



# NORTH CAROLINA

Department of Transportation

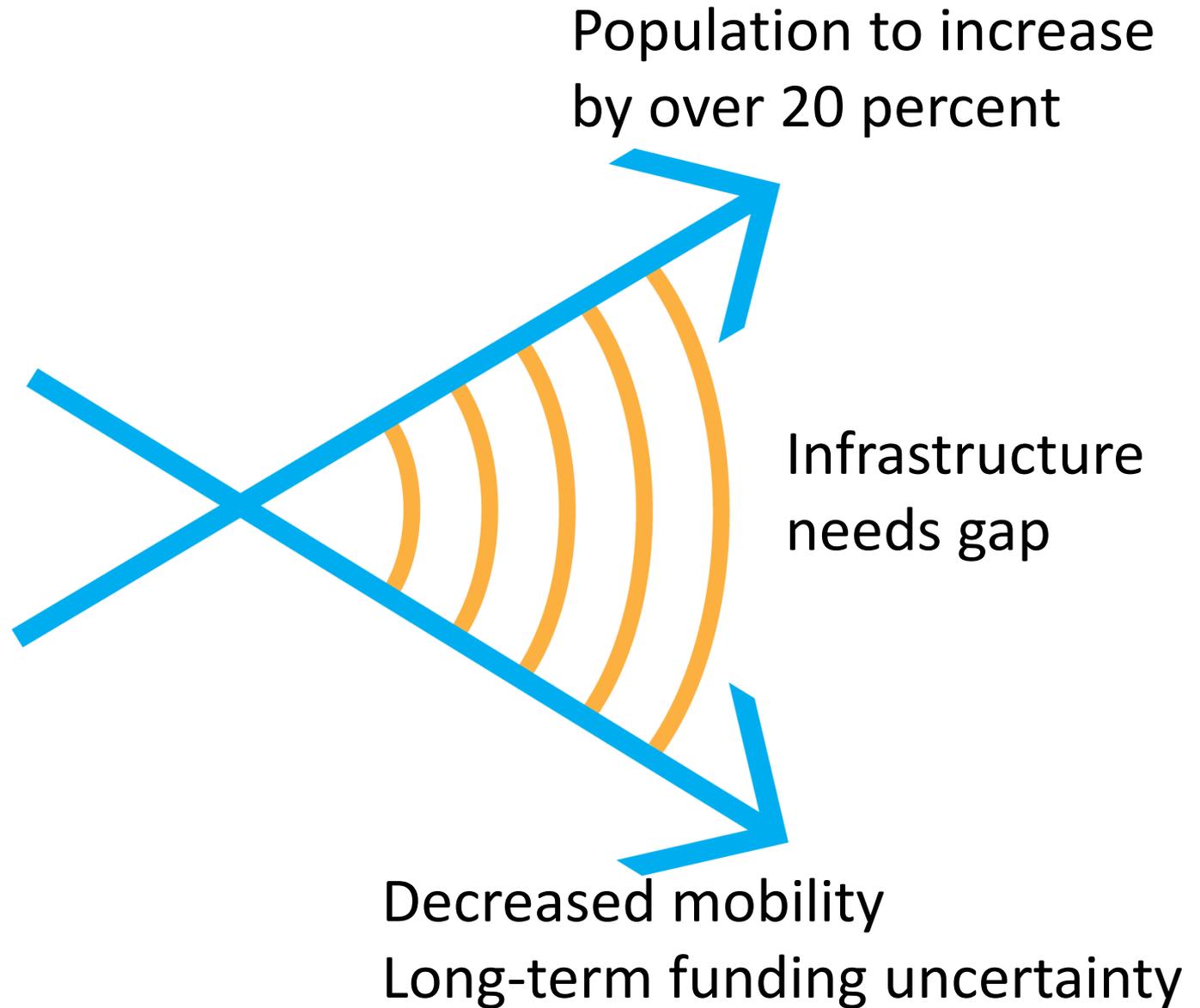


