

## Tennessee Infrastructure In The News

August 11, 2008

### ***A daily roundup of news stories and opinion pieces about Tennessee transportation, water and flood control infrastructure***

*For the full story, click on the link below the excerpt.*

#### **Tenn. tax burden one of the nation's lowest (Nashville Business Journal)**

Tennessee has one of the lowest tax burdens in the nation, according to a recent study by The Tax Foundation. According to this year's annual report, Tennessee ranked 44th based on the percentage of total per capita state and federal taxes paid and per capita income. Based on The Tax Foundation's calculations, using data from several sources, the total taxes paid by each Tennessee resident in 2008 were \$3,160, or 8.3 percent of income, with a per capita income of \$38,090. The state ranking improved from 43rd in 2007 when residents forked over 8.4 percent of their income for taxes. In 2007, total taxes paid were \$3,135 and total income was \$37,142. New Jersey taxpayers paid the highest percentage of income in taxes in 2008 at 11.8 percent of income. Total taxes paid there were \$6,610, with per capita income of \$56,116. New Yorkers were close behind, paying 11.7 percent, and Connecticut was third at 11.1 percent. Alaskans paid the least taxes in 2008 at 6.4 percent, with Nevada close behind at 6.6 percent.

<http://nashville.bizjournals.com/nashville/stories/2008/08/04/daily50.html?surround=fn>

#### **Water system becomes issue in Scotts Hill mayoral race (Jackson Sun)**

Scotts Hill Mayor Carey Johnson faces two challengers in today's election, including one who takes issue with the city's water system. Earl Moody says that the city is wasting money on a water plant that has lines that extends from Scotts Hill to the Tennessee River. "I think we need to cut down on the spending at city hall," said Moody, a 78-year-old who is retired from the Tennessee Department of Corrections and from the military. "When you receive a grant, you have to match it, and the city right now does not have funds to match a grant."

<http://www.jacksonsun.com/apps/pbcs.dll/article?AID=/20080807/NEWS03/808070307/1002/NEWS01>

#### **Stones River Greenway bridge has been fixed (Tennessean)**

**UPDATE:** Repairs are complete on a bridge on the Stones River Greenway in Donelson. Action Line reported in early July that the bridge was damaged. Earlier this summer, a truck used the greenway to access a power line easement to do some tree trimming. But it was too heavy for the structure, which buckled. The bridge is on a section of the Stones River Greenway between trailheads near the Donelson YMCA and on Lebanon Pike. It's where the greenway passes behind Polo Park Apartments on Jackson Downs Boulevard.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080808/COLUMNIST0128/808080407/1008/OPINION01>

#### **Agencies ease travel for rural transit riders (Tennessean)**

People who ride rural public transportation vans to travel to a doctor's appointment, a job or just about anywhere used to have to reserve a spot up to two days in advance. But a new statewide transportation initiative will make it easier for people to take last-minute trips around their county and across county lines. With the help of the Tennessee Department of Transportation, 10 rural transportation agencies are installing computer technology that will allow agencies to coordinate

trips that will get customers to their destinations more quickly, even if more than one county is involved. Three human resource agencies already use the technology as part of an initiative dubbed Intelligent Transportation Systems.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080811/NEWS01/808110352/1006>

### **Health of highway system at risk (Times Free-Press/Wang)**

Driving less ironically could lead to the downfall of the country's highway system. With Americans traveling significantly fewer miles due to higher gas prices, the federal Highway Trust Fund, which is financed through gas-tax collections, faces a massive shortfall and could be bankrupt next year. The looming deficit, just three years after the fund had a \$10 billion surplus, is prompting lawmakers to reassess the funding formula, when reauthorization of the federal highway program occurs next year. "At some point, we really have to recalculate how we do these revenues," said U.S. Rep. Zach Wamp, R-Tenn., a member of the House Appropriations Committee. "The question is how we raise the revenue without hurting the economy." The trust fund provides one-third of the money states use for building and maintaining highways and bridges. A flat tax of 18.4 cents per gallon from gasoline sales and 24.4 cents per gallon for diesel generates money for the fund. <http://www.timesfreepress.com/news/2008/aug/11/washington-health-highway-system-risk/?local>

- Opinion -

### **Free-Press Editorial: Low-tax Tennessee (Chattanooga Times Free-Press)**

We may never know all the reasons why Volkswagen chose Chattanooga as the location for its exciting new billion-dollar assembly plant. Countless factors surely entered into the deliberations. But do you think it's sheer coincidence that Volkswagen selected a state with low tax rates? Look at that question from the other direction: Do you think Volkswagen would have been just as apt to select Tennessee if we had higher taxes — imposing higher operating costs on the company? The simple economic truth is that the less you tax business and industry, the more business and industry you get because companies want the most bang for the dollars they invest. That's why it is such good news that once again, Tennessee has been ranked one of the lowest-taxed states in the nation — and that ranking is getting better by the year. Each year, the nonpartisan Tax Foundation ranks states by their combined state and local tax burdens. Tennessee has long been among the states with the lowest rates. In 1977, for instance, it had the 11th-lowest combined local and state tax burdens.

