



Statement of the American Road & Transportation Builders Association

State of the Highway Trust Fund: Long-Term Solutions for Solvency

House Budget Committee April 24, 2013

Chairman Ryan and Representative Van Hollen, we appreciate your scheduling today's hearing to discuss the status of the Highway Trust Fund. After nearly three years of temporary extensions of the federal highway and public transportation programs, Congress last summer approved the Moving Ahead for Progress in the 21st Century Act (MAP-21). While MAP-21 initiates many much-needed reforms in the structure and operation of the federal surface transportation programs, the simple truth remains that the Highway Trust Fund's beleaguered revenue outlook was the primary obstacle that had to be overcome in this process.

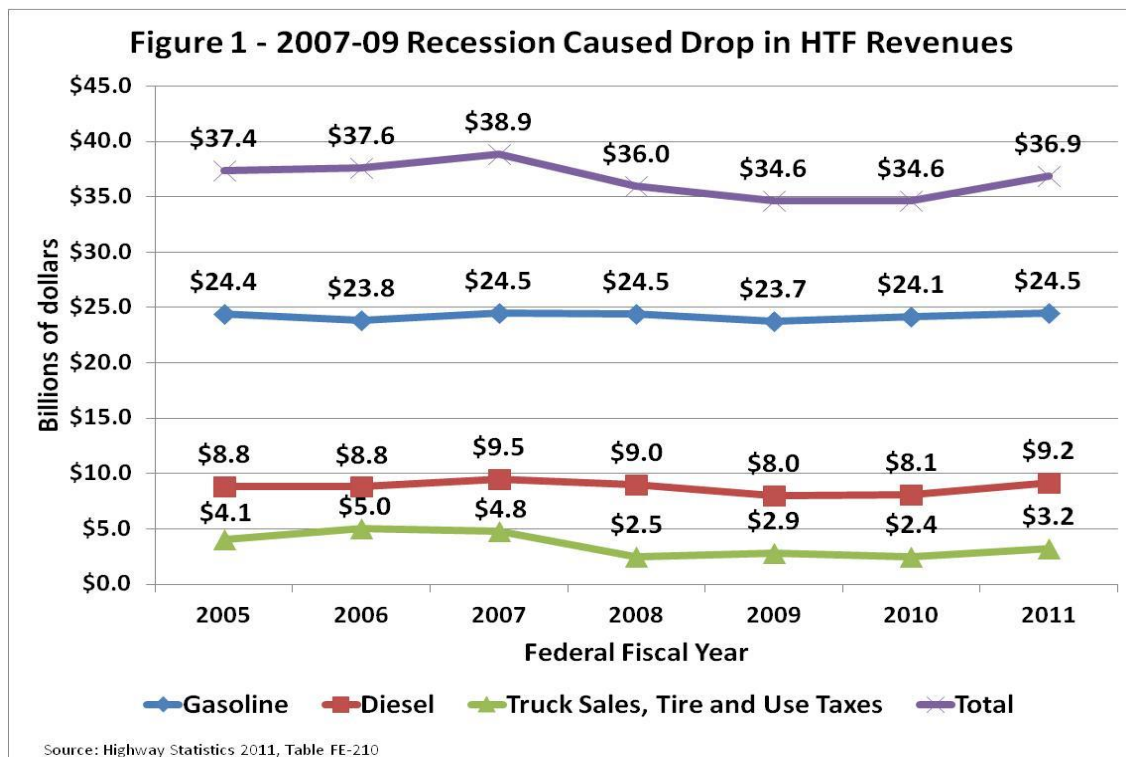
Your hearing is particularly timely as MAP-21's revenue title provides no more than a short-term stabilization for the trust fund supported programs. Within 17 months members of Congress will again be faced with the reality of existing trust fund revenues being insufficient to maintain highway and public transportation investment. As a result, policy makers will have three straight-forward choices: dramatically cut federal highway and public transportation investment and threaten hundreds of thousands of jobs; continue the recent trend of supplementing trust fund revenues with general funds and, in so doing, add to the deficit; or generate new revenues.

While the Highway Trust Fund's revenue challenges are well understood, the cause of this dilemma has been the source of much confusion and, in some cases, outright distortion. To ensure that a viable and appropriate solution to the trust fund's structural revenue shortfall can be identified, all parties must be clear on how this situation occurred.

