By: Jakob Puckett

The Federal Highway Trust Fund (FHTF) is in jeopardy, and that could mean bad news for Missouri’s roads and bridges.

You may never have heard of the FHTF before, but the Missouri Department of Transportation (MoDOT) relies heavily on it. Forty-two percent of MoDOT’s budget is federal money, the bulk of which comes from the FHTF (page 7).

This pattern of dependency is not a reliable way to maintain our transportation infrastructure.

The FHTF, funded mostly by federal fuel taxes, faces looming solvency problems, especially as the federal gasoline tax is unlikely to budge. Since 2004 Missouri has benefited from the fund, at times receiving $1.45 for every $1 contributed. According to the latest information, Missouri gets $1.14 for every $1 contributed.

MoDOT recognizes this dependency problem (page 14). A solution? User fees like tolling or gas taxes, which are the fairest way to ensure those who use the roads most pay their fair share for upkeep. Most states employ some form of tolling, and many others index their fuel tax rates in some way to ensure the revenue keeps up with the economy.
By relying more on a system that collects revenue based on use, Missouri could mitigate the pitfalls of federal dependency and the need to push costs into the future by issuing bonds.

Federal grants awarded to Missouri this year illustrate how the problems of federal dependency and pushing costs into the future are related. Missouri received $100 million from the federal government to repair bridges, which triggered $300 million in state bonds to supplement those repairs. Those bonds will now need to be paid off down the road.

Federal money certainly helps MoDOT with budget issues in the near term, but it does not address the more serious problem of MoDOT’s long-term solvency. Missouri needs more robust user fees if it wants to create sustainable funding for our infrastructure maintenance.

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