

# Transportation For America



## Platform for the Surface Transportation Program Authorization

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## Executive Committee

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Transportation for America has been formed by a broad coalition of housing, environmental, public health, urban planning, transportation, real estate, local businesses, and other organizations. We're all seeking to align our national, state, and local transportation policies with an array of issues like economic opportunity, climate stability, energy security, health, housing and community development. Our coalition continues to grow. For a current list of partners and more information, please visit our website: [www.t4america.org](http://www.t4america.org) Listed below are the Executive Committee member organizations; each played a critical role in shaping the platform.



### The T4America Executive Committee

Reconnecting America (Co-Chair)

[www.reconnectingamerica.org](http://www.reconnectingamerica.org)

Smart Growth America (Co-Chair)

[www.smartgrowthamerica.org](http://www.smartgrowthamerica.org)

Action! For Regional Equity (Action!)

[www.policylink.org/BostonAction/](http://www.policylink.org/BostonAction/)

America Bikes

[www.americabikes.org](http://www.americabikes.org)

American Public Health Association (APHA)

[www.apha.org](http://www.apha.org)

Apollo Alliance

[www.apolloalliance.org](http://www.apolloalliance.org)

LOCUS – Responsible Real Estate Developers and Investors

National Housing Conference

[www.nhc.org](http://www.nhc.org)

National Association of City Transportation Officials (NACTO)

[www.nacto.org](http://www.nacto.org)

National Association of Realtors

[www.realtor.org/smartgrowth](http://www.realtor.org/smartgrowth)

Natural Resources Defense Council

[www.nrdc.org](http://www.nrdc.org)

PolicyLink

[www.policylink.org](http://www.policylink.org)

Surface Transportation Policy Partnership (STPP)

[www.transact.org](http://www.transact.org)

Transit for Livable Communities (TLC)

[www.tlcmnnesota.org/](http://www.tlcmnnesota.org/)

US PIRG

[www.uspirg.org](http://www.uspirg.org)

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## Introduction

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### A Critically Important Program

In 2009, Congress will be working on legislation authorizing and updating the federal surface transportation program. This program guides the federal expenditure of just over \$50 billion annually for public transit, rail, highway, bicycle and pedestrian facilities and services across the country. The money is granted principally to state transportation departments, local and regional transit agencies and metropolitan planning organizations.

However, the importance of federal surface transportation program goes far beyond its size.

Transportation policy is perhaps our most important tool for improving our nation's global economic competitiveness and the health and quality of life for households and individuals, and for increasing personal economic opportunity – the foundation of America's economic vitality and strength. Transportation networks are fundamental to how we grow, develop and prosper.

The federal surface transportation program directly influences how states, regions and cities invest in transportation. To a significant degree it determines what the country's transportation networks – interstate, regional and local – will be and how they will function.

This T4America Platform is intended to guide drafting of the authorization bill, which for many reasons promises to be one of the most important pieces of legislation to be taken up by the next Congress. The Platform reflects the work of a wide range of individuals and organizations with expertise in transportation, housing, environment, energy, real estate and development, public health and local governance.

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## The Federal Role in Surface Transportation

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### History of the Federal Program

The first national “fuel taxes” were passed in 1932 to support the federal budget which was in deficit due to the Great Depression. The tax rate was increased periodically over the years, primarily to support the national defense budget. The concept of a “user fee” dedicated to development of roads was inaugurated with the 1956 Highway Revenue Act creating the Highway Trust Fund (HTF).

Most people think of the first phase of the federal transportation program – from the mid-1950s to today – as the “Interstate Highway Era.” The Interstate System was conceived as a means of connecting the cities and regions of the country to strengthen the national economy, and as necessary to ensuring the national defense. This idea was first promoted by the “better roads” movement in the 1930s.

However, Congressional approval of the Federal Aid Highway Act of 1956, formally funding the “National System of Interstate and Defense Highways,” was not achieved until the Bureau of Public Roads published a map showing how the national grid of Interstate routes would be connected into all of the country’s major cities. The potential importance of high-speed roadway connections to facilitate commerce between cities and regions was what it took to secure final Congressional approval and funding of a national Interstate Highway network.

Federal involvement in public transit began with the Urban Mass Transportation Act of 1964. This legislation, originally proposed by President John Kennedy in 1962 and later championed by President Lyndon Johnson, established the Urban Mass Transportation Administration Authority (UMTA) and authorized \$375 million in funding over three years for capital grants to local and regional transit providers, using a 50/50 match ratio for federal participation. The agency name was changed to the Federal Transit Administration (FTA) in 1991.

Over recent decades, the federal transit program has been authorized at 20% or less of the size of the federal highway program. SAFETEA-LU, the current authorization legislation, put about \$40 billion annually into the highway program and about \$9 billion annually into public transit. The program structure has varied over the decades, but today about 80% of the program goes into “Formula and Bus Grants,” with about 15% going into “Capital Investment Grants” (New Starts and Small Starts).

By the late 1980s there was growing discontent in the US with the “highway-only” orientation of the federal surface transportation program as well as with the inflexibility of the system of program categories, the inattention to urban needs and the lack of a solid planning foundation for the program. With active support and participation by a national coalition of environmental, urban policy, transit, bicycle, and planning organizations, Congress began to consider taking a new direction.

## History of the Federal Program

When the Intermodal Surface Transportation Efficiency Act (ISTEA) passed in 1991, it was heralded as a turning point in the history of surface transportation in the US. ISTEA was seen as inaugurating the beginning of the “post-Interstate era.”

Key provisions of the new act included:

- An intermodal approach to highway and transit funding with flexibility to shift certain categories of federal funds between modes based on local priorities;
- A declaration that the Interstate Highway System was effectively “complete” and creation of a new Interstate Maintenance Program for resurfacing, restoring, and rehabilitating the Interstate System;
- Collaborative multimodal planning requirements with significant increases in powers of metropolitan planning organizations;
- A new “enhancements” program that for the first time would open up the Highway Program to new types of project elements, such as pedestrian and bicycle facilities, acquisition of scenic and historic sites, rehabilitation of historic transportation facilities and other purposes;
- A heightened commitment to public involvement in transportation decision making from planning to program development to project design;
- A formal emphasis on “congestion management” including new requirements for MPOs of over 200,000 population to develop congestion management plans; and,
- Direct funding of air quality improvement projects through a new Congestion Mitigation and Air Quality (CMAQ) program.

ISTEA was designed to introduce sweeping reform in the transportation program such that the federal approach to surface transportation would be truly multimodal, urban areas would be empowered to make planning and design choices based on local needs and priorities, walking and bicycling would once again become significant modes of travel, and the linkage between improving air quality improvement and transportation investment would be direct.