# Innovative Financing

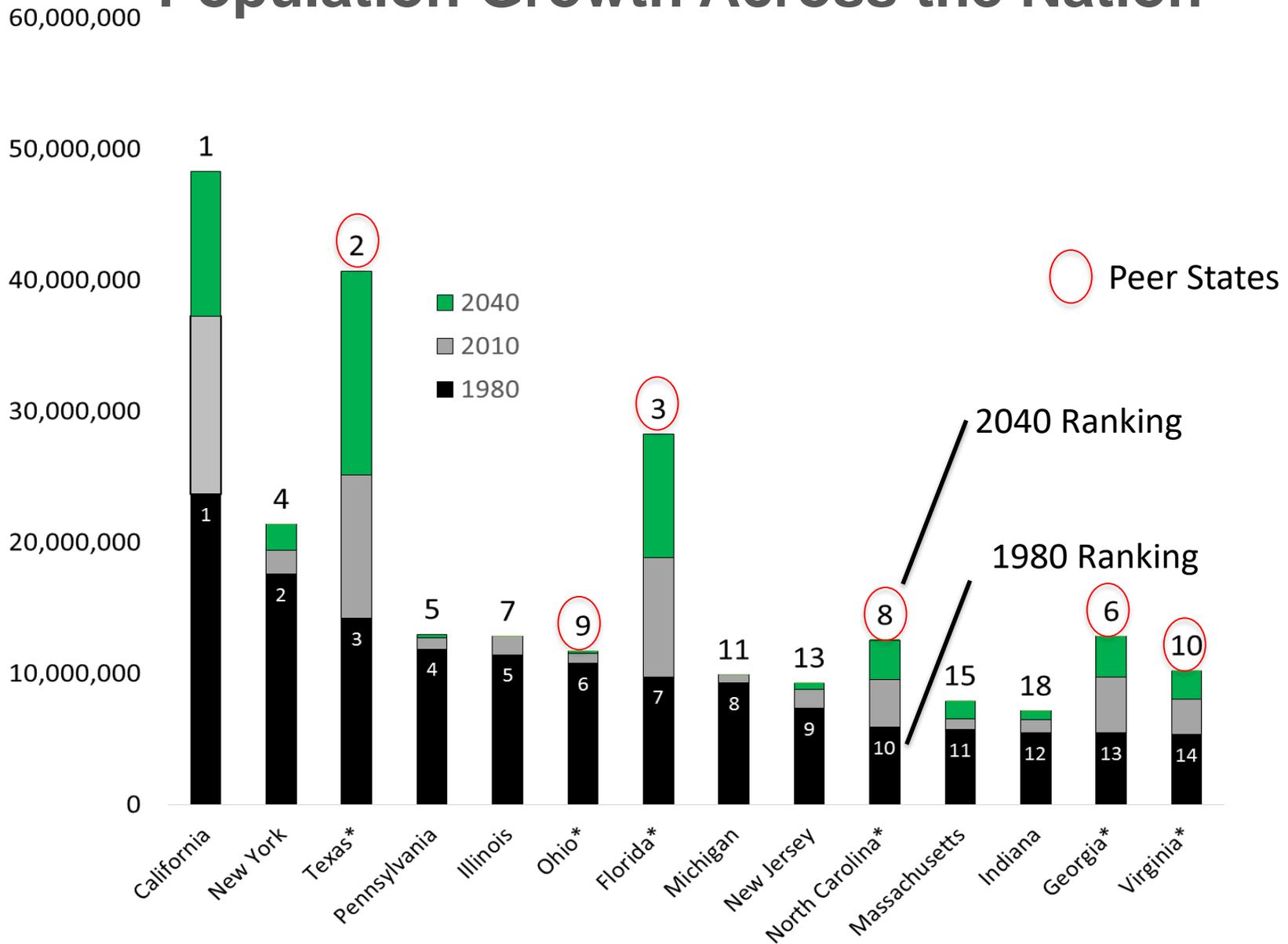