- Between 1956 and 2008, the Highway Trust Fund (HTF) financed all federal investment in highways (and, since 1982, most federal investment in public transportation). During that time, highway investment did not burden the general fund or impact the federal deficit.
- The need for general fund transfers in FY 2008-10 was not due to a collapse of HTF revenues but to lower revenues than projected when SAFETEA-LU was enacted in August 2005. Revenue forecasts at that time assumed travel would continue to grow as rapidly as in the recent past, and SAFETEA-LU investment levels were set to expend all projected revenues. But, beginning FY

2008, actual revenues fell short of projections, and general fund transfers were needed to cover HTF outlays.

- Although Highway Trust Fund revenues fell during the Great Recession of 2007-09, most of the reduction was in diesel fuel and truck tax revenues, not gasoline tax revenues. Between the 2007 pre-recession peak and the 2009 recession trough, gasoline tax revenues fell 3.2 percent, while diesel fuel tax revenues fell 15.7 percent and truck sales, tire and use tax revenues fell 40.8 percent. In fact, almost half of the decline in HTF revenues between FY 2007 and FY 2009 was truck tax revenues. Furthermore, as Figure 1 shows, gasoline tax revenues actually began to grow again in 2010 and were back to the pre-recession level by 2011.



- Highway travel has not collapsed. Total vehicle miles traveled (VMT) did fall during the 2007-09 recession, but by just 2.5 percent. In 2012, VMT rose 0.3 percent and should continue to rise as the economy improves and truck traffic revives.
- The latest forecast from the Congressional Budget Office shows growing HTF revenues through FY 2023, the full ten-year budget window, even with no increase in motor fuel tax rates. Projected revenues, however, remain far short of the amounts needed just to maintain current federal highway and public transportation investment adjusted for inflation. For the ten years following MAP-21, the shortfall averages just over \$15 billion per year, or a ten-year total of \$154 billion.
- Alternative fuels are not eroding the federal motor fuel tax base. Two-thirds of all alternative-fuel vehicles are cars that run on E85 ethanol, which pays the same tax as gasoline into the HTF.

Under current law, all other alternative fuels, such as CNG and LPG, except electricity are taxed at the energy equivalent of gasoline. Electric cars pay no tax into the HTF but the number is miniscule. In 2010, there were only 57,000 electric cars, less than .02 of one percent of all vehicles, representing a tax loss of just over \$5 million.

- Increased fuel economy standards will reduce the future growth of HTF revenues, but the impact will be very gradual. First, increased fuel economy standards are being phased in, and will not be fully implemented until 2025. Furthermore, given current new vehicle purchase and vehicle retirement rates, it takes well over 15 years for the fleet of motor vehicles to be fully replaced. HTF revenues will grow even with the new CAFE standards, but at a slower rate.

The root of the trust fund's revenue challenge is not an antiquated gas tax or alternative-fueled vehicles dominating the U.S. automobile fleet or improved fuel economy, but a more direct and obvious flaw: the federal motor fuels tax and other highway user fees have not been adjusted for 20 years. As such, it should surprise no one that the Highway Trust Fund has been on the verge of insolvency since 2008. The only surprising thing is that it did not happen sooner.

The Federal Responsibility for Highway Investment

In the United States, all public-access roads and bridges are owned and operated by state and local governments. Every state and many local governments have highway agencies that are responsible for designing and building new roads and maintaining existing ones. Since 1916, however, the federal government has shared the cost of building and preserving major roads. The federal government paid 90 percent of the cost of building the Interstate Highway System and currently pays 80 percent of the cost of construction and improvements to the 1 million miles of roads that carry the most traffic, including the Interstate Highways, most other expressways and most of the main arterial roads and roads that feed into them.

What forms the foundation for this federal interest in highways? It is the importance of an integrated nationwide transportation system to the performance of the nation's economy.

The U.S. economy is a vast network of businesses that produce goods and services for America's 115 million households, for export to foreign countries or for use by other businesses. The tie that binds these businesses to their customers, suppliers and workers is the U.S. highway system. Each year, almost 80 percent of the value of freight shipments in the U.S. is carried by trucks along the nation's highways.

The foundation of a modern economy is a transportation system that moves freight efficiently, safely and on time. This lesson was learned during the 1960s and 1970s when construction of the Interstate Highway System allowed American firms to access a nationwide market and take advantage of scale economies that yielded significant increases in productivity. While some analysts claim the completion of the interstate system signals an end to the federal role, this line of thinking assumes a

static populace and economy as opposed to the dynamic real world that requires constant upgrades and improvements to the U.S. highway network.

In the last twenty years, highway capacity has failed to keep pace with demand and our nation's highways have become more and more congested. Wasted time and fuel have increased transportation costs, making U.S. products more expensive here and abroad. The poor reliability of the system has forced U.S. companies to invest more in warehousing, hold more inventories, invest more in logistics and change production schedules. All of these make the U.S. less competitive.