The two federal authorization bills passed since ISTEA have elaborated on these themes - the Transportation Equity Act for the 21st Century (TEA-21) passed in 1997, and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) passed in 2005. Provisions were written into these acts in an attempt to reinforce the landmark changes that ISTEA had promised. However, these laws were to some extent more focused on issues of distribution of funds between states, with TEA-21 introducing the concept of “guaranteed funding,” intended to ensure a certain minimum level of funding in each state.

Has the ISTEA promise of a balanced, multimodal federal program been achieved? Most analysts of ISTEA performance have concluded: yes and no. There have been improvements in the modal balance of funding. Just in the first eight years following



## History of the Federal Program

ISTEA passage, federal funds spent on transit almost doubled, from just over \$3 billion in 1990 to nearly \$6 billion by 1999. Annual transit funding under SAFETEA-LU has been almost \$9 billion. The amount of federal money spent on bicycle and pedestrian projects also grew from \$7 million before ISTEA passage to more than \$450 million in 2007 under SAFETEA-LU.

However, some of the most important ideas and concepts in ISTEA have yet to fully take hold. Flexible funding provisions have not been exercised by most states, with most of the national total in “flex funds” occurring in just five states: California, Pennsylvania, New York, Oregon and Virginia. Efforts of MPOs to take charge of local transportation program priority setting have met with entrenched resistance from many state DOTs, with the result that in many urban areas (especially smaller areas) the state still controls development of the transportation improvement program. As a result, over three-fourths of the surface transportation program continues to be invested in highway system expansion nationally.

The combination of growth in the size of the program, the setting of minimum guarantees or funding floors, and retention of most decision making within state DOTs has caused the federal transportation program to resemble a blank check or project “ATM.” The lack of a clear statement of national objectives and the lack of accountability for use of funds (or for the impacts of decision making) has created a strategic policy vacuum. In this policy vacuum, states have thrown increasingly vast sums of money at highway and freeway expansion projects in a quixotic pursuit of “congestion alleviation” – a pursuit that has served primarily to accelerate a national expansion of suburban and exurban low density development. This has also set the stage for rampant Congressional “earmarking” – specific listing of projects in the authorization legislation (5,000 projects in SAFETEA-LU).

The increasingly errant nature of the federal transportation program has had profound effects on the national economy, the public health and the quality of life in our communities. Our near-total reliance on petroleum for transportation energy and our outsize contribution to worldwide greenhouse gases imperil our national security, our economy and our way of life. We have lost the ability to walk or bicycle safely and conveniently in an ever-larger portion of the American landscape with tragic consequences for the health of our population and especially our children. The federal subsidization of low density exurban development has helped create extensive low-density, semi-urban landscapes where homeowners in search of low-cost mortgages endure exhausting drive-alone commutes and household budget problems. Although we are the world’s wealthiest nation, we have a second-tier urban transit system and no intercity high speed rail network.

## Summary of the Recent Federal Role

Beginning in the 1950s, the “federal role” in surface transportation was defined primarily in terms of the Interstate Highway Program and in the concept of a national network of high-capacity, high-speed highways. Beginning with the ISTEA bill passed in 1991, there was an attempt to change direction and redefine the federal role. However, political and bureaucratic resistance to the new multimodal mission proved to be strong and entrenched. As a consequence the surface transportation program rests in an indeterminate, almost direction-less state.

Although there is no longer a clear, official delineation of the federal role in surface transportation, a de facto consensus has been in place during the past two authorization bills. This consensus cannot be found in the published statements of Congress or the USDOT, but rather in the actual pattern of investments, programs and policies that the federal government has pursued.

The primary elements of our de facto federal transportation policy have been:

- The nation’s highest surface transportation priority continues to be to provide capital funding for a national network of high-capacity, high-speed highways linking urban areas and regions of the country for purposes of economic development. A second priority has been expansion of surface roads and streets to provide increased capacity for motor vehicle travel, with an emphasis on suburban and rural routes.
- The creation and expansion of this network of highways has been so important that it has been seen as justifying underinvestment in repair, replacement and rehabilitation of existing infrastructure, leading to a nationwide decline in the condition of existing pavements and bridges.
- Among the surface transportation modes, the priority mode for federal support of human mobility has been personal motor vehicles. Public transit has been a much lower national priority. Intercity rail passenger transportation has not been seen as an appropriate arena for significant federal leadership or funding.
- Among the surface transportation modes, the priority mode for federal support of freight movement has been trucks. Rail freight transportation has not been seen as an appropriate arena for federal leadership or funding. The federal interest in water-borne freight movement has been implemented primarily through the U.S. Army Corps of Engineers and has not been seen as an important activity for USDOT.
- For at least the past two decades an overriding objective of the surface transportation program has been capacity expansion of highways for purposes of congestion mitigation. Although never explicitly stated, a tacit feature of this emphasis has been federal subsidization of suburban and exurban settlement patterns.

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## The Need for Change

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### A New Beginning

Functional, safe, and efficient transportation is one of the cornerstones upon which this country was built. America's economic strength and the health of its people depend on our ability to connect people with opportunity and on our ability to move products to market quickly, safely, and efficiently.

Today our strength as a nation is being limited by:

- a dependency on petroleum that threatens our national security, drains household budgets, exacerbates climate change, undermines public health, and imperils the U.S. economy;
- a haphazard, inefficient relationship between our transportation systems and our land development patterns;
- a backlog of crumbling, unsafe, and obsolete transportation facilities;
- an auto/truck bias that has placed America far down the list of nations in terms of availability of modern public transit services and gives most Americans no option but to pay rising gas prices and spend time in congestion;
- a freight transportation system that is outmoded, over-capacity, dependent on imported petroleum, and incapable of efficiently linking the US national economy into the global economy; and,
- a legacy of transportation expenditures that benefit a few while leaving many behind in cities, older suburbs and small towns.

A change in direction is needed to help the nation meet its growing demand for transportation while addressing the oncoming challenges of energy security, global warming, changing demographics, public health care costs, and global economic competition. As Congress works on the new surface transportation program, T4America urges our policy makers to seize this opportunity to make a new beginning. That new beginning should include:

1. A commitment to responsible investing that holds recipients of federal funds accountable for progress toward national objectives.
2. A new strategy for creating a 21<sup>st</sup> Century transportation system that enhances economic opportunity for all, creates jobs, and elevates our position in a competitive global economy.
3. A program that improves essential connections within and between metropolitan areas while reducing dependence on petroleum and meeting national objectives for curbing climate change.
4. A more strategic approach to managing the land use and transportation relationship that improves efficiency, access, health, and safety, while reducing per capita vehicular travel.
5. A serious and concerted effort to address the impacts that transportation systems have on the health and safety of our people.