April 2017



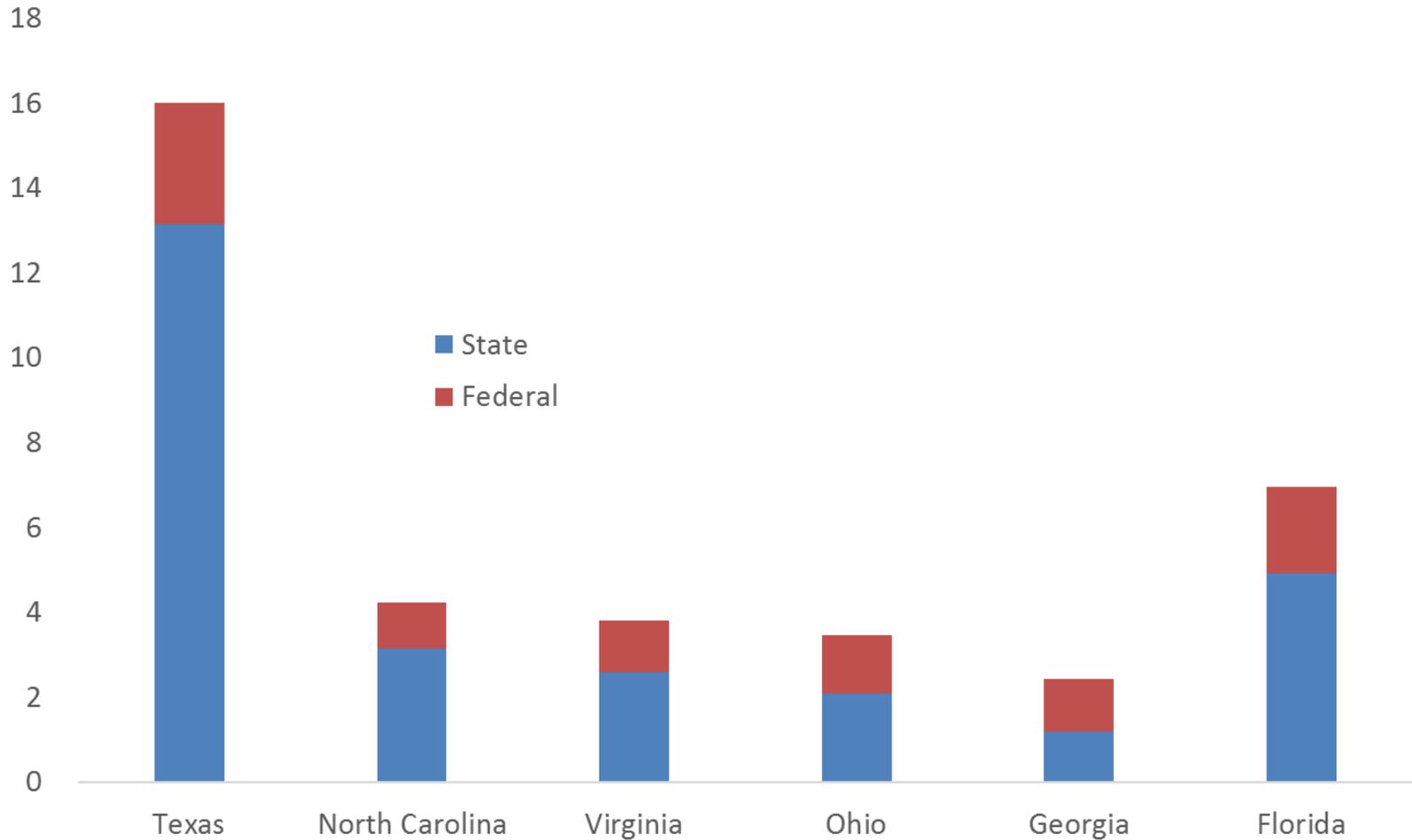
Problem



