

Boxer, Inhofe, Baucus and Vitter: EPW Committee to Consider Major Transportation
Authorization Bill, MAP-21

**Markup date for MAP-21 scheduled for November 9
October 20, 2011**

Washington, DC - Senators Barbara Boxer (D-CA), Environment and Public Works Committee
Chairman, Senator James Inhofe (R-OK), Ranking Member of the Committee, Senator Max
Baucus (D-MT), Chairman of the Transportation and Infrastructure Subcommittee, and Senator
David Vitter (R-LA), Ranking Member of the Subcommittee, announced that they will markup a
two-year surface transportation bill on Wednesday, November 9 at 10:00 a.m.

The bill, *Moving Ahead for Progress in the 21st Century (MAP-21)*, is a bipartisan effort that
holds spending at current levels plus inflation, greatly increases leveraging of federal dollars,
and modernizes and reforms the nation's transportation systems to help create jobs and build the
foundation for long-term prosperity.

In July, Senator Boxer and Senator Inhofe released an outline for MAP-21. In May, Senators
Boxer, Inhofe, Baucus and Vitter released a joint statement on MAP-21.

###

The New York Times

Economix

Explaining the Science of Everyday Life

OCTOBER 21, 2011, 6:00 AM

The Infrastructure Twofer: Jobs Now and Future Growth

By LAURA D'ANDREA TYSON

Laura D'Andrea Tyson is a professor at the Haas School of Business at the University of California, Berkeley, and served as chairwoman of the Council of Economic Advisers under President Clinton.

Two credible reports issued last week present compelling and complementary cases for infrastructure investment and should be required reading by members of Congress before their next vote on President Obama's American Jobs Act.

Today's Economist

Perspectives from expert contributors.

One report was from President Obama's Council on Jobs and Competitiveness (on which I serve), a nonpartisan group of business and labor leaders, and the other from the New America Foundation, an influential Washington think tank. According to nonpartisan economic forecasters, the jobs act, which proposes about \$90 billion in infrastructure spending as part of a \$450 billion package of tax cuts and spending, would create about two million jobs.

Echoing the views of many economists, the foundation report asserts: "Long-term investment in public infrastructure is the best way to simultaneously create jobs, crowd in private investment, make the economy more productive and generate a multiplier of growth in other sectors of the economy." In less technical language, the council's report makes the same point, arguing that infrastructure investment is a "twofer" that creates jobs in the near term and promotes competitiveness and productivity in the long term.

Both reports provide sobering evidence of the growing deficiencies of infrastructure in the United States, which millions of Americans experience every day in traffic and airport delays, crumbling and structurally unsafe schools and unreliable train and public transit systems.

These deficiencies impose significant costs on the economy. For example, the Department of Transportation estimates that freight bottlenecks cost the American economy about \$200 billion a year, the equivalent of more than 1 percent of gross domestic product; the Federal Aviation Administration estimates that air traffic delays cost the economy nearly \$33 billion a year.

Both reports cite a study by the American Society of Civil Engineers that documents a five-year gap of more than \$1.1 trillion between the amount needed for maintenance and improvements of the nation's public infrastructure and the amount of public funds available for such investment.

President's Council on Jobs and Competitive, using data from American Society of Civil EngineersThe American Society of Civil Engineers has estimated the gap between needs and cost across all forms of infrastructure.

Several recent bipartisan reports, including one by the former transportation secretaries Norman Mineta and Samuel Skinner, find that the annual spending gap in transportation infrastructure alone is \$200 billion.

Based on such estimates, the New America Foundation report calls for a five-year public investment program of \$1.2 trillion, encompassing transportation, energy, communications and water infrastructure as well as science and technology research and human capital. (In a report I did for the New America Foundation a year ago, I proposed a five-year increase of \$1 trillion for infrastructure investment.) The Jobs Council report recommends a significant increase in infrastructure investment but does not set a target.

The two reports concur that the multiplier effects of an increase in infrastructure spending are substantial, citing recent estimates by Moody's and the Congressional Budget Office that \$1 billion of infrastructure spending generates about a \$1.6 billion increase in G.D.P. According to Moody's, the multiplier for government spending on infrastructure is even larger than the multiplier for a payroll tax cut, the largest component of the president's proposed jobs act.

And according to the C.B.O., infrastructure spending is one of the most cost-effective forms of government spending in terms of the number of jobs created per dollar of budgetary cost. The Jobs Council report cites studies indicating that each \$1 billion of government infrastructure spending creates 4,000 to 18,000 jobs. Most of these jobs are relatively well paid.

Critics of infrastructure spending as a form of fiscal stimulus point out that the lags in such spending are long and variable. It often takes considerable time to initiate and complete infrastructure projects, even those deemed "shovel-ready" with engineering plans in place.

In 2009, when many economists thought (or hoped) the recession's effects would be temporary, the conventional wisdom was that fiscal stimulus measures should be "targeted, timely and temporary." Nearly three years later, the consensus among economists is that the United States will be mired in an anemic recovery with high unemployment for several years.

So what the country needs now is not temporary stimulus measures that increase consumer spending but sustained stimulus that increases investment spending over

several years.

Yet more than just additional money is required. As the Jobs Council report highlights, an increase in funds must be coupled with reforms to select and carry out projects efficiently, based on cost-benefit analysis.

The Obama administration has urged the Congress to adopt such reforms in its reauthorization of multiyear surface-transportation legislation, because political pressures more often drive project selection than cost-benefit considerations. For example, state and local governments frequently allocate federal infrastructure funds to build roads and bridges rather than to fix existing ones, despite compelling evidence that repairs are more cost-effective. A recent study for the Hamilton Project lays out the efficiency case for a “fix it” strategy for spending on transportation infrastructure.