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## ***Our Vision for Surface Transportation in the United States***

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### Mobility in the 21<sup>st</sup> Century

In the future, our nation's surface transportation system should provide the foundation for personal opportunity, robust commerce and a healthy population. It should achieve national goals for economic development and environmental sustainability. It should provide equitable access and support healthy behaviors.

It should be a modern, 21st Century system, balancing new capacity with care and upkeep of existing infrastructure. Public transit systems, intercity rail corridors, roadway facilities, waterways, ports, bridges, bicycle and pedestrian facilities all should be kept in a state of good repair. The trillions of dollars in asset value of the systems and facilities built over the past century should be protected and enhanced.

Our transportation system should reflect recognition of the importance of America's metropolitan regions, cities and towns. It should connect regions to each other and to the world; support healthy communities; provide access to jobs, schools, health care and services; provide efficient goods movement; and stimulate economic opportunity. This system should improve mobility choices within our regions, cities and towns, with modern public transit networks and safe walking and bicycling networks.

A new generation of "great streets" and boulevards should replace the overly-large, harsh and utilitarian roads and freeways inherited from the suburban era, benefiting and adding value to neighborhoods and communities across the land.

It should do so in a manner that serves our national interests, adds value to communities, contributes positively to public health and safety, and reflects the equity and fairness that have always been hallmarks of the American egalitarian tradition.

The transportation program should be designed to invigorate local and regional economies and facilitate efficient inter-regional commerce. It should reduce energy use and greenhouse gas emissions by supporting more sustainable land use and travel patterns. Our national transportation investments should help provide affordable housing opportunities near good public transit service and employment centers and should promote walking and bicycling as economical, eco-friendly, and healthy modes. America's surface transportation system should enable us to compete successfully in a global economy and should be a model for other nations to follow.

Transportation for America's proposal for a rejuvenated, redirected surface transportation program would result in a national mobility network that provides a vital, complete array of mobility choices easily accessible to the vast majority of Americans – whether walking, bicycling, driving or traveling on public transportation– in a unified, interconnected, energy-efficient manner.

## National Issues and Priorities

We believe Congress should set forth a clear statement of the federal role in surface transportation that is tied to specific transportation objectives based on national issues and priorities. We further believe Congress should ensure that funding levels, program categories and project criteria are clearly tied to transportation objectives.

The surface transportation authorization should clearly address issues, opportunities and goals that are appropriate for action by the national government in a federal system. In particular, the program should prioritize those national issues and opportunities that cannot be fully addressed without addressing the role surface transportation plays. In this context, we suggest the following short list of national priorities:

1. *Accountability and Responsible Investment.* Congress should hold all entities receiving federal funds accountable to clear performance-based standards. These standards should reflect America's dedication to economic prosperity, environmental protection, public health and safety and an efficient transportation system that provides opportunities for all Americans.
2. *Energy Security, Economic Growth and Global Competitiveness.* National security has always been a major purpose of the surface transportation program. For the next several decades, providing for national security will require strengthening our economy to compete in a global arena and reducing our dependence on petroleum – especially imported oil. We should modernize our freight movement system to make it more efficient and less oil-dependent; we should modernize urban transportation by building high-capacity transit lines; we should connect our major metropolitan regions with high-speed passenger rail lines; and, we should refocus our highway program on repair, rehabilitation and replacement of existing facilities.
3. *Climate Stability and the Environment.* The U.S. will be unable to make significant progress on climate change intervention without reducing greenhouse gas emissions from surface transportation. This should be a major priority of the federal program and USDOT and its grantees should be held accountable for progress toward climate change objectives. Congress should also re-confirm our national commitment to environmental protection in the surface transportation program. There should be no weakening of the environmental protections enacted since 1970, including NEPA, the Clean Air Act, Clean Water Act and related legislation. The surface transportation system should enhance - not degrade - air and water quality and public health.

## National Issues and Priorities

4. *Mobility and Location Efficiency.* Congress should establish a commitment in the surface transportation program to sustainable development patterns, that emphasize redeveloping and strengthening existing communities, rather than converting our farm, forests, and marshland to low-density communities that cannot be efficiently served with our scarce transportation funds. Federal funds should be used to improve the quality of life and economic viability of all regions – both urban and rural, including small towns and villages. This will require explicit federal support for coordination of land use and transportation decision making at the local, regional and state levels. Congestion alleviation as an objective should be replaced with location efficiency – the integration of land development and transportation such that mobility is enhanced while the intrinsic cost and energy requirements of travel are reduced. Congress should commit to broadening the benefits of federal investments in personal mobility to include all income categories so that transportation becomes a positive element supporting a strong workforce and enabling households to better balance domestic budgets.
5. *Traffic Safety and Public Health.* Congress should acknowledge that traffic accidents and other health impacts of surface transportation represent major forces affecting the health and safety of the US population – with significant long-term impacts on the federal budget and the national economy. Safety of non-motorized travel should receive expanded priority in the federal program. The health benefits of active living in our urban regions, cities, towns and villages should be identified as being in the national interest. Improvements in air and water quality, resulting from cleaner transportation of all types, should be a central goal of our federal transportation program.
6. *Sustainable and Equitable Transportation Revenue Sources.* Congress should take immediate action to solve the short-term transportation revenue crisis while taking steps to determine the most appropriate long-term funding solutions. All taxation, whether on gas, carbon emissions, or vehicle miles traveled, should mitigate the cost-burden on lower-income Americans and reward energy-efficiency.

While there is an acknowledged need for an increased level of federal funding for surface transportation, we cannot support increased funding in the absence a clear statement of the federal role in surface transportation coupled to a system of measurement, reporting and accountability for progress toward clearly defined national objectives.

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# I. Responsible Investment and Accountability

## I. Responsible Investment and Accountability

*We believe: The surface transportation program should be invested in programs and projects that address pressing national priorities and agencies receiving funds should be accountable for how they are spent.*

### Our Objectives

- √ Make **economic competitiveness, energy security and efficiency, climate stability, air quality, public health and safety, fairness, and state of good repair** the basis for sweeping transportation policy and program reform.
- √ Put all transportation modes (transit, highway, walking, bicycling) on **equal footing** with respect to match ratios, project eligibility criteria and project delivery processes, eliminating the highway capacity bias of the current program.
- √ Support a substantial increase in the size of the national surface transportation program **contingent** on transportation program reform and on an authorization bill that will lead to achievement of the National Transportation Objectives.
- √ **Leverage federal transportation investments** by encouraging state, local and private sector funding mechanisms to support local funding of projects and to use in matching federal funds.
- √ Reaffirm our national commitment to **environmental protection** in the surface transportation program.

