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Economic Scorecard poll analysis: For affluent Wisconsinites, rough roads might smooth path for tolls, taxes



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Support for introducing toll roads in Wisconsin -- a traditionally unpopular notion -- has risen somewhat since last year.

And that might be partly because Wisconsin's middle- and upper-middle class are fed up with road construction delays and deteriorating roads, say experts analyzing the results of the latest Wisconsin Economic Scorecard poll.

Respondents with household incomes of \$60,000 or higher are more amenable than households earning less than \$60,000 to raising gas taxes and vehicle fees and to paying tolls, according to poll results. But they have become notably less interested than the lower-income group in putting off spending on road construction projects.

That's one of the findings in the latest Wisconsin Economic Scorecard survey, a quarterly poll done by the UW-Milwaukee Center for Urban Initiatives and Research (CUIR) in partnership with WisBusiness.com and WUWM. The latest poll surveyed 569 registered voters via landline and cell phones from June 2 to June 5. The sampling margin of error is plus or minus 4 percent at the 95 percent confidence level.

When asked to list their most-preferred method of addressing the state's transportation funding shortfall, "delaying major road construction projects" was the first choice for just 26 percent of households earning \$60,000 or more, compared with 36 percent of households earning less. The other three choices in the survey were: "tax and user fee increases" "introducing toll roads" and "borrowing money." Joe Cera, CUIR Survey Center director at UWM, notes that wealthier households have changed their position regarding road construction since last year.

In a June 2013 survey that asked the same question, 41 percent of households with incomes of \$60,000 or higher chose "delaying road projects" as their top choice, compared with 29 percent of households earning less.

"Delaying road construction has become far and away less popular among more affluent households," said Cera. "Last year, this group was twice as likely to say, 'Let's just delay the road projects.' So among wealthier people, there's definitely a sense of 'OK let's fix these roads.'"

“But that feeling doesn’t seem to be shared by households earning less than \$60,000,” Cera noted.

Toll road option

“Introducing toll roads” was the top choice this year among households earning \$60,000 or more, (37 percent), followed by increasing taxes and fees (31 percent.)

That’s a change from 2013, when toll roads came in second, at 29 percent, and increased taxes and fees were the third choice, at 22 percent.

Among households earning less than \$60,000, toll roads did not make the top choice in either 2013 or 2014, but the percentage of those who listed it as No. 1 rose slightly, from 29 percent to 32 percent.

When the question was repeated a different way – with respondents being asked to state their least-favorite option of solving transportation funding woes, fewer households under \$60,000 ranked toll roads their least favorite than in 2013 (24 percent vs. 35 percent).

“What we’re seeing is that support for toll roads has increased among people with higher incomes,” said Cera. “And for people with lower incomes, opposition to toll roads has softened. You could conclude that for Wisconsinites overall, toll roads are becoming more of an option.”

Representatives of two groups that promote a well-maintained transportation network say deteriorating roads might be more noticeable lately, especially to working professionals who can -- and must -- drive more.

Craig Thompson, executive director of the Transportation Development Association of Wisconsin, says poor road conditions can hurt business professionals in the pocketbook.

"From talking to the business community, whether it's in manufacturing or agriculture or tourism or other industries, they are starting to see the situation with our transportation system affecting their businesses and their bottom line. So I think that may be what you're seeing reflected (in the survey)," said Thompson.

Pam Moen, assistant vice president of public affairs for the American Automobile Association's region that includes Wisconsin, said motorists seem to be increasingly aware of poor road conditions, perhaps exacerbated by an unusually harsh winter.

"My sense is that a few years back, when we had the conversation about the need to increase spending on roadway infrastructure, it wasn't a message that resonated strongly with the general public, largely because they could still get where they wanted to go," said Moen. "I think in the last year or so, we have seen road conditions deteriorate in our state to the point where it's much more noticeable to people. I travel regularly, and roads are in pretty desperate need of repair.