And our trading partners are taking advantage of our mistakes by investing heavily in their own transportation systems. China and India, which already have a labor cost advantage, are pushing ahead on plans to vastly upgrade their highway and rail transportation systems, making them even more competitive as we fall back.

Each year, U.S. manufacturing firms, mining companies, energy firms and wholesalers ship more than \$16 trillion dollars' worth of products through the nation's transportation system. When shipments of farm products, construction materials, retail firms, imports and exports to other countries are included, the total comes to nearly \$19 trillion.

A few products, primarily bulk products like coal and ores, can be carried efficiently by rail or barge. High value products needing time-sensitive delivery can be carried by air.

But by far the largest fraction of shipments is carried on the nation's highways by 18-wheelers and other trucks. For the vast majority of businesses, truck transportation provides the most flexible, efficient and cost-effective way of delivering products to customers.

A survey of manufacturing, mining and wholesale commodity flows conducted by the U.S. Bureau of the Census in 2007 found that almost 80 percent of the value of shipments by these three sectors of the U.S. economy was carried exclusively by truck along the nation's highways. Of the total not carried exclusively by trucks, truck transportation still played an important role as part of multimodal shipments that also involved rail, water or air transportation.

In recent years, however, the performance of our nation's highway system has deteriorated due to inadequate investment. Most of the concern has focused on the increasing duration of daily commutes and personal travel spent under congested conditions and the resulting cost of wasted time and fuel. But congestion also has a negative effect on the nation's economy by impeding the flow of freight, which raises transportation costs and reduces productivity of the nation's businesses.

A study prepared recently for the Federal Highway Administration found that bottlenecks on the nation's highway system—caused by congested intersections, poor highway operations, inadequate capacity and poor alignments—impose 243 million hours of delay on truck shipments, with the direct costs of the delays totaling \$7.8 billion per year. As the study found:

“Freight bottlenecks are a problem today because they delay large numbers of truck freight shipments.... Higher transportation prices and lower reliability can mean increased supply costs

for manufacturers, higher import prices, and a need for businesses to hold more expensive inventory to prevent stock outs. The effect on individual shipments and transactions is usually modest, but over time the costs can add up to a higher cost of doing business for firms, a higher cost of living for consumers, and a less productive and competitive economy.”

A major part of the problem is that, because of the lack of a national vision, the capacity of our nation’s highway system has failed to keep pace with the volume of traffic. Since 1982, the number of miles traveled by all vehicles on the nation’s highways has almost doubled, but capacity has grown only 6.5 percent. As a result, the average amount of time spent by highway users, including trucks, in congested conditions has almost tripled.

The growth of truck traffic illustrates the need for a national approach to highway capacity. Between 1987 and 2002, the number of trucks on the nation’s highways increased almost 50 percent from 3.6 million to 5.4 million, while the number of miles traveled rose more than 60 percent. The biggest increases in both numbers and vehicle miles traveled were registered by the largest trucks, which are capable of transporting 80,000 pounds of freight pounds or more.

As we look into the future, it is virtually certain that the need for a national vision will become even more important. The value of truck freight shipments is projected to double from \$10.6 trillion in 2011 to \$21.5 trillion in 2040, according to data from the Federal Highway Administration. The volume of truck shipments will grow by two-thirds from 11.3 billion tons to 18.8 billion tons over the same time period.

The 2012 surface transportation law, MAP-21, requires the secretary of transportation to develop a national freight strategic plan to create the vision for improving U.S. goods movement that has been lacking for decades. This plan reinforces the federal role in achieving national transportation objectives.

Highway investment is not just a state and local issue. No state exists in an economic vacuum. The economic prosperity of each state depends heavily on the ability of its local businesses to access markets and customers around the country. That access is provided primarily by highways. Even if a state were to do an outstanding job of building and maintaining its own highways, that effort would support only a small fraction of the state’s overall economic activity. The state’s economy would still be vulnerable to highway investment decisions made by policymakers in other states.

The importance of a nationwide freight system to the economic prosperity of each state is illustrated by the data in Tables 2 and 3. These tables are based on data from FHWA’s Freight Analysis Framework and show that highways tie our national economy together.

Table 2 shows, for 2011, the total value of products shipped by manufacturers, mining companies, wholesalers and other businesses that originated in each state, split between shipments carried exclusively by truck and shipments carried by other modes, including intermodal shipments. Nationwide, over 66 percent of all freight was shipped solely by truck over the nation’s highways. For

some states, like Georgia, North Carolina and Wisconsin, the fraction was much higher—over 85 percent.