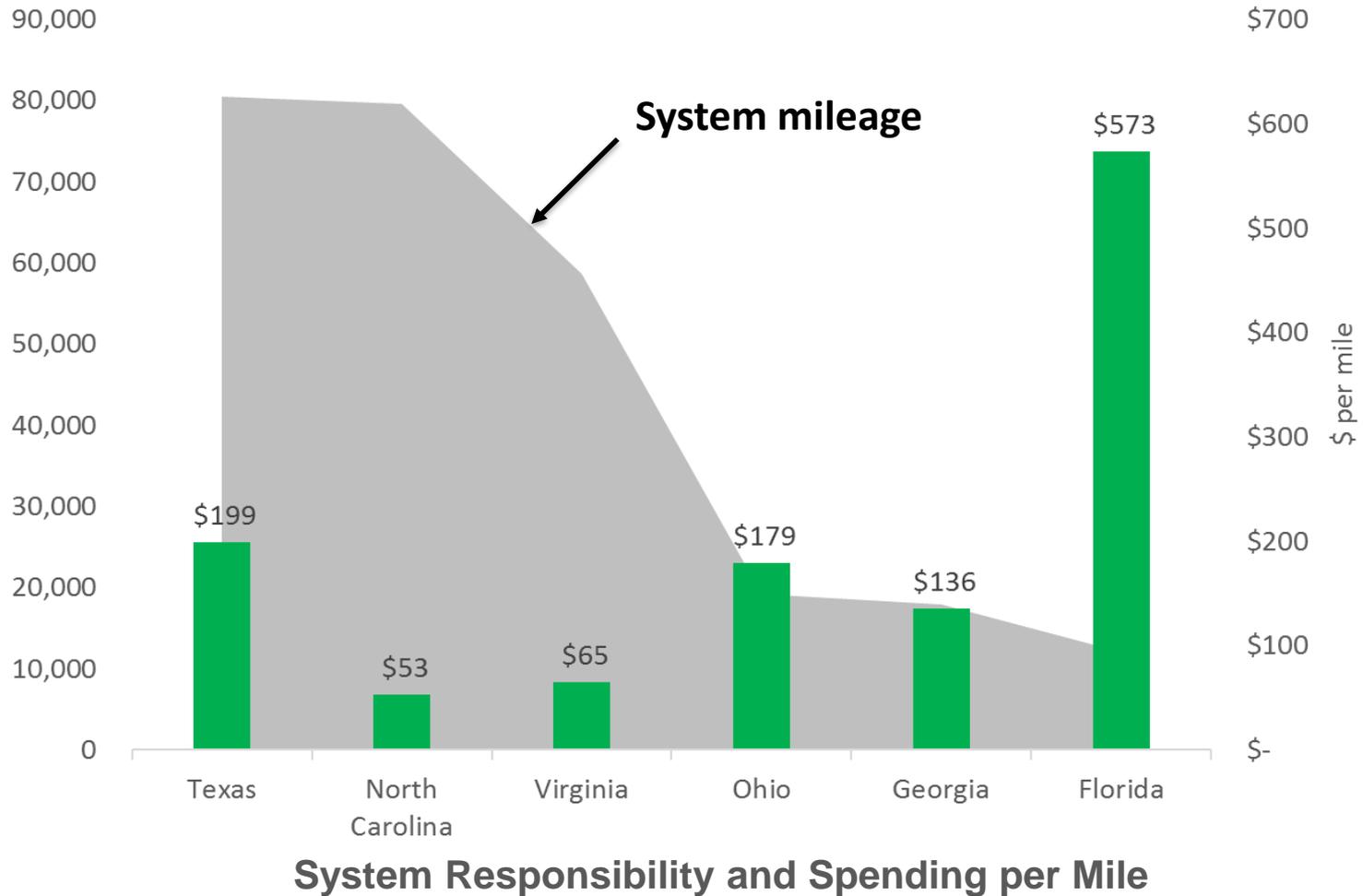
# Population Growth Across the Nation



