The Treasure Valley is experiencing a major shortfall in transportation funding that is affecting the timeline of necessary projects, and the deficit is only expected to increase.

COMPASS Executive Director Matt Stoll said the Treasure Valley needs $250 million every year for the next 20 years to cover all unfunded transportation needs. He said he expects that figure to increase as Idaho’s population grows and inflation raises costs for labor and resources.

Those needs include long-term unfunded projects and deferred maintenance on the existing transportation system, and Stoll said the state should not expect much additional federal funding in the near future. Congress has not increased the federal gas tax since 1993, he said, which is a primary source of transportation funding for states.

The federal gas tax is 18.4 cents per gallon for regular gas and 24.4 cents per gallon for diesel. The state has an additional gas tax that it more recently updated in 2015 to 32 cents per gallon for regular gas and diesel.

Along with a flat federal gas tax rate, the growing number of fuel-efficient vehicles is decreasing the amount the government can collect through the gas tax, Stoll said. He said the U.S. government needs to create a new form of revenue generation, such as altering the gas tax to be based on mileage instead of fuel usage.

Still, Stoll noted, “We can’t rely on the federal government to bail us out.” The Idaho Transportation Department’s fiscal year 2020 budget, which is approved by the state Legislature, is about $727 million. That’s slated to increase to $782.6 million next fiscal year pending passage in the House and Senate and the governor’s signature.

ITD is funded largely with federal highway funds and with dedicated funds that come from state gas taxes and vehicle registrations. Nearly 40% of ITD’s overall funding from this year went toward Ada or Canyon County projects, according to ITD data. Department spokesman Jake Melder said this ratio does not reflect what Ada and Canyon County receive every year, as ITD’s top priorities change from year to year.

The state’s transportation budget leaves dozens of multimillion-dollar projects unfunded, including on Interstate 84, Highway 44, Highway 55 and many more, according to COMPASS data.

Stoll said the funding shortfall is not a new problem, but it has grown over the years. In 2006, he said the shortfall was at about $150 million per year.

The shortfall has contributed to the deferral of road projects that Stoll said should have been completed decades ago. The widening of Highway 20/26, which is partially funded, should have been done in the 1990s, he said.

One project, the extension of Highway 16 from Highway 20/26 to Interstate 84, may not be complete for 20 years due to lack of funding, Stoll said. The extension would serve “as a vital north-south connection to major east-west corridors” in the center of the valley, Melder said.

Putting off important projects will add to congestion and could create serious safety concerns, Stoll said, with aging infrastructure and increased traffic leading to more accidents.

“Unless something significant happens, it’s not going to get better,” Stoll said.

**STAR PROGRAM, GRANTS**

Despite the large deficit, Stoll said there are avenues the state and other agencies can use to get funding for necessary projects. He mentioned that the State Tax Anticipation Revenue, or “STAR,” program is a relatively new financing tool he didn’t think the state would have at its disposal several years ago.

The STAR program is a uses sales taxes from local businesses to pay for transportation infrastructure around the development. Through the program, Stoll said businesses build needed transportation improvements within the region of the business. The state then reimburses the business over an agreed-upon period of time through sales taxes generated by the business.

Stoll said state and city officials can also continue to apply for grants for road projects. In 2018, ITD was granted a $90 million federal Infrastructure for Rebuilding America (INFRA) grant to support the widening of I-84. That grant helped free up funding to purchase right-of-way along Highway 16’s path, Melder said.

Stoll said Idaho should not rely on the federal government to increase funding for transportation. Instead, he said state officials should consider ways to diversify its funding options.

“We didn’t get here in one day,” Stoll said. “And we’re not going to get our solution in one day either.”

COMPASS’ positions for the 2020 legislative session include increasing state and local transportation revenue through means such as increasing the state motor fuels excise tax, supporting a local options sales tax, and encouraging a dedicated funding source for public transportation.

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