Even more illustrative of the need for a nationwide highway system are the data in Table 3. This table breaks down domestic truck shipments into three groups—shipments that remain entirely within each state, short-haul shipments to adjacent states and long-haul shipments that go through one or more states before reaching their destination. As the table shows, about 59 percent of the value of truck shipments remains within the originating state. Another 17 percent represents short-haul shipments that originate in one state to destinations in adjacent states. The remaining 24 percent are long-haul shipments that go completely through one or more states before reaching their final destinations. The economic prosperity of the states would thus be highly vulnerable if highway responsibilities devolved to state and local governments.

This vulnerability will persist well into the future. The Federal Highway Administration projects that the total value of domestic freight shipments will grow to \$27.1 trillion in 2040. Of this total, 71 percent or \$19.3 trillion is expected to be shipped solely via truck. Nearly \$8.3 trillion in truck shipments, almost half, will go to out of state destinations, of which \$5 trillion is projected to go to out of state destinations that are not neighboring states.

These data clearly demonstrate the dependence of shippers and consumers in one state on the highway network in other states. Correspondingly, this information also conclusively proves an efficient national system for the movement of freight is necessary.

Can State and Local Governments Provide a Highway System that Serves the Needs of the National Economy?

One of the core principles of our federal system of government is that the provision of public goods, and setting the taxes that pay for them, should be assigned to the level of government that best assesses the desires of residents while minimizing the spillover effects on non-residents. Spillovers occur whenever a unit of government makes a decision based on the desires of its own residents that materially affects the wellbeing of non-residents, either by imposing a cost on them or generating a benefit. A unit of government will provide a public good at a level that balances the benefits and costs to its own residents. The impact on non-residents need not be taken into account when determining how much of a public good to provide since non-residents don't have a vote. If there are spillover costs to non-residents, too much of the public good will be provided because not all costs are taken into consideration. Conversely, if there are spillover benefits, too little of the public good will be provided.

This may seem like an arcane issue of interest only to economists and political scientists, but it has serious real-world implications for the on-going debate as to whether there should be a strong federal role in transportation investment or whether transportation investment decisions should be largely devolved to state and local government.

In a world with two kinds of roads—those that provide only local benefits and those that also provide spill-over national benefits—the preferences of local voters will cause local highway officials to skew their highway funds to roads that provide only local benefits. For any given highway investment budget, local officials would generate the highest total return to their taxpayers by dividing the money between the two types of roads so that the local benefit to the last dollar spent on each type is the same. Since national benefits are a spill-over at the local level, and thus not taken into account when local officials compare the benefits and costs of investment projects, the result from a national perspective will be too little investment in road improvements that provide national benefits and too much in road improvements that provide just a local benefit.

The federal highway program addresses this problem two ways. First, it provides more funds for local officials to invest in highway improvements. Local highway officials thus have more money to invest in both national and local roads.

Secondly, the federal highway program uses a price mechanism to increase the incentive for local officials to invest in road improvements that provide a national benefit. When highway improvements are financed solely by local taxpayers, the price to local taxpayers of improvements to local and national roads is identical. A dollar of construction work on either local or national roads will cost local taxpayers one dollar. To get the most local benefit for each dollar spent, local officials will invest most local dollars in roads that provide local benefits.

The federal highway program changes this incentive structure by paying 80 percent of the cost of improvements to roads that have a national benefit. For local officials, a dollar of construction work on roads that provide a national benefit costs only 20 cents, while a dollar of construction on local roads still costs one dollar. The change in relative prices provides a powerful incentive for local officials to direct a much larger proportion of improvements to roads with national benefits in their mix of construction projects.

The federal highway program does not dictate highway projects to local highway officials. Local officials have full discretion over the selection of highway improvements to undertake. This simple and irrefutable fact demonstrates a flaw in the devolutionists push to return control for transportation decision making to the states—they already have this authority. What Congress does through the federal highway program is identify the kinds of road improvements that provide a national benefit and give local officials a price incentive and funds to increase the proportion of those projects in their highway improvement program.

MAP-21 has strengthened the foundation of the federal highway program—and the autonomous role of states—in three ways. First, it consolidates a number of previously separate programs into a handful of core programs that better focus federal funds on national goals and increases state flexibility. Second, it sets performance standards and measures to judge whether state and local use of federal highway funds actually achieves national transportation needs. Third, it creates a national freight policy that focuses federal funds on projects that support the needs of the national economy.

Can Devolution Achieve an Equivalent National Highway System?