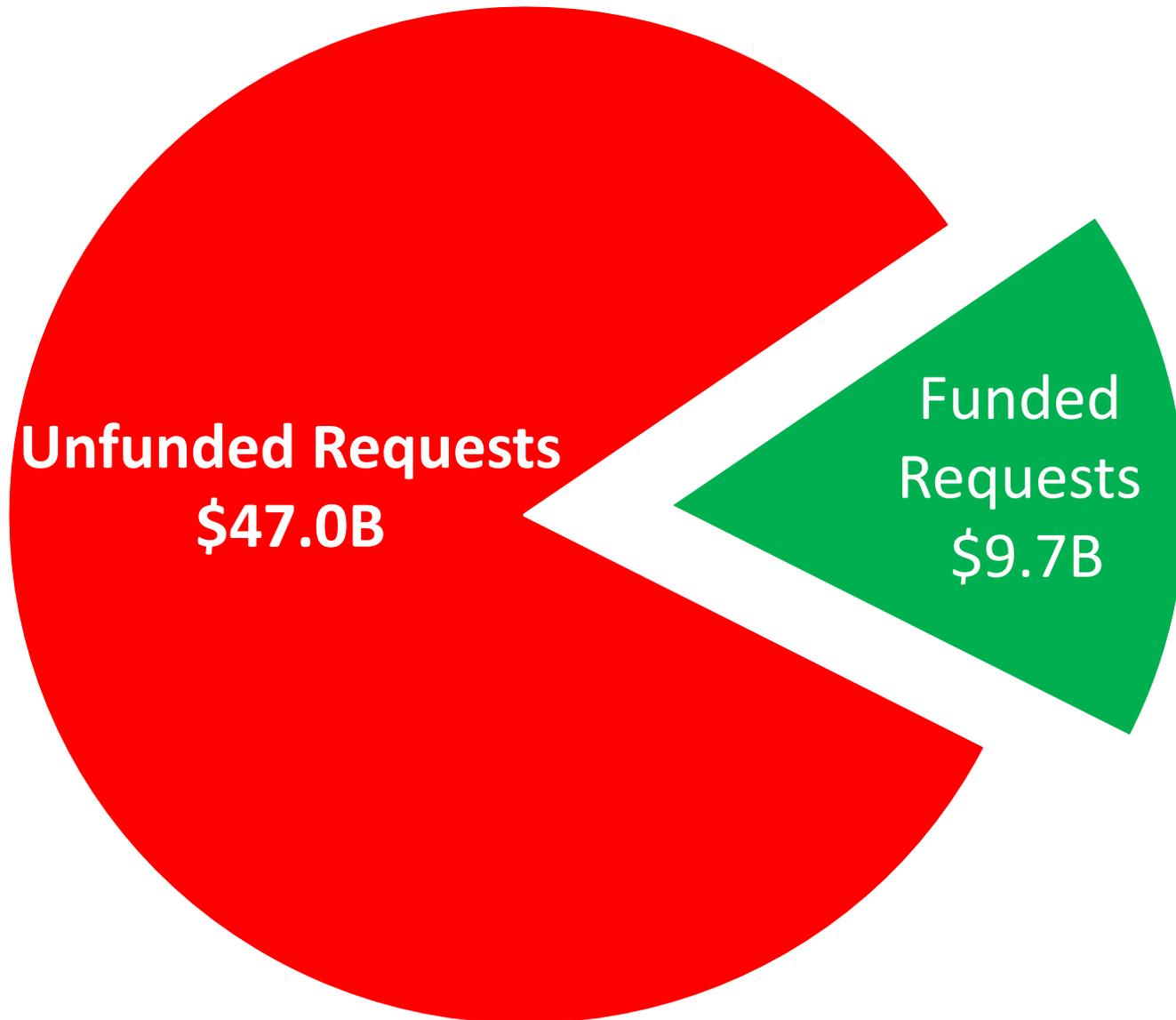
# At first glance Revenue (\$B) is competitive



