

# A Conversation for Moving Missouri Forward

## *The benefits of investing in transportation*

### **Economic Development**

- Every dollar invested in transportation returns \$3.56 to Missouri's economy.
- For every \$1 billion we invest in transportation we generate 3.6 billion dollars in economic activity.
- MoDOT's five-year construction program on average creates more than 9,000 new jobs each year and adds almost \$900 million to Missouri's economy. The program annually generates:
  - \$16.2 million in new general revenues;
  - \$332.5 million in new personal income; and
  - \$544.7 million in new value added to the economy.
- A recent MoDOT study showed that counties with more than 15 miles of four-lane highway scored from 9 percent to 183 percent higher on seven economic indicators: population, annual wage, household income, number of firms, gross sales tax, real estate valuations and per capita income.
- The breakdown for counties with more than 15 miles of four-lane highway as compared to counties with less than 15 miles of four-lane highway:
  - Population 124 percent higher
  - Annual wage 11 percent higher
  - Household income 14 percent higher
  - Number of firms 118 percent higher
  - Gross sales tax 183 percent higher
  - Real estate valuation 125 percent higher
  - Per capita income 9 percent higher
- Nearly 18 million people are employed in for-hire transportation and transportation-related industries in the United States—13.5% of total U.S. employment.
- The demand for freight transportation is projected to nearly double by 2035; Missouri must invest in its transportation infrastructure to be able to attract new commerce and major distribution centers.

### **Cost savings**

- Smooth roads save Missouri motorists an estimated \$100 million a year in fuel costs and \$275 in vehicle maintenance costs.
- Smooth roads also save the trucking industry more than \$14 million a year in fuel costs.

### **Generating revenue**

#### **Funding options**

	<b>Annual Yield</b>
• One-cent motor fuel tax increase	\$41.5 million
• One percent motor fuel sales tax	\$72.5 million
• One percent general sales tax increase	\$700 million
• One percent motor vehicle sales tax increase	\$69.7 million
• One percent motor vehicle use tax	\$11.2 million
• \$5 motor vehicle license fee increase	\$15.8 million
• \$2 driver's license fee increase	\$1.8 million