Periodically, Members of Congress introduce legislation to drastically scale back the federal highway program, devolve responsibility for highways almost entirely to state and local governments and reduce the federal gasoline tax to a few cents per gallon. The thinking behind this is that state and local governments have better knowledge of their highway investment needs than the federal government and thus can make better investment decisions. Proponents of this concept also claim states have a better sense of the willingness of local taxpayers to finance highway improvements and thus could do a better job of determining how and by how much to replace the lost federal aid.

First, there is a practical consideration. To make up for the loss of federal highway funds, every state would have to increase its own gas tax or generate other revenue sources—a fact former Senator James DeMint (R-S.C.) promoted when introducing legislation to devolve the federal surface transportation programs. Although some states have recently raised their own highway taxes, in most states there is no more political will to increase taxes than in the U.S. Congress, which has failed to increase the federal gas tax since 1993 despite growing highway traffic, increased congestion, higher construction costs and the widespread recognition that current revenues are woefully inadequate to support needed federal highway investment. Table 1 below shows the gas tax increase needed in each state to replace funds received under the federal highway program that would be lost under recent devolution proposals.

For example, under former Senator DeMint's proposal, Wisconsin would have to raise its state gasoline and diesel tax rates by 21 cents per gallon to make up for the lost federal investment.

At a more fundamental level, however, there would not be an incentive for state and local governments to replace lost federal funds. As discussed above, national benefits are a spill-over and are not taken into account when local officials compare the costs and benefits of highway improvements. When judging whether specific improvements should be undertaken, only local benefits and costs would be considered. Many projects whose total benefits, including national benefits, exceed the costs to local residents are currently undertaken with federal resources. Without a federal highway program, such activities would not likely pass muster if only local benefits are considered and thus would not be undertaken. Consequently, devolution would lead to less total highway investment because state and local officials would put less value on improvements that have spill-over national benefits.

Devolution thus would have the impact of reducing total investment in highway improvements and result in a deterioration of the ability of our highway system to serve the transportation needs of the national economy.

Conclusion

An efficient nationwide highway system is of critical importance to the performance of the nation's economy. In recent years, however, the performance of our highways has been deteriorating,

resulting in increased congestion, freight bottlenecks and lost productivity. The solution is not to devolve responsibility for highway improvements solely to state and local governments, since the incentive structure at the state and local level is not conducive to meeting national highway needs.

The federal government's responsibility for supporting interstate commerce is clearly laid out in the U.S. Constitution. The nation's highway network is the manifestation of that constitutional responsibility in that it facilitates the movement of people and goods between the states.

The Highway Trust Fund's revenue shortfall is a political dilemma, not a structural or functional shortcoming. There are many viable approaches to generate new revenues to support federal surface transportation investments. House Republicans reinforced this fact in the last Congress when they sought to generate new revenues for the Highway Trust Fund by linking domestic energy exploration with infrastructure investment.

Mr. Chairman, as Congress prepares to embark on reforms to the U.S. tax code, we urge you to support including a long-term revenue solution to stabilize and grow Highway Trust Fund revenues. Such an action would not only aid in deficit reduction by eliminating the trust fund's burden on the general fund, but it would support investment in tangible assets that would support economic growth for years to come.

Table 1. How much would States have to increase their own gas tax to make up for a change in the federal aid program?

