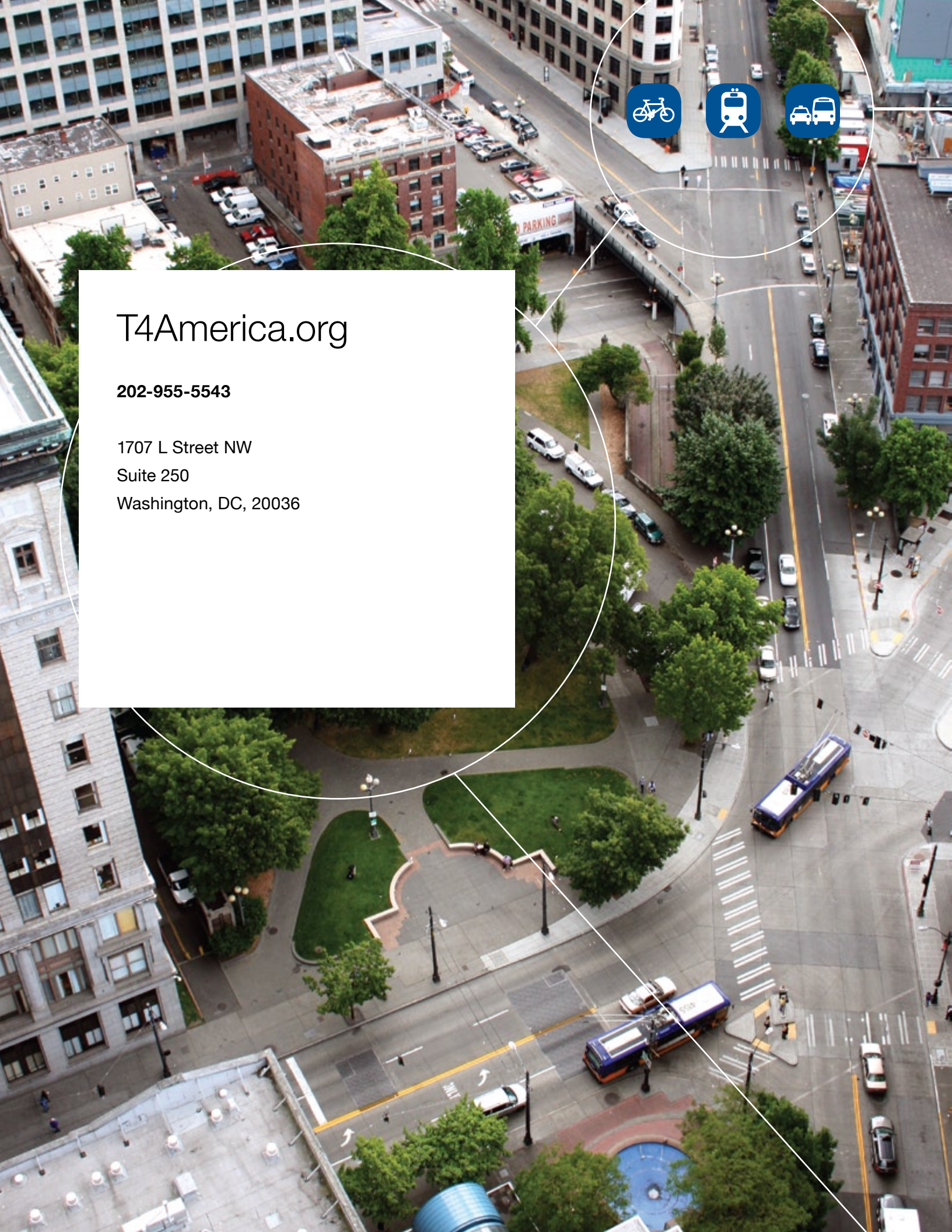
Transportation For America

THE **ROUTE** TO REFORM

BLUEPRINT FOR A 21ST CENTURY FEDERAL TRANSPORTATION PROGRAM



T4America.org

202-955-5543

1707 L Street NW
Suite 250
Washington, DC, 20036

About **Transportation for America**

Transportation for America (T4 America) represents a broad range of national and local organizations and thousands of individuals focused on modernizing and maintaining our national transportation system infrastructure. Our members believe that sound investments in transportation are critical to the health of the nation's economy and essential for reducing our current dependence on oil.

As Congress takes up debate over the federal surface transportation program, T4 America joins many others in calling for the transformative change required to ensure our policies and programs are better aligned to serve the needs of a 21st Century America.

Congress should not shy away from restructuring the federal surface transportation program and its agencies. There is simply too much at stake for the economy, our environment, and the needs of Americans in every community across the country.

We need a bold vision for the nation's transportation infrastructure investments that promotes maximum economic benefits, access to opportunity, public health and environmental sustainability for people living in urban, suburban and rural communities. It is particularly urgent that our roads, public transportation and rail systems be made safer and more accessible for the growing numbers of older Americans. This means planning our transportation systems – and our development patterns – to ensure that there are convenient and affordable travel options available to everyone, in every community, at every stage of life.

This document represents the best thinking of many transportation professionals, public officials, and stakeholders, who were convened by T4 America to outline in detail the policy frameworks that will build a national program capable of laying the groundwork for a prosperous future. In it is our sincere hope that members of Congress and their staff will find here the thoughtful guidance they seek as they undertake a heroic rewriting of transportation policy at this pivotal moment in our nation's history.

Acknowledgments

Transportation for America wishes to thank the many people who reviewed and helped to develop the proposals in this Blueprint. In particular, we express our appreciation to Shelley Poticha, Andy Cotugno, David Burwell, Linda Bailey, Hal Hiemstra, Michelle Giguere, and Debbie Collard. Special acknowledgement also goes to Lilly Shoup, Annie Finkenbinder and Andrew Bielak on the T4 America staff for their research assistance, and to Mariia V. Zimmerman for directing the policy work teams and serving as primary editor.

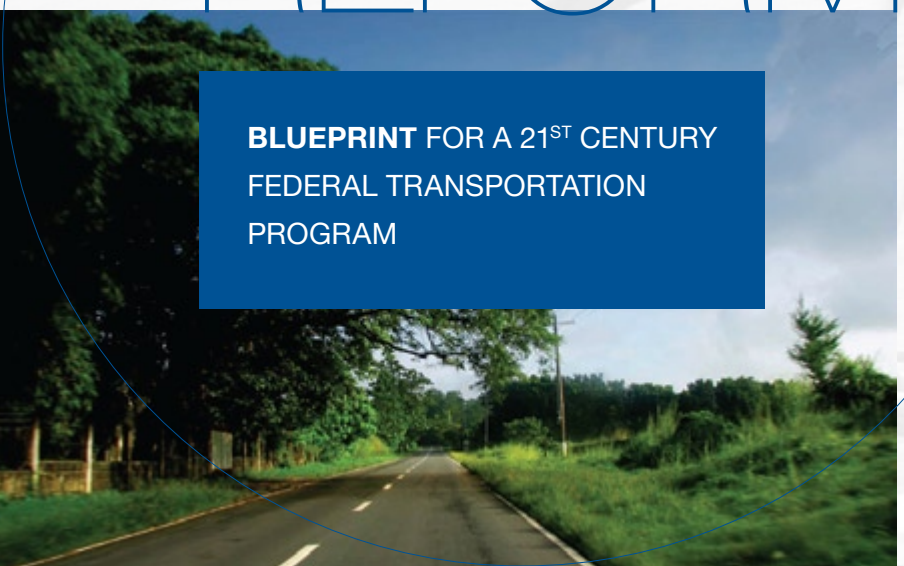
The **Performance Measurement and Accountability** Work Team was lead by David Warm and Mell Henderson with the Mid-America Regional Council, and included Geoff Anderson, Smart Growth America; Tom Bulger, Government Relations; Anne Canby, Surface Transportation Policy Partnership; Marlene Connor and Jim McLaughlin, Wilbur Smith Associates; Fred Hansen and Eric Hesse, Tri-Met; Roger Millar, Director of Planning City of Missoula, Montana; Michael Replogle, Environmental Defense Fund; David Van Hattum, Transit for Livable Communities

The **Program Structure** Work Team was lead by Shelley Poticha, Reconnecting America, and included Andy Cotugno, Portland Metro; Jeff Boothe, Holland & Knight, LLC; Michael Allegra, Utah Transit Authority; Linda Bailey, NYC DOT; Sarah Campbell, District of Columbia; and James Corless, Metropolitan Transportation Commission

The **Institutional Reform** Work Team was led by Paul Bay, and included Rex Burkholder, Portland METRO; Elaine Clegg, Idaho Smart Growth; Jim Charlier, Charlier & Associates; Joel Ettinger, New York MTC; Jackie Grimshaw, Center for Neighborhood Technology; Tom Murphy, Urban

The **Revenue and Finance** Working Group was led by David Burwell, and included Bill Ankner, Louisiana DOT; Chris Leinberger, LOCUS; Jack Lettiere; Deron Lovaas, NRDC; Therese McMillan, MTC; Paul Marx, Sacramento RTD; Robert Puentes, Brookings Institution, and Jonathan Rose, Rose Companies

THE **ROUTE** TO REFORM

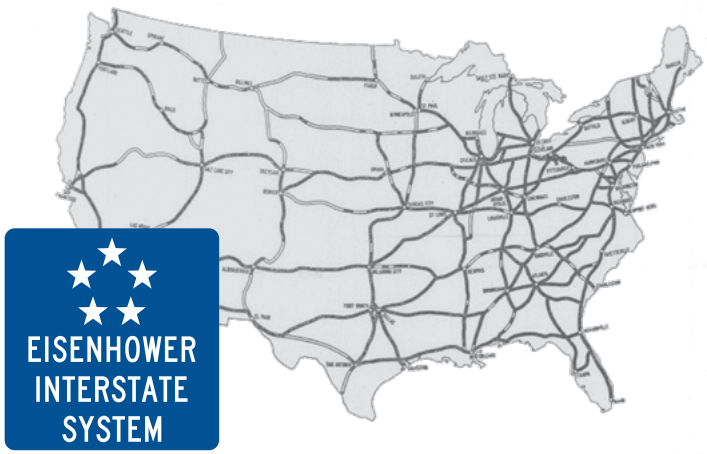


BLUEPRINT FOR A 21ST CENTURY FEDERAL TRANSPORTATION PROGRAM

Contents

Executive Summary

In 1956, President Dwight D. Eisenhower signed into law the largest public works program in history, an infrastructure project that would reshape America in the 20th century. The National Interstate and Defense Highways Act, as it is commonly known, embodied a vision that America's cities and states could be linked with a network of superhighways that would allow people, commerce and the military to move rapidly from one part of the country to another.



Fifty years later, the Interstate Highway System has been built, and America stands in desperate need of a new vision for our national transportation system. Just as the Interstate highway bill answered some of the most pressing mobility needs of the rapidly growing nation in the mid-20th century, a new federal surface transportation bill must answer the vastly different needs of America in the 21st century. The next transportation program must set about the urgent task of repairing and maintaining our existing transportation assets, building a more well-rounded transportation network, and making our current system work more efficiently and safely to create complete and healthy communities. It should invest in modern and affordable public transportation, safe places to walk and bicycle, smarter highways that use technology and tolling to better manage congestion, long-distance rail networks, and land use policies that reduce travel demand by locating more affordable housing near jobs and services. And it should put us on the path towards a stronger national future by helping us reduce our oil dependency, slow climate change, improve social equity, enhance public health, and fashion a vibrant new economy.

Getting there from here will require some significant reforms. To meet these goals, the T4 America coalition offers four main recommendations for the upcoming transportation authorization bill:

» Develop a New National Transportation Vision with Objectives and Accountability for Meeting Performance Targets.

» Restructure Federal Transportation Programs and Funding to Support the New National Transportation Vision and Objectives.

» Reform Transportation Agencies and the Decision-making Process.

» Revise Transportation Finance So We Can Pay for Needed Investments.

Develop a New National Transportation Vision with Objectives and Accountability for Meeting Performance Targets

The next federal surface transportation bill should articulate a clear and compelling national vision with specific goals for implementation that will build and maintain a comprehensive National Transportation System. This system will be essential for helping us respond to the myriad challenges facing our nation today, including the economy, energy, public health, the environment, an aging population, and equal access and fair treatment for all communities and transportation users.

America in the 21st century needs a complete National Transportation System that includes safe, well-maintained, and efficient highway, rail and public transportation systems, as well as bicycling and pedestrian networks. T4 America calls on Congress to clearly **define the national interest and purpose of the federal transportation program** by adopting and implementing the following set of National Transportation Objectives:

1. Improve Economic Competitiveness, Transportation System Efficiency and Workforce Development Opportunities
2. Improve Transportation System Conditions and Connectivity
3. Promote Energy Efficiency and Achieve Energy Security
4. Ensure Environmental Protection, Restore Climate Stability and Resolve Persistent Environmental Justice Issues
5. Ensure Safety for All Transportation Users and Improve Public Health Outcomes
6. Provide Equal and Equitable Access to Transportation Options in Urban, Suburban and Rural Communities

The next federal surface transportation bill should hold state and local transportation agencies accountable for meeting the transportation needs of an increasingly diverse America and should focus on the needs of both our major metropolitan areas and our small towns and rural regions. In order to do so, the federal government should **establish performance targets** that correspond to the National Transportation Objectives, along with significant oversight measures, while looking to states and regions to develop the plans for achieving these outcomes within federal guidelines.

National Transportation Objectives & Targets

Objectives	2010-2030 Performance Targets
Improve Economic Competitiveness, Transportation System Efficiency and Workforce Development Opportunities	Reduce per capita vehicle miles traveled by 16%
Improve Transportation System Conditions and Connectivity	Triple walking, biking and public transportation usage
Promote Energy Efficiency and Achieve Energy Security	Reduce transportation-generated carbon dioxide levels by 40%
Ensure Environmental Protection, Restore Climate Stability and Resolve Persistent Environmental Justice Issues	Reduce delay per capita by 10%
Ensure Safety for All Transportation Users and Improve Public Health Outcomes	Increase proportion of freight transportation provided by railroad and intermodal services by 20%
Provide Equal and Equitable Access to Transportation Options in Urban, Suburban and Rural Communities	Achieve zero percent population exposure to at-risk levels of air pollution
	Improve public safety and lower congestion costs by reducing traffic crashes by 50%
	Increase share of major highways, regional transit fleets and facilities, and bicycling/pedestrian infrastructure in good state of condition by 20%
	Reduce average household combined housing + transportation costs 25% (use 2000 as base year)
	Increase by 50% essential destinations accessible within 30 min. by public transit, or 15 min. walk for low-income, senior and disabled populations

Restructure Federal Transportation Programs to Support the New National Transportation Vision and Objectives

To achieve our national goals, T4 America calls on Congress to **restructure and consolidate**, federal programs away from single-mode "silos" towards greater integration, and provide the tools for states, regions and localities to develop solutions.

A core set of **National Priority Programs** should be established for:

- Outcome-Based Planning;
- System Preservation and Renewal;
- Access, Independence and Mobility Management for Seniors, Disabled and Low-Income Families;
- Transportation Safety; and,
- Energy Security for Clean Communities.

The next bill should include a set of multimodal programs, **geographically tailored** to meet mobility needs at the inter-regional, metropolitan, small town and rural levels to support highways, passenger and freight rail, public transportation and bicycle and pedestrian projects. It should also provide cities with direct funding for project implementation and provide new operating funding for public transportation agencies.

The programs established in the next transportation bill should help us **complete our national transportation system**, with particular focus on expanding transportation options. Transportation for America supports programs that will build a modern, intercity passenger rail network, "green" our freight transport systems and our ports, and expand high-quality public transportation and bicycling and pedestrian networks within metropolitan areas. The goal of our investment program must be a nationally interconnected system of roads, rail, public transportation, pedestrian, and bicycling facilities.

Finally, a set of **Innovation Programs** should be created to spur states and communities to advance state-of-the-art transportation policies into state-of-the-practice. Strategies could include increasing research and development of new system management technologies, pursuing innovative least-cost projects, and implementing policies that anticipate future needs and demands.

Reform Transportation Agencies and the Decision-making Process

When the United States Congress passed the National Interstate Highways and Defense Act of 1956, it empowered the states to construct the 41,000-mile system of superhighways to connect the nation. Fifty years later, with most Americans living in metropolitan areas, our primary challenge is mobility within cities and their suburbs, rather than between regions. America's metropolitan regions face complex challenges that demand new approaches and more responsive institutions.

Proposed Federal Transportation Structure

Geographically-Tiered Multimodal Access Program

- Statewide Multimodal Access Program
- Metropolitan Multimodal Access Program
- Local Multimodal Access Program for Cities and Rural Regions

Programs to Complete the National Transportation System

- Intercity Passenger Transportation Program
- Green Freight and Ports
- Major Transit Capital Projects
- Projects of National Significance

National Transportation Priority Programs

- Planning and Research
- Transportation System Preservation and Renewal
  - State of Good Highway, Road, Trails, and Bridge Repair
  - State of Good Transit Repair
- Access, Independence and Mobility Management
- Transportation Safety
- Energy Security for Clean Communities

Innovation Incentive Programs

- Sustainability Challenge Grants
- Smart Communities Program
- Active Transportation

T4 America believes that, along with greater accountability, there must also be more local voices and local control in the transportation decision-making process.

T4 America proposes **empowering regions** to shape their future by giving them more direct funding and decision-making authority, while holding them accountable for results. The T4 America platform also calls for new approaches and practices such as "complete streets" policies that are designed to meet the needs of all users; the adoption of flexible design and mobility guidelines that emphasize cost-effectiveness; a new stormwater policy standard to reduce water pollution from federally funded roadways; new incentives for affordable housing near public transportation; and local hiring and workforce development provisions to boost green jobs nationwide.

At the same time, the federal program must acknowledge the powerful, inevitable interaction between transportation investments and local growth and development, as well as the profound impact that development patterns have on the nation's economic, environmental and energy goals.

T4 America proposes a new **Blueprint Program** that would empower major metropolitan areas with direct transportation funding and greater authority to select projects, in return for progress toward meeting national objectives. In addition, we recommend that state Departments of Transportation (DOTs) be required to develop statewide blueprints, in partnership with smaller Metropolitan Planning Organizations (MPOs), cities, and rural planning districts, that demonstrate how transportation investments across the state advance community goals and national transportation objectives. Once certified, state blueprints would provide the framework for state DOTs to lead on intercity and interstate investments, and also serve as the framework for investment decisions of funds sub-allocated to smaller MPOs, cities and rural planning districts. The Blueprint process also creates the framework to speed project selection and delivery by completing analysis of a comprehensive package of investments on the front-end.

Revise Transportation Finance So We Can Pay for Needed Investments

In the summer of 2008, Congress had to patch the highway trust fund with an $8 billion infusion from the general fund. A similar fix may be needed again this summer. The nation needs to develop a sustainable method of raising revenue for federal transportation programs. **Increased revenues for transportation are needed, and T4 America is prepared to support a near-doubling of the current federal investment to roughly $500 billion over the next six years. However, neither we nor the American public will support this increase unless it is linked to real reform and can produce the sort of results outlined in this proposal.**

T4 America believes the nation must diversify the funding sources for transportation and engage in an aggressive effort to spur innovation and develop new revenue strategies. Existing revenue projections for both the short and long term, coupled with growing needs for maintenance and construction, are clearly outstripping the capacity of the motor fuel tax. In the short run, it may be necessary to raise the federal gas tax, or to index it to inflation, in preparation for a transition to a tax based on vehicle miles traveled. This proposal includes options for other innovative finance mechanisms such as congestion pricing to pay for travel options in a given corridor, a National Infrastructure Bank, and a per-barrel surcharge on oil. T4 America proposes three distinct revenue alternatives that each would generate over $500 billion for the next six-year authorization period.

As new revenue sources are developed, T4 America urges Congress to reform the program to create a **Unified Transportation Trust Fund** that would allow greater integration of surface transportation systems and help to balance allocations of federal dollars in a broader portfolio of investments in rail, freight, highways, bus, and non-motorized transportation.

Develop a New National Transportation Vision with Objectives and Accountability for Meeting Performance Targets

Transportation policy is perhaps our most important tool for making the nation's economy more globally competitive, for improving 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.

Over the years, the federal program has presented the equivalent of a blank check to the states, who were guaranteed a certain amount of funding regardless of how well or poorly they spent it, or how inclusive or fair their decision-making processes were. One clear, practical result of this policy vacuum is states often have favored building new facilities over maintaining and preserving the existing system.

Context for Reform

The original promise of the 1991 transportation reauthorization bill, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), was to provide new flexibility to move beyond the traditional boundaries of a highway bill to create a truly multi-modal system. Unfortunately, this promise was never realized because the flexibility was rarely used, and future bills included new programs to try and ensure that certain under-invested transportation needs were addressed. Reforming the federal program could take two possible routes: (1) mandating the desired modal outcomes without affording extensive flexibility, or (2) establishing a comprehensive set of performance goals that could be achieved through flexing funds to develop integrated solutions. T4 America recommends the latter, with the recognition that flexibility without clear performance targets and strong measures for accountability will ultimately fail to create and maintain a comprehensive national system that meets the myriad challenges facing our nation.