### Here's How

1. Establish a set of **National Transportation Objectives** that address:
  - Energy;
  - Climate stability;
  - Mode flexibility and travel choice;
  - Safety;
  - Public health;
  - State of good repair;
  - Environmental protection;
  - Equity;
  - System reliability;
  - Economic competitiveness; and
  - Household affordability.
2. **Restructure** program categories, funding allocations, project delivery systems and project eligibility criteria to support achievement of the National Transportation Objectives.
3. Hold federal, state, regional, and metropolitan agencies **accountable** for outcomes of their use of federal funding. Implement funding rewards and penalties for states and regions based on the progress or failure in meeting their share of the transportation energy use and greenhouse gas emission reductions.

## Here's How

4. Assign authority and implement direct allocation of formula funds to designated **regional transportation planning** entities. Set financial rewards and penalties based on progress toward National Transportation Objectives.
5. Require states, Metropolitan Planning Organizations (MPOs), and designated regional transportation planning entities to prioritize **system management and facility repair** and rehabilitation over creation of new travel capacity and new facilities.
6. Strengthen regional decision making for **integrating** transportation, economic development, housing, environment, and energy use planning.
7. Make the State and Metropolitan Long Range Plans **goal-based** and accountable to benchmarks.
8. Incorporate **corridor-level analysis** of system-wide impacts, including location, mode choice, housing, equal access, and environmental quality in to the long-range transportation planning process.
9. Make **complete streets** mandatory in the planning and programming of transportation corridors, so that investments in roads and streets provide safe and convenient accommodation for all modes of travel, including walking, bicycling, transit, and driving.
10. Put all modes on **equal footing** with respect to the analytic process through which projects are selected.
11. Avoid weakening any of the **major environmental protections** enacted since 1970, including NEPA, clean air or clean water legislation, and related environmental protection laws and regulations; reducing environmental safeguards is not an acceptable or effective strategy to speed transportation project delivery.

## Basis for These Proposals

### **Travel Choices**

The foundation of our platform is expanding choices for travel. This includes expanding transit service but also building our public facilities for safe and convenient accommodation of walking and bicycling. Roughly 40% of all trips in metropolitan areas are two-miles or less in length, which are trips that can and should be taken on foot or bicycle but are still taken primarily by car due to disjointed land use patterns, poor infrastructure design, and limited connectivity. By investing in our corridors with more transit options and a complete streets policy, we are making the most efficient use of our transportation funds. Streets that provide flexibility in how they are used, offer the most public benefit by accommodating all users and increasing the efficiency – economically, environmentally, logistically - of our transportation network.

### **Reinvesting in Existing Cities**

A significant part of America's future lies in its metropolitan areas. Our metropolitan areas are home to over 80% of the US population and generate over 85% of the gross domestic product. These percentages will increase in the coming decades.

For the past fifty years, our national surface transportation program has been designed to foster the decentralization of settlement patterns, creating vast areas of suburban and exurban development, and playing an important role in the depopulation of our older core cities, towns and villages. This pattern is not sustainable and does not reflect the needs of a changing population and a changing economy, especially in light of its inherent inefficient energy demands. We need to refocus our transportation program on our existing urbanized places – our core cities, our existing suburbs, our towns and our villages - to accommodate our future growth.

Smaller cities have needs too. We must invest in transportation for our small cities, towns and rural areas by supporting improvements in public transit, walking, and bicycling. We must ensure that improved connectivity, safety, and public health are prioritized to prevent sprawl and to provide transportation choices in these important places.

The time has come for an urban renaissance that deploys federal transportation funding as one tool in the redevelopment and revitalization of America's existing places.

## **II. Transportation for a 21<sup>st</sup> Century Economy**

## II. Transportation for a 21<sup>st</sup> Century Economy

*We believe: The surface transportation program should improve and protect U.S. competitiveness in the global economy.*

### Our Objectives

- ✓ Ensure all Americans have the mobility and access needed to participate fully in a **robust economy**.
- ✓ Begin addressing our transportation infrastructure crisis by taking better care of what we have already built, bringing our transportation assets into a condition of **good repair**.
- ✓ Make strategic investments in transportation that catalyze creation of **green jobs** that are environmentally and economically sustainable.
- ✓ Embark on a national program to bring modern **urban transit networks** to the nation's 50 largest metropolitan areas by 2030.
- ✓ Support cities, towns, and rural places in the creation of modern, complete **transit, bicycling, and walking networks**.
- ✓ **Reduce the economic burden** of disease, injuries, and deaths associated with our transportation system.
- ✓ Complete a **national intercity passenger rail network** that links all ten of the nation's mega-regions by 2030 with direct, high-speed (> 90 mph) rail services.
- ✓ Connect our cities and regions to the global economy by improving the efficiency of **long distance freight** distribution.
- ✓ Re-establish transportation **research, data collection** and reporting as important federal functions.

### Here's How

1. Set national minimum **State of Good Repair** criteria for all modes and provide financial rewards and penalties for states and regions based on progress toward State of Good Repair objectives.
2. Establish a **National Infrastructure Commission** with the mission of identifying investments of national priority, focusing on multimodal intercity corridors of national significance, including a national intercity rail network and key freight corridors co-located where possible with electricity infrastructure.
3. Significantly enlarge the funding made available for **public transit systems** and for **walking and bicycling facilities**.

Here's  
How

4. Provide direct incentives and support for creation of **transit oriented development districts** around corridor transit stations, with bonuses given for preservation and creation of **mixed-income** housing.
5. Develop an expanded, consistently-funded transportation **research program** that improves our ability to address the challenges identified in this Platform and our ability to achieve National Transportation Objectives, specifically data related to use and safety of bicycle and pedestrian facilities.
6. Ensure that any consolidation and reorganization of program funding categories supports the objectives and priorities of this platform and includes creation of a **multimodal metropolitan mobility** program empowering local and regional entities to make investments that strengthen their cities and improves their sustainability and economic competitiveness.

## Basis for These Proposals

### **Economic Competitiveness**

Many nations are rapidly developing 21<sup>st</sup> Century transportation systems that are energy efficient and climate friendly. In today's global economy, America's reliance on a petroleum-based transport system represents a serious competitive disadvantage. To remain competitive, we need high speed passenger rail connections between our cities, convenient commuting systems that are not petroleum-dependent and are more resilient to fluctuations in energy costs, more efficient and less polluting ports, and improved intercity rail freight capacity.

We need intercity passenger rail systems to alleviate capacity and cost issues of air travel and to reduce reliance on auto travel in congested intercity corridors. We need expanded rail freight systems to improve our physical distribution efficiency and to mitigate further growth in truck volumes on rural interstates. We need modern urban transit systems to reduce the amounts that households and businesses spend on gas to get to work and to deliver needed goods and materials.

