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CURING CRUMBLING INFRASTRUCTURE AND OTHER GOVERNMENT WASTE

By Pete Sepp

Their election night parties have become distant memories, but members of Congress are still left with a major hangover: the unrelenting headache of a rising national debt. And whether they do so in a lame-duck session or in January, lawmakers will need to face facts: to avoid devastating tax increases, they must find ways to cut government spending. The situation is dire: annual deficits in the hundreds of billions of dollars as far as the eye can see and debt in excess of \$13.5 trillion, representing \$180,000 for a family of four. Many state and local governments have problems proportionally as severe.

Digging out of this hole will be tough enough, but taxpayers have other holes in the ground to worry about too, in the form of our crumbling national infrastructure. A recent report card by the American Society of Civil Engineers gave the nation an abysmal “D-” grade for the state of our roads and critical water/wastewater systems.

And nowhere are the poor grades more evident than in the tremendous number of water main breaks. More than 700 occur each day in North America, most of which aren’t due to old age but to materials that succumb to corrosion. A 2002 congressional study found that corrosion costs U.S. water and wastewater systems upwards of \$50.7 billion annually.

All those who have suffered from water main breaks would be angered to know that many utilities have flawed planning processes that fail to adequately consider pipe materials – such as PVC – that could prevent such corrosion-related problems and are environmentally and fiscally sustainable.

The federal government should avoid trampling on decision-making within states and localities, especially for infrastructure projects where they know more about conditions on the ground (and underground) than a bureaucracy in faraway Washington, D.C. Still, it’s only prudent that this decision-making be informed by all choices of materials and techniques, whether they’re iron, concrete, or PVC.

Such a policy makes sense for any government, but since federal funding is involved in these projects too, it’s all the more important to have open bidding processes for them. Congress can take the lead with guidelines that encourage officials to make sure all of the most viable technologies are at the table.

And that’s just one infrastructure problem. The National Taxpayers Union and our allies have produced numerous ideas that cut costs and provide better value for taxpayers when it comes to infrastructure spending. These solutions should be attractive to all our elected officials, because good government comes in blue, red and green. Here are some of them.

* Eliminate federal Davis-Bacon rules which drive up the costs of infrastructure projects by requiring “prevailing” (i.e., often overinflated) wages to be paid on contracts. A recent study by the Beacon Hill Institute found that Davis-Bacon requirements add about 20 percent of cost (without benefit) to public projects. Moreover, Davis-Bacon strictures were added slapdash at the end of the big stimulus bill, resulting in more money being spent for no additional return.

* Implement “technical auditing,” a detailed cost-analysis process that could also net serious savings on water and sewer replacement efforts. One such investigation in Atlanta flagged millions in savings – and that’s just for a single city.

* The maintenance of existing infrastructure should be sold or contracted out to the private sector, helping to keep operating costs lower over the long term. To name just two examples, this could take the form of commercially-financed toll roads or a privately-administered, user-fee-based air traffic control system (with government safety oversight).

* Regulatory changes can help too. Allowing heavier trucks on interstates (with an extra axle and user fee) can reduce congestion, cut emissions, and boost economic efficiency without net increases to road damage.

They say that the road to hell is paved with good intentions. If so, it may be the ~~only road left in any sort of admirable condition~~. The rest of our infrastructure is in desperate need of taxpayer-friendly solutions to get us moving (and flowing) in the right direction again.

Pete Sepp is executive vice president of the 362,000-member National Taxpayers Union (ntu.org), an independent, non-partisan advocacy organization for overburdened taxpayers.