The current federal transportation program must be guided by a clear and compelling national purpose and give guidance to the many government and private institutions making decisions about transportation at the state and local level. While our current system has certain metrics for examining performance, it is clear that these measures of success are inadequate. Transportation programs and investment decisions focus on the physical condition of facilities (i.e. pavement condition, age of bridges) and relative cost-effectiveness of capacity alternatives with little federal oversight or reporting focused on how money has

been spent and how quickly. While the physical condition of the system is an important consideration, other factors must also be monitored to help us evaluate whether, as a nation, we are getting our value out of transportation investments. Similarly, there are insufficient provisions in national transportation programs to promote accountability in decision-making processes tied to broader economic, social and environmental outcomes.

Therefore, this proposal provides a framework to bring greater focus and discipline to the decision making process to better ensure that transportation investments result in a stronger economy, more energy efficiency, healthier citizens, improved access and mobility for all users, and improved air and water quality.

Elements of Reform: Making the Federal Program Goal Oriented and Accountable for Achieving Results

The T4 America Blueprint includes strong, workable recommendations for improved accountability, transparency and measurement of progress in the performance, maintenance, and accessibility of the national surface transportation system. Accountability is paramount in evaluating any potential use of public funds and assets. Unfortunately, today state DOTs apply the great majority of federal funds without federal regulatory standards, little federal approval, and virtually no follow up or on-site audits to ensure the value of the investments.

In developing this proposal, T4 America consulted a range of experts and resources on performance and accountability and sought input from numerous transportation hpractitioners and users. We believe the following principles are fundamental to establishing a goal-oriented and accountable federal transportation program:

» The federal program must establish and prioritize national transportation outcomes that articulate what the nation wants the federal transportation investments to achieve.

» The federal program must set national transportation performance targets and methods to assess progress including appropriate oversight and checks on abuses to ensure accountability in the targeting and application of funding by all levels of government.

» Issues related to performance measurement and data collection must be understood and resolved, with guidance and technical assistance provided by the federal government to assist in the development and monitoring of progress towards achievement of performance measures.

» Any framework for establishing goals and accountability must be integrated into both the federal legislation and transportation decision-making processes.

Establish national transportation objectives and identify methods to assess progress towards their achievement

T4 America proposes the following list of National Transportation Objectives to establish clear goals and clarify the purpose of the federal transportation program.

» Improve Economic Competitiveness, Transportation System Efficiency and Workforce Development Opportunities

» Improve Transportation System Conditions and Connectivity

» Promote Energy Efficiency and Achieved Energy Security

» Ensure Environmental Protection, Restore Climate Stability and Resolve Persistent Environmental Justice Issues

» Ensure Safety for All Transportation Users and Improve Public Health Outcomes

» Provide Equal and Equitable Access to Transportation Options in Urban, Suburban and Rural Communities

A focus on accountability and performance generates mechanisms for reaching transportation goals, but it is not a prescription for what type of activities should be undertaken at the state and local level. Accountability and performance measures should underpin the funding decisions to ensure federal assistance is provided to plans, programs and projects that support progress towards regional, state, and national objectives.

To ensure accountability towards meeting each National Transportation Objective, T4 America recommends a set of National Transportation Performance Targets be established in the next bill. In identifying these performance targets, T4 America considered the following:

» The list of National Transportation Performance Targets should be succinct and directly tied to specific National Transportation Objectives.

» The National Transportation Performance Targets should be powerful drivers of change and evaluated as a package of targets. No single measure can fully assess progress toward a particular national goal, as all the National

Transportation Objectives are complex and depend on many variables that can be evaluated in different ways.

» The National Transportation Performance Targets should include measures that can demonstrate progress toward multiple National Transportation Objectives so the advancement of one target could also advance other aspects of the transportation system.

» All the National Transportation Performance Targets recommended should be able to meet the following criteria:

  » Data can be secured to measure the target, or reasonable proxies can be identified, preferably using existing data systems.

  » Measurable targets can be set.

  » Each target can be incorporated into a system of accountability.

  » Each target respects differences between areas of the country and can be tailored to specific states or regions.

Targets for achievement of National Transportation Performance Targets have been set at 20 years, which is consistent with typical transportation planning horizons. A period of time for developing measurement systems is likely needed to finalize and incorporate National Transportation Performance Targets into regional and state long-range plans.

There are other types and levels of performance measurement that should be an integral part of transportation management and decision-making. In fact, performance measures that are tailored to transit agencies or state DOTs to improve delivery of service, operational efficiencies, and fleet management should be encouraged in national transportation policy and guidance. Specific recommendations for National Transportation Performance Targets are described in more detail in Appendix A, including the supporting rationale for the inclusion of each measure and the selected target.

Performance measurement data collection

Two data issues were key in selecting national transportation objectives and the accompanying performance targets: (1) data availability, including the reliability of existing data sets, the cost of collection, variation among states and metropolitan planning organizations (MPOs) in collection accuracy, completeness, uniformity, timeliness, capacity, resources, and the level of need to invest in new data collection systems; and, (2) sub-national goal setting. The U.S. Department of Transportation (US DOT), the Environmental Protection Agency (EPA), and the Department of Housing and Urban Development (HUD) should be engaged to establish state and regional goals and provide technical assistance and guidance.

This Blueprint largely supports the inclusion of per capita goals embedded in some of the recommended measures to facilitate the apportionment process for formula funding. More analysis would need to be done in the early years after new legislation to refine or develop measurement tools and methodologies. Federal agencies should also be engaged in developing protocol and oversight to

National Transportation Objectives & Targets

2010-2030

Objectives	Performance Targets
Improve Economic Competitiveness, Transportation System Efficiency and Workforce Development Opportunities	Reduce per capita vehicle miles traveled by 16%
Improve Transportation System Conditions and Connectivity	Triple walking, biking and public transportation usage
Promote Energy Efficiency and Achieve Energy Security	Reduce transportation-generated carbon dioxide levels by 40%
Ensure Environmental Protection, Restore Climate Stability and Resolve Persistent Environmental Justice Issues	Reduce delay per capita by 10%
Ensure Safety for All Transportation Users and Improve Public Health Outcomes	Increase proportion of freight transportation provided by railroad and intermodal services by 20%
Provide Equal and Equitable Access to Transportation Options in Urban, Suburban and Rural Communities	Achieve zero percent population exposure to at-risk levels of air pollution
	Improve public safety and lower congestion costs by reducing traffic crashes by 50%
	Increase share of major highways, regional transit fleets and facilities, and bicycling/pedestrian infrastructure in good state of condition by 20%
	Reduce average household combined housing + transportation costs 25% (use 2000 as base year)
	Increase by 50% essential destinations accessible within 30 min. by public transit, or 15 min. walk for low-income, senior and disabled populations

ensure that projected or forecast performance is achieved, while assisting states and regions in further refining their models and forecast methods.

US DOT should play a critical management role in supporting the research and updated modeling that will be required to define appropriate national transportation targets by providing guidance to states and metropolitan areas and implementing new performance strategies. US DOT must also ensure that standards are consistent across the country and that reporting is done in a transparent way to allow the public and policy makers to analyze results.

Both incentives and sanctions should be embedded in the new legislation to ensure continued progress toward these targets. Under such a program, states and regions that meet or exceed the targets would gain access to incentive funds set aside for that purpose. Conversely, failure to meet targets could result in reduced flexibility for states, through the targeting of federal equity bonus funds to program areas where targets are not being met. In addition, contingency measures should be included in all state and metropolitan transportation plans.

Reform long-range transportation planning to advance accountability measurement

Federal transportation legislation requires fiscally constrained, long-range transportation plans by every state DOT and MPO as a condition of receiving federal funding. These plans should be the tool for demonstrating how a program of long-term (20-year) transportation investments, transportation demand management strategies, system efficiencies and operations, and land use strategies at the state and metropolitan levels will collectively meet National Transportation Performance Targets and advance the National Transportation Objectives. However, significant reform and improvement of these long-range plans is needed.

Transportation planning and funding decisions should be integrated into other planning processes to create complete and healthy communities for all residents. Greater attention should be given in the long-range transportation planning process to the mobility and access needs of low- and moderate-income and vulnerable populations, including seniors, to support healthy individuals and communities in support of broader economic opportunity goals.

T4 America suggests state and metropolitan long-range transportation plans be replaced by Statewide and Regional Blueprints. Federal approval of the plans would be based on compliance with National Transportation Performance Targets, and project selection and funding authority would be provided directly to implement certified Blueprints. We believe that this reformed long-range comprehensive plan would provide greater accountability and an improved means for federal oversight through improved reporting on measures of effectiveness. This specific Blueprint recommendation is described in more detail herein and in Appendix B.

Restructure Federal Transportation Programs to Support the New national Transportation Vision and Objectives

In order to develop a comprehensive national transportation system that grows the economy, improves energy security, protects the environment and addresses social equity concerns, we must enact a major restructuring of our existing federal transportation policies and programs. The U.S. Department of Transportation (US DOT) currently includes over 108 separate funding programs. Many of these programs are outdated, while others are redundant, housed in separate agencies with little coordination between them. These programs also tend to be prescriptive, rather than performance based.

In December 2007, the National Surface Transportation Policy and Revenue Study Commission released its long-awaited report, *Transportation for Tomorrow*, calling for consolidation of our surface transportation system into 12 multimodal programs focused on achieving a set of clear outcomes.[1] The emerging consensus among transportation practitioners and policy-makers is that greater system efficiency is achievable through fewer programs based on transportation mode, and placing a greater emphasis on setting national goals and priorities. This understanding is reflected in the National Transportation Objectives and National Transportation Performance Targets included in this proposal. **T4 America's restructuring recommendations are designed to produce a goal-driven federal program that includes the accountability measures necessary to achieve results.** At the same time, we recognize that we are not starting from scratch, and our recommendations build practically from existing frameworks and institutions.

Principles to Guide Program Reform

1. Invest to complete and maintain the National Transportation System

The upcoming transportation authorization must set us on a course to identify and build a network of public transportation, walking and biking infrastructure by 2030 to complement and interface with the completed National Highway System. We must make the preservation and maintenance of existing transportation assets a top priority, and ensure that funds that are supposed to be used for maintenance cannot be easily "flexed" for other spending programs. The bill should lay the groundwork for a world-class inter-regional,

1 Report of the National Surface Transportation Policy and Revenue Study Commission, "Transportation for Tomorrow." Washington, DC: December 2007.

seamless passenger air-rail system by 2030, and ensure that freight transportation by truck is not heavily concentrated in corridors that result in concentrated emissions and produce adverse safety and infrastructure impacts in specific regions of the country. Using this newly balanced transportation policy, the federal government should give regions and communities a greater role in determining what types of investments are appropriate by allowing for direct funding with appropriate oversight and reporting.

2. Create a level transportation investment playing field

Federal policies should end or minimize programmatic silos and ensure that all programs are multi-modal in nature. In order to end existing inequities between different modes and streamline the project selection process, the new legislation should simplify administration of funds and provide parity in the obligation process, match ratios, accountability measures and project delivery systems between modes. Simply put, the current process for funding new transit capacity has become so onerous as to discourage some applicants while very little performance review is required for new highway capacity. This inequity must be addressed, with an improved and comparable project delivery process for all new capacity regardless of mode or sponsor agency.

The next bill should establish a "complete streets" policy requiring that all road projects that utilize federal funds include appropriate provisions to accommodate bicyclists, people with disabilities and public transportation vehicles and riders, and pedestrians of all ages and abilities. Likewise, it should require all public transportation station and bus stop construction and reconstruction projects to include appropriate provisions to accommodate bicyclists, people with disabilities, and pedestrians of all ages and abilities to ensure seamless and safe connection between different modes.

3. Reward leveraging of collateral benefits to address multiple community and national goals

The federal government should adopt policies to assist communities developing projects and plans to achieve both local goals and National Transportation Objectives. For example, the transportation bill should offer incentives that encourage more compact, less automobile-dependent land use patterns that help reduce energy use, while expanding affordable housing options in accessible locations, improving access to goods and services, and stimulating economic development. It should prioritize spending on projects that promote health; improve energy efficiency, connect low-income residents to economic opportunity and essential goods and services; and, improve safety of our transportation system for people of all ages and abilities. Additionally, the federal program should encourage states and localities to adopt least-cost design solutions (sometimes called "context sensitive design solutions") for new capacity or reconstruction projects regardless of mode.

4. Empower regions and cities in the planning process

Previous transportation bills provided flexibility for transferring funds and suballocating dollars to cities and regions, but lacked federal direction on what kind of national objectives should be promoted through these investments. Local and regional empowerment has been stunted in most states due to the lack of authority at the regional or local levels in the project selection process and absence of direct funding allocation decision-making.

5. Directly fund local project implementation

A revised program and funding structure should be created that empowers jurisdictions to receive grant funds directly from US DOT for road and bridge projects, as they are currently able to do under the transit program. The result would be a more integrated multi-modal structure on the local level, a commitment to federal priorities through closer contact with the Federal Highway Administration (FHWA), and faster project turnaround. Local projects would still be part of the metropolitan planning program, and recipients would be required to demonstrate that they have the administrative and engineering capacity to maintain regulatory and design standards on their projects.

6. Retool our federal programs

Federal transportation programs must be adjusted to be more nimble at funding multiple modes, support more integrated design of facilities, and respond more to geographic than modal differences. The federal role in research and technical assistance should be elevated and adequately funded. Federal policy should focus on articulating desired national outcomes tied to federal funding, providing guidance and technical resources to help states, regions and localities implement solutions to achieve these goals, and ensuring transparent accountability measures are in place and maintained.

Blueprint for a Restructured, Performance Based Federal Transportation Program for a 21st Century America and Economy

> *What we need, then, is a smart transportation system equal to the needs of the 21st Century. A system that reduces travel times and increases mobility. A system that reduces congestion and boosts productivity. A system that reduces destructive emissions and creates jobs." – President Barack Obama, April 17, 2009*

T4 America believes that the role of the federal government is to facilitate the construction, operation, management and preservation of a **National Transportation System**. The federal

program has been effective in building the National Highway System (inclusive of the Interstate System) but has taken only faltering steps toward managing and preserving that highway system for long-range strategic purposes, and even fewer steps toward construction of the intra- and inter-city public transportation system and key elements of bicycle and pedestrian systems. Our current federal surface transportation program structure is simply not up to this task.

Today, America needs a comprehensive national transportation system that provides safe, reliable, and convenient travel options to Americans in every part of the country and of every economic background. We need a national transportation system that can move freight in a predictable and efficient manner, with minimal impact to the environment or public health, and we need a system that will help our metropolitan regions perform on par with our global competitors. Building and maintaining this system will create millions of good-paying "green" jobs and help rebuild our economy.

The proposed program structure is designed to prioritize funds for achieving National Transportation Objectives. Furthermore, the set of programs are a guideline for building and maintaining a National Transportation System that recognizes the differences between regions, the economic importance of our metropolitan areas, the critical role states play in intercity and interstate transportation, and the unique needs of rural communities. It seeks to consolidate and elevate a set of core transportation programs to support the National Transportation Objectives; proposes to consolidate a number of current programs to create a new geographically-tiered multimodal access program to meet mobility needs at the interregional, metropolitan, small town and rural levels; creates a set of new capacity programs that include comparable project development, review and funding processes; and recommends a set of discretionary innovation programs.

National Transportation Priority Programs

The recommended set of National Transportation Priority Programs has a significant impact on the overall effectiveness of the National Transportation System and correlate closely with the proposed National Transportation Objectives. Recognizing the magnitude of the importance and size of these programs, T4 America recommends that funding for them be distributed by formula.

Transportation agencies that make progress towards meeting the goals and National Transportation Objectives should be rewarded with a higher federal match and better access to discretionary/incentive programs.[2] Agencies that are not making progress towards the goals should be directed to target their equity bonus funds towards areas of deficiency. The five proposed national priority programs have been developed to help advance particular National Transportation Objectives, but these programs are additionally critical in our goal of building a maintaining a comprehensive National Transportation System.

2 Specific recommendations for reforming program funding formulas are not included in this proposal, but T4 America supports efforts to apportion funds based on program goals, population density, economic activity, system need, and other relevant factors.

Proposed Federal Transportation Structure

Geographically-Tiered Multimodal Access Program

- Statewide Multimodal Access Program
- Metropolitan Multimodal Access Program
- Local Multimodal Access Program for Cities and Rural Regions

Programs to Complete the National Transportation System

- Intercity Passenger Transportation Program
- Green Freight and Ports
- Major Transit Capital Projects
- Projects of National Significance

National Transportation Priority Programs

- Planning and Research
- Transportation System Preservation and Renewal
  - State of Good Highway, Road, Trails, and Bridge Repair
  - State of Good Transit Repair
- Access, Independence and Mobility Management
- Transportation Safety
- Energy Security for Clean Communities

Innovation Incentive Programs

- Sustainability Challenge Grants
- Smart Communities Program
- Active Transportation

For instance, investments to preserve and repair a deficient bridge may also help to improve safety on that roadway, and could include complete street design principles that encourage safer walking and bicycling paths. These programs are brought together and integrated by the Blueprint plans. It is important to have separate programs to ensure sufficient attention to and progress towards these goals, but we must also recognize that the interactions between programs is to be encouraged and supported.

1. Planning and Research Priority Program

Transitioning the National Transportation System to a set of programs with greater accountability performance measures will necessitate new types of research and data, education for practitioners and decision-makers, and technical assistance for agencies and communities adopting new approaches.

Current mode-specific research, data and education programs should be combined into a single unit within U.S. Department of Transportation (US DOT), U.S. Environmental Protection Agency (EPA), U.S. Department of Energy (DOE), and U.S. Office of Housing and Urban

Development (HUD). Other relevant federal agencies should also be engaged to develop state-of-the art modeling and technical assistance for states, regions and local jurisdictions.

US DOT needs to assist states and metropolitan areas in developing truly integrated transportation, land use and economic development plans to accommodate projected growth levels over the next several decades. First and foremost, a major overhaul is needed in how the federal government collects, assembles and provides data and information. T4 America joins the Brookings Institution and other organizations in calling for greater funding, guidance and technical assistance to help states, MPOs, and localities plan, monitor performance and deploy state-of the art modeling and forecasting tools.

The upcoming federal transportation bill must require data collection of comparable frequency and scope for all modes of transportation, including bicycling and walking, and must require US DOT to create a framework to ensure the transparency and accessibility of data and information. State and metropolitan entities should, at a minimum, disclose their spending patterns by political jurisdiction and origins of revenue used, especially federal dollars, so that the public can better evaluate the spatial equity of transportation spending in accordance with broad goals and performance measures.[3]

3 Recommendation originally put forth in "A Bridge to Somewhere: Rethinking American Transportation for the 21st Century" by the Brookings Institution, 2008.

Federal funding for metropolitan planning should be maintained, and new planning resources provided to support a substantially reformed long-range transportation planning process called for by T4 America—Blueprint Planning—and also provide funds to local communities to undertake community planning and reward transportation-supportive land use measures.

2. Blueprint Planning for Major Metropolitan Regions and States

T4 America strongly recommends that states and metropolitan regions over one million in population be required to develop and adopt an integrated, performance-based Blueprint for land use and transportation plans.

The Blueprint plan should cover a 20-year timeframe and demonstrate how proposed transportation investments and system operations and management will coordinate with land use strategies to achieve timely and reasonable progress towards meeting National Transportation Performance Targets. Blueprint plans should be developed in close coordination with other regional and state agencies to address long-range energy security, environmental, housing, economic development, public health, safety and human service goals. Strong public involvement and accountability in the development of Blueprint plans is essential. In particular, participation of people of low and moderate incomes, seniors, people with disabilities and minority communities should be engaged at all stages of the planning process. Strategies should be developed to engage the business community, particularly the development and freight

interests – two sectors which are profoundly impacted by transportation investments and in return influence regional economic development and the workforce. These Blueprint plans must be driven by effective strategies to achieve outcomes and not devolve into a wish list of projects.

Appendix B describes in more detail the objectives and process for developing Blueprints. Blueprints will be approved by the state's governor and certified by US DOT and the EPA, and reviewed for comment by HUD and U.S. Department of Health of Human Services. **Upon approval, Blueprint regions and state DOTs will be granted direct project selection and contract authority of federal transportation formula dollars to help accelerate project delivery.** Smaller regions (those under one million in size) can elect to opt-in to this program, thereby accessing direct project selection authority with the certification of an approved Regional Blueprint plan.

State Blueprint plans would include certified Regional Blueprints and Transportation Improvement Plans (TIPs), projects submitted by rural planning authorities, tribal authorities, intercity trails, freight, passenger or high-speed rail investments, and other major infrastructure investments identified through state planning process. Both State and Regional Blueprints must consider the broad spectrum of community viewpoints, the collaborative participation of local communities and transportation agencies, and the meaningful involvement of the public. In developing the Blueprints, states and metropolitan areas should accept input from all constituencies to ensure investments are equitably distributed to population and employment density areas while addressing the needs of small towns and rural areas.

3. Transportation System Preservation and Renewal Priority Program

T4 America believes that a top national transportation priority should be to adequately fund the repair and rehabilitation of the existing transportation system. Several major reports have shown that current funding levels are not adequate for even maintaining current conditions, much less addressing future capacity needs. US DOT should undertake a comprehensive asset inventory study of the needs and investment requirements of the nation's highway, bridge, bus, rail, and non-motorized transportation systems – including a cataloging of the nation's bike and trail network that would identify gaps in the system. US DOT and state DOTs should support research to advance an asset management approach to system preservation and evaluate the use of technological solutions to determining more comprehensive and standardized definitions of good repair and investment requirements.