<http://iis.timesfreepress.com/epaper/ShowStoryTemplate.asp?Path=ChatTFPress/2008/08/09&ID=Ar01801&Section=Free%20Press%20Editorial> (SUBSCRIPTION)

### **Editorial: Needed bridge, road repairs may end pay-as-you-go days (Tennessean)**

At last: a ranking in which the Volunteer State fares well. As this page has ruefully noted, Tennessee stacks up poorly against other states in such areas as educational performance, long-term care options, air quality and so on. Of course, it's not about the horserace of which state is better, but about indicators of what a state does well, or not so well, for its citizens. But as far as bridges and roads go, Tennessee is doing pretty well, thanks. A Reason Foundation study on road conditions and cost-effectiveness rated Tennessee 19th overall. The state was tied for first for condition of its rural interstate highways, and 13th in the condition of its bridges. Chalk up this success, in large part, to the Tennessee Department of Transportation which, while some in this state say has overbuilt in recent years, does know how to maintain its infrastructure — and

without overburdening taxpayers.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080809/OPINION01/808090335/1007/OPINION>

#### **Gerald Nicely: Panel to explore needed fund options (Tennessean)**

Just over a year ago, the nation was shocked as a major interstate bridge in Minneapolis collapsed into the Mississippi River, killing 13 people. In the days and weeks that followed, the safety of our bridges and roads and the issue of transportation funding were brought to the forefront of national discussion. The state and the federal governments receive most of their transportation funding from fuel taxes. With the rising cost of fuel, fewer people are driving, and they're driving less. It is clear on both the national and state level that the gas tax, which is on a per gallon basis, can no longer keep pace with our needs. State revenues are virtually flat, construction costs are skyrocketing, and we have seen major cuts in our federal transportation appropriations as Congress struggles to deal with a highway trust fund. Delay in facing this problem only means the day of reckoning will be more painful. In the past two years, the Tennessee General Assembly has enacted two pieces of legislation to begin dealing with Tennessee's transportation funding options.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080809/OPINION01/808090332/1007/OPINION>

#### **Jim Tracy: Borrowing for roads nearly irresponsible (Tennessean)**

Paying for the construction of state highways is a great concern for states across the nation. State governments are trying to strike a balance of keeping up with economic development and not running up debt for future generations. Tennessee is not exempt from this conversation. As the Senate Transportation Committee chairman, it is my view that Tennessee should remain a pay-as-you-go state when it comes to paying for the construction of state highways. State transportation revenues nationwide are not keeping pace with escalating road construction costs. Add into this equation higher gas costs that have slowed revenues from weakening sales and a declining federal funding source, and it creates the perfect storm for transportation needs. This is why all states face major shortfalls between revenue expected from existing sources and projected needs to both maintain existing infrastructure and to build new projects.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080809/OPINION01/808090331/1007/OPINION>

#### **Guest columnist: Maintenance done sooner rather than later will cost less (Tenn.)**

No one would think of buying a new Mercedes and driving it for many years without conducting the routine maintenance to ensure it has a long life. Yet, in many respects that's what's happening with our transportation infrastructure. Over the past 50 years, the federal government and states have invested greatly in creating a transformative transportation network that is a critical element of our economic engine and way of life. Government is failing to maintain those investments to ensure a long, viable life. Tennessee has one of the best road highway and interstate systems in the country. But the state faces an enormous challenge of doing more with less, with the demand to maintain in serious conflict with declining financial resources. Failing to solve the problem will result in our roads and bridges ending in the same shape as that neglected Mercedes — broken down long before its time.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080809/OPINION01/808090330/1007/OPINION>

#### **Editorial: Cities must prepare for water issues (Nashville Business Journal)**

Imagine you're driving down West End Avenue on "empty." You pull into to a gas station, fill up your tank, and pay a whopping 3.2 cents. That's not a misprint: 3.2 cents. O.K., it is too good to be true as far as gas is concerned. Still, that's how much most Americans are paying right now for the equivalent amount of water -- about 16 gallons. At a fraction of a penny per gallon, tap water may be this country's last best bargain -- but those days, too, may soon be numbered. As America's population grows from 304 million today to 335 million just over a decade from now, increased demand for water will place even more strains on America's aging water treatment plants infrastructure. Some cities and counties have already experienced a taste of what we may be in store for if our water infrastructure is not improved. According to the National Drought Mitigation Center, America's South and Southwest have been particularly hard hit.

<http://nashville.bizjournals.com/nashville/stories/2008/08/11/editorial2.html> (SUBSCRIPTION)

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