

InfrastructureUSA

Guest on THE INFRA BLOG

Thomas Murphy, Senior Resident Fellow, ULI/Klingbeil Family Chair for Urban Development, Urban Land Institute, and former Mayor of Pittsburgh

Conversation with Steve Anderson, Managing Director, InfrastructureUSA

Thomas Murphy:

Elected officials need to be proactive

You have a third to half of legislators in virtually every state in America signing no-pledge-tax cards before they get elected. So how do you have a conversation when people, before they have even faced the issues—and these are new legislators or congressmen running for office—before they've even gotten the information or faced the issue, they've already pledged to whatever group that they're not going to raise taxes? How do you begin the conversation? That's the challenge, is that there's no place to begin the conversation. Maybe the last politician in America was Dwight Eisenhower, when he proposed the interstate highway system and said we needed a gas tax to pay for it, and he faced the same kind of screaming and yelling from the Congress that we face now, but he was able to overcome it. Imagine what we'd be as a country without the Interstate Highways System? And yet, without his kind of leadership we wouldn't have had that, and that's where we're stuck today.

Local infra initiatives

All politics are local and it's personal, and if I'm not directly inconvenienced by our lack of infrastructure, I'm not going to be screaming and yelling about "do something about it." To the credit of state DOTs, they are making do and keeping bridges standing so you don't have a lot of bridges falling down. At one point, I think we're going to have to have a huge crisis, and I don't know what that might be, given that we've had a major bridge fall down in Minneapolis, New Orleans practically destroyed because of a failed levee, but the tenor of the times makes it very difficult to solve the problems. At the federal level I think is where the paralysis is. At the local level you have some really impressive initiatives. In Denver, the voters voted to raise their sales tax on themselves to build a 120-mile transit system. The same thing is happening in Salt Lake City and Dallas, and so people are saying "that's enough. I'm willing to spend more money to build transportation systems that make sense to us." But at the federal level, which is almost 50% of the funding for transportation infrastructure through the existing gas tax – which hasn't been raised since Ronald Reagan was president, and ironically Ronald Reagan raised it – you have paralysis. That's part of the challenge is you have some states, not a lot, but you have some states—and particularly, more importantly, local governments—willing to sort of stand up and

say “we want this,” and so you have examples all across the country. Seattle is another example that the citizens voted to tax themselves a significant amount to raise billions of dollars to expand their mass transit system.

Taxes and user fees to generate infra funding

I think it’s hugely interesting to have the history of infrastructure, going back to the building of the Chesapeake and the Ohio Canal, and the Erie Canal, and the main transportation through the railroads. The federal government had a huge role in all of those, and then the Interstate Highway System. The federal government puts a lot of money out, essentially, to maintain the existing system, but you don’t have any new initiatives. But the problem is trying to educate when you have people, 24 hours on the radio and television, saying “we don’t want any more taxes.” And the reality of this is that we need to spend money. It’s expensive to build a new generation of infrastructure, and that’s the reality. Somebody needs to be for that. I am for some transportation—some user fee of some kind, because we need to build new transit and new roads and build the developments like the Tappan Zee Bridge.

The future of infra change

We’re always hopeful, and I think there is a lot of effort underway by lots of different groups, whether the group is proposing highways, or environmental groups like Transportation for America that is encouraging more transit use. I recognize that we need to invest in a new generation of infrastructure much like what we did for the Interstate Highway System—and we need to understand the best way to pay for it. I think that conversation is out there, and hopefully it will, at some point, influence the congressional choices. I think, clearly, this is an issue that has been hijacked by other more pressing issues of employment and the banks, but I think coming next year it will become one of the major discussion points for the Obama Administration.

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