Current repair and rehabilitation programs do not require a substantial overhaul. Nevertheless, Congress should ensure that adequate funding levels are available, and should firewall these funds so they cannot be flexed into other spending areas without certification that existing infrastructure is in a state of good repair. Appendix C provides further detail on the eligible activities T4

America proposes be funded under the Transportation System Preservation and Renewal Priority Program.

A. State of Good Highway, Road, Trails, and Bridge Repair

Our nation's highways, roads, streets and bridges are in critical need of repair and rehabilitation. According to the February 2009 Final Report from National Surface Transportation Infrastructure Financing Commission, almost $79 billion per year is needed to keep America's transportation infrastructure in a state of good repair. While many states have not made repair and rehabilitation a top spending priority, chronic underfunding of transportation programs have also negatively influenced the condition and safety of our highway system.

By 2025, one in four drivers will be age 65 or older – a demographic shift that demonstrates the need to adjust our nation's roadways and invest in special repair and rehabilitation needs. Road repair and rehabilitation should incorporate design improvements that make roads safer for older individuals and all road users. In the repair and rehabilitation of transportation facilities, priority should be placed on utilizing sustainable development design and construction materials to promote energy efficiency and reduce negative environmental impacts.

In the next surface transportation bill, a category of funds should be strictly dedicated to repair and rehabilitation. The existing Interstate Maintenance and Bridge Repair and Replacement programs should be converted to a significantly

enlarged program to repair, rehab and retrofit all deficient bridges, highways, roads, and trails and associated equipment – signal systems, structures, etc. – in the National Transportation System. Given the extensive backlog of structurally deficient bridges, special consideration should be given to these projects. The extensive need for highway and bridge repair and rehabilitation projects should be treated as an opportunity, where feasible, to provide and improve often deficient road access for bicycles, pedestrians, people with disabilities, and public transportation vehicles and riders. At the same time, some of our bicycling and pedestrian infrastructure is also beginning to show its age and should be incorporated into the effort to maintain the previous five decades of federal transportation investment.

Complete Streets Policy

In the rehabilitation of highway, bridge and transit facilities, T4 America recommends that the principles of complete streets and practical

design solutions be incorporated to ensure that our transportation system meets the safety and mobility needs of all users. The streets of our cities and towns should be designed for everyone, whether young or old, motorist or bicyclist, walker or wheelchair user. Complete streets are designed and operated to enable safe access for all these users.

A national complete streets policy will require all recipients of federal funds to include all users, including transit vehicles and users, bicyclists, and pedestrians in the design and construction of public roads when appropriate. Construction or reconstruction of transit stations should include accommodations for pedestrians and cyclists, create federal standards that set minimum requirements for national complete streets policies, and adopt enforcement mechanisms to hold states and localities accountable.

B. State of Good Transit Repair

Americans are riding public transportation at the highest levels in 50 years, and transit systems – some built over 100 years ago – are being pushed to perform at ever-increasing capacity. Yet many systems, strapped for funding, have significant deferred maintenance needs that are affecting reliability, safety and security. A 2009 Federal Transit Administration analysis of national transit data found more than one-third of the trains, equipment, and facilities of the nation's seven largest rail transit agencies are near the end of their useful life or past that point. The report noted that while many public transportation systems have components that are defective or may be critically damaged, it will cost $50 billion to bring the rail systems in Chicago, Boston, New York, New Jersey, San Francisco, Philadelphia and Washington, D.C., into good repair and $5.9 billion a year to maintain them. Those seven systems carry 80 percent of the nation's rail transit passengers, making more than 3 billion passenger trips a year.[4]

Significant funding is needed to maintain, modernize and make green our existing public transportation investments. Keeping the nation's bus and rail systems in a state of good repair is essential if public transportation systems are to provide safe and reliable service to millions of daily riders. Investments to maintain a state of good repair for public transportation should include the purchasing of new vehicles, basic maintenance, and asset management practices, such as preventive maintenance. Retrofitting public transportation vehicles and facilities to support access and mobility needs of seniors and persons with disabilities is also crucially important.

Provide Federal incentives for state and local funding commitment to public transportation

Sustainable public transportation operating assistance at all levels of government is critical to ensuring that our transit systems are able to meet the service needs for those who depend on transit and for those who choose to ride public transportation. The current federal program limits transit operating assistance to those communities under 200,000 in population. T4 America recommends

4 Federal Transit Administration, Report to Congress. "Rail Modernization Study." April, 2009.

that this threshold be removed, and that transit agencies of all sizes be allowed to use transit formula funds for operating assistance. We support a change in federal operating assistance policy to allow local communities to decide whether or not they want to access federal operating funds.

T4 America recommends an additional federal matching incentive program for operating assistance that would help encourage states, regions and local governments to assume the primary responsibility for sustainable transit operating funds. We propose a new federal match program that would be available to transit providers conditioned on action at the state, regional or local level to provide dedicated and/or increased transit operating assistance. We believe that such a program could also be structured to provide incentives for transit agencies to implement aggressive energy efficiency strategies as well in return for federal operating support. T4 America is working with coalition partners to develop more specific recommendations on how a federal role in operating assistance can be achieved to help communities meet the critical transit service needs, while also ensuring incentives for state and local commitments. Given the need to improve our nation's energy security and ensure equitable access, we must find solutions for all levels of government to work in partnership to provide affordable and available transit service.

4. Access, Independence and Mobility Management Priority Program

T4 America believes that a transportation system that does not serve the needs of all citizens is inadequate. A national survey conducted in November, 2005, found 82 percent of Americans age 65 or older worry that they will be stranded and unable to get around when they can no longer drive.[5] Congress has recognized the need to provide safe and accessible transportation options for all of our nation's citizens, including those who do not drive.

The Formula Grant Program for Special Needs of Elderly Individuals and Individuals with Disabilities was created in 1975 to provide capital assistance for specialized transportation to older adults and persons with disabilities, primarily through nonprofit social equity agencies. The Job Access and Reverse Commute Formula Grant Program (JARC) was enacted in 1998 as a component of welfare reform to connect low-income individuals to jobs. The New Freedom Program was established by the Safe, Accountable, Flexible, and Efficient Transportation Act: A Legacy for Users (SAFTEA LU) in 2005 to fund transportation services for persons with disabilities that go beyond those required by the Americans with Disabilities Act. While demand for these services continues to grow, funding for these programs barely registers as percentage of the overall transportation program.

5 American Public Transportation Assocation Poll, conducted by Harris Interactive on November 28 – 30, 2005

Older adults, persons with disabilities, and low-income individuals are inadequately served by our transportation investments. More than 50 percent of non-drivers aged 65 and older – or 3.6 million Americans – stay home on any given day partially because they lack transportation options.[6] According to a 2000 nationwide survey by the National Organization on Disability, 30 percent of respondents with disabilities reported difficulty in accessing transportation, compared to 10 percent of respondents without a disability.[7] And while two-thirds of all new jobs are in the suburbs, three-quarters of welfare recipients live in central cities or rural areas.[8]

T4 America believes that the new federal transportation legislation must elevate the existing programs under a newly created National Access, Independence and Mobility Management (AIMM) Priority Program. This national program would bring new focus to these transportation needs and provide for increased overall funding while maintaining the targeted, specialized services that are different and unique for older people, persons with disabilities, and low-income Americans. AIMM would also strengthen local coordination planning and practice among all transportation providers. Providing operating assistance for paratransit service is long overdue and should be funded, with provisions to encourage more efficient, responsive, reliable and respectful service. In this way, the federal program can help ensure that the nation's older individuals, persons with disabilities, and low-income workers are able to enjoy a high quality of life, equitable access to jobs, social services, and fully participate in their community.

5. National Transportation Safety Priority Program

Despite creating a multitude of safety programs, recommending a wide variety of policies and proposals and explicitly elevating safety to a new level of importance in the last transportation authorization, the federal government has yet to develop a comprehensive, multi-modal safety program that sets specific targets for improvements and holds states accountable for making our roads safer for all users. Meanwhile, traffic crashes continue to take a significant toll on Americans. Over the last two decades, traffic deaths have hovered around 43,000 per year, with

6 Bureau of Transportation Statistics, U.S. Department of Transportation, ***National Household Transportation Survey***, 2001, Washington DC.

7 U.S. General Accounting Office, ***Transportation-Disadvantage Populations: Some Coordination Efforts Among Programs Providing Transportation Services, but Obstacles Persist***, Washington, D.C., 2003)

8 Federal Transit Administration, Moving Rural Residents to Work: Lessons Learned from *Implementation of Eight Job Access and Reverse Commute Project*, Washington, DC, 2002.

bicyclists or pedestrians comprising about 5,000 of those annual fatalities. 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.[9]

SAFETEA-LU made significant strides in promoting safety by mandating the creation of Strategic Highway Safety Plans at the state level, implementing the Safe Routes to School Program, and ensuring an overall increase in funding for safety programs. Nevertheless, the continued lag in investment relative to need, singular focus on highway deaths, and lack of accountability in the system has prevented us from achieving a measurable set of goals to actually mark the successes or failures of our investments.

Traffic accidents and other health impacts of surface transportation represent major forces affecting the health and safety of the U.S. population – with significant long-term impacts on the federal budget and the national economy. T4 America believes the federal government must show leadership on this issue by strengthening and tightening existing laws and regulations – many of which are unevenly implemented across the country – and develop clear language to require compliance at the state level. Appendix D provides recommendations on a number of spe-

9 U.S. Fatality Analysis Reporting System, 2007 Report

cific actions T4 America recommends be included in the next surface transportation bill to improve public safety and reduce crashes.

6. Energy Security for Clean Communities

There is a critical national need to align transportation, energy, air and water quality and climate policies. Despite the fact that motor vehicle engines are 90 percent cleaner than they were forty years ago, increases in vehicle miles traveled have negated the fuel-efficiency benefit. Air quality in many communities is still unhealthy, exacerbating the prominence of cancer, asthma and other respiratory illnesses. 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 the areas exposed to heavy traffic is a burden borne disproportionately by people in low-income neighborhoods and by communities of color.

T4 America's recommended National Transportation Objectives included several performance targets specific to this program: reducing per capita vehicle miles traveled; tripling transit and non-motorized transportation usage; reducing transportation-generated carbon dioxide; and sharply reducing exposure to air pollution levels that are linked to cancer, asthma, and respiratory problems.

Recognizing transportation's impact on air quality, Congress created the Congestion Mitigation and Air Quality Improvement Program (CMAQ) as part of ISTEA in 1991. Today, we know that transportation also has a profound impact on climate change as the fastest growing source of national greenhouse gas emissions, and is the second largest single source of emissions in the U.S., responsible for more than one-third of our overall emissions.

T4 America calls on Congress in the next surface transportation bill to re-affirm its commitment to clean air and clean water. We believe that air quality conformity has been an important tool for improving air quality in our nation's metropolitan areas, and T4 recommends that Congress expand upon the success of the CMAQ program to also recognize the national imperative to promote clean energy strategies and efficiencies. We recommend elevating these programs into a new National Energy Security for Clean Communities program that would broaden the eligibility of the CMAQ program to four additional areas: vehicle efficiency, low carbon fuels, VMT reduction strategies and system efficiency improvements.

This expanded program would be funded at significantly higher levels than the current CMAQ program, with supplemental funding coming from climate change revenues. The program would provide funding and technical assistance to help transportation entities institute "green" technology and practices, as well as monitor their carbon footprint and lower harmful air pollutants. Funding should also be provided to address environmental justice concerns to mitigate health impacts, ozone hot spots, and unhealthy air quality in disadvantaged communities.

Climate and Transportation Legislation Must Work Together

T4 America supports the proposal included in Clean, Low Emissions, Affordable, New Transportation Act, or CLEAN-TEA (introduced in the U.S. Senate by Senators Thomas Carper and Arlen Specter and in the U.S. House of Representatives by Representatives Earl Blumenauer and Ellen Tauscher) that would allocate 10 percent of climate auction revenues by formula to states and regions for the development of plans to reduce VMT, and fund strategies to achieve these reductions. While these measures should be included in any climate or clean energy bill, that legislation alone is not sufficient to meet the challenge of reducing transportation-related carbon emissions.

Cleaning our Waterways and Minimizing Run-off

Pollution from vehicles on federal-aid roads and highways has a huge negative impact on water quality throughout the nation. Stormwater runoff from the nation's 985,139 miles of impervious federal-aid highway miles transport a variety of pollutants to surrounding waterways and causes significant erosion to roadside streams and ditches.

Stormwater runoff carried from these roads impairs bodies of water in three ways: volume; rate of flow; and pollutants. Volume and flow cause the erosion of stream banks, which causes cloudy, sun-blocking water and sediment covered substrate and aquatic vegetation. Stormwater also picks up pollutants that have been deposited from vehicles, deicing agents, atmospheric deposition and road degradation and carries toxic metals, nitrogen, phosphorus, bacteria, and sediment to local waterways.

To address this problem, T4 America recommends that the federal government set a policy standard for controlling stormwater discharges from federally subsidized roadways. The stormwater policy standard would apply to new federal-aid roads, as well as whenever significant repair or upgrades are undertaken. Specifically, we ask the federal government to include language to:

» Preserve and retain natural features such as trees and shrubs as much as possible when new roadways are built. These features reduce flow rates and allow for water to settle and be absorbed.

» Invest in pre-treatment methods such as street sweeping, catch basin cleaning, storm drain flushing, and management plans for deicing agents and roadside fertilizers.

» Treat as much runoff as possible on site utilizing elements of low-impact development such as retention basins, swales and infiltration trenches and basins.

» Treat remaining stormwater discharges offsite or create appropriate offsets when onsite treatment is not viable.

Geographically-Tiered Programs to Create a National Transportation System

The current transportation system structure encourages investment in modal silos with insufficient regard to geographic context. Thus, a transportation problem on a state highway that runs through the heart of a small town will likely be treated the same as a state highway in a rural area or one in a metropolitan area. A geographic approach differs substantially and improves mobility by seeking innovative solutions through a variety of strategies, including land use changes, additions to the local street network, creation of a spine bus service, or expansion of a cycling network. T4 America proposes restructuring a portion of transportation programs and funding to support the development of integrated, multimodal solutions focused on geographic scale instead of mode.

Statewide, Metropolitan, and Local Multimodal Access Program

T4 America recommends the consolidation of several existing programs into a new Multimodal Access Program (MAP) to fund a package of new capacity, transportation demand management, and system efficiency programs including intelligent transportation technologies and pricing, commuter choice programs, transportation enhancements, specialized transportation service, and a new Livable Communities set-aside category to support local land use strategies (see Appendix E for a discussion of the newly proposed Livable Communities set-aside). All of these investments can improve mobility, but coordinating these investments can have a profound benefit to increase access throughout the state and metropolitan region to improve system efficiency and connectivity and to support economic opportunity and workforce development.

As such, T4 America has moved away from the notion of a Metropolitan Mobility Program in favor of a Multimodal Access Program (MAP), divided into three categories: Statewide; Metropolitan; and Local. The first two categories are primarily focused on direct federal formula funding, while the third would include formula funding suballocated by the state DOT and certified Blueprint MPOs to cities, counties, and rural planning regions.[10] An important distinction from the current transportation process whereby projects are stapled together into a Transporta-

10 Current formulas reward more travel lanes and more auto travel. This system must be reformed to take into account population densities, economic centers and progress toward addressing issues of national significance. Given the importance of data collection, modeling and forecasting to the Blueprint process, it is essential that US DOT and EPA be given the authority and funding levels to provide technical assistance, guidance and oversight to states and Blueprint regions.

tion Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP), with the state DOT being the central arbitrator, is that the Regional Blueprint and Statewide Blueprint are each certified by the US DOT and EPA, with the state plan needing to incorporate the Regional Blueprint. **Once projects are identified on a certified State or Regional Blueprint, a city, MPO or transit provider can apply for certification to receive direct federal aid to construct or implement projects.** The ability to receive direct aid from the federal government significantly empowers local communities and expedites project delivery to get projects done more quickly. The change will also relieve state DOTs from some of the bureaucratic burdens allowing those agencies to focus on projects. Formula funding would provide all areas with base funding for the development and management of the core multimodal transportation system.

The MAP program resembles the existing Surface Transportation Program with eligibility of funds for highway, bridge, transit, bicycle, pedestrian and rail projects.[11] However, the MAP program also includes a broader set of programs that have been consolidated into this one multimodal program.[12] Rather than being focused on modal silos, the MAP program is structured to fund an integrated program of transportation investments with states and regions needing to demonstrate a package of investments that will achieve National Transportation Performance Targets. In undertaking the Blueprint process, states and regions are encouraged to choose low-cost options to improve overall regional access and mobility through improved land use options, demand management options, and public transit options. Federal oversight and enforcement is a prerequisite of this program to ensure that investments are consistent with certified Blueprint plans, and that reliable information is being reported on progress towards achievement of the National Transportation Performance Targets.

The MAP program, described in greater detail in Appendix F, would fund the following eligible transportation activities:

» Road and Public Transportation Capacity (projects below $75 million in total project cost);

» Bicycle and Pedestrian Capacity – 10 percent Transportation Enhancements set-aside

» Commuter Choice programs

» Transportation Demand Management

» System management, i.e. Intelligent Transportation Systems and Congestion Pricing

» Transportation-Supportive Land Use Activities – 5 percent Livable Communities set-aside

» Mobility Management

11 Freight and passenger rail eligibility was included in the American Recovery and Reinvestment Act of 2009, and hopefully sets a precedent for expanded eligibility in the use of highway funds.

12 The MAP program includes a consolidation of funding, or portions of funding from a variety of existing programs that would be incorporated into this more comprehensive, integrated program. These include surface transportation program and national highway system funds, urbanized and non-urbanized formula transit funds, over the road bus, intelligent transportation, value pricing, recreational trails among others.

Intercity Passenger Network

Discretionary Programs to Complete the National Transportation System

The Multimodal Access Program (MAP) program is intended to provide funding for the core set of multimodal programs, but the following four additional discretionary programs are also suggested to accelerate development of the National Transportation System. T4 America supports the creation of a federal review process that recommends projects for funding based on the ability of the project sponsor to demonstrate the project's financial feasibility, environmental impact and mitigation strategies, cost/benefit – including economic development and job creation impacts – and level of financial risk. Projects should be included in the State Blueprint, and Regional Blueprint, if applicable.

1. Intercity Passenger Transportation Program

Railroads and intercity buses are a critical component of our national transportation system, providing personal mobility options and economic growth for rural, suburban and urban communities while meeting the nation's energy and climate challenges. T4 America supports efforts to strengthen and expand the nation's intercity passenger travel options through the creation of an Intercity Passenger Transportation Program, to provide discretionary funds through

a competitive grant program administered by US DOT for intercity passenger rail and intercity bus projects to complete a trans-American passenger network. The federal government should fund investments to expand capacity, improve safety, achieve reasonable service levels, and protect the operations of intercity passenger services in the United States. Appendix G discusses details of this proposed Intercity Passenger Transportation Grant Program.

Intercity passenger rail is one element of a comprehensive intercity passenger network that also includes air travel and bus services. An emphasis on coordinating these services and enhancing links between intercity travel, regional, and local travel will leverage the government's investments, maximize ridership, and enhance mobility options for passengers. Impacts to communities should also be addressed, including railroad crossing safety and land use strategies to support intercity transportation investments. T4America recommends the development of a Trans-American Intercity Passenger Network to be completed by 2030 as recommended by America 2050. This network should provide competitive travel options within and between regions of the US, with a specific focus on travel corridors connecting our nation's largest cities and towns. To prioritize and select appropriate investments, US DOT should develop a national vision for the intercity passenger network serving all important transportation routes connecting regions and metropolitan areas.