America's transportation system is still organized to serve a 20<sup>th</sup> Century industrial economy. Without smart, strategic investments in modern transportation systems, America will be supplanted as the world's most productive economy.

### **Maintaining and Improving Infrastructure**

The nation's transportation assets are deteriorating. The need to bring our existing transportation system to a state of good repair and stabilize the condition our surface transportation system has been well documented and has been dramatized for the public by high-profile facility collapses. This need spans all modes, affecting not only highways, but public transit as well.

However, we are making little progress toward more responsible management of these essential assets. This challenge is compounded by the fact that in many states and regions, aggressive roadway expansion continues, increasing our exposure to future maintenance and repair costs. This has prompted a few states, including New Jersey, Michigan and Massachusetts, to adopt "fix-it-first" laws in an attempt to step into the policy vacuum and address this need in the absence of federal direction. Our nation will not be able to compete in a global economy if our basic transportation infrastructure is not maintained or if we continue to pour our transportation investments into low-yield exurban expansion.

### **Freight**

Interstate and international commerce have always been critical elements in U.S. economic strength. Over the last few decades, the development of globalized, trade-dependent supply chains has led to substantial growth in the demand for efficient, long-distance freight movement. Our investment in the efficiency and capacity of our freight infrastructure has lagged behind this demand. Now, we are faced with the additional challenge that our interstate freight networks are almost entirely dependent on petroleum and face steep increases in the cost of fuel that we are unprepared to address. Urgent freight transportation needs include efficient connections



## Basis for These Proposals

from ports to national freight corridors, new intermodal facilities to transfer between rail and truck, and expansion of cross-country rail freight mainlines, which provide an essential alternative to less efficient, oil-dependent motor trucks. (While rail freight movement consumes energy, too, it is far more energy efficient than truck freight for longer distance movement.) In many states, the largest single source of growth in Greenhouse Gas (GHG) emissions will be growing truck traffic, which is expected to double by 2035. We need to manage this demand and reduce emissions while keeping our economy moving.

Strategic design and intelligent transportation technologies have been underutilized in addressing chokepoints in key freight corridors. Freight is given little priority in regional planning and management of transportation corridors. Energy efficient modes of freight, such as rail and barge, have received less attention and funding in the federal transportation program. As energy prices rise these deficiencies are hampering our economic prospects.

### **Environmental Justice**

Historically, low-income and minority communities across the country have been damaged by highway, freight facilities, and other investments in which they had little voice. Transportation projects have disproportionately benefited some and burdened others, often along race and income lines. Many transportation projects and plans are still developed without meaningful involvement of affected communities, leading to projects that detract from quality of life, public health, safety, and personal mobility. This isolates them from economic opportunity.

This is more than an equity issue. The strongest economies are those that open the doors of opportunity wide to all people. To compete effectively in a global economy we must renew our commitment to egalitarian access to the benefits of a national transportation program.

### **Green Jobs**

The construction, maintenance and operation of transportation services and facilities comprise a large and growing component of the American economy. While the federal transportation program has been seen, in part, as a jobs bill, there has been little or no strategic thinking about creating sustainable jobs that reflect modern energy efficiency and climate change realities.

Investments in transit expansion projects can reduce per capita carbon emissions and create jobs. Transit projects generate nine percent more jobs per dollar spent than road and bridge repair and maintenance projects, and nearly 19 percent more jobs than new road or bridge projects, according to *Setting the Record Straight* (2004), published by the Surface Transportation Policy Partnership. A modern – 21<sup>st</sup> Century – transportation program would create professional jobs in software engineering; electronic and digital systems design; transit facility and equipment design; and communication systems operation and maintenance; as well as a wide range of jobs in transit facility and equipment maintenance and operations; and road and street maintenance.

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# **III. Transportation, Energy and Climate**

### III. Transportation, Energy and Climate

*We believe: A core mission of the surface transportation program should be to reduce the amount households and businesses spend on transportation; reduce the nation's dependence on oil and reduce greenhouse gas emissions.*

#### Our Objectives

- ✓ Mitigate the impact of **volatile energy costs** and **increasing commute burdens** on families by reducing the inherent necessity of motor vehicle travel for access to jobs, education, shopping and recreation.
- ✓ Reduce our **reliance on petroleum products** for transportation to no more than 20% by 2050 (from more than 95% today).
- ✓ Make a significant contribution to achievement of the nation's **climate change** objectives through transportation program reform. Assume a world leadership role in addressing climate change by reducing greenhouse gas emissions from the transportation sector to 20% below 1990 levels by 2020 and to 80% below 1990 levels by 2050.
- ✓ Increase access for households of all incomes to decent, affordable **housing near public transit**, job centers and other locations that facilitate reductions in transportation costs.

#### Here's How

1. Significantly increase the share of federal, state and local **investment in public transit** systems and in **walking and biking** facilities by increasing the funding available for those modes, by erasing the barriers to transit capital projects inherent in current federal rules and procedures, and by placing all modes on an equal footing in terms of federal cost participation ratios.
2. Establish **incentives** to ensure that sufficient state and local **transit operating and maintenance** funds will be available to operate current services and to support proposed service expansions.
3. Set **national transportation energy use and greenhouse gas emission reduction objectives**. Allocate transportation energy use and GHG reduction targets to states and metro regions. Implement funding rewards and penalties for states and regions that fail to make progress toward their share of the transportation energy use and GHG emission reduction objectives.
4. Target transportation investments to support **convenient, complete and inclusive communities** with a mix of housing types and incomes, where necessities and amenities are close by, and people can walk, bike, ride transit and drive.

## Here's How

5. Increase **funding incentives for transportation policy innovations** such as mixed-income, transit-oriented development, car/bike sharing, parking cash out, congestion pricing, complete streets retrofits, technological improvements, pay-only-when you drive insurance, transportation-efficient neighborhoods and developments, and other state and local programs that reduce: the burden on the transportation system; oil consumption; and greenhouse gas emissions..
6. Develop strong program funding incentives for jurisdictions to increase the availability of **affordable homes to families with a mix of incomes near public transit stops and job centers.**
7. Monitor the **cost burdens** of direct transportation user fees – including transit fares, toll road tolls, and congestion pricing systems – on low and moderate income families to ensure such fee systems are affordable and equitable. When appropriate, require use of toll receipts to fund cross-modal investments to improve equity.

## Basis for These Proposals

### **Affordability**

Americans spend about 20 percent of household budgets on transportation. For many working families that number is much higher, raising transportation above shelter as a percentage of household income. This situation is caused by limited availability of transportation choices and by sprawl, which make it difficult or impossible to reach school, work and shopping without traveling long distances by car. While the need for “affordable housing” has received well-deserved attention, the fact is that achieving “affordable living” may be the more important objective, reflecting the combined burden of transportation and housing costs as a percentage of household income. For many working households the goal of affordable living is becoming less attainable as fuel prices and trip lengths increase.