State	Current rates/1		Average increase needed for either rate to make up for devolution of federal aid program	
	Current motor fuel excise tax and fees	Current diesel fuel excise tax and fees	New gasoline excise tax rate	New diesel fuel excise tax rate
Alabama	\$0.18	\$0.19	\$0.40	\$0.41
Alaska	\$0.08	\$0.08	\$1.05	\$1.05
Arizona	\$0.19	\$0.27	\$0.39	\$0.47
Arkansas	\$0.22	\$0.23	\$0.46	\$0.47
California	\$0.41	\$0.38	\$0.60	\$0.57
Colorado	\$0.22	\$0.21	\$0.41	\$0.40
Connecticut	\$0.25	\$0.46	\$0.51	\$0.72
Delaware	\$0.23	\$0.22	\$0.54	\$0.53
Florida	\$0.24	\$0.24	\$1.47	\$1.47
Georgia	\$0.17	\$0.31	\$0.35	\$0.49
Hawaii	\$0.20	\$0.22	\$0.39	\$0.41
Idaho	\$0.17	\$0.17	\$0.49	\$0.49
Illinois	\$0.26	\$0.26	\$0.56	\$0.56
Indiana	\$0.20	\$0.23	\$0.41	\$0.43
Iowa	\$0.18	\$0.16	\$0.38	\$0.36
Kansas	\$0.22	\$0.24	\$0.43	\$0.44
Kentucky	\$0.24	\$0.26	\$0.45	\$0.47
Louisiana	\$0.28	\$0.25	\$0.48	\$0.45
Maine	\$0.20	\$0.20	\$0.41	\$0.41
Maryland	\$0.30	\$0.31	\$0.51	\$0.52
Massachusetts	\$0.24	\$0.24	\$0.41	\$0.42
Michigan	\$0.21	\$0.21	\$0.39	\$0.39
Minnesota	\$0.19	\$0.15	\$0.37	\$0.33
Mississippi	\$0.28	\$0.28	\$0.47	\$0.47
Missouri	\$0.18	\$0.18	\$0.39	\$0.39
Montana	\$0.17	\$0.17	\$0.38	\$0.38
Nebraska	\$0.27	\$0.28	\$0.78	\$0.79
Nevada	\$0.28	\$0.27	\$0.50	\$0.49
New Hampshire	\$0.24	\$0.28	\$0.47	\$0.51
New Jersey	\$0.20	\$0.20	\$0.39	\$0.39
New Mexico	\$0.15	\$0.18	\$0.33	\$0.36
New York	\$0.19	\$0.23	\$0.44	\$0.48
North Carolina	\$0.26	\$0.24	\$0.50	\$0.48
North Dakota	\$0.39	\$0.39	\$0.58	\$0.58
Ohio	\$0.23	\$0.23	\$0.66	\$0.66
Oklahoma	\$0.28	\$0.28	\$0.47	\$0.47
Oregon	\$0.17	\$0.14	\$0.40	\$0.37
Pennsylvania	\$0.30	\$0.30	\$0.52	\$0.52
Rhode Island	\$0.31	\$0.38	\$0.56	\$0.62
South Carolina	\$0.33	\$0.33	\$0.79	\$0.79
South Dakota	\$0.17	\$0.17	\$0.35	\$0.35
Tennessee	\$0.24	\$0.24	\$0.66	\$0.66
Texas	\$0.21	\$0.18	\$0.41	\$0.38
Utah	\$0.20	\$0.20	\$0.39	\$0.39
Vermont	\$0.25	\$0.25	\$0.45	\$0.45
Virginia	\$0.26	\$0.29	\$0.74	\$0.77
Washington	\$0.18	\$0.18	\$0.37	\$0.37
Washington, D.C.	\$0.38	\$0.38	\$0.57	\$0.57
West Virginia	\$0.33	\$0.33	\$0.70	\$0.70
Wisconsin	\$0.33	\$0.33	\$0.54	\$0.54
Wyoming	\$0.14	\$0.14	\$0.48	\$0.48
US total	\$0.23	\$0.25	\$0.44	\$0.45

1 - Includes additional fees faced by the consumer, compiled from various sources

Table 2. Importance of Truck Transportation to State Economic Prosperity
(Billions of dollars)

