

## Rural Roads Not Keeping Pace With Farm Demands

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OMAHA (DTN) -- Farming practices, equipment and production methods have evolved since World War II, but in many parts of rural America the infrastructure that supports agriculture hasn't.

"We're farming the same land my grandpa did and we're driving the same roads my grandpa built," said Bill Even, South Dakota's secretary of agriculture.

Farm-to-market roads, whether they are county roads, state roads or federal roads, continue to deteriorate, said Tom Williamson, president of Transportation Consultants Co. in Kansas City, Mo.

"It has not had any investment in years and the trucks just continue to be more and heavier," Williamson said. "And the farmer has to haul his grain further, because the local elevator is no longer a shuttle-freight elevator. He has to haul his grain 50 miles instead of 10 miles. The roads are one thing, but the bridges become frightening because a lot of those bridges were just not made for these big heavy trucks."

"Being an agricultural state, we need to make sure our farm-to-market roads carrying our products out of the fields to the elevators are in good condition," said South Dakota's Rep. Shantel Krebs, who chairs a legislative interim transportation study committee looking at the budget shortfall.

"Some of the challenges we face with those roads, though, is they were built in the '50s and '60s and weren't built for the 80,000-pound farm truck-trailer operation," said Krebs.

Even said it's time the current generation takes ownership of roads, bridges and other transportation infrastructure that moves this nation's goods. He compares infrastructure to homeownership.

"Just like our homes, there are costs to ownership of roads," Even said. "Somebody paid to build them and somebody paid to keep them maintained, but as our productivity and efficiency skyrocketed and our equipment gained in size, it's time to fix the roof, and it takes money."

Though the nation is spending \$787 billion under the American Recovery and Reinvestment Act, this has failed to be the infrastructure boon many people expected from the stimulus bill.

The legislation's spending on key areas such as roads, bridges, waterways and railroads -- particularly in rural America -- really falls short where it's most needed.

"When you really dial in on it and see the breakdown of just how much money was allocated to infrastructure projects, it's really quite anemic," said Mike Steenhoek, executive director of the Soy Transportation Coalition.

"Particularly when you look at what percentage can find its way to rural America, it's even less so," he said.

The ARRA spends \$85.3 billion on infrastructure or about 11 percent of the total cost. Only about \$52.6 billion went to transportation projects -- and the bill spends about \$27.5 billion on roads and bridges.

"That money will barely make a dent in highway maintenance, preservation, and reconstruction needs," stated the American Association of State Highway and Transportation Officials in a study called "Rough Roads" released earlier this year. AASHTO states funding for all levels of government needs to reach about \$166 billion annually on highways and bridges to meet the demands of an aging road system.

But the federal government set aside a \$1.5 billion pot of money for competitive projects across the country. That program received 1,380 applications for \$56.5 billion in funding requests. That's 38 times the actual money available under the program.

[http://www.dot.gov/...](http://www.dot.gov/)

#### HIGHWAY BILL IN LIMBO

What infrastructure needs is a much higher, more sustained level of investment, so the stimulus bill was not going to be a substitute for what is needed over time, said transportation consultant Jack Schenendorf, who served as vice chairman of the National Surface Transportation and Revenue Study Commission that laid out America's road problems in a major report in 2008. The report called for reform in the federal highway bill, which awaits reauthorization in Congress, but was delayed.

The House Infrastructure and Transportation Committee spent much of the year developing a framework for a reform-minded highway bill. But that six-year funding bill could cost \$500 billion, which is \$214 billion more than the current highway bill.

"The biggest single problem is how to finance the improvements," Schenendorf said. "Everybody agrees you need a lot more investment. The real question is how to finance that."

A new highway bill is delayed because of health-care reform and other legislative debates. It's not uncommon, though. The last highway bill, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, known as SAFETEA-LU, took 12 extensions before completion in 2005.

The reality is the Highway Trust Fund is effectively unsustainable. A Congressional Budget Office report last year said if current tax levels and spending obligations remained at the same level as 2009, the trust fund would run annual deficits averaging \$10 billion. That doesn't account for actually increasing investments in roads. [http://www.cbo.gov/...](http://www.cbo.gov/)

The federal 18.4-cent per-gallon gasoline tax and 24.3-cent diesel tax are not enough to meet highway demands. Fuel-tax revenues have gone down, as people drive less or get more fuel-efficient cars to counter the higher costs of gasoline. So the federal government either needs to

raise the fuel tax or go to an alternative tax, such as taxing vehicles per mile driven, although that would be politically difficult.

#### DEMANDS STRAIN FUNDS FOR RURAL PROJECTS

Environmentalism and satisfying urban demands also remain major challenges to constructing rural highways.

Administration environmental rhetoric and emphasis on reducing greenhouse-gas emissions are elements that should worry rural residents. Along with that, though, is the expectation of devoting money to congested urban areas and high-freight corridors. A major topic now, and one causing states to jockey for money, is high-speed passenger rail service.

#### ECONOMY STRAPS STATE RESOURCES

Along with federal spending issues, almost every state is grappling with long-term budget problems for roads. Iowa's state legislature increased license fees in 2008 to help deal with a long-term funding deficit, but the estimated \$135 million annual increase in revenue only fills about half the projected \$267 million annual deficit.

The deficit actually has grown, partially because of floods and further delays in solving the funding issue. Iowa officials continue to look at ways to solve the problem, but it's unlikely lawmakers will have an answer in the 2010 legislative session.

Aside from road challenges, the overall budget problems are causing dramatic cuts. Iowa's governor announced a 10 percent across-the-board spending cut for state agencies earlier this month because of revenue shortfalls.

Oddly enough, 2009 is a record year for road construction expenses in Iowa because of \$358 million in stimulus funds and federal disaster money from 2008 floods. So this year Iowa did not face a shortfall, but will likely see one in 2010.

South Dakota also is trying to reduce a \$241 million shortfall, about \$80 million of which involves county and township roads with the rest on state highways. But South Dakotans also have gotten by with some lower driving costs than the rest of the nation. For instance, South Dakota hasn't raised vehicle-registration fees in more than 25 years, said Krebs.

Much like the federal stimulus package, road work has turned into simply working on the most critical repair needs with little emphasis on refurbishing or upgrades.

To fill the budget deficit on state highways, South Dakota lawmakers could propose raising the gas tax, which they last increased a decade ago.

Krebs said she thinks state residents understand the magnitude of the problem with roads and bridges. "We have had very little push back," she said. "We're actually pleasantly surprised on that."

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