
Update on Transportation and Infrastructure in North Carolina

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Along with my colleagues, **Dana Hoffman** and **Brian Beverly**, I attended the North Carolina Chamber's Transportation and Infrastructure Summit recently held in Durham, NC and sponsored by Young Moore. The Summit brought together North Carolina business leaders to discuss the past, present, and future economic impact of the transportation and infrastructure industries in North Carolina.

Carolina Connector Intermodal Terminal (CCX)

The Summit focused on the transportation and infrastructure industries as economic engines for North Carolina. CSX Transportation and North Carolina State Ports Authority leaders discussed the planned Carolina Connector intermodal transfer facility in Rocky Mount, NC as a "game changer." The intermodal hub will be only the second of its kind in the United States and will generate expansion opportunities from the Port of Wilmington to the Queen City Express in Charlotte. Despite the State's negative publicity surrounding HB2, CSX leaders stated that they chose North Carolina as the site for the hub because of the State's favorable business and political climate.

Funding North Carolina's Transportation and Infrastructure Needs

An important theme that resonated throughout the Summit was funding for the State's transportation and infrastructure needs. Airport leaders discussed the difficult and expensive balance between maintaining existing facilities while trying to position the facility for expansion. While airports receive some redistribution of taxes through the national Airport Improvement Program (AIP), those monies are inadequate to sustain growth. For example, while there is approximately \$50 million in available AIP funds, the projected cost of AIP eligible projects throughout the United States total more than \$2.5 billion.

Similarly, NCDOT officials, including NC Department of Transportation Secretary James Trogon, discussed the urgent need for additional funding to maintain and improve the State's roads, highways, and bridges. While raising the federal fuel tax is a hot topic currently, DOT officials stated that the time to raise the fuel tax was ten years ago. Because the average fuel economy for vehicles is expected to reach 50 mpg by 2025, the fuel tax is becoming irrelevant. DOT officials noted that tolling is an attractive solution, but comes with its own set of headaches, not the least of which is lack of community support.

While citizens and government will look increasingly to the transportation and infrastructure industries to be economic catalysts for the State, innovative investment and funding solutions will be critical to positioning North Carolina as an

economic leader.

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About Young Moore and Henderson, P.A.

Young Moore and Henderson, P.A. is a civil law firm in Raleigh, North Carolina representing clients in a variety of litigation and transactional matters. Firm attorneys have extensive experience in the following areas: trucking & transportation, insurance law and regulation, litigation, workers' compensation, business law, real estate, administrative law, retail and hospitality, estates and trusts, and health care.

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