State	Total value of products shipped	Products shipped by truck		Products shipped by other modes	
		Value	Percent of total	Value	Percent of total
Alabama	\$239.9	\$186.2	77.6%	\$53.7	22.4%
Alaska	\$316.8	\$17.1	5.4%	\$299.7	94.6%
Arizona	\$286.2	\$230.9	80.7%	\$55.3	19.3%
Arkansas	\$145.2	\$119.2	82.1%	\$26.0	17.9%
California	\$2,270.7	\$1,642.9	72.4%	\$627.8	27.6%
Colorado	\$214.6	\$157.7	73.5%	\$56.9	26.5%
Connecticut	\$178.6	\$139.8	78.3%	\$38.8	21.7%
Delaware	\$50.9	\$35.6	70.0%	\$15.3	30.0%
Florida	\$740.3	\$622.0	84.0%	\$118.3	16.0%
Georgia	\$589.3	\$503.8	85.5%	\$85.5	14.5%
Hawaii	\$61.0	\$39.6	65.0%	\$21.3	35.0%
Idaho	\$79.9	\$50.2	62.9%	\$29.6	37.1%
Illinois	\$898.4	\$652.7	72.7%	\$245.6	27.3%
Indiana	\$458.7	\$368.4	80.3%	\$90.3	19.7%
Iowa	\$221.5	\$187.0	84.4%	\$34.5	15.6%
Kansas	\$210.3	\$153.4	72.9%	\$56.9	27.1%
Kentucky	\$306.5	\$221.2	72.2%	\$85.3	27.8%
Louisiana	\$531.9	\$171.8	32.3%	\$360.1	67.7%
Maine	\$79.1	\$65.5	82.8%	\$13.6	17.2%
Maryland	\$235.3	\$199.3	84.7%	\$36.0	15.3%
Massachusetts	\$285.3	\$222.7	78.1%	\$62.5	21.9%
Michigan	\$584.0	\$444.1	76.0%	\$139.9	24.0%
Minnesota	\$367.1	\$241.5	65.8%	\$125.5	34.2%
Mississippi	\$152.6	\$112.6	73.8%	\$39.9	26.2%
Missouri	\$300.1	\$233.7	77.9%	\$66.4	22.1%
Montana	\$90.0	\$42.9	47.7%	\$47.1	52.3%
Nebraska	\$120.6	\$97.0	80.4%	\$23.6	19.6%
Nevada	\$88.6	\$73.9	83.4%	\$14.7	16.6%
New Hampshire	\$104.2	\$62.4	59.9%	\$41.8	40.1%
New Jersey	\$654.0	\$490.5	75.0%	\$163.5	25.0%
New Mexico	\$73.4	\$41.5	56.5%	\$31.9	43.5%
New York	\$1,002.0	\$775.4	77.4%	\$226.5	22.6%
North Carolina	\$425.9	\$379.8	89.2%	\$46.0	10.8%
North Dakota	\$134.4	\$69.7	51.9%	\$64.6	48.1%
Ohio	\$747.1	\$597.1	79.9%	\$150.0	20.1%
Oklahoma	\$209.5	\$156.1	74.5%	\$53.4	25.5%
Oregon	\$218.5	\$176.7	80.9%	\$41.8	19.1%
Pennsylvania	\$728.0	\$581.0	79.8%	\$147.1	20.2%
Rhode Island	\$40.6	\$34.2	84.1%	\$6.5	15.9%
South Carolina	\$271.1	\$230.2	84.9%	\$40.9	15.1%
South Dakota	\$70.9	\$53.7	75.8%	\$17.2	24.2%
Tennessee	\$515.1	\$416.9	80.9%	\$98.2	19.1%
Texas	\$2,169.7	\$1,277.8	58.9%	\$891.9	41.1%
Utah	\$154.7	\$99.2	64.1%	\$55.5	35.9%
Vermont	\$38.7	\$27.0	69.8%	\$11.7	30.2%
Virginia	\$356.1	\$290.3	81.5%	\$65.8	18.5%
Washington	\$452.1	\$275.0	60.8%	\$177.1	39.2%
Washington, D.C.	\$6.6	\$5.9	89.1%	\$0.7	10.9%
West Virginia	\$77.8	\$48.7	62.7%	\$29.0	37.3%
Wisconsin	\$322.9	\$277.3	85.9%	\$45.6	14.1%
Wyoming	\$74.0	\$25.8	34.8%	\$48.2	65.2%
US total	\$18,950.5	\$13,625.4	71.9%	\$5,325.1	28.1%