"The longer we wait, the more it's going to cost and the worse it's going to get," said Moen.

That sentiment seems to resonate most with very affluent motorists.

For example, last year, more than half (51 percent) of respondents with household incomes between \$80,000 and \$100,000 chose "delaying projects" as their top choice. In the June 2014 survey, only 26 percent did.

Last year, 41 percent of respondents with household incomes of \$100,000 to \$120,000 listed "delays" as their top choice. This year, the number dropped 22 percentage points, to just 19 percent.

Poor road conditions, however, appear less urgent as household income drops.

Respondents in the lowest income bracket -- households earning \$20,000 or less -- increased by 18 percentage points their preference to delay road projects as a first choice to address the funding shortage: In 2013, 22 percent listed this choice as No. 1; this year, 40 percent did.

Affluent less averse to transportation fees, taxes

In the Economic Scorecard poll, households with incomes of \$60,000 or more this year show an 11-percentage-point difference compared with households earning less in terms of support for raising gas taxes and vehicle registration fees. Thirty-one percent of households earning \$60,000 or more ranked this option No. 1, compared with 20 percent of households earning less.

But households earning less than \$60,000 showed less support this year for raising taxes and fees, with 20 percent choosing this as the best option, compared with 24 percent last year.

Dale Knapp, research director for the Wisconsin Taxpayers Alliance, notes that higher income people are more likely than those with lower incomes to drive often and to commute longer distances to their jobs.

"One of the things we've seen over the past three or four years, particularly at the local level, is with state levy limits in place, municipalities have been

spending less on road maintenance, and it's beginning to show," said Knapp. "People are noticing the deterioration."

Borrowing the least desired alternative

As a solution, Wisconsinites overall ranked "borrowing money" dead last, with only 13 percent choosing that option as their first choice in 2013, and even fewer – 8 percent – doing so in 2014.

Knapp said he's not surprised.

"We've seen significantly rising debt, particularly in the transportation fund, and there's been a number of articles about that. We handle a lot of calls on debt," he said. "I think there's an aversion to borrowing, not just for roads, but to overall borrowing in the public sector right now."

However, twice as many households under \$60,000 (13 percent) preferred "borrowing" as the best choice than did households of \$60,000 or more (6 percent).

Knapp offered possible reasons for the growing acceptance for raising gasoline taxes and user fees, such as license plate renewals.

He says people's general dislike for taxes seems less pronounced when the money is earmarked for a specific need. "If roads fall into disrepair or there's an obvious need for an expansion somewhere, they're more likely to be OK with a gas tax increase," he said.

As for toll roads, Knapp says the concept is relatively new in Wisconsin, so there's "an automatic aversion" to it. But now that there's been more publicity on the subject, he said, "I think as people get past their first reaction, they tend to become a bit more amenable to tolls."

Moen says AAA as an organization generally believes that roads should be toll-free.

But, she added, "AAA supports the need for more money to fix roads, and "in certain circumstances, we understand that is an option that is used," as long as revenue would be used solely for transportation needs.

Thompson of the TDA said, "We believe the federal government should lift the prohibition on new toll roads and at least give states the ability to make the choice for themselves. Right now, we couldn't have toll roads if we wanted."

The Obama administration has included in its proposed budget a plan to allow states without toll roads to consider them, but the measure must meet

congressional approval.

Politically, transportation funding tends to be polarizing.

Cera notes that survey respondents who identify as Democrats find borrowing money to be the least palatable option, while independents and Republicans dislike taxes and user fees most intensely.

Wisconsin lawmakers from both sides of the aisle have expressed interest in introducing toll roads. Dem gubernatorial candidate Mary Burke said in May that all transportation funding options would be on the table, including toll roads. In Kenosha County, just over the border from toll roads in Illinois, the idea has been bandied by both Rep. Peter Barca, D-Kenosha, and Robin Vos, R-Rochester.

-- *By Kay Nolan*
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