

## Time for Congress to get out of transportation

By: Randal O'Toole Date: July 2, 2014

The Highway Trust Fund is about to run out of money. The federal gasoline tax is set to expire in September. Too many federal transportation dollars have gone to ridiculously expensive projects that do little to support the movement of people and goods.

All of these facts point to one conclusion: It is time for Congress to get out of the transportation business and return highway and transit funding to state and local governments. At the very least, Congress should simply give federal transportation dollars to the states with no strings attached and let them decide how to spend them.

In 1956, Congress approved the construction of the Interstate Highway System and funded it by dedicating federal gas taxes to those roads. This led to construction of one of the greatest and the most successful public works projects in history.

The Interstate Highway System was successful because it gave the states a simple mission: build interstate roads. Moreover, that mission was funded out of user fees on a pay-as-you-go basis, meaning that if no one drove on the roads there would be no gas taxes to pay for building them. Today, the interstates make up just 2.5 percent of the lane-miles of roads in this country, yet they provide 20 percent of all passenger travel and 15 percent of all freight movement.

The highway bill was written to sunset after six years, requiring Congress to periodically reauthorize it. In 1982, when the interstate highways were largely complete, instead of sunsetting the gas tax, Congress celebrated by raising the tax and dedicating a share of that increase to non-highway projects.

Today, gas taxes go to everything from bike paths to transit boundoggles to the writing of urban plans designed to reduce people's mobility. Meanwhile, the costs of traffic congestion have nearly quintupled since 1982, when Congress began diverting gas taxes to other programs.

The simple mission of building an interstate highway system has been replaced by a complex and often contradictory set of missions: maintaining infrastructure, enhancing mobility, reducing

air pollution, discouraging driving, supporting transit, building expensive rail lines, promoting economic development, stimulating the economy, stopping climate change, and ending urban sprawl, among others.

"Government will malperform if an activity is under pressure to satisfy different constituencies with different values and different demands," wrote management guru Peter Drucker. "Performance requires concentration on one goal."

In funding nonhighway projects with gas taxes, Congress departed from the pay-as-you-go user-fee system that worked so well for the interstates. Moreover, in its infinite wisdom, Congress mandated a minimum level of spending each year even if gas tax revenues didn't come in. Since the 2008 financial crisis, Congress has had to top off the Highway Trust Fund with \$55 billion in general funds to make up for its overspending.

Congress continues to overspend, which is why we're set to go over what some call a "transportation cliff" in August. The Obama administration has proposed a massive increase in spending with no idea where the money will come from in the long run. Senators Chris Murphy (D-CT) and Bob Corker (R-TN) have proposed to raise gas taxes by 12 cents a gallon, but this will just give Congress more money to waste.

Senator Ron Wyden (D-OR) proposes to extend the current law by three months to give members of Congress time to write a new bill. But they had six months six months ago and didn't do anything about it then. Hardly anyone in Congress or the administration has seriously considered reducing spending to be no more than actual revenues.

Our transportation system is vast and complicated, and there's no reason to think Congress can know where every dollar should be spent any more than it knows what clothes you should wear today or what you should have for dinner tonight. It is time for Congress to say what it should have said in 1982: The Interstate Highway System is finished, and new transportation projects, including bike paths, transit routes and bridge repairs, are of state or local interest and should be funded by state or local governments.

Randal O'Toole is a senior fellow with the Cato Institute and author of "Gridlock: Why We're Stuck in Traffic and What to Do About It."