# However, large system Dilutes Competitiveness with peer states

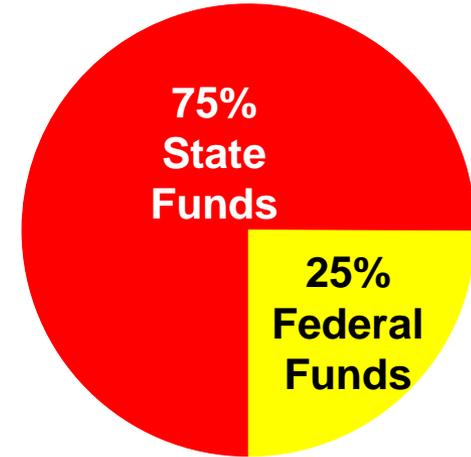
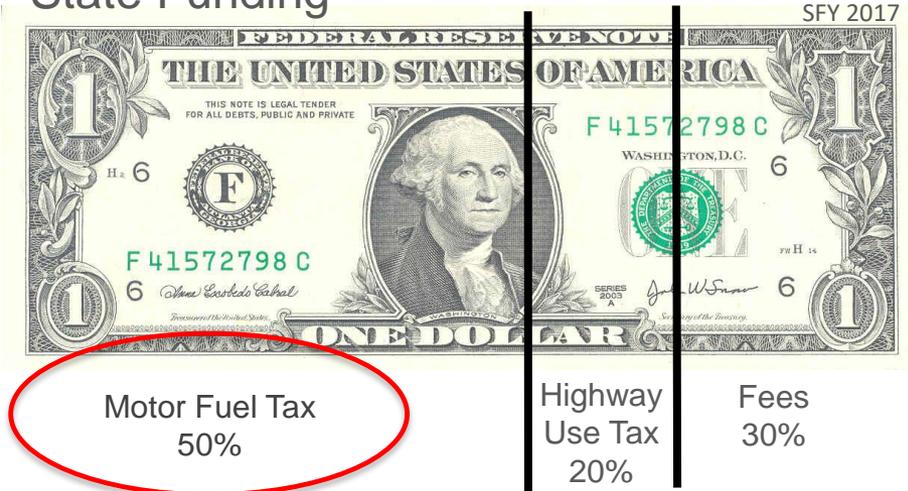


# 17% of project requests are funded



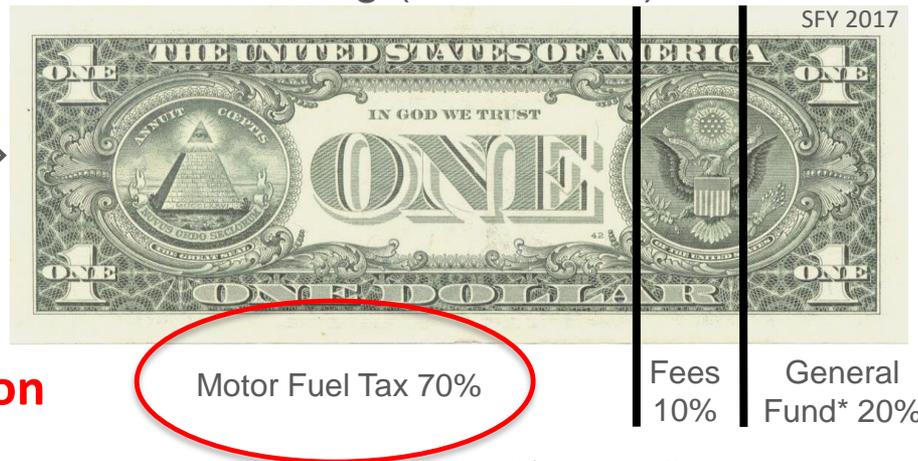
# We are overly dependent on Motor Fuels Revenue

