

Senate Bill 643 – Public-Private Transportation Facilities Act

Grade: A

In West Virginia, public roads are an especially visible example of government failure. Residents desire safe, functional roads, and it is the government that is tasked with providing this good. Roads, however, seem to be in a state of regression, not progression. Here in Morgantown, potholes are commonplace, steadily widening and increasing in number. In some parts of town, the roads seem to be melting off of the sides of hills. Older roads in town either exhibit severely uneven bricks or worn away pavement exposing an underlying brick foundation. It's not a pretty picture and the problem is not solely Morgantown's.

Having the public sector supplying roads—or any good for that manner—highlights two problems inherent in any government's role as a producer of goods. First, the West Virginia government does not have the information available to provide a level of roads reflective of what West Virginians want. The process of supplying roads involves a guess as to the amount and quality of roads to provide, followed by a guess as to how much that may cost, then followed by a levying of taxes to finance it. Companies receive constant feedback through profits and losses to help them adjust their production levels and mix of goods; the government receives no such information.

Second, given the ability to extract income from residents via taxation, there is no incentive to provide the best quality good for the consumer. Firms are at the constant mercy of their customers in order to survive; governments have no such constraint. Instead of the prospect of going out of business, the government hikes up its britches and guesses again.

When analyzing any public sector production, it is imperative to keep in mind these two issues. Fortunately, the West Virginia Legislature seems to recognize these shortcomings. SB 463 introduces the favorable aspects of the market system into the provision of roads by allowing private companies into the process. The bill notes that “public need may not be wholly satisfied by existing ways in which transportation facilities are acquired, constructed, or approved,” and that “authorizing private entities to acquire...transportation facilities may result in the availability of transportation facilities to the public in a more timely and less costly manner.” In a state that has typically looked to more government for the solution to its economic woes, this mindset is a refreshing and more effective alternative. If better roads, produced quicker and more cheaply is the goal, then this bill is a step towards that end.

House Bill 4529 & House Bill 4544—Eliminate Limited Video Lottery

Grade: F

In the spirit of legislating morality, HB 4529 & HB 4544 will, if passed, prevent the issuance of new video lottery licenses and, by 2011, eliminate video lottery. Renewals are still subject to background investigations in the short term and, combined with the

elimination of new licenses, the video lottery business in West Virginia will be choked out.

Gambling is one of a handful of issues that elicits a particularly strong public reaction. This is due to the fact that many of those against gambling feel that it is morally wrong. Many people feel a range of opinions on a wide array of public policy issues, but rarely do those opinions cut so deep so as to cause a moral conflict. There is nothing troublesome about hearty opinions, but there is a problem when these strong opinions require imposing them upon others. Individual liberty—a trait in which this country is grounded and which allows for our increasing prosperity—is effectively removed when one's values are compromised and can be legislated away. This is exactly what these two bills seek to do. Eliminating the ability for anyone to participate in video lottery is no more absurd than requiring *everyone* to participate in video lottery. Decisions to partake in gambling should be left to the individual, not to the state of West Virginia.

For a state looking for an economic stimulus, it would be wise not to prevent any possibility for a wealthier West Virginia. Video lottery generates economic activity just as your favorite local restaurant does—and banning Mediterranean cuisine would not do good things for the West Virginia economy, either.

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