This national vision should include the following elements and ultimately provide a plan for the creation of a seamless Trans-American Intercity Passenger Network:

» Develop recommendations for service levels appropriate in high-density areas coupled with long-haul services to connect and integrate rural regions;

» Set policies for allocating funding for regional intercity passenger rail and intercity bus projects and on-going services;

» Provide criteria for developing public-private partnerships to ensure the most appropriate use of federal funds; and

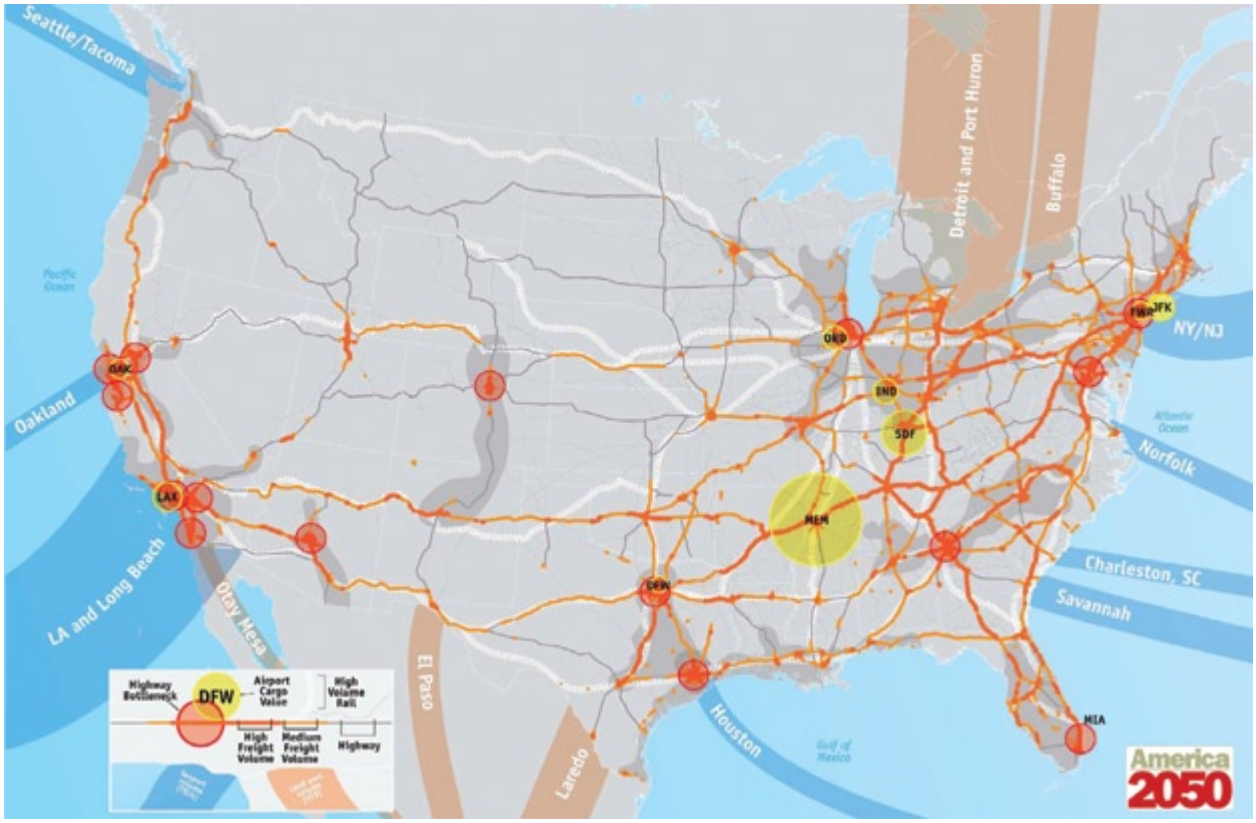
» Create new, publicly owned high-speed rail segments in those routes where frequency and speed are most feasible.

T4 America commends the Obama-Biden Administration for its April 2009 "Vision for High Speed Rail in America" plan. This plan, in combination with the $8 billion providing in the American Recovery and Reinvestment Act, is an important down payment to jump start a world-class network of high speed passenger rail corridors in America. High-speed rail is a critical element in creating a dynamic, seamless national intercity passenger rail system. Additional funding should be provided in the next surface transportation program, and through other resources, to realize this vision.

2. Green Freight and Ports Program

Functional, safe, and efficient transportation systems are one of the cornerstones upon which this country was built. America's economic strength and the health of its citizens depend on our ability to connect people to opportunity and on

National Freight Network



these projects would need to meet national environmental requirements including undergoing environmental impact analysis.

T4 America proposes a program to accelerate construction of major transit capital expansion projects over $75 million in project cost. These projects could also leverage MAP funds to count as part of local match. Evaluation criteria should reward collateral benefits and leveraging of public and private funds. The program should accelerate development of regional public transportation systems, and also support transit investments needs of mid-size cities in fast growing regions. Projects proposed for funding in this category

transportation network that is outmoded, overcapacity, dependent on imported petroleum, and incapable of efficiently linking the US national economy into the global economy.

To ensure coordinated, federal leadership in shaping future transportation investments to support freight movement and build a trans-American freight network, T4 America recommends establishing a Green Freight and Ports Program. This program would create a competitive grant program administered by US DOT to fund investments to expand and "green" our freight system and nation's ports, with a focus on improving first/last mile intermodal connections. Appendix H discusses details of this proposed Green Freight and Ports Program.

We must ensure that port and freight investments reduce localized pollutants and increased concentrations of heavy truck traffic, thereby addressing public health and environmental impacts. A major challenge with truck traffic is how they intersect through different modes with ports, where some of the lengthiest delays occur and create severe public health impacts, lost productivity and increased shipping costs. Investments in this "first mile" are often overlooked by state DOTs, and can undercut efficiencies of intermodal freight movement.[13]

To address these needs, T4 America proposes the creation of a national Green Ports and Freight Movement Program, described in greater detail in Appendix H. This program would help to achieve the following goals:

» Support transition from diesel-based trucking to rail-based goods movement, coordinated with increased use of hybrid and non-carbon-based propulsion systems for both trucks and trains

» Support increased efficiencies at port-rail-truck transfer connections.

» Support environmental justice activities in nearby communities.

» Support air and water environmental improvements through increased diesel engine retrofits, repowering, and fuel efficiency standards.

The discretionary program would provide funding for railroad, highway, port, and intermodal transfer projects, including technology applications, as part of the National Freight Transportation System. US DOT will select projects that balance, to the greatest extent feasible, a variety of modes – including railroad, port, intermodal transfer, intelligent transportation technology, highway infrastructure – urban and rural corridors in the National Freight Transportation System, and diverse geographic distribution.

T4 America recommends a combination of funding mechanisms to address the freight mobility needs in the United States, but does not support creating another separate trust fund specifically

13 The Brookings Institution, 2008. "A Bridge to Somewhere: Rethinking American Transportation for the 21st Century."

for freight investments that will only further prop up an unbalanced reliance on truck-based freight movement.

3. Major Transit Capital Program

The current New Starts/Small Starts program should be substantially revamped to support the acceleration of major transit capital investments. Currently, most Americans living in metropolitan areas do not have access to high quality public transportation (fixed guideway or bus service with 15-minute headways during peak periods). Accelerating the construction of public transportation networks in our major metropolitan regions is an important strategy to advance multiple National Transportation Objectives including energy security, climate stability, equal and equitable access to transportation options, and greater system efficiency and connectivity.

Some public transportation capacity would be eligible and encouraged under the MAP program. MAP formula funds would be available for capital transit expansion projects under $75 million that are included in state or regional Blueprints, such as bus rapid transit, streetcar, and commuter rail projects. Public transportation projects funded through the MAP program would not have a separate federal review process but rather would be considered as part of overall Blueprint plan. MAP funds would be sub allocated to the transit agency or other entity deemed as the project sponsor. An alternatives analysis process at the corridor level would still be required, and must be included in the Regional or State Blueprint Plan, with project sponsors continuing to be those eligible for funds under Title 49.

In addition, there should be direct federal incentives for the development of energy efficient transit-oriented development (TOD) in exchange for guarantees of affordable housing. As traffic and commute times increase and demographic changes generate demand for different ways of living and working, real estate development around transit lines has become increasingly attractive to developers of market-rate office, retail and housing. TOD is now recognized by municipalities and regional planning agencies as an effective strategy to simultaneously address changing real estate markets, the growing cost of commuting, and environmental impacts from the transportation sector.

Several factors hinder attempts by public and private entities to widely implement TOD, including a lack of coordination of plans and implementation of programs at the regional scale to direct significant transportation funds to public transportation and focus growth around these facilities; local codes that prevent the development of mixed-use, compact, mixed-income and walkable development; and a significant imbalance between the supply of land ready for TOD and the demand for TOD which is having the effect of price escalation and gentrification in those regions that have adopted TOD strategies. The establishment of Transportation for Livable Communities set aside (detailed in Appendix E) addresses one portion of this challenge and would provide funds to local communities to support local TOD-supportive strategies. We

believe that additional funding tools are required to advance equitable TOD and support regional public transportation investments with economic development and affordable housing goals, and to allow greater opportunity for public-private partnerships to provide long-term mixed-income development in public transportation corridors.

However, given the level of evaluation required in development of Regional Blueprints, T4 America proposes a streamlined review process for projects seeking federal discretionary funding under this separate program. Projects requesting major capital transit funds would be evaluated on corridor-specific environmental impacts, technical engineering, programs and tools to ensure mixed-income housing in transit zones and secured local capital and operating funds. T4 America is currently developing a separate proposal describing in more detail how this revised Major Transit Capital Program would be structured, with the goal that those recommendations would inform any future redefinition of the federal program to build major fixed-guideway public transportation projects.

T4 America advocates for placing much greater emphasis on land use and economic development, and maintains that the federal review process could be significantly improved and streamlined to more easily assess project's abilities to coordinate these factors with proposed public transportation investment. These policies should include value capture strategies in partnership with the private sector to promote transit-oriented development and generate community benefits. Additionally, there is a growing and critical need to coordinate regional affordable and mixed-income housing goals with new public transportation investments. Strategies should be pursued to provide incentives for this coordination and create the flexibility for local communities and regions to develop strategies that ensure the preservation and creation of long-term affordable, transit-oriented communities.

4. Transportation Projects of National Significance

Many states and regions have identified the need for large-scale transportation projects. These "mega projects" often cross multiple jurisdictional boundaries and include multiple modes. The complexity and cost of these projects pose a challenge to their financing, oversight and development. Funding should be provided specifically for mega-region planning activities, and we believe it is important to distinguish between national and regional scopes in this program. For example, relieving freight rail congestion in the Chicago area would have truly national benefits by making railroading far more competitive with trucking nationwide. A project of this scope truly deserves special consideration for federal funding. In contrast, a proposed public transportation project that would form an arc around Chicago would have regional benefits to several counties and dozens of municipalities – but would be funded through the previously discussed Major Transit Capital Program.

T4 America supports proposals by the Obama administration and Congress to create a National Infrastructure Reinvestment Corporation to help fund projects of national and regional significance. The National Infrastructure Reinvestment

Corporation should allocate funding on a merit-based assessment of individual projects, without favoring one mode or method over another. The Reinvestment Corporation should be as free as possible from political pressure in its project selection.

Projects eligible for funding should be included on state and regional Blueprint Plans with a package of financing options in addition to potential National Infrastructure Reinvestment Corporation funds, and should be evaluated on a mode-neutral basis. Priority should be given to those projects that assist in reducing energy consumption or greenhouse gas emissions from the transportation sector; have a significant economic impact on the nation, a metropolitan area or a region; and assure equitable geographic distribution of funds and appropriate balance in addressing the needs of urban and rural communities. Potentially eligible projects would include, but not be limited to, highway or bridge projects eligible under Title 23, public transportation projects eligible under Chapter 53 of Title 49, passenger and freight rail transportation projects, and port infrastructure investments – including projects that connect ports to other modes of transportation and improve the energy efficiency of freight movement.

A benefit-cost analysis of proposed nationally significant transportation projects should be required. A benefit-cost analysis allows decision makers to identify those projects that will generate the highest return to each dollar invested in our transportation systems. It also helps agencies organize and document their decision processes and identify risk and the most cost-effective means to mitigate it. Benefits to be analyzed should include reductions in travel time and vehicle operating costs as well as improved safety, reliability, convenience, and passenger comfort and transportation affordability. Benefit-cost analyses should also include environmental and public health benefits and costs, and can be used to inform assessments of how projects will affect employment, business sales, land values, tourism and other indirect economic impacts.

Projects selected for funding under the National Infrastructure Reinvestment Corporation should enter into a financial agreement with US DOT, and these funds can be leveraged with other public and private sector funds. Projects that span multiple states, regions and transportation agencies (i.e. port authorities, transit agencies, MPOs) should include a signed Memorandum of Understanding between all project partners, with a clearly designated lead sponsor agency that will be held accountable for demonstrating that the proposed project has meet federal requirements, oversight and risk assessment measures.

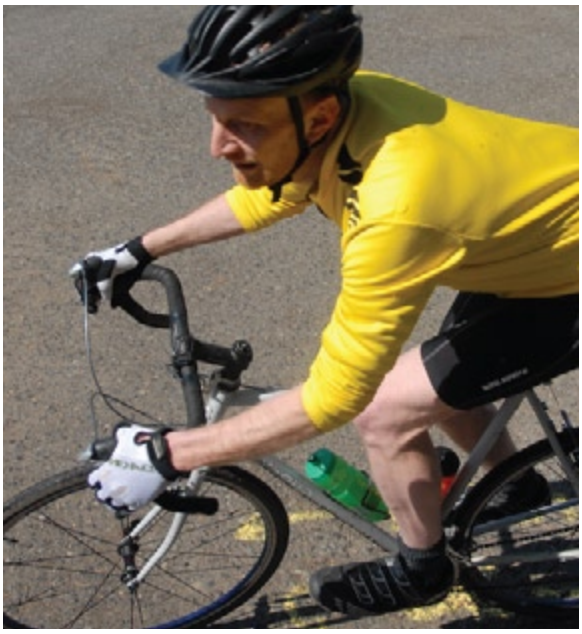
Innovation Incentive Programs

A series of incentive programs should be created to encourage excellence and creativity in the development and implementation of new models and new approaches for improving the efficiency and integration of our transportation system. These programs would be discretionary grants managed by US DOT, with reporting on lessons learned, the value of these investments to supporting National Transportation Objectives, and best practices required for all projects

and disseminated to practitioners through a US DOT-sponsored Transportation Innovation clearinghouse.

1. Sustainability Challenge Grants

There is growing understanding in order to increase mobility and manage traffic congestion; we need to promote more effective use of our existing systems. The next transportation authorization should create a discretionary federal grant program of up to $25 million per selected region or community that incents further innovation, emphasizes significant modal shifts and ultimately builds the next generation of tools and techniques to create livable communities. These funds would target interdisciplinary proposals to link up local planning objectives such as employment growth, development of low-income housing, and alternative transportation choices and accessibility. The applications must demonstrate partnerships between some combination of states, localities (city and county governments), regional business alliances (such as chambers of commerce), metropolitan planning organizations, academic institutions, and/or citizen advisory groups. A health impact assessment should also be required for projects seeking funding under this program to pilot and evaluate tools for assessing the health impacts of different integrated strategies. Appropriate federal regulatory control of such partnerships is crucial in order to preserve the overarching federal interest driving these goals.



2. Active Transportation Innovation Program

While bicycling and walking, or "active transportation," account for 10 percent of all trips, the projects aimed at expanding these transportation options are consistently underfunded. There is significant new evidence from U.S. cities that providing world-class walking and bicycling infrastructure can dramatically influence travel behavior. Given the availability of safe and convenient active transportation infrastructure,

more people choose walking and biking for short trips, often pairing this active transportation with public transportation for longer trips. Yet an incremental, project-by-project approach will fail to yield significant changes in the short term. Thus, a much more targeted focus of bicycle and pedestrian facility investments is needed.

The Active Transportation Innovation Program would support concentrated investment in completing active transportation systems in urban and metropolitan areas with the goal of shifting driving trips to walking and bicycling, building off the success of the non-motorized pilot program created in SAFETEA-LU (sec. 1807). The program would be designed to enhance the ability of communities to develop solutions to increase non-motorized travel, and to evaluate the relative effectiveness of design features funded by the program.

3. Smart Communities Innovation Program

T4 America supports a proposal being advocated by ITS America to create an innovation program to accelerate the deployment of cutting edge transportation technologies, including strategies to aid in the transition to a vehicle-miles traveled tax. The Smart Communities Innovation Program would award competitive grants to between four and six cities, towns or regions to undertake comprehensive and cutting-edge deployment of a wireless communications network. These innovative projects could dramatically improve highway and vehicle safety, passenger and freight mobility and transportation system integration, reduce greenhouse gas emissions or other negative environmental impacts, and improve traveler convenience. A priority should be placed on proposals that include deployment strategies to benefit low-income and minority communities, people with disabilities, seniors and other vulnerable populations.

Each deployment site would be required to perform rigorous data collection and analysis and prepare an annual report to Congress with costs, benefits, lessons learned, and recommendations for future deployment strategies. Information should also be provided on workforce development and job creation impacts, particularly for minority or low-income workers and businesses. Each award recipient should have maximum flexibility to adopt innovative financing strategies and be encouraged to partner with automotive manufacturers, telecommunications and technology companies, and other stakeholder organizations to design and deploy the most effective system to optimize the public benefit.

The Smart Communities Innovation Program should also fund real-world demonstrations and operational testing of a revenue system based on vehicle miles traveled. The new transportation legislation should provide towns and cities receiving funding under the Smart Towns and City Streets Initiative with incentives to conduct broad-based demonstration programs of mileage-based user fees that could vary by time of day, pricing zone and other factors; be interoperable with other tolling, pricing, and intelligent transportation systems; and accommodate multiple forms of payment including cash, credit and debit cards, the Internet, and other integrated payment systems

Reform Transportation Agencies and the Decision-Making Process

The next transportation bill must clearly articulate the federal role, purpose, and vision for our national surface transportation system. This vision and set of objectives is a critical foundation for the institutional reforms that are required to ensure federal investments achieve national transportation goals related to the economy, the environment, public health, safety, and equity.

Context for Reform

Institutional reform is needed at all levels of government in order to effectively meet national, state, regional, and local goals. The US Department of Transportation (US DOT) and most state Departments of Transportation (DOTs) are structurally compartmentalized by mode, resulting in an underperforming transportation system that lacks the integration and choice necessary to achieve mobility and accessibility for all users. This separation of funding allocations, flexibility, program management, and project evaluation is particularly insufficient to address the needs of low-income and disadvantaged Americans.

Further, institutional organization by mode limits the ability of the transportation sector to address energy security, public health, environmental stability, and economic development. Real estate and land development factors, innovative finance strategies, and goods movement are each influenced by more than one mode, and yet all of these impact the entire system. While these are issues that extend beyond the reach of transportation, they are also greatly hindered or helped by transportation planning and institutions that place a greater priority on making sure that infrastructure investments result in maximum economic benefits, social equity, health promotion and environmental sustainability.

The disaggregation of decision-making into mode-specific programs makes it difficult to build and maintain integrated multi-modal access networks, which have proven to be more efficient at delivering access to destinations, more cost effective to individuals and businesses, and generate fewer harmful greenhouse gases.[14] Multi-modal access networks are also increasingly popular with consumers, demonstrated by the growth in public transportation ridership[15] and bicycling and the increasing number of these types of projects that are being proposed in small, medium and large communities across the country.[16]

T4 America recommends including a stronger role for regional planning entities to develop transportation investments plans, select projects, and make funding decisions. We believe that

14 Reconnecting America, Destinations Matter, 2008, NRDC/ULI Growing Cooler, 2008

15 APTA, 2008

16 Reconnecting America's recent report, "Jumpstarting the Transit Space Race," identified $240 billion in planned transit projects in 78 regions of the country. 75 percent of local ballot measures in support of funding new transit infrastructure and bicycling and walking paths passed in this recent election.

providing greater authority to these regional entities, presumed in most cases to be the Metropolitan Planning Organization (MPO), will in itself improve institutional coordination and project delivery at the metropolitan level. At the same time, institutional reform is warranted within the regional planning entities and between state DOTs and MPOs, cities, and rural planning districts.

Challenges to Effective Regional Institutions

MPOs were established as a forum for cooperative decision-making in urbanized areas of 50,000 or more by the Federal Highway Act of 1962. Since that time, they have served a useful purpose helping coordinate some decisions about transportation investments within metropolitan regions. MPOs continue to show great promise as a way to further coordinate transportation decision-making in the context of broader goals for land use, economic development, housing, environmental resource management, energy, congestion, and quality of life.

» MPOs assemble short-range Transportation Improvement Plans (TIPs) and Long Range Transportation Plans from lists of proposed projects provided by the state DOT and transit agencies, based upon what those agencies decide to do with the federal funding provided directly to them. The MPO often acts only as a "stapler," putting those project lists together.

» Most regions have not developed a strategic plan to use transportation investment decisions to assist in achieving regional and national goals. Even the best regional agencies have not been able to do enough outcome-based planning to be effective.

» MPO policy boards across the U.S. vary dramatically in their composition, appointment procedures, and the extent to which they exert leadership in transportation investment decisions. Over the years, each region has made its own decisions about policy board composition in discussions among local elected officials, governors and state legislatures. Almost all MPOs extend their outreach and involvement by using citizen and technical advisory committees to provide broader-based input to decisions.

» Some regions have separate regional agencies for land use/comprehensive planning and transportation planning; other regions have a single regional agency doing both; and some have only an MPO to meet minimal federal transportation requirements, with no agency doing comprehensive or land use planning.

» There are currently no federal requirements for coordinated multi-modal inter-city transportation planning by agencies within "mega-regions" – the extended metropolitan regions involving more than one MPO, many transit agencies, and often more than one state DOT. Requirements for such planning could assist in making trade-offs among highway expansion, initiation of inter-city high-speed rail service, and expansion of airport capacity. Additional federal funding, explicitly to assist mega-region planning efforts, should be provided.

Principles for Institutional Reform

To ensure public participation and the equitable distribution of costs and benefits to all constituencies, T4 America advocates the following principles for reforming transportation decision-making institutions:

» **Federal transportation assistance should fund local agencies and measures to achieve national objectives.** Oversight and requirements for transportation planning should put all modes on a level playing field, with comparable funding matches, review, and oversight requirements for all projects to expand capacity. An increased amount of flexible transportation funds available for transportation demand management; public transportation, bicycle or pedestrian facilities; highway improvements and creation of complete streets should be made available directly to metropolitan regions through the recommended MAP program. All transportation decisions by MPOs should be required to work toward stated outcomes, including the national goals.

