

# Is U.S. Transportation Infrastructure Falling Down?

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*In August 2007, the Interstate-35W bridge across the Mississippi River in Minneapolis suddenly collapsed, killing 13 people. The event led many to decry the state of the nation's infrastructure, and stress the need for more federal funding to maintain and repair that infrastructure.*



“One-third of the bridges in the United States should have a sign that says, ‘Use at your own risk,’” reported CBS News.

As it turned out, the National Transportation Safety Board concluded that the bridge collapsed due to a design flaw, not a maintenance failure. Yet some people still use this event as an example of why the federal government should increase spending on transportation infrastructure.

**How Infrastructure Is Funded.** Fifty years ago, almost all transportation in America was paid for out of user fees, not taxes. Railroads were private and less than 6 percent of America’s rail lines had been built with federal subsidies. Most urban transit systems were private, as were intercity buses. Most airports were public but had been paid for with airport landing fees. Similarly, most highways were public but had been paid for with tolls, gas taxes and other user fees.

Congress weakened the emphasis on user fees in 1964 by offering cities capital grants for urban transit if the cities took over private transit systems. In less than a decade, this once-private industry had been almost entirely taken over by government. In 1982, Congress began diverting some gas taxes and other highway user fees to transit, weakening the connection between user fees and highway agencies as well. User fees

still pay for nearly all of the costs of federal and state highways, but they cover less than a quarter of the costs of transit.

Some transit funds are distributed using formulas, but metropolitan areas compete for other grants. In theory, individual metropolitan areas submit proposals to spend these funds and the Federal Transit Administration allocates the funds to the metropolitan areas that need them most or can use them most effectively. In practice, a lot of politics goes into the distribution of these funds.

Large transit agencies are particularly motivated by a multibillion-dollar competitive grant fund called “New Starts” that was created to subsidize new fixed transit infrastructure, such as rail lines. Cities that propose to build expensive rail lines end up getting the most money out of this fund. Thus, the fund creates incentives for cities to plan and build wastefully expensive rail transit projects.

**America’s Highways.** Despite the hysteria that followed the I-35W bridge collapse, most state-owned roads and bridges are in good condition and improving. Indeed, according to the Department of Transportation, the “roughness index” of all major roads has steadily declined — meaning highways have grown smoother — over the past two decades. On average, highways in 2009 were about 20 percent smoother than they were in 1989 [see Figure I].

In addition, highway bridges are getting safer. Note:

- In 1990, 24 percent of America’s highway bridges were considered “structurally deficient,” meaning

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they had deteriorated enough since they were built that they could no longer support the loads for which they were designed.

- By 2011, this had fallen to just 11 percent [see Figure II].

If only 11 percent of bridges are in poor condition, where did CBS News get the notion that one-third of bridges are risky to users? In 2007, when CBS made its report, 12 percent of bridges were structurally deficient, while another 13 percent were “functionally obsolete.” A functionally obsolete bridge is structurally sound but may not be entirely suited to today’s high-speed traffic due to factors such as narrow lanes. However, it is not risky to users.

CBS News added these two percentages together, rounded up to “almost 30 percent,” then rounded that up to “one third.” By misinterpreting the data and rounding up, reporters spread fear and made an apparent crisis out of a problem that is actually fading away.

**Urban Transit Systems.** Most roads are in fairly good condition, but the same cannot be said for America’s urban transit systems. According to a 2010 report from the Federal Transit Administration, the nation’s transit industry has a \$78 billion backlog of work that must be done

**Figure I**  
**Average International Roughness Index**

	1989	1999	2009
Rural Interstates	101	88	77
Other Rural Principal Arterials	104	97	87
Minor Rural Arterials	115	104	100
Urban Interstates	115	104	92
Other Urban Freeways	124	115	101
Other Principal Urban Arterials	n.a.	139	134

Source: Calculations based on *Highway Statistics* for 1989, 1999, and 2009, table HM-64.

to bring transit infrastructure into a “state of good repair.” Indeed, annual maintenance spending is less than is needed to even keep rail and bus systems in their current state of poor repair.

The systems in the worst condition are older rail transit lines in Boston, Chicago, New York and Washington, D.C. Consider:

- In 2010, the Massachusetts Bay Transportation Authority said that it needed \$3 billion to bring the system up to a state of good repair, but was able to find only about \$200 million.

- The Chicago Transit Authority says it needs more than \$16 billion to bring its system back to a state of good repair.
- New York’s Metropolitan Transportation Authority estimates that it needs \$16.5 billion to bring the entire system into a state of good repair.
- In 2002, the Washington Metropolitan Area Transportation Authority estimated that it needed \$12.2 billion — roughly the original cost of constructing the rail system — to rehabilitate its rail lines.

**Conclusion.** Subsidies have not resulted in better transportation or increased mobility, especially when it comes to America’s transit systems. Indeed, despite more than \$500 billion in subsidies to public transit since 1970, the average urban resident rode transit fewer times in 2011 than in 1970. One reason why subsidies are ineffective at improving transportation is that most of those subsidies are captured by non-users, including increased profits for construction firms and increased pay and benefits for transportation workers.

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