### **Greenhouse Gas Emissions**

Nationally the transportation sector is responsible for one third of CO<sub>2</sub> emissions. In fact, transportation is our second largest and fastest growing source of greenhouse gases. Each second, America’s transportation system burns 6,300 gallons of oil, producing more CO<sub>2</sub> emissions than any other nation’s entire economy except China.

Transportation sector CO<sub>2</sub> emissions are a function of fuel efficiency, fuel carbon content, and vehicle miles of travel (VMT). Federal and state energy and climate policy initiatives have focused almost exclusively on technological advances in vehicles and fuels, the first two factors. However, we must also address VMT growth or we will not succeed at limiting greenhouse gas emissions to levels required to avoid unacceptable climate change.

### **VMT Growth**

Since 1980, the annual miles driven by Americans have grown three times faster than the U.S. population and almost twice as fast as vehicle registrations. If this trend were to continue, VMT would increase by 60 percent from 2005 to 2030, overwhelming the GHG reductions generated by increases in fleet efficiency. Targets set by the scientific community for reducing GHG emissions by 60 to 80 percent relative to 1990 by 2050 will require significant reductions in the rate of VMT growth in the U.S. in order to avoid the most catastrophic impacts of climate change.

However, VMT trends are now being affected by fuel prices and related economic trends. While vehicular travel continues to grow throughout the Sunbelt, in the Southwest, and on the West Coast, it has slowed or halted in many Midwestern and Eastern states. Overall, the nation has seen two consecutive years of annual VMT decline (2006 and 2007) – the first since the end of World War II. For the nation’s fastest growing states – California, Arizona, Texas and Florida – managing VMT growth will continue to be an urgent need. Other states will face a policy conundrum as they try to determine whether to view recent VMT declines as an opportunity to pull back from costly highway capacity expansion, or as a temporary “dip” in the long term trend.

## Basis for These Proposals

### **Energy Security**

Over 95 percent of U.S. transportation energy is petroleum-based and 60 percent of that is imported. Our dependence on foreign oil compromises our security as a nation: by sending vast amounts of money to foreign nations, some of which are hostile; by making us vulnerable to volatile energy prices that may be the result of artificial constraints on production; and by forcing us to use military force/engagement to protect our access to oil.

Growth in transportation sector energy demand due to sprawl and the resulting growth in VMT also threatens our energy independence and poses a national security threat. Rising fuel costs are affecting the U.S. economy in ways that go far beyond the pump price of gasoline.

As petroleum costs continue upward, driven to a significant degree by an inefficient, oil-dependent transportation system, the direct economic impacts at the household level include:

- Loss of jobs and increasing unemployment;
- Lower disposable personal income;
- Higher costs for household basics;
- Reduced per capita consumption expenditures, and
- Reduced personal savings.

These effects generate secondary impacts that reverberate throughout the economy, affecting the availability of money for capital investment, the ability of households to buy and make payments on homes and other real estate, and the strength of the U.S. dollar vis-à-vis foreign currencies.

Higher fuel costs are increasing cost of freight transportation, thereby increasing the cost of all retail products. The U.S. independent trucking industry is currently in decline due to the effects of higher fuel costs on small truckers and their inability to charge higher freight costs in a weak economy. Many small trucking companies are simply parking their trucks, unable to stay in business.

These impacts are compounded for public transit providers because their fuel costs are increasing at the same time that demand for transit service is growing rapidly. According to the American Public Transit Association, 85% of transit providers are currently experiencing capacity issues as ridership grows and 91% are unable to meet that demand due to limited budgets. Even more troubling is the fact that more than one-third of transit service providers are being forced to consider service cuts, as a result of increased operating expenses – even as demand is increasing.

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# **IV. Transportation Drives Development**

## IV. Transportation Drives Development

*We believe: The surface transportation program should support land use patterns that create vibrant places with transportation opportunities for all Americans.*

### Our Objectives

- ✓ Foster **land use patterns** that can be served efficiently and sustainably by well-planned national, regional and local transportation networks.
- ✓ Establish as national policy the principle that **land use and transportation** must be planned in a **coordinated, integrated** manner – at the state, regional and local levels of governance.
- ✓ End the federal subsidization of sprawl and replace it with a commitment to transportation investments that support **compact, mixed use, mixed-income development** patterns.
- ✓ Become an active partner with the nation’s cities and counties in the redevelopment of our metropolitan regions by making **urban renaissance** an explicit national objective of the surface transportation program.
- ✓ Invest in **transportation choices for rural America** that improve economic opportunity, quality-of-life, and help prevent the conversion of rural lands to low-density suburban development.

### Here’s How

1. Create a transit-oriented development **tax credit** to support and accelerate development of compact, mixed use, mixed income development around rail and other high capacity transit stations.
2. Increase local flexibility and self-determination by **removing barriers** to use of federal transportation funds for investments in land use and local infrastructure that **reduce VMT**.
3. Use federal funds to leverage and invest directly in projects that bring destination land uses, (schools, groceries, health care services, etc.) to transit centers and neighborhoods as part of a comprehensive **local accessibility** strategy.
4. Develop technical assistance and guidelines for the routine forecasting and evaluation of the **impacts of transportation** investments on development patterns, including infill, redevelopment, compact urban development and sprawl.

## Here's How

5. Establish national minimum guidelines for coordinating state and metropolitan transportation planning with other planning processes to ensure **integration of land use and transportation** activities resulting in more compact, mixed-income communities served by transit.
6. Require the use of **scenario planning** techniques in the development of future Long Range Transportation plans, similar to Envision Utah or the Sacramento Blueprint. This effort must engage the public and analyze growth, demographics, climate impacts, air and water quality, energy and other trends while fulfilling the National Transportation Objectives as they are realized at the local level.
7. Encourage the use of federal funds to replace the overly-large, harsh and utilitarian roads and freeways inherited from the suburban era, by investing in the **redesign and retrofitting** of a new generation of "great streets" benefiting and adding value to the neighborhoods and communities they serve.
8. Support locally-appropriate decision-making and development strategies by empowering **regional transportation planning** entities. Increase their capacity, decision-making authority and allow for direct allocation of federal funds to support their programs.

## Basis for These Proposals

### Sprawl

Much of our growth in VMT is non-productive, characterized by an increase in driving without a corresponding increase in access to destinations. This has been caused by inexorable expansion of disconnected land use patterns that require more driving. Across the U.S., land was consumed for development at three times the rate of population growth between 1982 and 2002. Sprawl has the strongest influence on VMT per person – more than population growth, changing demographics or increases in per capita income.