» **Federal funding should recognize the significance of metropolitan regions.** Our metropolitan regions are the primary drivers of economic competitiveness and national wealth, and home to most of the nation's population. Transportation decisions in regions – and in some cases, the mega-regions they fit into – need and deserve far more attention, including the development of specific, outcome-based plans drawn from national goals to improve our economic well-being, environmental protection, health and quality of life. Transportation decision-making at the regional level should be given far more importance, and should be reflected in federal transportation assistance programs. Cities should be given the opportunity to receive direct federal aid for projects selected at the regional and statewide levels.

» **The unique needs of small towns and rural regions need to be addressed.** Current institutions and programs fail to sufficiently

provide the technical assistance or funding to meet the needs of small towns and rural regions. Our nation has a "one size fits all" policy for these communities, with the institutional assumption that state DOTs can accommodate the diverse needs of these communities. In fact, given the complexity and scope of intercity, interstate, and interregional travel demands being addressed by state DOTs, the priorities of small towns and rural areas are often overlooked. Further, the smaller scale and scope of many transportation investments in rural communities all too often result in delays in project selection, inadequate funding, or the imposition of single-mode solutions to address complex transportation needs.

» **The next transportation bill must help create a system that allows for seamless travel using multiple modes, vehicles, or transportation providers.** Planning goals to provide seamless multi-modal travel including public transportation are often not met through operational execution. While efforts to improve interconnectivity are continually taking place, they are often piecemeal, and do not achieve the levels of integration we know are possible and see taking place in other countries.. When a person drives from point A to point B they cross roadways built and maintained by many different city, county and state jurisdictions, yet the driver is oblivious to the number of entities involved. Now is time to achieve the same level of seamless connectivity in the network of passenger transportation services and bicycle and pedestrian facilities within and between urban areas. Individuals must have access to user friendly trip planning from a single source, the ability to pay once for each trip, and the power to use more than one vehicle, mode or carrier without cost penalization (in other words the cost of the trip should be based on distance or time with surcharges acceptable for premium services). Further coordination of routes and schedules to minimize overall travel time, as well as identification of transfer locations designed to provide safe, pleasant, and easily understandable connections is also critical.

Specific Recommendations for Institutional Reform

Institutional reform cannot effectively take place at the regional level without significant change at the federal level, and those two changes must be dovetailed. Transportation for America provides some recommendations for consideration by Congress and the Administration to reform the US DOT. At the same time, we recognize the complexity of this challenge beyond the areas highlighted in this proposal and recognize that significant structural changes in departments or agencies require congressional legislation.

1. Federal Level Changes

A. Modernize transportation funding formulas

More than half of the funds authorized in SAFETEA-LU were apportioned to state governments based on existing factors, such as the amount and type of road surface mileage, motor vehicle miles driven, and population. Less than one-fifth of

the funding was distributed based on measures of actual investment needs, such as the number of deficient roadways, traffic fatalities, or population in air-quality non-attainment areas. These antiquated funding formulas create an inherent contradiction and provide insufficient funding for states and regions to pursue integrated transportation strategies to achieve National Transportation Objectives.

B. Encourage US DOT restructuring

Congress should direct the Secretary for Transportation to consider methods to implement agency restructuring necessary to implement national multi-modal programs within one year of adoption of a federal surface transportation bill. Examples of such agency restructuring include combining the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) into a Surface Transportation Administration or reorganizing the modal agencies to align with specific program structure areas, such as Transportation Safety and Transportation Preservation and Renewal.

C. Elevate transportation planning

Congress should move all transportation planning activities to the US DOT Secretary's office and direct each modal administration to focus on project delivery and technical assistance. Technical assistance should be aimed toward helping states and regions use federal transportation assistance to achieve defined national purposes, as well as encouraging the establishment of outcome-based planning for state and local funds. US DOT should establish planning requirements for coordinated multi-modal inter-city planning for mega-regions. At a minimum, there should be a federal study of alternative institutional strategies to address inter-modal and inter-city issues for mega-regions.

D. Create an Office of Mobility Management

A new Office of Mobility Management should be created within the US DOT Secretary's office to coordinate federal programs targeted to seniors and people with disabilities within the Department of Transportation and the Department of Health and Human Services. The new Office of Mobility Management should be tasked with ensuring the full array of transportation mobility needs are met by providers in the surface, marine, and aviation systems and specialized transportation services.

E. Create an Office of Livable Communities

A new Office of Livable Communities should be created within the US DOT Secretary's Office to coordinate programs within the department and across federal agencies in order to assist states and regions in building safe, healthy and economically secure communities. This office should provide technical assistance, and guidance on programs to advance livable communities including transit-oriented development, transportation enhancements, and programs funded through the Innovation Incentive Program.

F. Promote workforce development and green jobs

The US DOT should leverage the federal transportation program to promote job training, workforce development, and apprenticeship programs, including oversight of the mandatory workforce investment provisions included in federal transportation legislation. There is a tremendous need to preserve and rebuild public sector staff capacity, and the next surface transportation bill should include strong provisions for job creation and workforce development in both the private and public sectors. T4 America supports proposals by the Transportation Equity Network and others that call on increasing mandatory workforce provisions from an allowable one half to one percent of all federal transportation dollars to the recruitment, training, and retention of underrepresented workers in transportation construction. We believe this should extend to highway, transit, trails, and rail policy.

2. Regional Level Changes

Regional planning organizations are fundamental to addressing integrated, coordinated transportation investments. MPOs should be required in regions with a population of 100,000 or more - a change from the present 50,000 threshold. Groupings of cities and counties in regions under 100,000 populations could choose to "opt-in" to the MPO process, agreeing to undertake the MPO planning responsibilities in exchange for receipt of certain direct federal transportation funds for allocation.

This "opt-in" process should automatically be offered to all existing small MPOs, and to new areas when they reach the 50,000 population threshold, but should also be open to other rural regional groupings of small cities, towns and counties below the 50,000 population threshold with a desire to improve their transportation decisions in the context of broader goals. Such areas should be required to show their ability to meet minimum planning certification requirements. The chance to "opt-in" should be provided biennially to allow state DOTs the ability to plan and budget accordingly.

Transportation for America proposes higher performance requirements be established by Congress through the creation of the Regional Blueprint and Multimodal Access Program (MAP) for regions larger than 1 million in population, with provisions for smaller MPOs to opt in. Congress and US DOT should consider creating tiered MPO requirements for regions of different sizes that reflect different capabilities and responsibilities. Non-Blueprint regions should be encouraged to develop performance targets that reflect National Transportation Objectives.

MPOs should be required to take the lead in making those strategic transportation investment decisions that will influence the desired regional outcomes, and for which the MPOs will be held accountable. However, MPOs should not necessarily attempt to undertake all or any of the detailed project development activities or operations maintenance planning traditionally performed by highway and transit agencies. The actual sharing of specific transportation planning activities among MPO, state DOT, local governments, and transit agencies in a region should be worked out within each region to reflect the existing capabilities and needs of each organization, and be included as appropriate in memoranda of understanding.

T4 America recommends that Congress and US DOT advance the following MPO institutional reforms to ensure better decision-making and wise use of federal transportation funds at the regional level.

A. Promote Fair and Equitable MPO Composition

The composition and appointments of MPO boards should be left to each region to determine in consultation with local elected officials, governors and legislatures as they have been in the past, but with the following additional requirements:

» In many states, MPOs are set up by statute. We do not propose to change this but do recommend that a transparent and accountable process be established for organizing and reorganizing MPOs that includes an opportunity for public comment.

» There should be a requirement for representation on the MPO policy board of officials from the dominant city or cities in the region in proportion to the population and employment density concentrations within the region; and representation from the transit agency or agencies in the region.

» Regulations should also strongly encourage or require MPO consultation and coordination with public health, economic development, housing authorities and environmental resource agencies within the region.

» Congress and US DOT should also provide, either in legislation or guidance, for states and MPOs to ensure that every part of the state or region, and all types of transportation users – drivers, public transportation users, pedestrians, bicyclists, and shippers – are fairly represented.

MPO boundaries should be changed as population grows, much as provided for under current regulations, but with the following additional considerations:

» MPOs should be required to have written agreements with those small cities and towns just beyond the urbanized area boundaries having a significant percentage (10 percent or more) of their residents commuting to jobs within the urbanized area. These agreements should provide a mechanism for such entities to be considered in the decision-making processes of the MPO.

» The regulations on MPO formation should be revisited to strongly discourage single-county MPOs if they exist within a larger urban region, and to require true region-wide decision-making.

B. Strengthen Federal Certification Requirements, Incentives and Penalties

» The US DOT should establish certification requirements and outcome-based performance requirements for MPOs and state DOTs. A stronger set of incentives and penalties should be established for certification.

» Certification requirements should include requirements for actions by the MPO to deal with such issues as population proportionality in policy board votes, and land use scenario planning. The specific methods used by each MPO to deal with those issues should be left to the individual region. For example, proportionality might be dealt with either by weighted voting or by board appointment considerations. Land use scenario planning might be accomplished either directly by the MPO, or by appropriate work program agreements with other regional and local agencies.

» Enforce and strengthen federal civil rights law and environmental justice guidance in regional planning and project delivery. This includes data collection and transparent reporting by MPOs on transportation service and investments for disabled, low income and minority individuals.

» Make workforce development a priority for all transportation investments. The transportation sector includes a growing number of green jobs in the construction, manufacturing, planning, design, and operations of transportation projects. MPOs can provide guidance to ensure low-income and minority residents have access to jobs created by public investment, which can provide living wage jobs.

» Certification requirements should also include accountability measures that are transparent to the public and provide accessible, detailed information about state and regional investment decisions and the distribution of costs and benefits across the region.

» State DOTs should be held to similar certification requirements for the planning they do in rural areas outside of urban regions covered by MPO planning.

3. Impact on the Roles of State DOTs

The institutional changes recommended in this proposal will have a major effect not only on the roles of MPOs, but also on the role of the state DOT. Under this proposal, certain federal transportation funds currently provided by the US DOT directly to state DOTs would be provided to MPOs for allocation within their region. This proposal does not attempt to make definitive recommendations about the future role of state DOTs, but would offer the following general observations:

» Even with a significantly greater level of federal transportation funding provided to Blueprint MPOs and regions or cities that choose to be certified by US DOT to receive funds directly, a large portion of the federal transportation funds provided through the National Priority Programs, Statewide MAP program and discretionary programs should continue to be directed to state DOTs for repair and preservation, safety, intercity, inter-regional and interstate transportation projects.

» Funding allocations to state DOTs should be subject to national goals and objectives. State DOTs and State Transportation Commissions should provide the same type of decision-making and allocation process to the rural areas that MPOs would provide in urban and suburban areas - and be held accountable for achieving desirable outcomes based on national goals.

» State DOTs should make workforce development a priority for all transportation investments. The state DOT, in coordination with other state labor and employment agencies, should provide programs and guidance to ensure that low-income, minority residents have access to jobs created by public investment. State DOT workforce programs should include apprenticeship programs and other strategies to support workforce development, particularly for green jobs.

While the allocation responsibility for federal transportation assistance within urban regions would rest with the MPO policy board, there would still be extremely important roles for the state DOT as one of the potential users of those funds:

» State DOTs should provide the MPO with significant technical assistance in providing asset management information needed to determine costs for maintaining highways and bridges within the urbanized area in a state of good repair; and should continue to operate and maintain the state highways in the metropolitan region.

» State DOTs are well suited to conduct highway traffic and congestion management studies, particularly on state highways in the region, but should be encouraged to incorporate the principles of complete streets, smarter system management, and least-cost design in the planning, design and construction of these facilities.

» State DOTs should be significant participants in the planning and discussions about priorities for transportation investments in order to meet performance targets for the regions in their state.

4. Rewarding Good Behavior and Penalizing Poor Actors.

Transportation for America believes the establishment of National Transportation Objectives coupled with requirements for states and regions to report on their progress towards achieving these goals will be a substantial transformation of the federal transportation program. While the creation of National Transportation Objectives is an important first step, accountability for their achievement is equally important. Our coalition recognizes the challenges of rescinding funding from under-performers, but proposes other strategies that could be utilized by US DOT to provide strong incentives for performance and innovation.

» **Option 1: Reduce funding flexibility.** ISTEA created unprecedented flexibility of federal transportation funding but did not include a set of desired outcomes and performance targets to be advanced through federal surface transportation investments or programs. This proposal recommends federal leadership on establishing national transportation performance targets, with flexibility for states and regions to develop and implement local solutions to achieve these objectives, and strengthened federal oversight to monitor progress on achieving these National Transportation Performance Targets. If a state or region fails to meet forecasted targets, the consequence should be reduced flexibility and access to innovation funds. For instance, when US DOT determines an agency is underperforming in a critical key area (e.g. state of good repair), the agency's Equity Bonus would be directed to that area.

» **Option 2: Scale matching ratios to performance.** A sliding scale of match ratios should be provided for all transportation investments rewarding agencies with high performance with a higher match and penalizing underperformance with a lower federal match. For example, an agency meeting the National Transportation Objectives would receive the current federal funding match (80%) while an agency exceeding the National Transportation Objectives will receive an overmatch (85%) and underperforming agencies receive a smaller match (75%).

No matter what state and regional institutional changes might be made, the current federal funding system is too stratified and inadequate to meet needs. Even still with strong leadership from state DOTs and MPOs, the current programs do not allow regional transportation investments to effectively flow from outcome-based planning.

Revise Transportation Finance So We Can Pay for Needed Investments

Context for Reform

America faces a transportation funding crisis. During the present transportation funding law (SAFETEA-LU) actual transportation system revenues did not meet projections due to high gasoline prices, lower vehicle miles traveled, increased vehicle fuel efficiency, and a prolonged economic recession. At the same time, authorizing expenditures from the Highway Trust Fund (HTF) were authorized in SAFTETEA-LU significantly beyond event the projected revenues. Indeed, in September 2008, the federal HTF escaped insolvency only through emergency legislation transferring $8.0 billion from general revenues. Absent steps to secure additional revenue, the HTF will face insolvency again. In addition, more than 20 state Highway or Transportation Trust funds face a similar fate.

The transportation funding problem is not only about revenues; it is also about expenditures. Simply put, transportation expenditures are not getting tied to results. We are paying top dollar and getting little to show for it in terms of system performance. The consequence is that the public has lost confidence in the system and is increasingly unwilling to pay to support it. This is especially true at the federal level, where the last increase in the gas tax was in 1993. Since then, the buying power of every transportation dollar has decreased more than 40 percent due to inflation and cost increases in construction materials. The public is demanding fast action as a pre-condition to its approval of new transportation taxes and user fees, and the current program does not adequately meet these needs.

Transportation for America's proposal for a reformed program structure focuses on outcomes and accountability, and the recommended institutional reforms suggest a new course to transform federal surface transportation policy. T4 America believes these recommendations will retool the federal transportation program to be more focused on outcomes, with expenditures aligned to meet the existing and future needs of the national transportation system and our economic, energy, and environmental challenges. Charts on the following pages illustrate the projected needs to maintain and improve our national transportation system.

To meet these projected needs and achieve the national transportation goals, Transportation for America recommends federal surface transportation expenditures be allocated with an emphasis on funding National Priority Programs. Funding should be provided for communities with adequate resources to integrate transportation networks and invest in completing the national transportation system. In our proposal, high priority is placed on the repair and preservation of our nation's existing transportation assets, including highways, bridges, public transportation, rail, and trails.

Principles for Revenue Reform

T4 America proposes a fundamental reframing of transportation funding and finance focused on these principles:

1. Move beyond a mode-specific, "user pays" model

The current model generates, and restricts, transportation funding to specific modes. A reframed model will raise revenue from broad-based funding sources for investments that will achieve specific national objectives.

2. Decouple revenue distribution from consumption

Currently, the amount of transportation fuel consumed in each state largely dictates how much federal transportation funding is returned to that state. A reframed policy-based approach is needed to link federal assistance to the achievement of critical national goals, such as economic competitiveness, efficiency, safety, energy security, and climate protection.

3. Assure that all system users have equitable access to transportation services at affordable cost

Today, lower income families pay almost twice the average national percentage of total household income spent on transportation. They also tend to have fewer travel choices by getting stuck in locations where they must have access to a car, and cut off from regional jobs markets if they don't. The elderly, the disabled and children are also isolated if they have no one to drive them to school, appointments, or social events. Essential transportation services must be available to all Americans.

4. Develop sources of revenue that minimize impacts on lower income households

While it is possible to price access to transportation services based on age (date of birth being invariable) it is much harder to price these services based on household income. When possible new revenues should be raised based on a progressive scale (higher for higher incomes, lower for lower incomes—such as a progressive income tax). When this is not possible (such as road pricing as a source of revenue) anti-regressive provisions can come in the form of using the resulting revenues to prioritize expenditures for more travel choices (such as implementing bus rapid transit services along the corridor) so all system users have the choice of whether or not to pay the toll. The policy goal is to hold lower income households harmless in selection of revenue enhancement strategies.

5. Restructure project finance for public-private partnerships

Currently public expenditures subsidize private land development and commercial freight operations while the public's return on investment

is not sufficient to replenish the transportation financing system. A reframed approach will provide that transportation and land development be connected in the financing portion of the project as well as in the planning and development stages of the project. Any public-private partnership agreement should clearly deliver long-term value that provides a transparent and clear articulation of "fair value" in its use of public bonding.

Recommendations for Revenue and Finance Reform

We support a broadening of the revenue base for transportation. Transportation is a core component of our economy, representing more than 11 percent of national GDP in direct expenditures. It is also a significant catalyst for private development and a means for moving goods to market and workers to jobs. The first federally funded public works project was authorized by Congress on August 7, 1789 - construction of a lighthouse at Cape Henry, Virginia to protect ships from the shoals at the mouth of the Chesapeake and promote commerce through the ports of Norfolk, Baltimore and Washington, D.C. The first federally-assisted road was approved by Congress in 1806—a toll road from Cumberland, Maryland to Ohio. George Washington himself was a transportation engineer, surveyor and land developer, laying out the route for the Potomac (later the Chesapeake and Ohio) Canal. The development and maintenance of a first-rate transportation system is a core national interest and an essential predicate for America's continuing leadership in a global economy.

These first national infrastructure investments yielded high returns on public investment — increasing commerce through three key ports (as a result of the lighthouse) and opening land west of the Appalachian Mountains to settlement and investment (as a result of the National Road). The last major Congressional infrastructure initiative, the authorization of the Interstate and Defense Highways Act in 1956, also yielded highly productive returns that continued well into the 1970's. However, returns on highway capital investment have declined rapidly over the last 30 years. The failure of public infrastructure investments to link elements of the transportation system into an integrated network has harmed overall network efficiency. By the 1990's the national productivity gains from continued new highway capacity investments had significantly diminished.

A significant contributor to this decline in productivity was, and still is, a misapplication of the concept of "user-pays." This concept is appropriate at the operational level. Absent a compelling public interest, a user of the transportation system should pay the marginal cost of access to the amount of capacity actually used. Thus, a car or truck driver should pay a higher cost for accessing space on the transportation system at peak hours, when access imposes higher delay costs for other system users, than at off-peak hours when those

delay costs of access are minimal.[17] Most public transportation fare structures reflect the same policy. This is not true for Interstate highways where access is free to all at all times of day and space is allocated on the system by the queue.

In terms of capital investment, if a new lane, road, rail, transit or bike/pedestrian improvement adds to the overall efficiency of the entire network, then the costs of that investment are most appropriately placed on the users of the entire network. The general population and the businesses served by that network. This can be done through a variety of mechanisms including a national sales tax, a freight value-added tax, or simply through a dedicated set-aside from the progressive income tax. These additional revenues are needed to capitalize a new major infrastructure initiative that will capture benefits provided by transit, rail and non-motorized transportation facilities and balance out our historic investment in Interstate highways, an investment that has already yielded most of its system-wide benefits.

For these reasons, T4 America revenue proposals are as follows:

» **We support the creation of a Unified Transportation Trust Fund (UTTF)** that consolidates federal revenues received on all surface transportation modes. Expenditures from the UTTF should be prioritized to keep the present surface transportation system and public transportation service in a state of good repair and improve their interconnectivity.[18] We also support supplementing these funds with annual allocations from some form of broad-based tax to be devoted exclusively to underwriting the capital costs of building out a robust, reliable and resilient system.

» **We support an increase in federal revenues into the UTTF at approximately double the existing rate but only if accompanied by the reforms included in this proposal**. This would increase total revenues into the UTTF from surface transportation sources from the present "steady-state" estimate of $255 billion over the period 2010-2015 to just over $500 billion over the same period. T4 America is proposing three alternative revenue packages that could generate additional funds over and above the baseline estimates (see Revenue Proposal in Appendix I). Expenditures from the fund should be prioritized to keep the multimodal transportation system in a state of good repair and to improve its interconnectivity. Going forward, any gas tax should be indexed to inflation defined as the consumer price index, not construction cost index, which is too volatile to serve as a price index.

17 Most private service providers (hotels, airlines, Amtrak etc.) have adopted this demand-driven pricing structure to both maximize occupancy rates and increase profits. Simply because, on roads, the driver provides the rolling stock (the car or truck) and pays a percentage (not all) of the cost of the infrastructure through a gas tax does not diminish the importance of a pricing strategy to achieve these same goals. To the extent the gas tax alone does not cover the full marginal cost imposed on the system (as well as externalized pollution and social costs) it makes no sense as **either** a pricing structure **or** as a way to manage system use.