Source: 2011 data, U.S. Department of Transportation, Freight Analysis Framework

**Table 3. Value of Products Shipped by Truck Within State and to Other States
(Billions of dollars)**

State	Shipped within the state			Shipped to other states			
	Total value of products shipped by truck	Value	Percent of total	Short-haul to adjacent states	Percent of total	Long-haul through one or more states	Percent of total
Alabama	\$168.1	\$94.1	56.0%	\$32.6	19.4%	\$41.4	24.6%
Alaska	\$14.9	\$14.6	98.4%	\$0.0	0.0%	\$0.2	1.6%
Arizona	\$204.5	\$146.9	71.8%	\$32.8	16.0%	\$24.8	12.1%
Arkansas	\$117.4	\$59.8	50.9%	\$27.8	23.6%	\$29.9	25.5%
California	\$1,165.2	\$915.7	78.6%	\$51.1	4.4%	\$198.3	17.0%
Colorado	\$148.7	\$111.0	74.7%	\$13.0	8.8%	\$24.6	16.6%
Connecticut	\$131.8	\$68.9	52.3%	\$28.0	21.2%	\$34.9	26.5%
Delaware	\$28.9	\$10.6	36.5%	\$6.0	20.6%	\$12.4	42.9%
Florida	\$412.0	\$343.1	83.3%	\$14.1	3.4%	\$54.8	13.3%
Georgia	\$397.7	\$220.0	55.3%	\$98.0	24.6%	\$79.6	20.0%
Hawaii	\$23.2	\$23.2	100.0%	\$0.0	0.0%	\$0.0	0.0%
Idaho	\$42.7	\$28.1	65.9%	\$5.9	13.8%	\$8.6	20.2%
Illinois	\$558.2	\$290.9	52.1%	\$97.2	17.4%	\$170.1	30.5%
Indiana	\$349.1	\$151.0	43.2%	\$86.7	24.8%	\$111.5	31.9%
Iowa	\$182.9	\$104.4	57.1%	\$36.0	19.7%	\$42.6	23.3%
Kansas	\$149.7	\$84.8	56.7%	\$30.2	20.2%	\$34.7	23.2%
Kentucky	\$202.0	\$82.2	40.7%	\$59.6	29.5%	\$60.2	29.8%
Louisiana	\$150.7	\$96.7	64.2%	\$24.0	15.9%	\$30.0	19.9%
Maine	\$36.9	\$22.7	61.5%	\$1.4	3.8%	\$12.8	34.7%
Maryland	\$166.7	\$87.5	52.5%	\$46.0	27.6%	\$33.2	19.9%
Massachusetts	\$192.8	\$114.2	59.3%	\$32.6	16.9%	\$45.9	23.8%
Michigan	\$320.7	\$193.0	60.2%	\$42.9	13.4%	\$84.8	26.4%
Minnesota	\$229.7	\$139.0	60.5%	\$33.9	14.8%	\$56.8	24.7%
Mississippi	\$106.0	\$47.8	45.1%	\$23.3	22.0%	\$34.9	32.9%
Missouri	\$225.8	\$124.2	55.0%	\$50.1	22.2%	\$51.5	22.8%
Montana	\$27.9	\$18.5	66.3%	\$5.8	20.9%	\$3.6	12.8%
Nebraska	\$94.5	\$55.4	58.6%	\$16.1	17.0%	\$23.0	24.4%
Nevada	\$71.0	\$42.8	60.3%	\$19.8	27.9%	\$8.4	11.9%
New Hampshire	\$60.2	\$29.1	48.4%	\$11.3	18.8%	\$19.8	32.8%
New Jersey	\$335.1	\$148.0	44.2%	\$83.9	25.0%	\$103.2	30.8%
New Mexico	\$37.5	\$26.4	70.3%	\$5.9	15.6%	\$5.3	14.0%
New York	\$538.1	\$346.2	64.3%	\$84.9	15.8%	\$107.0	19.9%
North Carolina	\$355.8	\$187.4	52.7%	\$63.4	17.8%	\$105.0	29.5%
North Dakota	\$40.8	\$27.8	68.1%	\$7.1	17.5%	\$5.8	14.3%
Ohio	\$560.6	\$275.0	49.1%	\$115.2	20.5%	\$170.4	30.4%
Oklahoma	\$152.8	\$88.9	58.2%	\$39.1	25.6%	\$24.9	16.3%
Oregon	\$151.9	\$84.4	55.5%	\$47.4	31.2%	\$20.1	13.2%
Pennsylvania	\$511.8	\$277.3	54.2%	\$104.7	20.5%	\$129.7	25.4%
Rhode Island	\$30.1	\$12.9	42.8%	\$7.8	25.9%	\$9.4	31.3%
South Carolina	\$177.3	\$73.9	41.7%	\$33.6	19.0%	\$69.8	39.4%
South Dakota	\$53.1	\$24.7	46.5%	\$21.9	41.3%	\$6.5	12.2%
Tennessee	\$371.8	\$108.8	29.3%	\$99.0	26.6%	\$164.0	44.1%
Texas	\$975.8	\$740.9	75.9%	\$72.3	7.4%	\$162.5	16.7%
Utah	\$97.6	\$61.4	62.9%	\$18.0	18.5%	\$18.2	18.6%
Vermont	\$18.0	\$9.1	50.6%	\$3.4	19.0%	\$5.5	30.4%
Virginia	\$221.6	\$133.5	60.2%	\$32.4	14.6%	\$55.7	25.1%
Washington	\$190.6	\$140.3	73.6%	\$19.9	10.4%	\$30.4	16.0%
Washington, D.C.	\$5.3	\$3.7	70.0%	\$1.5	28.4%	\$0.1	1.6%
West Virginia	\$47.1	\$21.4	45.3%	\$10.6	22.4%	\$15.2	32.2%
Wisconsin	\$267.1	\$135.7	50.8%	\$54.9	20.5%	\$76.6	28.7%
Wyoming	\$25.6	\$18.1	70.7%	\$5.6	21.7%	\$1.9	7.5%
US total	\$8,446.8	\$4,658.7	55.2%	\$1,609.2	19.1%	\$2,178.9	25.8%

Source: 2011 data, U.S. Department of Transportation, Freight Analysis Framework