



# Position on Federal Surface Transportation Authorization

*The authorization of the nation's surface transportation programs provides a prime opportunity to address emerging needs of the 21<sup>st</sup> century to ensure that the United States economy remains strong and competitive in a changing world. Some of the conditions occurring in the U.S., and across the world, include:*

- **Aging Transportation System and Growing Backlog of Preservation Needs** – The Interstate System recently turned 50, and the need to rehabilitate its bridges and pavements are growing. All across the country, local and state roadways, bridges, ferries and transit systems are suffering from use and age. The nation's investment in its infrastructure will have to grow to ensure the system remains safe and usable.
- **Metropolitan Areas are Leaders of U.S. Economy** – Metropolitan areas account for 85% of U.S. population, and over 85% of employment, income and production of goods and services. (Source: U.S. CONFERENCE OF MAYORS: Metro Economies: U.S. Cities and Metropolitan Areas Dominate Economic Growth, Jan. 2007.) Clearly, growth in the U.S. economy is linked to the ability of these metropolitan areas to grow, develop, and deliver effective transportation programs at the regional level.
- **The Global Economy and The Emergence of China and India as Major Competitive Forces** – How will the U.S. economy and its metropolitan regions compete in the global economy with aging transportation infrastructure, poor freight connections and growing congestion?
- **National Security** – The transportation sector accounts for two-thirds of U.S. petroleum consumption. U.S. oil

production peaked in 1970. In 1973, we imported 34.8% of our oil. Today we import 60.3% of our oil needs, much of which is from countries that are unfriendly or unstable. In the near future, OPEC will control over 50% of the oil market. Global oil production has been projected to peak between 2010 and at latest, 2040. Disruptions of world oil supplies continue to put the U.S. economy at risk, and make transportation security a top priority.

- **A Growing Consensus to Reduce Energy Use** – Whether the reason is over-dependence on imported foreign oil, rising energy prices, or a concern over greenhouse gases and climate change, the public is increasingly demanding action to reduce petroleum oil use. Transportation is a major user of imported oil, and addressing these concerns will require innovation and changes. Aside from the need to protect our planet, if we fail to match global conservation efforts or remain overly reliant on foreign oil, our economy will be at a competitive disadvantage.

**To meet these transportation challenges, the nation needs to unite behind a bold new vision for transportation, and a continuing, strong Federal surface transportation program that is focused on this new national vision.**

# A New Nationa

AMPO BELIEVES THAT THE FEDERAL SURFACE TRANSPORTATION AUTHORIZATION SHOULD CONTINUE A STRONG federal role in transportation, and that the federal role should be refocused on four key performance priorities that together ensure that the United States can compete effectively and thrive in the global economy. These four federal priorities are:

- 1. Rebuilding America's transportation infrastructure;**
- 2. Improving International and Interstate Commerce;**
- 3. Improving mobility and accessibility with a stronger and more significant role for the nation's metropolitan regions in delivering transportation programs; and,**
- 4. Achieving energy independence by 2050.**

The authorization of the nation's transportation programs provides the opportunity to focus our actions on these four areas to strengthen the U.S. position in the 21st century. Metropolitan Planning Organizations are ideally-positioned to turn these priorities into results given their structure as cooperative decision making forums that bring together transportation stakeholders, including citizens and businesses.

Following are specific policy recommendations supported by AMPO to strengthen and refocus the federal surface transportation program:

## Rebuild America Smarter

U.S. transportation infrastructure is aging, marked by the 50th anniversary of the Interstate Highway System in 2006. Our nation has fallen behind many European and Asian countries in the application of intelligent transportation system (ITS) tools to improve mobility and safety. A strategic initiative is needed to rebuild the aging highway and transit infrastructure, and to commit to asset management practices that will keep infrastructure sound and safe into the future. But we must rebuild "smarter." That means both tying transportation closer to smart land use patterns, using smart construction techniques and longer lasting materials, and broadly deploying advanced technology to facilitate metropolitan travel that is safe, efficient, and seamless across modes. It also means informing transportation decision making with effective transportation planning and the data needed to support it. Critical to achieving this in the most efficient manner is the need to streamline federal requirements for project development and implementation.



