MOVE America
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Preview of 2015 Surface Transportation Agenda

In 1993, Intel shipped the first-generation Pentium chips and Nintendo released Star Fox for the Super Nintendo system; the average monthly rent was $532.00; and tuition to Harvard University cost $23,514.

A lot has changed since then.

One thing, though, hasn't changed at all: the federal gas tax. When last raised – to 18.4 cents per gallon for gasoline and 24.4 cents per gallon for diesel – the gas tax wasn't indexed to inflation, meaning that in the more than two decades that have ensued, it has lost roughly 40 percent of its purchasing power.

And since the gas tax is what funds the Highway Trust Fund, which in turn funds federal investments in our nation's highway and transit systems, that's more than a little problematic. Our nation's roads stretch more than 4 million miles and support 3 trillion vehicle miles each year. But in 2013, the American Society of Civil Engineers graded our roads a D on its Report Card for America's Infrastructure, in part because congestion alone cost the economy an estimated $101 billion annually in wasted time and fuel. Our bridges, too, merited only a C+. It shouldn't take horrific events like the 2007 collapse of the I-35W Mississippi River bridge in Minneapolis – which killed 13 people – and the 2013 I-5 Skagit River Bridge collapse north of Seattle to remind us that our transportation infrastructure is under-funded and falling apart. More than 25 percent of our bridges are either structurally deficient or functionally obsolete, and that's simply unacceptable.

Because the gas tax hasn't been raised in more than twenty years, the Highway Trust Fund is at constant risk of insolvency. Last August, Congress narrowly averted bankrupting the Fund by passing the Highway and Transportation Funding Act of 2014, which provided funding through May 31st of this year. But that means that in just a few short months, if Congress fails to pass a new surface reauthorization, the Department of Transportation will be forced to ration highway and transit funds for states.

It's not enough for Congress to simply pass another short-term extension at that point, either. Truly effective infrastructure construction and repair takes place over the long term: you can't build a new highway or bridge in just a month or two. Without certainty about long-term federal investment, many states have already begun to pull back from transportation projects – exactly the opposite of what our surface transportation network and economy need now.

And without a long-term funding plan, transportation jobs will continue to languish. While many parts of the economy have improved significantly from the Great Recession, unemployment in the construction sector still stands at 9.8 percent. While most of the economic effects of transportation investment accrue over the long-term, 68 percent of jobs related to infrastructure investment are in the construction sector – so investing in surface transportation means investing in a workforce that is starving for good jobs.

There is hope: many in Congress have stopped ignoring the urgency of this problem and have begun to propose solutions to this funding crisis. Many of these solutions, like a vehicle miles traveled tax, may prove useful over time, but we need to see increased funding immediately. That's where the gas tax becomes so crucial: the mechanisms for collecting it are already in place and as a user fee it directly connects those who use the infrastructure to the funds necessary to maintain and modernize it.

You can't attend Harvard paying 1993 tuition rates. And you can't run a 2015 surface transportation network on a 1993 budget. We'll unveil our views on a solution later this month.