18 This includes expenditures pursuant to the program structure proposal to improve system performance through a geographically-tiered and performance based distribution system.

» **We support pricing roads and public transportation as appropriate and necessary to reduce congestion and improve overall system efficiency**, with net revenues invested to provide more travel choices for those subject to congestion or unable to pay congestion charges. We are agnostic as to whether net revenues from such pricing schemes implemented on federal-aid highways are paid into the federal UTTF and then redistributed or retained within the jurisdictions where the revenues are generated (state or metropolitan areas). However, conditions for federal support under this program should include:

  » committed state and/or local matching funds at 50 percent of project costs;

  » provisions to assure that all system capacity elements of rehabilitation and reconstruction projects are included in any applicable regional blueprint plan (see Program Restructure);

  » provisions for availability of alternative transportation along the corridor such as buses, bus rapid transit, rail right-of-way, bicycling trails and pedestrian facilities as such need exists;

  » terms to dedicate at least 50 percent of net revenues from congestion pricing to providing more transportation choices in the area of the priced segments;

  » agreement to use standardized electronic tolling equipment and protocols as determined by US DOT to assure national efficiency and inter-operability of pricing on the interstate system;

» **We support expansion of the federal value pricing program** to allow pricing (at state/local option) on any section of the interstate system that experiences persistent congestion, plus in any metropolitan area under federal standards and oversight.[19] This includes weight-distance fees and taxes that more closely calibrate fees to the actual cost imposed on roads, bridges and other facilities by high-weight vehicles.

» **We support empowering states and local jurisdictions to engage in a broad variety of value-capture options as a revenue generation strategy**. We also support authorizing states and local jurisdictions to monetize the value of air rights over federal-aid highway and public transportation facilities for maximum public benefit. In addition, we support joint development agreements and equity sharing programs where states and local jurisdictions leverage federal transit and highway capital assistance to secure an equity stake in any related land development that is benefited by the federal-aid improvement. Cash-flow generated from such equity stakes should be reinvested in system operating and capital programs that advance federal goals under federal standards and oversight.

» **We support allocating significant revenues from carbon emission permit auctions under any future federal climate protec-**

19 By "persistent congestion" we mean interstate segments where average driving volumes exceed 70% of the capacity of the system (called the "volume to capacity ratio.")

tion act to the UTTF. [20] If climate legislation allocates permit auction revenues to a climate protection fund managed by any other federal or state agency the designated transportation funds should flow through the fund directly to the UTTF, with expenditures managed cooperatively between US DOT and the cooperating management agency consistent with the purposes of such climate protection act.

» **We support accelerated federal planning for a transition to a federal vehicle miles traveled (VMT) tax by 2016**. This tax can be applied in stages, starting with heavy trucks and expanding to light-duty trucks and, finally, to all vehicular travel.[21]

» **We support repeal of the exemption to the Energy Tax Act of 1978 (gas guzzler tax) for new light duty vehicles (LDVs) over 6000 lbs.** The tax should be imposed on any vehicle that does not meet national CAFÉ standards (presently 27.5 mpg) at the date of its purchase. All revenues should be allocated to the UTTF and prioritized for keeping the multimodal transportation system in a state of good repair and improving its interconnectivity.

» **Finally, we can support public private partnerships in facility development and management as long as the public retains ongoing control over the facility and revenues.** Such semi-"privatization" of a public asset is fraught with political peril and is usually limited to specific non-controversial projects, such as the private leasing of a public parking lot. However, the asset lease model is now being tested with respect to assets of much greater public value and impact, including public toll roads and bridges. We can support such monetization of public transportation assets under the following conditions:

  » national goals of global competitiveness, energy independence, climate protection and safety are incorporated in the management and operations plan, with specific metrics of performance and monetary sanctions for failure to meet such performance metrics,

  » private financing clearly delivers better long-term value than if a project were financed through publicly-issued bonds.

  » lease deal terms of more limited duration, as has been typical in other countries, since public entities can not adequately anticipate future social, economic, and technological change.

  » the public retains control over revenues, with payments made to the concessionaire based on project availability and other performance goals.

Moving forward, project finance will be more customized than in the past, with public and private partners negotiating terms of engagement, roles and responsibilities, investment terms

20 Specifically, we support allocating at least 10% of all climate auction revenues into the UTTF for expenditure on carbon-reduction transportation programs as proposed in the CLEAN-TEA proposals in the Senate (S. 575) and the House (HR1329)

21 The VMT tax is not included in our chart of revenue options since it will not generate revenues in the next authorization cycle for federal transportation funding.

and revenue sharing based on a wide variety of factors. The most that can be said about these financing schemes is that "If you have seen one finance plan, you have seen one finance plan." Public leadership is needed to set clear public goals for these financing schemes so that the needs of all partners are clearly acknowledged and met, our national interests are addressed.

Our general principles are that (1) revenues generated from user fees should be focused on keeping the system in a high state of physical repair and instrumented for intelligent operational control and management; (2) revenues generated from new broad based taxes should be focused on capital improvements in direct support of national policy goals of global competitiveness, energy independence, safety and climate protection; and (3) revenues generated from value capture in public private partnerships could be focused on either operational or capital improvements as jointly negotiated between the equity partners (private, public-local/state, and federal). To the extent these revenues are generated on the federal-aid highway or federal-aid public transportation system these revenues should be subject to federal standards and oversight in terms of reinvestment, reporting and performance management.

Project Financing Proposals

As a nation we must move away from strict funding silos that require federal transportation funds to be spent on a specific type of transportation improvement, regardless of context or need, and we must move away from restrictions placed on the source of project funds (public or private; debt or equity) so long as public oversight is maintained.

Transportation has always been a public-private partnership. In the era since World War II, the partnership became one-sided. The public assumed most of the cost of transportation improvements, including out-of-pocket costs, externalized costs to the environment, social costs, and the cost of system inefficiency that results from a fragmented and dispersed transportation network. All of these factors have significantly increased household transportation costs from less than 3 percent of a household budget in the 1920's to an average of 19 percent today. Lower income households have been harder hit with transportation costs accounting for an average of over 30 percent of the household budget. Because more than 70 percent of home foreclosures are occurring in far-flung suburban and exurban areas, the model of "drive until you qualify" has changed to "drive until you default."

When a transportation project opens up new land for development, or stimulates the redevelopment of distressed properties, value is created. While it is true that transportation projects sometimes impose net costs on private landowners, laws on the books require that landowners incurring such a loss be fully compensated. On the flipside, where adjacent landowners capture *all* the net value of land made more valuable by publicly funded projects. While some new revenues flow into public coffers over time in the form of higher property taxes and more economic activity, these flows are derivative of the private value created.

We propose that a new pilot project be enacted to explore public recapture of some of the upside value of publicly funded transportation projects as a project finance tool. This value would be in the form of an equity interest in the benefited property. To make such a scheme work, private landowners must agree to an equity-sharing program in order to secure the public funds necessary for project development. This equity can be in the form of (1) a straight private contribution to projects costs, (2) an agreement to a higher rate of property taxation on the benefited properties, or (3) an equity interest in the benefited property itself. Net revenues secured by the public through such agreements would be dedicated to offsetting the cost of the project or, in the case where the transportation service is provided at a net loss, to covering the operating costs of such service.

We also support the creation of a National Infrastructure Reinvestment Corporation to provide grants, credit assistance and tax incentives to invest in transportation and related infrastructure. The Corporation would support a wide range of transportation and transportation-related projects sponsored by public, private and non-profit entities on a discretionary, merit-based, non-formulaic basis. Types of support include discretionary capital grants, direct loans and tax credit bond allocations (Build America Bonds) based on the program authorized in the American Recovery and Reinvestment Act of 2009. We support an initial federal allocation of $26 billion to support this combined grant, loan and tax credit bond allocation program. It is estimated that, with a loan loss reserve of 10 percent of face value of total loan support and a 35 percent tax credit benefit, the National Infrastructure Reinvestment Corporation could leverage $96 billion in total public and private capital if a 50 percent match were required from state, local and private investors in funded projects.

Initial capitalization of the National Infrastructure Reinvestment Corporation in the amount of $26 billion would come from a takedown of $6.25 billion per year from the UTTF over the first four years of the reauthorization (2010-2014). The funds could be used on any infrastructure project that is physically (co-use) or functionally related to a transportation facility. This includes highway and bridge, maritime, airport, and public transportation facilities and equipment as well as co-use of transportation rights-of-way and facilities for drinking, water, and wastewater projects, housing related to transit-oriented-development projects, government-owned local energy transmission and distribution systems, intercity passenger bus and passenger rail facilities and vehicles, including assets owned and leased by Amtrak. Co-use and co-location of transportation and other public infrastructure will significantly reduce the costs of these facilities while accelerating their development by avoiding the need for acquiring redundant rights-of-way for these facilities.

Conclusion

When Congress first authorized construction of the Point Henry Lighthouse in 1789, public benefits and national needs were the obvious justification for federal financial assistance. But over the long arch of our national transportation program, clear attention to national purpose and public benefits has wavered. Instead, promotion

of private convenience has gradually replaced generation of public benefits as a legitimate basis for dedicating scarce public dollars to the funding of transportation infrastructure. This has allowed the constrained and inappropriate policy of "user-pays, user benefits" to be substituted for the national interest in our national transportation program.

Financing public infrastructure has broad policy implications in terms of advancing community aspirations for a better quality of life. T4 America is committed to assuring that our national transportation infrastructure program is adequately financed to meet the challenges of a global economy in a carbon-constrained world, while also serving the goals of national security, global economic competitiveness, safety, energy independence, public health, and social equity. The Port Henry lighthouse should guide us as a common sense example of the necessary predicate to federal financing of transportation infrastructure - advancement of the public health and welfare.


SEATTLE 1

Appendices

Transportation For America

A. National Transportation Performance Targets and Supporting Rationale

1. Reduce per capita Vehicle Miles Traveled (VMT) by 16 percent in 20 years

» **Rationale for measure:** The measure advances both the Environmental Protection and Energy Conservation/Energy Security national priorities by reducing the demand for transportation related energy and its associated emissions. Anticipated energy use reductions from improvements in the efficiency of vehicles and fuels will likely be overwhelmed by the continued increase in the demand for transportation energy that is produced by increases in population and economic activity. Striving for T4 America's target level will spur innovation in the realm of land use and transportation demand management strategies, which are more directly influenced by transportation planning than vehicle and fuel technologies.

» **Rationale for target:** The target keeps national VMT flat (over the 20-year period covered by long-range transportation plans) by offsetting projected national population growth of approximately 0.8 percent per year.

2. Triple walking, bicycling and public transportation mode share in 20 years

» **Rationale for measure:** Increasing the share of trips taken by non-motorized means can yield substantial energy savings, improve air quality, and lower carbon emissions. Bicycling and walking account for 10 percent of all trips made by Americans, yet 40 percent of all trips in the US are two miles or less. Similarly, increased use of higher capacity bus and rail transportation systems will reduce energy consumption and emissions. Greater emphasis on safe and active transportation options such as walking and bicycling, for instance, can also have profound positive impacts on public health.

» **Rationale for target:** The target assumes an increased investment in transit, bicycling, and pedestrian facilities, including full integration of these modes in highway projects under a complete streets policy, as well as implementing transit and transportation supportive land use measures. Investing just 3 percent of the next transportation bill in bicycling and walking, for instance, is projected to increase the usage of these modes from 10 percent to 20 percent of total trips.

3. Reduce transportation-generated carbon dioxide level (CO_2) by 40 percent in 20 years

» **Rationale for measure:** The transportation sector is the second highest and fastest growing contributor of greenhouse gas emissions, and this target assigns specific reduction targets to the sector as a whole.[1] The measure

1 CO2 was selected as the measure of GHG reduction because it is the primary GHG emitted by the transportation sector.

ensures that the VMT reduction goal listed above will reduce transportation generated CO_2.

» **Rationale for target:** The target keeps the transportation sector in line with widely adopted and scientifically based goals of 80 percent reduction in GHGs by 2050 on a proportional basis across sectors.

4. Ensure that zero percent of population is exposed to at-risk levels of air pollution in 20 years

» **Rationale for measure:** Existing national air quality requirements should be maintained and National Environmental Protection Act protections should be preserved. Rather than creating additional air quality measures, adoption of existing measures will ensure current air quality standards continue to be monitored at the regional level. Linking funding to demonstrated progress on air quality is also critical to ensure continued progress towards improving air quality. Health impact assessments should be included as mandatory evaluation elements of environmental impact assessments for major metropolitan infrastructure projects, such as freight and port facilities, as well as projects of national significance.

» **Rationale for target:** The target is consistent with the current Clean Air Act, which mandates regulating criteria pollutants, ozone, carbon dioxide, and particulate matter. At-risk populations are defined by exceeding US EPA ozone levels measured throughout the regional airshed and carbon dioxide and particulate matter levels in concentrated areas or hotspots.

5. Improve mobility by reducing delay per capita by 10 percent in 20 years[2]

» **Rationale for measure:** Calculating "reduced person-hours of delay" is in line with the methodology used in the Texas Transportation Institute's (TTI's) annual Urban Mobility Report—which measures traffic congestion in the nation's metropolitan areas, but does so on a community wide, per capita basis rather than just for peak period road users. This measure will encourage transportation demand management, non-motorized travel, and non-road based transit as delay mitigation strategies.

» **Rationale for target:** The target is based on scenario analysis done by the Metropolitan Transportation Commission (MTC), in the San Francisco Bay Area, for their current Regional Transportation Plan update (Transportation 2035). In this plan, a 20 percent reduction in person hours of delay was found

2 Consideration was given to recommending this measure as "reduced delay cost per capita" to reflect the costs associated with travel delays, since wasted fuel on a per capita basis also supports reduced fuel consumption, reinforcing the VMT and GHG reduction goals above. Given the relatively abstract and challenging nature of measuring reduced delay per capita, however, the more easily calculated target of reduced person hours of delay is suggested here. It should also be noted that the recommended goal is less than has been adopted in certain parts of the country. Most notably, the Bay Area MTC has set a 20 percent goal for the 30-year period from 2006 to 2035, which would make a comparable goal for 20 years of a 13 percent reduction (~0.67 percent/year). Given the full suite of actions envisioned by the MTC's scenario analysis, however, this is still too aggressive for a national goal and 10 percent goal is more feasible.

to be attainable, under certain conditions, by 2035. This target is designed to produce a proportionate reduction for the 20 year period covered by long-range transportation plans.

6. Increase proportion of freight transportation provided by railroad and intermodal services by 20 percent over next 20 years

» **Rationale for measure:** Freight traffic is projected to increase substantially over the next 20 years. Rail cars are four times more energy efficient than trucks and dramatically safer; they are associated with three times fewer accidents than trucks. Furthermore, one freight train can transport as much freight as 200 trucks, lessening road congestion and potential risk from the transportation of hazardous materials. Concern is growing over the deterioration and damage of the nation's highways and bridges caused by increasing truck traffic. There is simply not enough highway capacity to handle a significant numbers of new trucks, nor is it possible to plan and build enough highways to prevent further deterioration of capacity.[3]

» **Rationale for target:** Trucks currently haul 72 percent of consumer goods in the US, and truck traffic has grown substantially over the past decade both on city roads and on the interstate. At the same time, approximately 88 percent of primary rail corridors are currently operating at levels below capacity.[4]

7. Increase share of major highways, regional transit fleets and facilities, and bicycling/walking infrastructure in good state of repair condition by 20 percent in 20 years

» **Rationale for measure:** The quality of roads, bridges, public transportation fleets, and bicycle and pedestrian facilities are deteriorating due to under-investment in maintenance, as detailed by the National Surface Transportation Policy and Revenue Commission. In addition, many roads and bridges with significant non-motorized use do not include safe facilities for non-motorized travel. This measure focuses on attaining a national level of State of Good Repair for these essential infrastructure elements, beginning with the establishment of national minimum State of Good Repair criteria for all modes. Data collection to establish State of Good Repair should measure whether roads that are not part of the Interstate system provide basic accommodations for non-motorized and transit users.

» **Rationale for target:** Although more research needs to be conducted, as an estimate, the goal seems both necessary and viable, given the following data on the condition of the transportation system:

3 Spraggins, H. Barry, "Trucks vs. rail transportation of hazardous materials," International Journal of Business Research, March 2007.

4 Chapter 4, Report of the National Surface Transportation Policy and Revenue Commission, 2007.

» According to American Public Works Association, 56 percent of America's roads are in poor condition and 31 percent of our bridges are structurally deficient or functionally obsolete.

» The 2008 National Surface Transportation Policy and Revenue Commission projects that $78.8 billion is needed annually to restore our highways and bridges and keep them in a state of good repair.

» The Federal Transit Authority (FTA) rates system conditions on a five-point scale, 1 being poor and 5 being excellent. The estimated average condition of the urban bus fleet was 3.08 in 2004, a slight improvement from 3.07 in 2000.

» The estimated average condition of rail vehicles was 3.5 in 2004, down slightly from 3.55 in 2000. Rail transit station conditions have worsened; only 49 percent of stations are in adequate or good repair, while 51 percent are in sub-standard or worse condition.

» More than 50 percent of rural transit fleets are past their expected lifespan.

» While no statistics exist on the completeness of the street network, a Bureau of Transportation Statistics survey found that only 5 percent of bicycle trips occur on bike lanes, and at least one-quarter of pedestrian trips take place on roads without sidewalks. In addition, a recent national survey of older adults found 47 percent of respondents said it was unsafe to cross a major road near their home.

8. Improve safety and lower associated traffic congestion and healthcare costs by lowering traffic crashes by 50 percent over 20 years

» **Rationale for measure:** Traffic crashes take a significant toll on Americans. Over the last two decades, traffic deaths have hovered near 43,000 per year, 5,000 of which 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. It should be obvious that this statistic negatively 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. This measure empirically quantifies this problem of national significance.

» **Rationale for target:** 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 that have already been taken. Setting an aggressive target for improved safety for all transportation users, and conditioning federal funds on progress towards achieving this target, will lead to continued improve-

ments in public safety. Motivating reductions in traffic volume, speed, and VMTs through the implementation of a national complete streets policy is likely to produce reductions in traffic crashes, injuries, and fatalities. Elimination of incomplete streets that do not provide for safe non-motorized travel and do not effectively control speeds is a goal of this objective. Roadway designs that are proven to reduce death and injury, such as inclusion of sidewalks, pedestrian medians, traffic calming, road diets, and roundabouts, should be embraced.

9. Lowering the average share of household income spent on combined transportation and housing costs 10 percent below 2000 levels in 20 years

» **Rationale for measure:** Transportation is the second highest annual expenditure for the average American household, while the poorest fifth of Americans spend more than *twice* the national average or *42 percent* of their annual household budget on the purchase, operation, and maintenance of automobiles. The cost burden of commuting for the working poor is 6.1 percent compared with 3.8 percent for other workers. The working poor whose commute is automobile based spend the most: 8.4 percent. While transportation itself does not have a direct impact on housing costs, there is a general practice of "driving to qualify," that is well documented. The disproportionate burden of of transportation costs on those least able to afford them make coordinated strategies that incorporate land use planning necessary to reduce transportation's impact on combined costs. If transportation's enormous role in equity is not recognized, the next federal transportation authorization is likely to further exacerbate these significant inequitable impacts and fail to create opportunities for those most in need.

» **Rationale for target:** A 10 percent reduction goal recognizes that transportation planners are not fully responsible for all elements that contribute to combined housing and transportation costs. This goal still makes clear that transportation service has an important impact on household cost burdens. A 10 percent reduction can be achieved through improved public transportation service; greater access to the low or no-cost transportation options of bicycling and walking; and also through improving land use decisions that support transportation investments.

10. Increase by 50% the number of essential destinations (work and non-work) accessible within 30 minutes by public transportation or 15 minutes by walking for low-income, senior and disabled populations in 20 years

» **Rational for measure:** This measure will improve accessibility by increasing the number of transportation options available to low-income and minority populations. An equity analysis for elderly, disabled, and low-

income communities will help to ensure that these populations share the benefits of federal transportation investment without bearing a disproportionate share of the burdens. Creating a national transportation performance measure on equity ensures federal environmental justice policies and standards are met through long-range transportation planning.

» **Rational for target:** As an assessment of the region's long-range transportation investment strategy, this analysis is conducted at a regional, program-level scale. This assessment addresses federal requirements under Title VI of the Civil Rights Act.

B. Blueprint Planning for Major Metropolitan Regions and States

T4 America strongly recommends that state DOTs and metropolitan regions over 1 million in population be required to develop and adopt an integrated, performance-based land use and transportation plan called the State or Regional Blueprint plan. The Blueprint plan should cover a 20-year timeframe and demonstrate how proposed transportation, system operations, and systems management investments will be coordinated with land use strategies to achieve national transportation performance targets.

State or Regional Blueprint plans should be developed in close coordination with other regional and state agencies to address long-range environmental, housing, economic development, public health, safety and human service goals. The current coordinated plans for addressing human service transportation needs that local, regional, and state agencies are required to submit to the Department of Health and Human Services (HHS) are often duplicative and provide much of the same data as transportation plans. In addition, cities that receive Community Development Block Grants from the Department of Housing and Urban Development (HUD) are required to develop consolidated housing plans, which are typically not coordinated between jurisdictions within a metropolitan area. To streamline and consolidate this planning process, these and other planning documents should be merged with Blueprint plans, thereby eliminating some of excessive bureaucratic processes and focusing on the core elements each service.