More than 60% of the growth in driving and associated energy consumption is due to land use patterns of single uses served by a disconnected road network, as documented in *Growing Cooler: The Evidence on Urban Development and Climate Change* (Ewing et al. 2007). American households are spending more on transportation as part of their household budget due to the necessity in much of the country to own vehicles and drive, rather than walk, ride a bike or take public transit. Sprawl is costly financially, environmentally, and from a public health perspective. Sprawl is unsustainable as we move to limit greenhouse gas emissions; it is associated with increased polluted storm water runoff, flooding, and increased water treatment costs. Auto-oriented communities that don't provide safe active living opportunities are associated with increased levels of obesity; air pollution resulting from increased VMT in these communities threatens respiratory health, particularly for our seniors and children.

## Basis for These Proposals

For many years, in the face of steadily rising housing costs, many working Americans adapted by finding homes farther and farther out from developed areas – an effect known as “drive ‘till you qualify.” That trend now has placed thousands and thousands of households in danger as higher pump prices for gasoline, combined with a weaker economy and higher unemployment rates, threaten their ability to make mortgage payments.

### **Traffic Congestion**

For the past two decades transportation policy making and transportation planning have been narrowly focused on traffic congestion. Previous surface transportation bills have called for “managing,” “reducing,” or “alleviating” congestion. Despite significant investment, congestion is worse than ever.

Congestion is an issue for many Americans. As a result of sprawl and increased driving, congestion in our nation’s metropolitan areas is bad and getting worse, wasting fuel and time, and impairing economic vitality.

Further, only a small portion of the U.S. population is able to avoid congestion completely by taking public transit, walking or riding a bike.

However, the congestion problem has been oversimplified. Land development patterns and transportation interact with each other in complex ways. When new roadway capacity is built to reduce congestion, it has the unintended effect of encouraging low density development of outlying areas, which in turn produces more traffic. Research has shown that much of the capacity of new or expanded roadways is consumed, not by the traffic for which they were planned, but by new traffic produced by sprawling development.

The expenditure of trillions of dollars in the U.S. over the life of the modern highway program has added many thousands of miles of new roadway lanes. But this has not alleviated congestion. The metropolitan regions with the most aggressive freeway construction programs – Los Angeles, Phoenix and Houston, among others – have not been able to reduce per capita annual delay. Today, these same regions are engaged in aggressive plans to build public transit systems to give citizens the choice to opt out of congestion. Our policies have built vast roadway systems with vast amounts of traffic across ever-expanding urban regions. Unfortunately, these policies have also increased congestion.

### **Population Growth and Demographic Trends**

The nation’s population is forecast to increase by 40 percent over the first half of the 21st Century to a total of 420 million, leading to significantly heightened demands on an already burdened transportation system. At the same time, related demographic trends – aging and retirement of the Baby Boomers, rise of small and non-traditional households – will significantly increase demand for new housing located in compact mixed use areas in our cities, suburbs and towns – already a large and underserved market.

## Basis for These Proposals

Our population will be older and demographers anticipate that aging Baby Boomers will drive less than their younger counterparts, though more than the 65 and over population drive today. In studies, many older people say they fear health problems that will make them unable to drive because that would mean they would have to move from their homes and neighborhoods. Many communities have been built without provisions for older people to age in place – getting to the store, healthcare facilities, family, and friends with ease without being required to drive.

### **Environmental Protection**

Roads and streets represent massive infrastructure systems affecting vast areas of the American landscape. These facilities and the traffic they carry put pressure on our natural resources and our human environment.

Transportation's adverse impacts on water quality, air quality, wildlife habitat and migration corridors, along with many other effects, are acknowledged and much studied. However, while environmental laws and regulations have grown greatly over the past 50 years, the harms of transportation on our environment threaten our access to safe and sufficient water, impair public health, and degrade our natural resources.

While federal legislation has done much to mitigate environmental degradation, the benefits of these efforts – especially in air quality and water quality – are gradually being consumed by fast growth in motor vehicle traffic and in the facilities that carry it. Roads are a prime and largely unmitigated source of polluted storm water runoff, carrying metals, oil, and other pollutants into streams, rivers, and lakes - our drinking water supply.

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# **V. Public Health and Safety**

## V. Public Health and Safety

*We believe: The surface transportation program should improve public health and safety.*

### Our Objectives

- ✓ Reduce the rate of **serious injuries and loss of life** on our nation's streets and highways for motorized and non-motorized travel.
- ✓ Ensure that both immediate and long-term **public health** issues, including obesity and respiratory disease, are addressed in transportation investment decision making.
- ✓ Invest in transportation initiatives that improve the health and safety of our **children**.
- ✓ Expand transportation programs that offer options to the **elderly and disabled** so that driving is not the only option available in their communities.
- ✓ Make **safe, convenient walking, and bicycling** the cornerstones of a higher quality of life in communities and neighborhoods and encourage a shift of short trips to these modes.
- ✓ Expand **public transit** and **mixed-income transit-oriented development** to improve access to health care and reduce time and environmental pollution associated with high daily per capita VMT.

### Here's How

1. Set specific national targets for health and safety improvement, particularly in walking and bicycling, as part of the **National Transportation Objectives**.
2. Revise the current Safety Program to better reflect the risks to bicyclists and pedestrians; and increase the level of commitment to **Safe Routes to School**.
3. Make **Active Transportation** a mandatory design and project eligibility criterion for all surface transportation programs.
4. Formalize **Context Sensitive Design and Solutions** as required elements of program and project development. Provide updated design guidance for well-connected, sustainable street design.



Here's  
How

5. Make **Health Impact Assessments** (HIAs) mandatory evaluation elements of transportation environmental impact statements and environmental assessments; account for direct and indirect economic impacts of health burdens and benefits.
6. Increase the funding for **paratransit** and other specialized services for the elderly and disabled that improve their access to services and local destinations.
7. Reduce and mitigate the **health impacts** associated with the location of highways, diesel rail lines, and freight facilities **near residential areas**.
8. Revise the air quality "**conformity**" provisions and the **Congestion Mitigation and Air Quality** (CMAQ) program to improve efficacy in selecting better projects.

## Basis for These Proposals

### **Public Health**

Increased reliance on autos as the primary mode of transportation contributes to a host of negative health impacts in addition to the immediate health and economic consequences of traffic crashes. These impacts include increased incidence of injury as well as chronic conditions such as obesity, cardiovascular disease, diabetes, asthma, and lung disease, among others. Two principal factors are at work here.

