

“Economy rides on hikes in transportation funding”

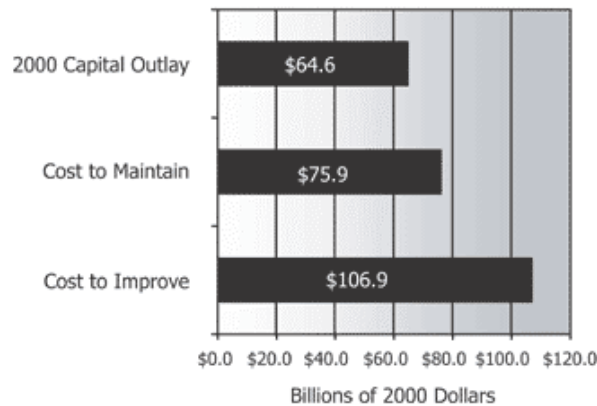
Over the last two weeks, Crain's has performed a laudable service by providing detailed tabular summaries of the issue positions of the Democratic and Republican candidates for US Senate. Of particular interest are the candidates' positions on transportation investment as the Congress weighs a reauthorization of the nation's highway and transit funding. Among Democrats, only three candidates advocate increased transportation spending of an amount requiring increasing the motor fuel tax or indexing it to inflation. On the Republican side, only two candidates support similar funding increases. Most of the others suggested “increasing Illinois' share” of transportation funding, as if the work of Speaker Dennis Hastert and Congressman William Lipinski as leaders of a very dedicated delegation has only brought home peanuts.

As America grapples with boosting its economy and creating jobs, most experts disagree with the majority of Senate candidates who see no need to substantially increase highway and transit spending. Building more highways and transit not only would quickly provide needed well-paid construction jobs, but more importantly, it would make our economy more efficient thereby resulting in more employment long term, and also translate directly to improved quality of life for those caught in traffic jams and overcrowded buses and trains.

But don't take my word for it. The following are two excerpts from the “Status of the Nation's Highways, Bridges, and Transit: 2002 Conditions and Performance Report,” the latest such document published by the US Department of Transportation:

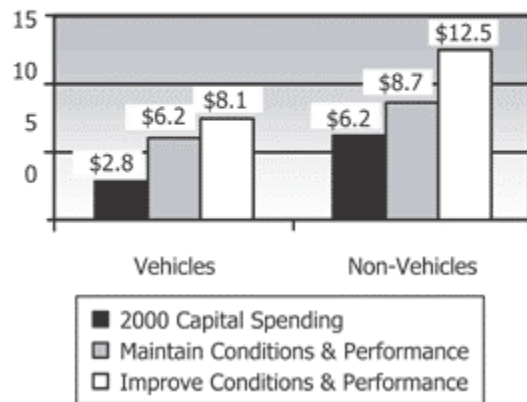
*Federal, State, and local capital expenditures for highways and bridges totaled \$64.6 billion in 2000. **Capital outlay by all levels of government would have to increase by 17.5 percent above this level to reach the projected \$75.9 billion Cost to Maintain Highways and Bridges level. An increase of 65.3 percent would be required to reach the projected \$106.9 billion Cost to Improve Highways and Bridges level.***

2000 Capital Outlay vs Highway and Bridge Investment Requirements



To Maintain Conditions and Performance investment in transit vehicles would need to be 117 percent above the \$2.8 billion spent in 2000, and investment in non-vehicle assets 40 percent above the \$6.2 billion spent in 2000. To Improve Conditions and Performance investment in vehicles would need to be 184 percent above the 2000 amount and investment in non-vehicle assets 101 percent above the 2000 amount.

A Comparison 2000 Capital Spending with Average Annual Investment Requirements (Billions of Dollars)



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“Cost to maintain conditions and performance” is the cost simply to keep current highways and transit services in their current condition. In other words, at current funding levels the United States is disinvesting in its transportation system, spending less than is needed simply to keep what we have in reasonable repair, and therefore allowing roads and transit to deteriorate. In so doing, we are eating the seed corn of our economy, since the ability to produce and sell goods and services profitably in an increasingly competitive global marketplace depends on, among other things, an efficient transportation system.

“Cost to improve” as defined in the federal report as the minimum amount estimated necessary to deal with traffic congestion and demands for new and improved transit services.

What is even more disturbing than the fact that many of the candidates seemed unaware of these unmet needs is that some of them admitted to being totally uninformed on the issue at all (you know who you are).

While the media and others are concerned with celebrity trials and gay marriage, the current surface transportation funding debate has the potential to significantly impact, positively or negatively, this country’s economic future, as well as our personal future. What a shame that so many of our would-be leaders are either misinformed about it, or uninformed altogether.

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