Blueprint plans will be approved by the Governor; certified by US DOT and the EPA; and reviewed for comment by HUD and HHS. The State and Regional Blueprint plans will replace any existing long-range transportation plans and the state and metropolitan Transportation Improvement Programs (STIP/TIP) must be consistent with the certified Blueprint plans. Upon approval of their Regional Blueprint, MPOs will be granted direct project selection and contract authority of federal transportation formula funds to accelerate project delivery. Smaller regions (MPOs under 1 million in size) will continue to receive federal funds suballocated through state DOTs, or can choose to opt-in to the Blueprint planning program to access direct project selection authority.

State Blueprint plans would include certified Regional Blueprints and TIPs, projects submitted by rural planning authorities, tribal authorities, intercity trails, freight, passenger or high speed rail investments, and other major infrastructure investments identified through the state planning process. Both State and Regional Blueprint plans must consider the broad spectrum of community viewpoints; the collaborative participation of local communities and transportation agencies; and the meaningful involvement of the public. In developing the Blueprints, state and metropolitan regions should hold public design charrettes, including the general public along with planning and design professionals.

Given the importance of the Blueprint plans to guide long-term investment and growth, each state and region must demonstrate to US DOT that an open, inclusive and representational process is in place for the development of plans, and that the state and metropolitan region have the necessary technical capacity. Governors will have 120 days to present, to US DOT, a plan for developing the state and, if applicable, regional Blueprint Plans. The plan should demonstrate the technical qualifications and identify the public agency leading the Blueprint effort at the state and regional levels. The plan should also demonstrate the inclusion and leadership of local elected officials as well as transportation and housing experts from MPOs, cities, counties, and regional councils. The representation should be proportional to population and economic densities.

Adequate federal funding should be provided for scenario planning and modeling improvements as an incentive for regions to undertake such efforts. Adopting an outcomes based federal transportation program will require both higher federal investment in state, regional, and local planning and a commitment to increased resources within US DOT. US DOT needs adequate resources to both work on the development of next generation transportation and land use models and to implement the currently effective modeling and planning techniques, such as scenario based planning. To successfully implement Blueprint plans, there will also need to be a greater focus on technical assistance, especially by US DOT regional offices.

States with approved Blueprint plans will receive a higher federal match (85%) for discretionary projects funded off of the Blueprint plan and improved project delivery for projects identified on the Multimodal Access Program. Failure to develop a federally certified Blueprint plan after a one-year probation period will result in a lower federal match (75%) of formula funds. Metropolitan areas over 1 million in population that fail to develop a federally certified plan do not qualify for direct allocation or project selection authority.

c. Transportation System Preservation and Renewal Priority Program

1. State of Good Highway, Road, Trails, and Bridge Repair

Over the next 40 years, the demand for freight and passenger transportation is projected to increase by about 250 percent. To meet this demand and ensure the safety of our traveling public, America needs to place a higher priority on preserving and improving our existing transportation assets. Funds for state of good repair should be strictly dedicated to repair and maintenance. The existing Interstate Maintenance and Bridge Repair and Replacement programs should be converted to an enlarged program to repair, rehab and replace deficient bridges, highways, roads, trails and complete streets and associated equipment, signal systems, structures, etc. At the same time, some of our bicycling and pedestrian infrastructure is also beginning to show its age and should be incorporated in our efforts to maintain the previous five decades of federal transportation investment. Eligible activities for funding from this program include:

» Resurfacing, restoring, rehabilitating, and reconstructing roads and bridges;

» Systematic preventative maintenance;

» Environmental restoration and pollution abatement;

» Control of terrestrial and aquatic noxious weeds and establishment of native species [6006].

» Preventive maintenance and repair of non-motorized transportation infrastructure facilities connecting regions, cities and towns, or states – including designated bike lanes and pedestrian and bicycle trails.

» Implementation of "complete street" principles and design guidelines in the design, planning, reconstruction or rehabilitation for the entire right-of-way or station area.

Funding eligibility should be limited to projects located on the National Highway System and bridges located on federal-aid and non-federal-aid road networks. The National Highway System (NHS) is defined as the 47,000-mile Interstate System; the 115,000 miles of rural and urban principal arterials; the Strategic Highway Network of highways considered essential for military mobilization; and the 1,400 miles of intermodal connectors that provide access to major passenger and freight facilities. An additional 800,000 miles of arterials and collectors, not included in the NHS, are also eligible.

Funding eligibility is limited to projects located in the State Transportation Plan's asset management plan, extends the service-life of a facility and meets national, state, and local goals for system preservation, safety, mobility, and stewardship. Capacity expansion projects are not eligible uses of the funds.

Federal funds will be distributed to state DOTs according to new formulas that are based on each state's total cost to repair or replace deficient highway bridges and the total cost to repair or replace aging miles of highway systems. Federal funds for the design, construction or major renovation of new transit, highway or bridge facilities should prioritize investments for facilities that meet energy efficiency standards, utilize sustainable construction practices and materials, or include nationally recognized green ratings systems.

T4 America recommends prioritizing bridge needs based on their service demands – calculated based on the amount and percentage of average daily traffic of heavy trucks on structures already deemed either fracture-critical – or on their level of remaining service lives. The only way to monitor and control heavy truck loads is through a combination of Weigh-In-Motion (WIM) scales and bridge superstructure strain gauges with a concomitant reduction in the number of overweight load permits. Electronic on-board recorders with real-time location and routing oversight would also deter truckers from crossing bridges that are load-posted with illegal heavy loads that dramatically accelerate bridge damage and shorten the lifespan of these structures.

US DOT will undertake a comprehensive study of the needs and investment requirements of the National Highway System bridges, pavement, and structures. As many as 55,000 bridges and 210,000 lane miles of pavement in the system are reaching 40-50 years of age, where major maintenance or total replacement will be required. US DOT and state DOTs will support research to advance an asset management approach to system preservation and evaluate the use of technological solutions to determining more comprehensive and standardized SGR definitions and investment requirements.

2. State of Good Transit Repair

Significant funding is needed to maintain, modernize and "green" our existing transit investments. Existing programs that deliver funds to transit agencies work well for these purposes. T4 America recommends converting the existing Federal Transit Administration Section 5309 Urbanized area Transit Funds and Section 5307 Rail Modernization Funds into a program to repair, rehab and replace transit facilities, equipment and fleets. This program should limit allowable expenses for modernization and expansion in order to meet current safety and accessibility standards. These funds would go directly to currently eligible transit agencies and transit grant recipients.

Eligible activities under the Transit Repair program include:

» Purchase and rehabilitation of fuel-efficient replacement vehicles, on-going preventive maintenance, engine rebuilds, repair of vehicles and construction of maintenance facilities.

» Expansion of transfer facilities, transportation centers, terminals and stations.

» Modernization and retrofitting of transit facilities to meet energy efficiency reduction standards and/or nationally recognized green ratings systems.

» Renovation and preservation of older and historic transit and intermodal facilities.

» Installation of passenger amenities such as passenger shelters and bus stop signs, accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, and fare boxes.

» Capital projects to modernize or improve existing fixed guideway systems, including purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operational support equipment including computer hardware and software, system extensions, and preventive maintenance.

» Implementation of "complete street" principles and design guidelines in the design, planning, reconstruction or rehabilitation of a transit station area.

Projects may be located in either urbanized or non-urbanized areas and should have regional or statewide significance. Federal funds will be distributed to state DOTs and transit agencies according to new formulas that are based on each state's total cost to maintain or repair non-motorized transportation infrastructure and the total cost to maintain the state of good repair of transit systems. Funds are not transferable between programs, and may not be flexed to Interstate, Highway, and Bridge Preservation or any other program.

3. Develop Complete Streets Policy

In the rehabilitation of highway, bridge and transit facilities, T4 America recommends that the principles of complete streets and practical design solutions be incorporated to ensure that our transportation system meets the safety and mobility needs of all users. The streets of our cities and towns should be designed for everyone, whether young or old, motorist or bicyclist, walker or wheelchair user. Complete streets are designed and operated to enable safe access for all these users.

A national complete streets policy will require all recipients of federal funds to include all users, including transit vehicles and users, bicyclists, and pedestrians in the design and construction of public roads when appropriate. Construction or reconstruction of transit stations should include accommodations for pedestrians and cyclists, create federal standards that set minimum requirements for national complete streets policies, and adopt enforcement mechanisms to hold states and localities accountable.

D. Transportation Safety Programs and Policy Recommendations

To improve the safety of our surface transportation system, particularly on our interstates and roadways where the majority of fatalities and crashes occur, T4 America recommends that the following set of actions and policies be included in the next surface transportation bill. These recommendations were developed in response to the proposed National Transportation Objective on safety to reduce traffic crashes by 50 percent over the next 20 years.

Adequately funding safety programs, and ensuring that states work towards implementation of state safety plans authorized under SAFETEA-LU, is a top priority. For too long, safety provisions and safety improvement work have either explicitly or implicitly focused on the needs of motorists, despite the fact that bicyclists and pedestrians account for 13 percent of fatalities on our nation's roads. The upcoming federal transportation legislation should adopt the goal of improving safety for *all users*, and design a program that reflects this goal by investing in complete streets and proportionally increasing funding for bicycle and pedestrian safety improvements. Funding in the safety improvement program should be provided for bicycle and pedestrian improvements, with funding distributed in a manner that is proportional to the percentages of bicycle/pedestrian fatalities in each state.

Enforcement of safety laws is critical, and authorities must be held accountable for making progress on transportation safety. To achieve improvements in accountability and enforcement, adequate resources should be provided for tracking and evaluating the progress made towards national transportation safety objectives. After decades of talking about traffic safety, the time has come to show a true commitment to safety by providing adequate resources, establishing performance targets, and holding grantees accountable for demonstrating progress towards a transportation system that is safe for all users.

1. Continue the commitment to state highway safety plans started in SAFETEA-LU

In order to identify key safety needs in each state and reduce fatalities and injuries on all roads, SAFETEA-LU required that states develop a comprehensive Strategic Highway Safety Plan by October 1, 2007. These plans are intended to provide a framework for achieving these safety improvement goals by integrating engineering, education, enforcement, and emergency medical services. These comprehensive plans were an important first step, and the next transportation bill should provide adequate funding for safety to ensure that states achieve their goals for transportation safety. T4 America believes that, in addition to better funding, the following measures will reinforce the effectiveness of these important state safety plans:

» ***Create performance-based standards***: The existing structure of the Strategic Highway Safety Plan requires states to establish an

evaluation process for assessing the effectiveness of their safety plans to determine how future funding should be allocated, but provides little federal guidance on what a strict set of goals should include. Apart from using their own set of metrics to increase safety, state DOTs must be required to work towards meeting the established National Transportation Performance Target for Safety: to reduce traffic-related crashes by 50 percent in 20 years. States that fail to demonstrate progress towards this target will be required to direct equity bonus funds to projects and programs identified in their state safety plans.

» ***Adopt best practices***: The Strategic Highway Safety Plans present an extraordinary opportunity for the federal government to capitalize on the successes in particular states and incorporate best practices into a national set of guidelines for future state safety plans. As part of the next transportation bill, the US DOT should conduct a review of the safety plans and examine the successes and failures in each state, using the data as a template to guide the implementation of plans nationwide.

» ***Adopt new strategies for street safety***: Traditional safety guidelines and considerations at the federal level have compelled local and state department of transportation to address safety concerns through capacity improvements that often involve adding extra lanes and removing any objects in the line of sight for motorists. Unfortunately, as an increased amount of quantitative research has demonstrated, these efforts often simply encourage motorists to increase speed, thereby decreasing the overall level of safety on the road. The next transportation bill should include recommendations for improving safety that reflect the growing importance of more innovative road improvements, such as complete streets, traffic calming improvements, and limited roadway width, which are consistent with local, regional, and national safety goals of reducing deaths and injuries in motor vehicle crashes.

2. Federal Leadership on Safety Laws and Regulations

While states have increasingly adopted cost-effective, proven safety laws that help reduce fatalities among pedestrians, cyclists, and motorists, a lack of federal leadership in many areas has created a checkerboard situation across the country in which a number of states routinely avoid adopting much-needed laws for keeping their roads safe. In order to increase transportation safety nationwide, the federal government should prioritize the adoption of these laws and regulations as part of the next transportation bill.5 Stricter enforcement of existing safety laws and regulations should be pursued, in addition to stronger accountability measures monitored through annual reporting on progress towards National Transportation Objectives. T4 America supports the following changes being promoted by highway safety organizations:

5 For a more complete list of recommendations, consult the Advocates for Highway and Auto Safety at http://www.saferoads.org/

» ***Adopt a vehicle crash compatibility standard***: Direct the National Highway and Traffic Safety Administration (NHTSA) to develop new rules that will reduce the dangers posed by collisions between small and large motor vehicles, including crashes between large trucks or buses and small passenger motor vehicles.

» ***Maintain current truck size limits:*** Support the Safe Highways and Infrastructure Preservation Act (H.R. 1618), introduced in the U.S. House of Representatives in March 2009, that would freeze truck weights at 80,000 pounds and limit truck lengths on the entire National Highway System. The act will also rescind the ability of states, as granted by the 1982 Surface Transportation Assistance Act, to use grandfathered rights to justify the upward ratcheting of large truck sizes and weights on both the Interstate system and other state highways.

A. Expand the Safe Routes to School Program

The Safe Routes to School Program (SRTS), which was created under SAFETEA-LU, is an integral part of the effort to provide school-age children safe, accessible, and healthy ways to get to school despite an environment that often provides numerous hazards for pedestrians. With demand for these safe routes increasing in communities across the country, Congress must do more to match the demands on SRTS with the necessary level of funding. The next transportation authorization should provide $600 million for the first fiscal year after approval of the transportation bill, and reserve 15 percent for those states that provide matching funds, increasing the reach of federal dollars. Eligibility should also be expanded to include high schools, and 10 percent of infrastructure funding should be used to create safe routes to bus stops. Finally, FHWA should be required to create a comprehensive plan for the collection and analysis of data in order to evaluate the impact of SRTS at the local, state, and national levels, making this information readily available to the public and Congress.

B. Develop an Access to Transit Program

A new program should be created to provide funding for fixed-route transit providers so that they, in cooperation with the local governments where they provide service, can inventory the access routes that transit customers need to take within the catchment area of each transit stop or station. The catchment area is the entire area around a stop or station where a person is likely to walk in order to access that stop or station – usually a ¼ mile radius, but often larger for fixed guideway stops or stations. The inventory will visually identify the actual paths taken and identify where such paths are indirect (i.e. if a triangle is drawn from a building entrance and the hypotenuse is a direct line between the building entrance and transit stop (as the crow flies), an individual's walk should not exceed the length of the two sides of that triangle).

The inventory will also identify gaps in the pedestrian network (i.e. where a delineated pedestrian path does not exist and individuals must walk in mixed traffic, dirt, or landscaping), and where there are unsafe street and roadway crossings. The

inventory will recommend strategies or tools to correct the deficiencies identified, and also recommend where safety and quality of the pedestrian experience can be enhanced through such actions as improved lighting or the planting or preserving of trees. Funding should be provided on a matching basis to implement recommendations of the inventory.

c. Adopt flexible least-cost Practical Design solutions (sometimes referred to as Context Sensitive Solutions)

The time has come for federal transportation policy to play a much more direct role in driving forward transformational changes that will lead to innovative roadway types and transportation infrastructure designs that address system-wide mobility needs at lower costs. T4 America's recommendations to advance least-coast Practical Design include a combination of regulations, incentives and education/research initiatives all designed to increase design flexibility and decrease costs of transportation projects.

3. Prioritize Senior and Pedestrian Safety

America's senior population is increasing at an astoundingly rapid rate. By 2030, nearly every fifth person in the United States will be age 65 and above, and one in four drivers will be age 65 and over by 2025. A revitalized safety program needs to include targeted, dedicated funding for making the roads safer for a segment of the population will face ever greater dangers as they seek to retain their mobility with age. Annual funding should be provided through formula allocations for states to implement roadway improvements in concert with the "Highway Design Handbook for Older Drivers and Pedestrians" (currently being updated) from the Federal Highway Administration. Although the previous transportation bill included funding for specific needs included in the handbook, Congress needs to develop a separate funding stream to ensure that the recommendations in the book are uniformly implemented across state lines.

Older driver and pedestrian safety measures must be advanced in specific provisions in any new surface transportation legislation, including the enhancement of traffic control devices and practices that protect older drivers, vehicle occupants, and pedestrians while ensuring their improved access and mobility. These initiatives must also include motor vehicle safety measures adopted by the National Highway Traffic Safety Administration for both pedestrians and cyclists to reduce severe injuries and deaths when these vulnerable road users are struck by motor vehicles.

E. Transportation for Livable Communities Set Aside

The linkage between transportation and land use is well documented. While there is much that can be done to advance these broad societal goals through traditional transportation investments alone, it is readily apparent that even greater progress could be made by marrying traditional transportation investments with other complementary policy changes. For example, while increased investments in public transit would certainly advance energy security and greenhouse gas reduction objectives, even greater progress would be made if these transit investments were accompanied by more compact residential development.

Increasing the proximity of housing to public transit stops and job centers would help us meet national policy objectives by reducing the number of vehicle miles that individuals need to travel each day. Such improvements in residential location would contribute to energy security, greenhouse gas reduction, and quality of life objectives, while reducing the burdens on (and costs of) the nation's transportation system.

An additional needed strategy is to ensure that the housing opportunities offered in desirable close-in locations are affordable to families with a wide range of incomes. When housing located near job and activity centers or public transit stops and job centers is too expensive for families to afford, they have little choice but to move further away – often to exurban locations where housing is plentiful and affordable. While such moves may well decrease families' housing costs (or allow them to afford a bigger home), they also increase families' transportation costs, as well as energy usage, greenhouse gas emissions, traffic congestion, commute times, and the burden on our transportation system. While concentrations of poverty are clearly undesirable, the opposite extreme – transit-oriented development geared only to the high-end of the market – is equally untenable.

In short, implementation of these three complementary policy changes – more compact development, improved proximity of housing to public transit stops and job centers, and the preservation and creation of affordable housing in close-in locations – would take a tremendous burden off of the nation's transportation system and increase the economic feasibility of public transit, while also contributing to energy security, greenhouse gas reduction, and quality of life objectives.

Transportation planners often wrestle with how to coordinate transportation and land use, given that land use decisions are usually beyond their control and traditionally, best addressed by local governments. The cost of poorly planned land use decisions can be felt both by motorists stuck in traffic congestion, and public agencies who are asked to provide the transit service or road expansion. Locating commercial, freight or housing facilities near a new road without coordination between land use and transportation can negatively impact the functionality of a transportation system. Similarly, opening up a new light rail without regard to transit-supportive densities or a mix of uses can reduce the cost-effectiveness of the line and fail to achieve ridership forecasts.

Several communities, including Minneapolis-St Paul, Portland, OR, Washington, DC, and San Francisco have used Surface Transportation Program (STP) funds to create regional livable community funds. These innovative funds have helped governments inform updates to local land use plans, preserve affordable housing, invest in infrastructure improvements that off-set the cost of higher density development, acquire key sites for transit-oriented development (TOD) and support bicycling and pedestrian facilities. Both New Jersey and Pennsylvania have engaged in similar statewide efforts that provide community planning grants and enable land acquisition to encourage economic development, community development, and expanded transportation options around transit and rail stops in urban, suburban, and rural locations. These pilot programs have been enormously popular and have incentivized significant changes in the way local governments have been able to respond to new transportation investments and assist them in enhancing the positive impact of new investment.

To give other regions the opportunity to address this challenge, T4 America believes that Livable Communities funds should be provided to local communities to undertake local strategies to better coordinate land use with transportation. This set-aside program does not dictate what actions must be taken, but recognizes that these are decisions best left to local communities. This new set aside program would provide the funding incentives for communities to update their zoning, develop community plans, invest in Main Street strategies, coordinate housing with transportation, help fund affordable housing projects near transit, or engage in other locally determined transportation-supportive land use strategies.

Transportation for Livable Communities (TLC) Grants should support community-based transportation plans and projects that meet the following goals:

» Improve transportation choices by adding or improving pedestrian, transit, and/or bicycle facilities, and by improving the links between these facilities, transit stations or intermodal facilities and activity centers.

» Support well-designed, high-density housing and mixed use developments that are walkable, well-served by transit or will help build the capacity for future transit investment and use.

» Support a community's infill or transit-oriented development (TOD) and neighborhood revitalization activities.

» Enhance a community's sense of place and quality of life.

The Livable Communities set-aside would be sub allocated by the Metropolitan Planning Organization to municipalities, counties and transit agencies within the MPO region to provide TLC grants. The MPO could allocate through a competitive process it manages or other method determined regionally. Eligible uses of the TLC funds are:

» Community planning efforts that revitalize existing neighborhoods, downtowns, commercial cores and transit stops and create more pedestrian-, bicycle-, and transit-friendly environments.

» Transportation infrastructure improvements that encourage pedestrian, bicycle, and transit trips and support compact, mixed-use development in and around transit station areas, transit stops, intermodal facilities and community Main Street programs.