## State Funding



## Federal Funding (since 2008)

•No Political Appetite for National Solutions  
•Up to States to Fix

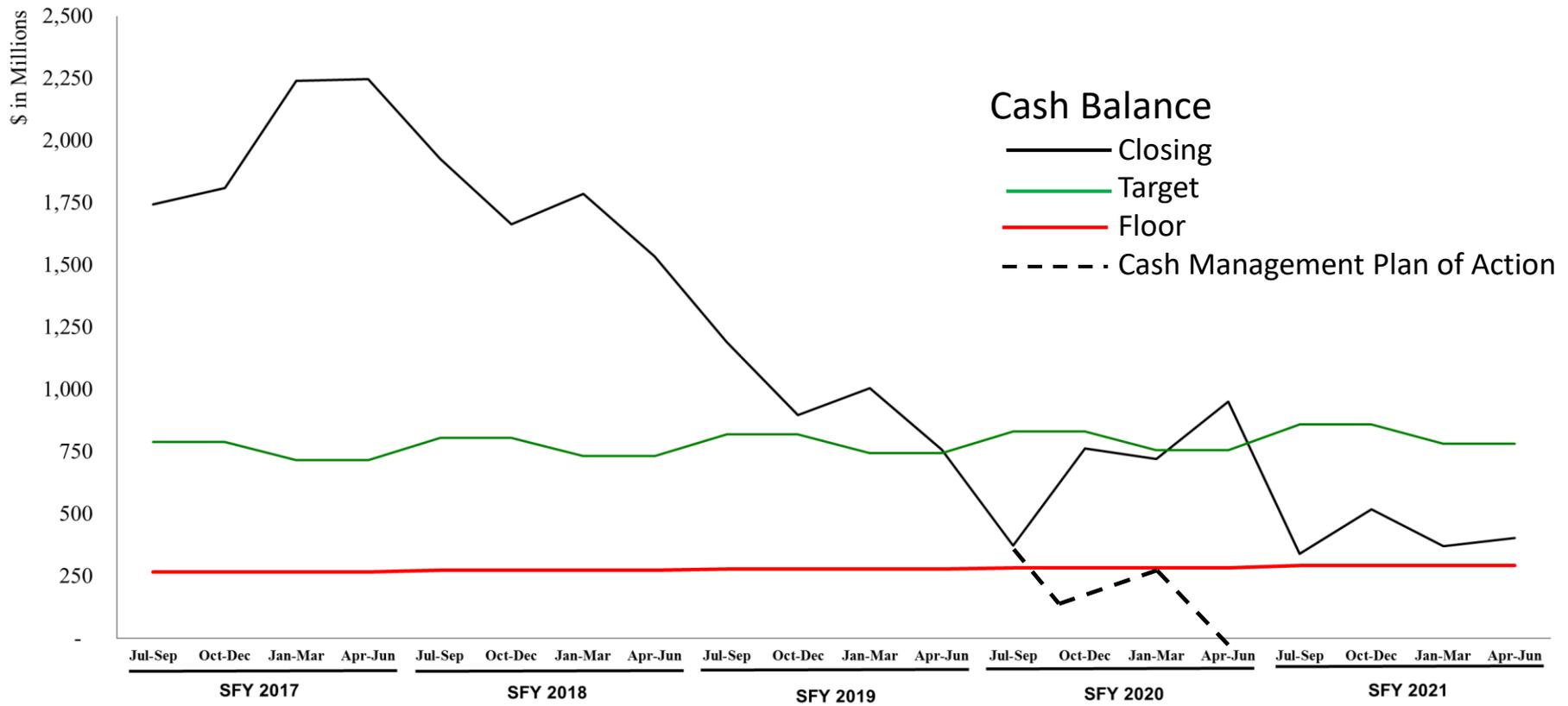


**Must reduce our dependence on motor fuel taxes and federal funding to Guarantee Certainty**

\*\$143.6 billion since 2008 (through 1/2016)

# Additional Tools – Why?

Need to leverage debt affordability to accelerate projects and find long term funding solutions simultaneously



