



The Truth About Infrastructure

The crisis talk is overblown, and raising the gas tax is no solution.

By Randal O'Toole

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Everyone from the American Society of Civil Engineers to the AFL-CIO tells us that we face an infrastructure crisis and we must raise federal gas taxes to save our highways, bridges and other infrastructure. However, as comedian John Oliver reminds us, asking civil engineers how much we should spend on infrastructure is like asking golden retrievers how many tennis balls we should throw.

The truth is that, while some of our infrastructure is in poor condition, other infrastructure is in pretty good shape. Understanding the difference will help explain why increasing federal gas taxes is the worst possible solution.

Everyone remembers the Minnesota bridge that collapsed in 2007 and the Washington state one that collapsed in 2013. But neither of these bridges failed due to lack of maintenance. The National Transportation Safety Board found that the Minnesota bridge had a construction defect that maintenance could not have detected or corrected.

The Washington bridge fell when the driver of an oversized truck ignored the warnings and tried to cross it. The bridge was more than 50 years old, but it would have fallen if that truck had tried to cross it the day it opened.

Spending advocates point to the 61,000 bridges that are rated "structurally deficient" (meaning they require more than routine maintenance). Yet they never mention that this number has steadily declined from nearly 138,000 in 1990 even as the number of highway bridges has grown. This continuing decline hardly signals a crisis.

The vast majority of structurally deficient bridges are locally owned. Some 15 percent of local bridges are deficient, compared with less than 4 percent of freeway bridges, which are mostly state owned.

A similar situation exists for highway pavement. The average roughness of pavement has steadily improved, but the smoothest pavements are state owned while local streets tend to have the most potholes.

While highway conditions are improving, America's rail transit systems are falling apart. A 2010 Federal Transit Administration report said these systems suffered from a \$59 billion maintenance backlog, and it is growing because transit agencies aren't spending enough on maintenance to keep the rail lines from deteriorating further.

The Massachusetts Bay Transportation Authority, for example, has a \$3 billion backlog and must spend \$470 million a year just to keep Boston's rail lines from deteriorating further. Yet its 2016 budget calls for spending less than \$100 million on maintenance. Rail systems in Chicago, Philadelphia and Washington are in even worse condition.

The difference between state highways, which are in good condition, local roads, which are in fair condition, and transit systems, which are in poor condition, is simple: State road maintenance is paid for almost entirely out of user fees; local road maintenance is paid for by a combination of taxes and user fees; while transit maintenance is paid for entirely out of taxes.

Managers of user-fee-funded infrastructure know they have to maintain the facilities to keep users happy and revenues flowing. On the other hand, as Oliver noted, politicians happily cut ribbons for new projects but consider maintenance of existing infrastructure to be politically boring.

This means raising federal gasoline taxes is likely to do more harm than good. Congress will be motivated to use most of that money for construction of new roads and transit facilities that state and local governments won't have the money to maintain.

Instead of raising fuel taxes, Congress should encourage infrastructure managers to focus on user fees. One way of doing so would be to distribute federal funds as matches to user fees.

State and local transportation agencies collect about \$2 in fuel taxes, tolls, transit fares, and other user fees for every dollar collected by the federal government in fuel taxes. By giving states 50 cents for every dollar they collect in user fees (not counting money diverted to other uses), Congress would reinforce, rather than weaken, the critical link between transportation users and providers. This in turn would promote sound management of the nation's transport infrastructure.

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