» Infrastructure investments to support infill and reinvestment, including sewer, water and storm draining upgrades.

» TOD-related investments, such as shared or commuter parking facilities, local services that reduce the need for driving, affordable housing and proactive land acquisition and assembly.

F. Establish a Geographically-Tiered Multimodal Access Program

T4 America recommends the consolidation of several existing programs to create a new Multimodal Access Program (MAP) to fund a package of new capacity, transportation demand management, and system efficiency programs including intelligent transportation technologies and pricing, commuter choice programs, transportation enhancements, and a new Livable Communities set-aside category to support local land-use strategies. While each of these investments can improve mobility individually, coordinating these investments can substantially increase overall **accessibility** to economic opportunity within states and regions.

For this reason, T4 America has moved away from the notion of a Metropolitan Mobility Program in favor of a Multimodal Access Program (MAP), divided into three geographic categories: Statewide; Metropolitan; and Local. The first two categories are primarily focused on direct federal formula funding, while the third would include formula funding sub allocated by the state DOT to cities, counties, and rural planning regions.[6]

Unlike the current transportation process in which the state DOT selects projects for inclusion in a Transportation Improvement Program (TIP) and State Transportation Improvement Program (STIP), the MAP will rely on the Regional Blueprint and Statewide Blueprint planning. These Blueprint plans will be certified by the US DOT and US EPA, with the state plan needing to incorporate Regional Blueprints. **Once projects are identified on either certified Blueprint, a city, MPO or transit provider can apply for certification to receive direct federal aid to construct or implement the project.** This option to receive direct aid significantly empowers local communities and can expedite project delivery, and relieve state DOTs from some of the bureaucratic burden they now have.

The MAP program resembles the existing Surface Transportation Program's eligibility of funds for highway, bridge, transit, and rail projects.[7] However, the MAP program also includes a broader set of programs that have been consolidated into this one multimodal program.[8] Given the reality that freight and people travel on a network of multimodal transportation systems, there is a greater need to provide the flexibility of federal funds across these modes and to expand eligibility to transportation-supportive land use strategies. Rather than being focused on modal silos,

6 Current formulas reward more travel lanes and more auto travel. This must be reformed to take into account population densities, economic centers and progress toward addressing issues of national significance. Given the importance of data collection, modeling and forecasting to the Blueprint process, it is essential that US DOT and EPA be given the authority and funding levels to provide technical assistance, guidance and oversight to states and Blueprint regions.

7 Freight and passenger rail eligibility was included in the American Recovery and Reinvestment Act of 2009, and hopefully sets a precedent for expanded eligibility in the use of highway funds.

8 The MAP program includes a consolidation of funding, or portions of funding from a variety of existing programs that would be incorporated into this more comprehensive, integrated program. These include surface transportation program and national highway system funds, urbanized and non-urbanized formula transit funds, over the road bus, intelligent transportation, value pricing and recreational trails among others.

T4 America believes the MAP program should be restructured on the different scale of projects and provide funding federal oversight and technical assistance to the appropriate recipient of these funds.

The MAP program would fund the following eligible transportation activities:

» Road and Transit Capacity (projects below $75 million in total project cost);

» Bicycle and Pedestrian Capacity - 10 percent Transportation Enhancements set-aside

» Commuter Choice programs

» Transportation Demand Management

» System management, i.e. Intelligent Transportation Systems and Congestion Pricing

» Transportation-Supportive Land Use Activities – 5 percent Livable Communities set-aside

» Mobility Management

The Blueprint Plan is the foundation for the Multimodal Access Program, but additional projects funding other proposed discretionary and national priority programs described elsewhere in this proposal would also be included in the Blueprint plans. State and Regional Blueprint plans would be required to demonstrate that long-range transportation plan investments advance National Transportation Objectives. The Blueprint Planning process is described in greater detail in Appendix B.

The Statewide MAP program funds those projects indentified in a federally-certified State Blueprint Plan. That plan includes a diverse portfolio of intercity, interregional, and interstate transportation investments potentially including interstate improvements, passenger and freight rail investments, over-the-road bus service, intercity bicycle trails, commuter rail projects and demand management strategies, including pricing strategies. In addition, proposed discretionary investments in high speed or intercity rail, green freight and ports, and projects of national significance must also be included in the State Blueprint if the state is seeking funding for these projects. The state will receive formula funds to implement the set of projects it has identified on its certified State Blueprint either through their size, complexity, or intercity nature are most effectively planned, constructed, and managed by the state DOT. Once the projects are selected and funds are assigned, jurisdictions that can get certified to receive those funds directly from the federal agency. Smaller jurisdictions that can't get certified would use the state DOT as the pass-through agent, as they do today.

The Metropolitan MAP Program will require preparation of Regional Blueprint Plans for all metropolitan regions with over 1 million people, while smaller regions will be able to opt-in. For these certified Blueprint regions, federal funds are directly allocated through formula and these regions have project selection authority. For non-Blueprint regions, long-range transportation plans and TIPs consistent with the Statewide Blueprint will guide investments. These non-Blueprint MPOs and rural regions will receive MAP funding sub allocated through the state DOT

to fund projects in their region identified in the State Blueprint, and also receive transportation enhancement and livable communities set-aside funding to support regional strategies to increase non-motorized and transportation-supportive land-use efforts. As in the Statewide MAP program, once funds are assigned to a project, that jurisdiction can get the grant funding directly from US DOT if they are a certified grant recipient.

The Local MAP Program will provide multimodal funding to help cities, towns and rural regions identify long range transportation investment and development needs, and fund a broad set of strategies identified by local communities and included in the Statewide and Regional Blueprints. Like metropolitan regions, our cities and rural regions face a new set of challenges in this century. These challenges include the cost of rising and variable gas prices, the growing number of seniors who need to get to doctors appointments and other critical services but cannot drive, job losses and increasing truck traffic that requires ever wider roads that can detract from the character of small towns, require substantial environmental degradation, and impose increased costs from highway and bridge damage, elevated diesel emissions, and increased safety risks. Cities and rural planning districts will be involved in the development of the Regional and Statewide Blueprints. Certified Blueprint plans would need to demonstrate the engagement of these communities and the public, including freight, employment and business, senior, disabled, low-income, transit and public health stakeholders. Formula funding through the MAP program would be sub allocated to non-Blueprint MPOs, cities and rural planning districts to implement programs included on certified Blueprint plans located within their boundaries. These entities may also select to become federally certified to receive direct federal aid to fund Blueprint projects, adhering to the full set of federal regulations and oversight that accompany being a federal aid recipient. These jurisdictions also would receive MAP program funding to support local planning, transit-oriented development, and transportation-supportive land use strategies.

A Commitment to Increase Transportation Options and Create the Widest Range of Integrated Solutions

Building a National Transportation System is critical to America's ability to compete in a global economy. As such, there is a need in our metropolitan areas, small towns, and rural regions to invest in a variety of transportation options.

MAP funds would be available to support system management, demand management[9], bus service improvement and expansion, fixed-guideway projects such as Bus Rapid Transit and streetcars, highway capacity expansion, bike/pedestrian system improvements, development of interconnected bike networks and pedestrian access to transit, and transportation supportive land use actions. MAP funds may also be used to leverage other discretionary or National Priority Program funds. Congestion pricing to manage the operation of the road, bridge and highway system would be explicitly allowed, with the direction

9 TDM measures could include parking pricing programs, investments in land use actions that reduce travel demand, ITS, etc.

that at least a portion of revenues be invested in alternative travel choices to the consumer in the priced corridor, or to help address equity concerns for low-income drivers.

The existing federal program provides great flexibility, but this flexibility is not sufficient to ensure that we are making progress on the National Transportation Objectives. Therefore, T4 America supports a **10 percent set-aside for Transportation Enhancements (TE)** as part of the Multimodal Access Program, along with a firewall to prevent these funds from being transferable to other programs. The Statewide MAP program should support recognition and implementation of a United States Bicycle Route System, based on the national corridor plan adopted by AASHTO and others, to connect urban, suburban and rural areas in America by inter-state and intercity routes on roads and trails.

A growing body of transportation research and the success of programs in California, Minnesota, New Jersey and elsewhere show the benefit to the transportation system from supporting local land use strategies. Several MPOs have created Transportation for Livable Communities (TLC) Programs that use STP funds for local transportation-supportive land use strategies that include community planning, transit-oriented development, strategies to support affordable housing near transit and other efforts to locate community destinations near transportation facilities. **T4 America proposes the creation of a 5 percent TLC set aside within the MAP program.** States will suballocate this funding to local communities, counties and rural planning agencies to support local strategies through the small cities and rural regions MAP program, and MPOs will sub allocate to local jurisdictions and transit agencies within the metropolitan MAP program.

G. Intercity Passenger Transportation Program

T4 America recommends the development of a National Intercity Passenger Network to be completed by 2030. This network should provide competitive travel options within and between regions of the US, with a specific focus on travel corridors connecting our nation's largest cities and towns. In advancing a more integrated and accelerated National Intercity Passenger Network, T4 America supports the following recommendations:[10]

» **Federal investments in intercity rail should be directed toward corridors with the greatest demand for intercity travel**, generally city pairs located 100 – 500 miles from each another, with growing populations, economies, and the presence of regional and local transit networks that can provide connections for intercity passengers. America's 11 emerging megaregions – networks of metropolitan regions connected by linked economies, travel patterns, and shared environmental resources – are among the prime areas suited for intercity rail investment.

» **Intercity passenger travel must be supported by federal policies and leadership**. Currently, the Federal Rail Administration (FRA) plays mostly a regulatory and safety role, and does not include intercity air or bus travel in its scope. We recommend establishing within the US DOT an Office of Intercity Passenger Travel, which would coordinate investments and policies for intercity air, rail, and bus travel and promote network connectivity and integrated ticketing and scheduling.

» **All Americans should have access to travel options for intercity travel**. The nation's Intercity Passenger Network should include an Essential Transportation Service (modeled after Essential Air Service), providing high-quality coach bus service from population centers of 10,000 or more to intercity air or rail transportation hubs.

To prioritize and select appropriate investments, US DOT should develop a national vision for the National Intercity Passenger Network that serves all important transportation routes connecting regions and metropolitan areas. The April 2009 *Vision for High-Speed Rail in America* plan released by the Obama-Biden administration is a good starting point, but a trans-American intercity passenger network should include a comprehensive set of intercity rail, high-speed rail, and intercity bus services to support the existing aviation and highway systems. An integrated multimodal system providing Americans in urban, suburban, and rural communities with increased transportation options is needed to meet national mobility, energy security, and accessibility goals.

This national vision should include the following elements and ultimately provide a blueprint for the creation of a seamless national intercity passenger network:

10 T4 America has numerous coalition partners who have been actively engaged in advocating and researching intercity passenger transportation policy. The recommendations in this paper echo many of those developed by the America 2050 Intercity Passenger Travel Working Group.

» Develop recommendations for service levels appropriate in high density areas coupled with long-haul services to connect and integrate rural regions;

» Set policies for allocating funding for intercity passenger rail and on-going services;

» Provide criteria for developing public-private partnerships to ensure the most appropriate use of federal funds; and

» Create new, publicly owned high-speed rail segments in those routes where frequency and speed are most feasible. The Administration's April 2009 Vision for High-Speed Rail in America provides a framework for identifying and developing these corridors.

The Intercity Passenger Transportation Program will provide a dedicated discretionary funding mechanism to ensure sufficient resources are available to implement the national passenger transportation vision. US DOT should seek out innovative funding strategies, including broadband and utilities right-of-way leases, value capture strategies, and utilization of a National Infrastructure Bank to ensure federal investments are leveraged to the greatest extent feasible. T4 America believes that all new major transportation capacity – rail, highway, ports, transit – should be funded through competitive discretionary programs that are awarded based on merit. We support a comparable review process for all these programs and similar federal match requirements. The Intercity Passenger Transportation Program would fund intercity rail and bus programs, including but not limited to high-speed rail.

With federal leadership, states and regions will play an important role in the development of intercity passenger rail corridors that build on the regional advantages of the current passenger rail network. The State and Metropolitan Blueprint plans should include passenger rail promotion, planning, and services, and identify specific projects and corridors for improvement. Applications for project or program funding should be required to demonstrate A) Planning and project development, B) Stakeholder agreements, C) Financial plans, and D) Project Risk Management plans that demonstrate how public benefits will be achieved and financial risk mitigated.

H. Green Freight and Ports Program

T4 America recommends the continued development and refinement of the Framework for a National Freight Policy being conducted by the U.S. Department of Transportation. The National Freight Policy will outline a vision and objectives for the US goods movement and then detail strategies and tactics that US DOT and its partners - both public and private sector - can pursue to achieve those objectives. With on-going involvement from all stakeholders, the current condition and future needs of all major modes of freight movement in the US can be assessed to identify integrated solutions and appropriate investment strategies.

The Green Freight and Ports discretionary program would build on this effort and provide funding for infrastructure investments identified in the National Freight Transportation System, including highway, railroad, intermodal, marine, and port projects. The goals of the national Green Freight and Ports Program are:

» Support increased proportion of freight movement by railroad and intermodal services;

» Support increased economic efficiency of long distance freight distribution;

» Support environmental justice and mitigation activities in communities negatively impacted by the freight transportation sector; and

» Support air and water environmental improvements, through increased diesel engine retrofits, repowers, and fuel efficiency standards.

Funding for freight projects would be awarded through a competitive selection process conducted by the US DOT that requires states, Port Authorities, MPOs, or Local Governments to submit an application demonstrating that the projects meet the following eligibility criteria.

» Projects are identified in the State Blueprint Plan and the Metropolitan Blueprint Plan (if applicable);

» Projects will improve localized and regional air quality by reducing greenhouse gas emissions, particulate matter, and/or criteria pollutants; and

» Projects that reduce congestion on an existing segment of the National Freight Transportation System.

US DOT will select projects that balance, to the greatest extent feasible, a variety of modes, including railroad, port, intermodal transfer, intelligent transportation technology, and highway infrastructure; projects located along urban and rural corridors in the National Freight Transportation System; and projects with diverse public benefits including economic, environmental, and social justice components.

US DOT should give priority in distributing funds for the following types of projects:

» Projects that leverage other resources and reduce the Federal matching share below 80 percent;

» Projects included in a Port Environmental Management Systems (EMS) to the International Standards Organization (ISO) 14001 Standard;

» Projects that improve goods movement travel time through major freight corridors, metropolitan areas, or rural regions;

» Projects that will improve short-haul linkages between agricultural production in rural areas and regional metropolitan markets;

» Projects that demonstrate positive economic impacts to the communities in which they are implemented; and

» Projects that facilitate the collocation of freight-related facilities and services to minimize truck trips; provide facilities designed to allow trucks to wait without running engines; and encourage the development of freight facilities in brownfield areas to minimize encroachment in residential areas.

T4 America believes that all new major transportation capacity – rail, highway, ports, transit – should be funded through competitive discretionary programs that are awarded based on merit. We support a comparable review process for all these programs and similar federal match requirements. Applications for project or program funding should be required to demonstrate A) Planning and project development, B) Stakeholder agreements, C) Financial plan, and D) Project Risk Management plans that demonstrate how public benefits will be achieved and financial risk mitigated.

Once selected, states, Port Authorities, MPOs, or Local Governments may use funding from the Green Freight and Ports Program to complete the following types of projects:

» Port projects, including the construction of on-shore electrical power, mobile or portable shore-side distributed power generation, electrification infrastructure to reduce idling, the replacement, repower, or retrofit of cargo handling equipment, or the development of Port Environmental Management Systems (EMS) to the International Standards Organization (ISO) 14001 Standard;

» Marine highway projects to institutionalize and expand the use of more than 25,000 miles of coastal, inland, and intracoastal waterways to transport goods and freight within the nation;

» Intermodal transfer projects that improve access by multiple modes to or from international gateways such as ports, airports, and border crossings and locations where modes can merge, such as in piggyback services;

» Railroad projects with demonstrable public benefits, including replacement, repowering, or retrofitting of diesel locomotive engines, grade crossing safety initiatives, and programs to expand rail capacity through public-private partnerships or tax incentives;

» On-road projects that facilitate major multi-state or national mobility, economic growth, and community development, including the replacement, repowering, or retrofitting of heavy-duty diesel trucks, designation of truck-only lanes, and implementation of technological solutions to congestion related to goods movement;

» Nonmotorized projects which demonstrate the potential for goods movement through innovative means, such as bicycle or pedestrian delivery systems.

T4 America recommends a combination of funding mechanisms to address critical goods movement investments but does not support creating another siloed trust fund specifically for freight. Instead, we support the development of a Unified Transportation Trust Fund that would fund surface transportation investments, regardless of mode, based on our larger program restructuring goals.

I. Alternative Transportation Revenue Options

Total Revenues in Millions, FY 2010-2015

FUNDING MECHANISM	TOTAL REVENUES	OPTION 1 SALES TAX	OPTION 2 GAS TAX	OPTION 3 OIL TAX
Existing HTF Sources	$255,413 [1]	$255,413	$255,413	$255,413
New sources:				
Sales tax on motor fuels @ 2.5%	$93,949	$93,949		
Freight Waybill Tax/trucks only @ 2%	$86,840 [2]	$86,840		
Gas guzzler tax on all new passenger & light duty vehicles not meeting CAFE [3]	$61,200[4]	$61,200		
Increase gas tax $.20 + index	$180,984		$180,984	
Increase diesel tax $.20 +index	$55,163		$55,163	
Impose a $8/barrel surcharge on crude oil [5]	$187,200 [6]			$187,200
Impose a $8/barrel surcharge on imported refined oil products	$16,973			$16,973
Impose a $8/barrel surcharge on exported refined oil products	$32,093			$32,093
Common sources with all alternatives:				
Container Tax @ $20/TEU	$8,013	$8,013	$8,013	$8,013
Secure 5% of customs revenues	$10,904	$10,904	$10,904	$10,904
Additional transfers from General Fund	$ 9,000.0	$ 9,000.0	$ 9,000.0	$ 9,000.0
Potential Revenues 2010-2015	$997,732 [7]	$525,319	$519,477	$519,596

1 This includes a present annual transfer of about $1.5 billion from the General Fund to the transit account of the HTF. This estimate assumes these transfers would continue at the present level through 2015

2 Waybill tax on all modes (truck, ship, rail) @1% = $51,513. An alternative.

3 Trucks over 33,000 lbs.GVW, and trailers over 26,000 lbs GVW, already pay a 12% excise tax on retailers sales price and should be exempted from a gas guzzler tax to avoid double taxation. Trucks between 6000-33,000 lbs. are an open issue. Some are taxed on a weight/distance basis in some states.

4 Repeals Energy Tax Act of 1978 exemption for vehicles over 6000 lbs. Gross Vehicle Weight Rating (GVWR) and raises start of gas guzzler tax imposition from below 22.5 mpg to below 27.5 mpg, and indexes to CAFÉ standard increases. Uses same tax table as ETA of 1978 for excise tax per mph below benchmark CAFÉ standard.

5 Tax would be on both crude oil imports and domestic production. Scored at 70% of total revenues since transportation sector is responsible for about 70% of domestic oil consumption.

6 If transportation received 10% of any climate auction revenues the yield would be about $8 billion annually starting in 2013 (earliest start for receipt of such revenues). Could then reduce surcharge to $6/bbl.

7 Transfer of at least $26 billion to capitalize the National Infrastructure Reinvestment Corp. (NIRC).

The Route to Reform

T4America.org

Layout & Design

Nathaniel Kerksick
culturegraphic.com

Maps

p.35, p.37 / America 2050
america2050.org

Photos

Cover / Colin Kopp
colinkopp.com

p.4, Bike / Washington Area Bicyclist Association
flickr.com/photos/waba/3292431401/

p.4, Road / Storm Crypt
flickr.com/photos/21366409@N00/2907560344/

p.5 / pbo31
flickr.com/photos/pbo31/147816252/

p.9 / Jess and Colin
http://www.flickr.com/photos/
jessandcolin/3465067550/

p.15 / Sugar Pond
flickr.com/photos/sugarpond/2397580682/

p.17 / Wouter Kiel
http://www.flickr.com/photos/
wouterkiel/3442546691/

p.26 / El Fotopakismo
http://www.flickr.com/photos/
fotopakismo/394104505/

p.27 / Jeweledlion
http://www.flickr.com/photos/
jeweledlion/1502706553/

p.30 / Anjuli
http://www.flickr.com/photos/49502989227@
N01/163761245/

p.33 / night86mare
http://www.flickr.com/photos/38073239/

p.38, Dock / kevindooley
http://www.flickr.com/photos/
pagedooley/3468445533/

p.38, Train / ARKNTINA
http://www.flickr.com/photos/
arkntina/1253587985/

p.42, Biker / BikePortland.org
http://www.flickr.com/photos/
bikeportland/3412570771/

p.42, Woman / Simon Blackey
http://www.flickr.com/photos/
sblackley/2490408800/

p.47 / Thomas Hawk
http://www.flickr.com/photos/
thomashawk/322168153/

p.50 / Midtown Crossing at TurnerPark
http://www.flickr.com/photos/
midtowncrossing/3046079424/

p.64-65 / Bejan
http://www.flickr.com/photos/
bgtothen/1801670284/

Back Cover / sagebrush
http://www.flickr.com/photos/
markdavis/341250460/

Transportation For America