

Bond Case Briefs

Municipal Finance Law Since 1971

Soaring Road Construction Costs Could Nix Some State and Local Projects.

Highway and street materials have increased 21% since last year due to hikes in petroleum-based and other products and truck and driver shortages.

Inflation for construction materials far exceeds the already high inflation for consumer goods, a trend that, if it continues, threatens to sap the spending power of money flowing to states and localities from Washington in President Biden's signature infrastructure law.

The cost of highway and street construction materials has increased by 21% in the last year, according to the American Road & Transportation Builders Association, compared with 7.9% for ordinary consumer goods.

The climbing cost of road construction is in line with increases in the broader construction industry, where prices have gone up 20% in the last year.

[Continue reading.](#)

Route Fifty

By Daniel C. Vock

MARCH 25, 2022