## Increase federal funding to ensure base system preservation

Fundamental elements of America's competitiveness are pavements without potholes, sound bridges, and buses and trains that run. AMPO recommends:

- Boost federal funding immediately to support rebuilding of America's existing highways, bridges, transit systems, and other transportation infrastructure. At a minimum, restore the purchasing power of the Highway Trust Fund.
- Establish an independent Transportation Revenue Adjustment Commission to adjust base federal revenue on an ongoing basis to meet needs.
- Take advantage of this rebuilding opportunity to (1) broadly deploy intelligent transportation system tools and strategies that improve mobility and safety on all modes; and (2) utilize research on materials and construction techniques to build smarter, quicker and longer lasting.
- Upgrade Federal interest in robust national and regional data to provide for effective transportation planning.

# 1 Vision



## 2 Improve International and Interstate Commerce

The U.S. economy depends on the efficient movement of goods: exports, imports, and domestic movements. Every time that movement is impeded, whether delayed at a port of entry, stymied by lack of an intermodal connection, or stuck in traffic on an urban freeway, real economic impacts happen. AMPO recommends:

### Create a National Program for Freight Mobility and Efficient Access to Markets

This program will:

- Improve transportation of freight via more efficient movement through ports of entry, including seaports and border crossings, without compromising security.
- Improve capacity and efficiency of both rail and highway systems on specified national intermodal freight corridors.
- Address the transportation needs of communities impacted by national freight through-movement.
- Address metropolitan congestion and bottlenecks with strategies including targeted freight improvements such as intermodal connectors, truck lanes, and truck tollways.
- Ensure that rural agricultural and resource industries have good access to domestic and international markets.
- Study the feasibility of a National Truck Network that would substantially improve freight movement productivity with truck-only highways engineered with heavy-duty materials.
- Improve the nation's rail system capacity and operations, both to move goods more efficiently and to move passengers.
- Identify additional and more effective opportunities to create partnerships between the public and private sectors in planning, funding, and implementing freight-related improvements.

## 3 Improve Metropolitan Mobility

Metropolitan regions are the economic engines of the nation that must compete with other metropolitan areas around the world for jobs, industries, and commerce. Growing congestion, poor system reliability, and loss of efficiency threaten the ability of these regions, and the nation, to compete globally. AMPO recommends that metropolitan regions play a stronger role in the nation's transportation programs, both in the authority to direct investment and accountability for the system's performance.

### Create a New Metropolitan Mobility Program

This program would be highly flexible and would be aimed at improving metropolitan travel times and freight mobility, reducing carbon emissions and achieving national energy conservation goals. MPOs would have project selection authority for this program. The program would:

- Be focused on the largest metropolitan regions, and would be in addition to traditional federal aid highway and transit allocations.
- Be allocated by formula to all large metropolitan regions, but receipt subject to state and local designation as a Metropolitan Mobility Authority (MMA). Unused allocations would be reallocated to areas that meet the designation requirements.
- Be performance based, require performance standards, measurements, and reporting to reduce travel time, improve freight mobility, improve safety, reduce carbon emissions, and conserve energy.
- Be funded from new federal revenues, (preferably, the Surface Transportation Trust Fund discussed below) and add incentives for increased local funds to include eliminating toll restrictions in metropolitan areas.

### Re-invent Metropolitan Institutions to More Effectively Improve Mobility

AMPO believes that it is time to re-invent the federal Metropolitan Planning Program to be more focused and responsive to the transportation challenges facing metropolitan regions and their place in the new world economy. AMPO recommends steps for improved regional outcomes by:

- Raising the minimum population threshold for new MPOs, while maintaining existing smaller MPOs (who could choose to opt out), and providing incentives for MPOs to consolidate with neighboring MPOs to meet the new threshold. This would focus the attention and resources of the program on metropolitan regions that have the most congestion and complex transportation challenges.
- Existing smaller MPOs that continue as regional transportation decision making forums would have truly streamlined federal requirements to minimize red tape, and for areas that choose to opt out, states would be required to have a planning consultation and coordination process to ensure local involvement in state transportation planning.

