lanes, improved shoulders and made other safety improvements on 1,159 miles of rural state roadways resulted in 133 fewer fatalities on these roads in the first three years after the improvements were completed (as compared to the three years prior).²² TTI estimates that the improvements on these roads are likely to save 880 lives over 20 years.²³

Traffic Congestion in Alabama

Increasing levels of traffic congestion cause significant delays in Alabama, 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.

Based on TTI methodology, TRIP estimates the value of lost time and wasted fuel in Alabama is approximately \$1.2 billion per year. The chart below details the annual congestion cost – in the form of lost time and wasted fuel – and hours lost to congestion for the average driver in Alabama’s largest urban areas.

Chart 5. Annual cost in lost time and wasted fuel and annual hours lost due to congestion.

	Congestion Cost	Hours Lost
Birmingham	\$891	34 Hours
Huntsville	\$510	23 Hours
Mobile	\$670	30 Hours
Montgomery	\$553	24 Hours

Source. Texas Transportation Institute Urban Mobility Report.

Increasing levels of congestion add significant costs to consumers, transportation companies, manufacturers, distributors and wholesalers. Increased levels of congestion can reduce the attractiveness of a location to a company when considering expansion or where to locate a new facility. Congestion costs can also increase overall operating costs for trucking and shipping companies, leading to revenue losses, lower pay for employees, and higher consumer costs.

Transportation Funding

Investment in Alabama'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 Alabama'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 Alabama 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.²⁴

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 approximately a 15 percent boost in highway funding and an 18 percent boost in transit funding over the duration of the program, which expires in 2020.²⁵ 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.

According to the [2015 AASHTO Transportation Bottom Line Report](#), a significant boost in investment in the nation's roads, highways, bridges and public transit systems is needed to improve their condition and to meet the nation's transportation needs. The AASHTO report found that based on an annual 1 percent increase in VMT that annual investment in the nation's roads, highways and bridges needs to increase by 36 percent, from \$88 billion to \$120 billion to improve conditions and meet the nation's mobility needs.²⁶ Investment in the nation's public transit system needs to increase from \$17 billion to \$43 billion.²⁷

The [2015 AASHTO Transportation Bottom Line Report](#) found that if the rate of vehicle travel increased by 1.4 percent per year, the needed annual investment in the nation's roads, highways and bridges would need to increase by 64 percent, to \$144 billion. If vehicle travel grows by 1.6 percent annually the needed annual investment in the nation's roads, highways and bridges would need to increase by 77 percent, to \$156 billion.²⁸

Importance of Transportation to 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 Alabama, particularly to the state's manufacturing, agriculture and tourism industries. 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, \$436 billion in goods are shipped to and from sites in Alabama, mostly by trucks.²⁹ Eighty-one percent of the goods shipped annually to and from sites in Alabama are carried by trucks and another 12 percent are carried by courier services or multiple-mode deliveries, which include trucking.³⁰

The cost of road and bridge improvements are more than offset by the reduction of user costs associated with driving on rough roads, the improvement in business productivity, the reduction in delays and the improvement in traffic safety. The [Federal Highway Administration estimates](#) that each dollar spent on road, highway and bridge improvements results in an average benefit of \$5.20 in the form of reduced vehicle maintenance costs, reduced delays, reduced fuel consumption, improved safety, reduced road and bridge maintenance costs and reduced emissions as a result of improved traffic flow.³¹

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. In fact, highway accessibility was ranked the number two site selection factor behind only the availability of skilled labor in a 2015 survey of corporate executives by [Area Development Magazine](#).³²

Conclusion

As Alabama works to build and enhance a thriving, growing and dynamic state, it will be critical that it is able to address the state's 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.

Alabama 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 could 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.

While the modest funding increase provided by the FAST Act will be helpful, numerous projects to improve the condition and expand the capacity of Alabama's roads, highways, bridges and transit systems will not be able to proceed without a substantial boost in state or local transportation funding. If Alabama 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.

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Endnotes

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- ⁴ Federal Highway Administration (2016). Traffic Volume Trends.
https://www.fhwa.dot.gov/policyinformation/travel_monitoring/tvt.cfm Further analysis provided by TRIP.
- ⁵ TRIP analysis of Bureau of Economic Analysis data.
- ⁶ Ibid.
- ⁷ Ibid.
- ⁸ Ibid.
- ⁹ Selecting a Preventative Maintenance Treatment for Flexible Pavements. R. Hicks, J. Moulthrop. Transportation Research Board. 1999. Figure 1.
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- ¹¹ Highway Development and Management: Volume Seven. Modeling Road User and Environmental Effects in HDM-4. Bennett, C. and Greenwood, I. 2000.
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- ¹³ Federal Highway Administration National Bridge Inventory, 2015.
- ¹⁴ Federal Highway Administration National Highway Traffic Safety Administration, 2000-2014.
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- ¹⁶ Ibid.
- ¹⁷ Ibid.
- ¹⁸ Ibid.
- ¹⁹ TRIP estimate based on NHTSA report “The Economic and Societal Impact Of Motor Vehicle Crashes, 2010 (Revised), 2015. P. 146.
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- ²⁸ Ibid.
- ²⁹ TRIP analysis of Bureau of Transportation Statistics, U.S. Department of Transportation. 2012 Commodity Flow Survey, State Summaries.
- ³⁰ Ibid.
- ³¹ FHWA estimate based on its analysis of 2006 data. For more information on FHWA’s cost-benefit analysis of highway investment, see the 2008 Status of the Nation’s Highways, Bridges, and Transit: Conditions and Performance.
- ³² Area Development Magazine (2016). 30th Annual Survey of Corporate Executives: Availability of Skilled Labor New Top Priority. <http://www.areadevelopment.com/Corporate-Consultants-Survey-Results/Q1-2016/corporate-executive-site-selection-facility-plans-441729.shtml>