# Additional Tool – How?

## Innovative Financing – State Bonds

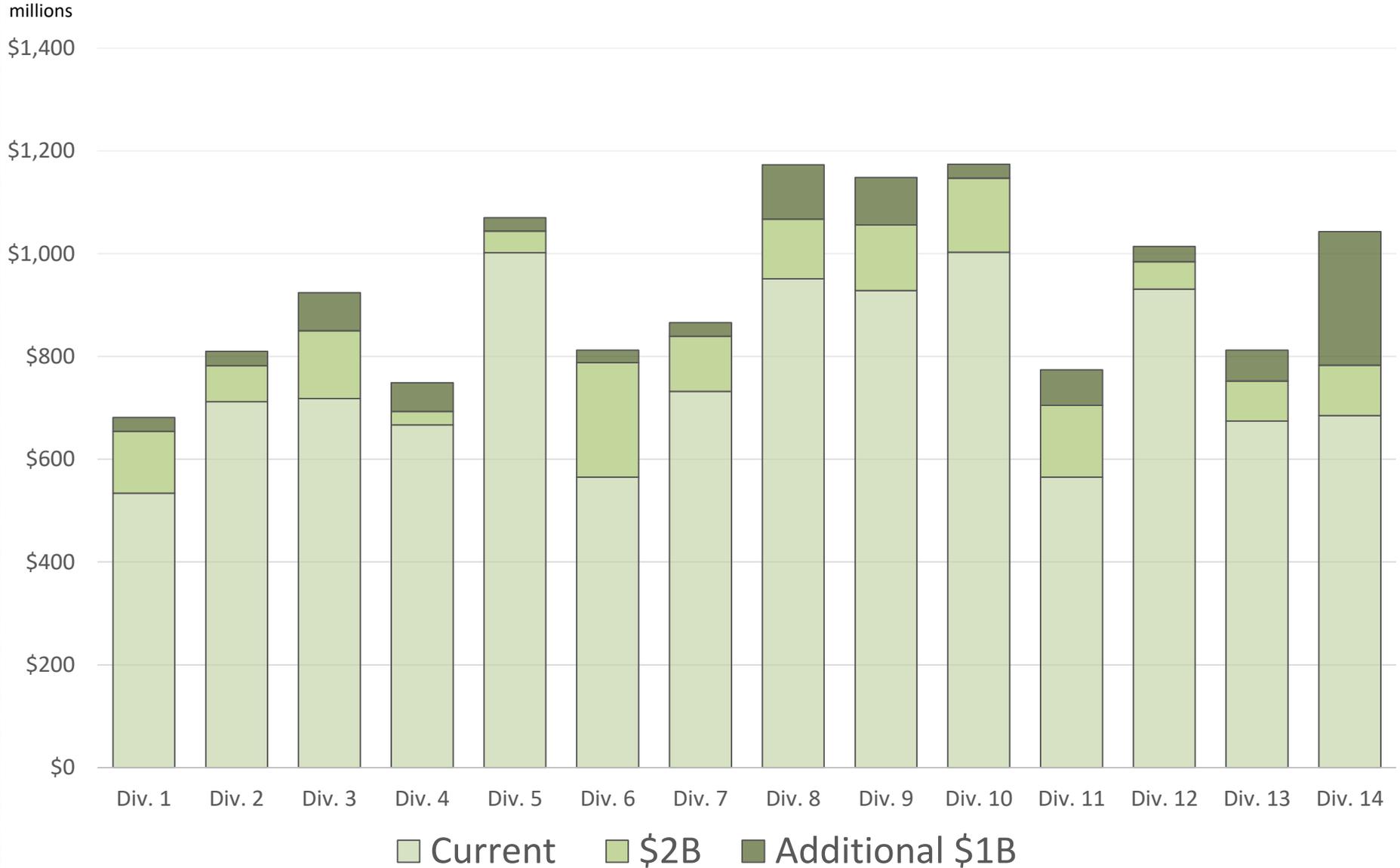
- Between \$2B and \$3B for additional projects
- Could add up to:
  - Regional and Division = 70 to 106 projects;  
18,830 to 38,778 jobs

# Economic Impact from Innovative Financing

Jobs	\$2 Billion	\$3 Billion
Projects*	70	106
Jobs	18,140	37,230

**\*In addition to 513 in the STIP for highways**

# Total dollars Invested over 10 years



# Summary

- NC is growing and changing
- NC transportation needs far exceed resources and not competitive with growing peer states
- Multiple funding tools are necessary to meet immediate needs as we seek long-term solutions
- This proposal allows NC to invest more in transportation using current debt capacity as identified by State Treasurer while we find long-term phased in replacements for Motor Fuels and Federal Revenues

**QUESTIONS?**