- Areas meeting the new population threshold would be more directly involved in project selection, in cooperation with the state, for federal transportation funds expended within the region. This would create a true partnership for metropolitan regions, with the ability to influence resources to solve transportation problems.
- In the 50 metropolitan areas with over 1 million population, regions could choose to designate themselves as a new federally defined "Metropolitan Mobility Authority." These authorities would:
  - Provide a federal incentive for states and regions to invest in metropolitan mobility;
  - Be eligible to administer and select projects to be advanced via funding from the Surface Transportation Trust Fund, including an incentive-based multimodal program aimed at congestion relief and energy conservation; and
  - Be required to meet new performance-based planning standards.

Designation would be by state statute, which would define the relationship with the state government including the role in project selection, performance expectations, and other state authority, such as ability to raise regional revenue. A new federal metropolitan mobility program would provide incentives for the creation of metropolitan mobility authorities with clearly defined and supported state mandates and authorities.

Performance-based planning standards should be developed cooperatively between federal, state, metropolitan/regional, and local entities with reporting by state and metropolitan/regional transportation agencies. Performance measures must be tied to specific federal interests and understandable to both policymakers and the general public. Additional funding will be required (given the resources necessary to collect the associated data) along with sufficient flexibility to develop measures that are meaningful to the area served.

## 4 **Active Energy Independence by 2050**

The competitiveness of our economy, the health of the planet, and our national security depend on reducing our reliance on foreign oil, reducing overall fuel usage, and, in the process, reducing emissions and the impact of climate change. Transportation plays a key role in achieving energy independence since over 60% of every barrel of oil used in the United States today is used by the transportation sector. AMPO believes that the authorization provides an opportunity to establish long term and intermediate goals toward energy independence and reduced fuel, and to further both fuel economy standards and market mechanisms to achieve these goals. AMPO recommends:

### **National Goals for Energy Independence and Reducing Fuel Use and Emissions**

A major focus for the federal transportation authorization should be the related goals of energy independence and reducing greenhouse gas emissions, both critical to national and global competitiveness.

## **Surface Transportation Trust Fund**

Whatever the amount, AMPO believes that federal revenue in addition to that generated for the Highway Trust Fund could be used as follows:

- Establish the Surface Transportation Trust Fund specifically to address the reduction in petroleum use and the need for additional revenues to the transportation sector.
- The Fund is to be capitalized by a significant increase in federal revenue directed to transportation from the energy independence program.
- Revenues coming into the fund should be directed to programs for public transportation, enhanced intercity passenger rail services, energy conservation (such as supply side fuels research, manufacturing and deployment incentives), and greenhouse gas reduction aimed at reducing petroleum demand in the transportation sector by 25% by 2025.
- Revenues from the fund should be eligible to be used for enhanced roadway, bridge and transit preservation over the long-term.

## **Market Incentive for Energy Conservation**

In addition to enhanced CAFE standards and carbon cap and trade systems, some business leaders and economists argue that a market incentive is needed to encourage fuel conservation and emission reduction as the fleet turns over.

AMPO believes that authorization provides an opportunity to create this market incentive that would both encourage conservation and provide an additional revenue source for basic infrastructure preservation as well as for new programs aimed at metropolitan congestion relief, energy conservation and emissions reduction. Ultimately, the mechanism to increase transportation revenue is up to Congress. Some have argued for an increase in the federal fuel tax of as much as \$1 per gallon phased in over ten years. Others have called for market mechanisms including carbon tax, cap and trade systems, or other financing methods, such as bonding. All options should be considered in achieving the financing needed to improve and maintain our system while reducing our dependence on carbon based fuels.

