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New report finds deferred road repair poses huge financial liability for many states

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Washington, DC – Decades of spending on new road construction and underinvestment in regular repair have left many states' roads in poor condition, and costs to repair these roads are rising faster than many states can address them. These liabilities are outlined in a new report from Smart Growth America and Taxpayers for Common Sense, which examines road conditions and spending priorities in all 50 states and the District of Columbia. The report recommends changes at both the state and federal level that can reduce future liabilities, benefit taxpayers and create a better transportation system.

The report, [Repair Priorities: Transportation spending strategies to save taxpayer dollars and improve roads](#), found that between 2004 and 2008 states spent 43 percent of total road construction and preservation funds on repair of existing roads, while the remaining 57 percent of funds went to new construction. That means 57 percent of these funds was spent on only 1 percent of the nation's roads, while only 43 percent was dedicated to preserving the 99 percent of the system that already existed. As a result of these spending decisions, road conditions in many states are getting worse and costs for taxpayers are going up.

"Federal taxpayers have an enormous stake in seeing that our roads are kept in good condition," said Erich W. Zimmermann of Taxpayers for Common Sense. "Billions of precious tax dollars were spent to build our highway system, and neglecting repair squanders that investment. Keeping our roads in good condition reduces taxpayers' future liabilities."

"Spending too little on repair and allowing roads to fall apart exposes states and the federal government to huge financial liabilities," said Roger Millar of Smart Growth America. "Our findings show that in order to bring their roads into good condition and maintain them that way, states would collectively have to spend \$43 billion every year for the next 20 years – more than they currently spend on all repair, preservation and new capacity combined. As this figure illustrates, state have drifted too far from regular preservation and repair and in so doing have created a deficit that is going to take decades to reverse."

The high cost of poor conditions

According to the American Association of State Highway and Transportation Officials, every \$1 spent to keep a road in good condition avoids \$6-14 needed later to rebuild the same road once it

has deteriorated significantly. Investing too little on road repair increases these future liabilities, and with every dollar spent on new construction many states add to a system they are already failing to keep in good condition.

State and federal leaders can encourage better spending priorities, and this new report lays out several recommendations. The federal government should establish criteria and performance standards in the upcoming surface transportation reauthorization bill for the overall condition of federal-aid highways. The report also urges states to create or raise performance goals to keep roads in better condition, and to develop and fund state programs to meet those goals.

More information about the high cost of delaying road repair, how states invest their transportation dollars and what leaders can do to address these concerns is available in the full report, available at www.smartgrowthamerica.org/repair-priorities.

Taxpayers for Common Sense is a non-partisan budget watchdog serving as an independent voice for American taxpayers. Our mission is to achieve a government that spends taxpayer dollars responsibly and operates within its means. We work with individuals, policymakers, and the media to increase transparency, expose and eliminate wasteful government spending, and hold decision makers accountable. Read more at www.taxpayer.net.

Smart Growth America is the only national organization dedicated to researching, advocating for and leading coalitions to bring smart growth practices to more communities nationwide. From providing more sidewalks to ensuring more homes are built near public transportation or that productive farms remain a part of our communities, smart growth helps make sure people across the nation can live in great neighborhoods. For additional information visit www.smartgrowthamerica.org.

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