First, the trend toward built environments that are dominated by large streets and heavy traffic has discouraged active living in most of our neighborhoods. People (especially children) do not walk or bicycle as much as they did thirty years ago. Research over the past decade has confirmed that the way we have been building our neighborhoods, business districts and schools is reducing our physical activity, and that in turn is adversely affecting our health. The same infrastructure that promotes sedentary behavior has been linked to increased bicyclist and pedestrian injuries.

Second, increased traffic is harming public health by exposing people to high levels of air pollution. For example, people who suffer from asthma and live near heavy vehicular traffic are nearly three times more likely to visit the emergency department or be hospitalized for their condition than those with less traffic exposure. Moreover, living in areas exposed to heavy traffic is a burden borne disproportionately by people in low income, under-served communities and by communities of color.

This is a critical economic issue. Annual health care costs in the U.S. total \$2 trillion. Health care costs are a leading cause of bankruptcy for individuals and families. The chronic diseases that drive these statistics are directly affected by transportation and land use decisions and could be mitigated by active living, improvements in air quality and improvements in traffic safety. Obesity-related health care costs account for as much as 25% of the increase in health care costs since 1988. Transportation policies that increase walking and bicycling will reduce obesity and as a result, health care costs.

### **Safety**

Traffic crashes take a significant toll on Americans. Over the last two decades, traffic deaths have hovered around 43,000 per year, about 5,000 of whom are bicyclists or pedestrians. Motor vehicle crashes are the leading cause of death for Americans aged three to 33 and 2.5 million people are injured on our roads each year.

This toll affects our nation's economy. According to research conducted for the American Automobile Association (AAA), auto accidents cost each American more than \$1,000 a year. Traffic crashes in total cost the U.S. economy \$164 billion annually.

We have taken major strides nationally to improve traffic safety. Drunk driving laws, driver education programs, increased law enforcement, airbags, laws for primary seat belts, and child passenger safety are just a few of the positive steps taken. However, we have not yet seriously addressed the relationship between traffic volume, traffic speed, vehicle miles traveled and motor vehicle crashes, injuries and deaths.

# **VI. Funding a 21<sup>st</sup> Century Transportation System**

## VI. Funding a 21<sup>st</sup> Century Transportation System

*We believe: New or increased revenue sources for the federal surface transportation program should be equitable, consistent with national goals, and sustainable over the long term.*

### Our Objectives

- √ Develop revenue sources sufficient to fund the levels of investment called for in this Platform.
- √ Choose **long term revenue** sources that are not dependent on petroleum consumption and **reinforce** the nation's energy, climate change and economic goals.
- √ Allocate the financial burden of new or increased revenues **equitably** across income groups.
- √ Ensure that revenue sources **reward energy efficiency**, are closely linked with actual transportation system use, and **allocate user costs fairly** across modes and vehicle types.
- √ Involve the private sector in transportation funding in a responsible manner that ensures long term public benefit and **protects public assets**.

### Here's How

1. Require a **direct connection between support for new revenue sources and the priorities** called for in this Platform: development of modern urban transit systems; development of an intercity rail passenger system; and redirection of the roads and streets programs into "state of good repair." **Do not allow a general across-the-board increase** in transportation funding that continues the single mode, highway-only orientation inherent in the surface transportation program over the past 50 years.
2. Use **fuel tax increases as interim stopgap measures** only. Begin setting the stage for a new set of **sustainable and equitable funding sources**. Consider the potential for a national VMT tax as a key long term basis for funding surface transportation by requiring appropriate equipment in new vehicles and service station fueling devices and by funding continuing technical research and development with the intent that a VMT tax potentially could be implemented in the next update of surface transportation authorization legislation.
3. Dedicate an amount of revenues equal to that portion of the proceeds from a national **cap and trade system or a carbon tax** that are derived from mobile surface transportation sources back to the surface transportation program to be used to invest in public transit, intercity passenger rail and other projects that improve low-carbon means of travel as well as for use in improving vehicle technologies to reduce carbon emissions.

## Here's How

4. Establish a **National Infrastructure and Transportation Bank** to monetize tax increment financing and private sector value capture benefits for capital improvements.
5. Evaluate and mitigate as necessary the burden of transportation costs on **low- and moderate-income families** to ensure they have access to convenient and affordable transportation options.
6. Provide clear guidance for **public-private partnerships (PPP)**, including toll facilities, congestion pricing systems, turnkey projects, and privatization of public infrastructure. Require that PPP business deals conform to the following principles:
  - Ensure complete **transparency** of all business deals and an open public review process;
  - Retain **public control** over decisions about transportation planning and management;
  - Guarantee **fair value** so that facilities and future toll revenues are not sold off at a discount;
  - Protect the public interest in **location efficient development** patterns, in reducing **greenhouse gas emissions**, and in protecting the **environment**; and,
  - Ensure full **political accountability** for outcomes.

## Basis for These Proposals

### **Transportation Revenue Sources**

Motor fuel taxes have been the principal source of highway funding for the last 80 years, although other revenue sources are prominent in the funding of local roads and transit.

As fuel prices have rapidly escalated since 2006, the US has begun to see the first sustained decline in national daily vehicle miles of travel (VMT) since before World War II. This has aggravated a problem that was already anticipated: receipts to the Federal Highway Trust Fund have not been enough to support the contract obligations authorized by Congress through SAFETEA-LU and recent appropriations bills.

Now, with VMT below forecast, fuel tax revenues are even lower than expected, with the result that the gap between authorization levels and income has arrived sooner and in greater magnitude than originally forecast. In September 2008, Congress made an emergency appropriation of \$8 billion from general funds to keep the Highway Trust Fund solvent through the end of calendar year 2008.

Whether this is a long term trend or not is difficult to predict. There is assuredly some amount of elasticity of motor vehicle travel in relation to gas prices, but in the past Americans have tended to increase their driving again once the initial “sticker shock” has passed. In the present case, however, it is also difficult to predict what will happen with future fuel prices. The underlying forces driving petroleum prices higher – economic growth in China, India and Third World nations, coupled with a leveling off of growth in worldwide petroleum production capacity – are not going to go away. A world recession could slow the trend but will not likely reverse it.

A surface transportation program that is dependent on petroleum consumption is a bad idea for many reasons. The original concept of the fuel tax as a user fee dedicated to road construction will be increasingly out-of-date in the 21<sup>st</sup> Century as the nation’s surface transportation program becomes more multimodal, with a new emphasis on investments in urban rail transit and intercity high speed rail. Over-reliance on fuel taxes also makes the surface transportation program dependent on growth in petroleum consumption with the attendant economic, national security and climate change issues.

Continued reliance on increases in fuel purchases to grow revenue for transportation system investments is no longer good policy. Congress should begin the process of replacing the fuel tax with more sustainable revenue sources.