Road pavement tends to deteriorate slowly at first; its rate of deterioration accelerates over time. It's often much cheaper to repair a road early on, when it's still in fair condition, than when it falls into a condition of serious disrepair.

The foundation report makes a related argument, noting that deteriorating infrastructure is subject to “cost acceleration,” as repair and replacement costs rise over time. A project that costs \$5 million to repair now may cost more than \$30 million to repair two years from now. Deferred maintenance on essential infrastructure is not fiscally wise but fiscally irresponsible. That's why many of the infrastructure investments in the American Jobs Act focus on rebuilding and repairing roads, bridges and schools.

Even when infrastructure projects are carefully selected, they often face permit and approval delays that can last for months, even years — though, recently, far less than the C.B.O. had anticipated. Eighty percent of the highway funds in the American Recovery and Reinvestment Act were deployed between February 2009, when the act was passed, and the end of fiscal year 2011 (far exceeding the C.B.O.'s prediction of 55 percent).

The Jobs Council report includes numerous recommendations to reduce permitting and approval delays, calling on local, state and federal agencies to develop coordinated one-stop shops to eliminate duplication and harmonize project approval standards and practices.

As a first step, President Obama has identified 14 high-priority infrastructure projects for expedited review and permitting by the relevant federal agencies and has announced the creation of a “Projects Dashboard,” to track the projects as they move through the expedited process.

Members of Congress who argue that the federal government cannot afford the infrastructure investments in the American Jobs Act are wrong — the government's borrowing costs are at a historic low. Borrowing now to fund efficient infrastructure

projects will reap returns that exceed these costs and will reduce future deficits through job creation and higher growth.

An investment of \$10 billion by the federal government to establish a national infrastructure bank, as proposed in the jobs act, would also unleash additional private funds for infrastructure by fostering public-private partnerships. Many other developed countries have similar institutions and have successfully used them to tap private funds for infrastructure. Both of the new reports recommend the establishment of a national infrastructure bank, and bipartisan Congressional support for the idea is growing.

As the Jobs Council warns, there is no “silver bullet” that will solve the nation’s jobs crisis. But as the mounting protests around the country warn, the federal government must take concrete steps to address the crisis. Significant, timely and targeted investments in the nation’s deteriorating infrastructure should be one of these steps.

Tuesday October 18, 2011

Rahall, unions tout transportation revamp plan

by The Associated Press

MABSCOTT, W.Va. -- Approving a federal transportation spending plan without deep funding cuts is critical to fixing the nation's roads and bridges and getting the economy moving again, U.S. Rep. Nick Rahall said Tuesday.

Rahall was joined by state union officials at a news conference near a bridge in Mabscott to support of the multi-year surface transportation bill. Rahall is the top Democrat on the House Transportation and Infrastructure Committee.

The Raleigh County bridge is among more than 2,500 deficient bridges in West Virginia and nearly 150,000 across the nation that Rahall says are "crippling our nation's economic competitiveness."

Federal funding for current projects has been extended until March, but a proposed Republican-led bill would cut current spending by more than one-third over six years.

If that version is passed, Rahall said it would mark the first time since the interstate system was created in the 1950s that there would be a cut in federal transportation spending.

"It's time for Congress to put behind the partisan bickering, the political finger pointing, the games that are being played in our nation's capital today," Rahall said. "We need to work together across party aisles in order to come up with the funding that's necessary for a robust, six-year bill."

Last March, a report released by the Washington, D.C.-based coalition Transportation for America found that 957, or nearly 17 percent, of 5,734 bridges studied in West Virginia were structurally deficient. The overwhelming majority of them are owned by the state.

The study, which analyzed federal highway and bridge data, ranked West Virginia as eighth worst among the states in terms of bridge conditions. Nationally, the deficiency rate was 11.5 percent.

"We need more federal funding to rebuild our infrastructure, to put people back to work here in West Virginia," said Gary Zuckett, executive director of the West Virginia Citizen Action Group. "We need to do it now. Sooner, rather than later, because the economy needs it, we need the jobs and we need safe roads and bridges."

The report found that 42 percent of Pocahontas County's 85 bridges and 38 percent of Marshall County's 68 bridges were deficient, the highest percentages in the state. Bridges in Braxton, Webster and Gilmer counties had the lowest deficiency rates.

The worst regions of the state were in the Potomac Highlands, parts of the Northern Panhandle, and in Mingo and Wayne counties.

The study found the structurally deficient bridges with the 10 highest traffic volumes all were on interstates, including three in Kanawha County.

In 2007, state officials said there were 20 bridges in the state similar in design to one that collapsed that year in Minneapolis, killing 13 and injuring more than 100. All were inspected then and were deemed to be in good shape.

States are required by the federal government to inspect bridges at least every two years, a mandate inspired by the 1967 collapse of the Silver Bridge linking Point Pleasant to Ohio that killed 46. If specific problems or deficiencies are found, the state regularly inspects bridges on a more frequent basis.

"God forbid it should take that to happen again before Congress gets out of its slumbering stage and starts acting on an infrastructure bill, because it should not take another major catastrophe to bring this home to America," Rahall said.

A 2009 report from TRIP, a nonprofit, Washington, D.C.-based transportation research group, indicated West Virginia needs \$9.75 billion between now and 2018 to improve roads and bridges, but can identify only about \$5 billion worth of funding.

Thursday, October 20, 2011 [Comment here](#)

Senate Panel to Vote on Transportation Bill Next Month

by [Tanya Snyder](#) on October 20, 2011

While a House transportation bill still appears to be a long way off, the Senate is prepared to move forward on its version. EPW Committee leaders just announced that they'll be marking up their [two-year bill](#) November 9.

This is good news for three reasons: First, it'll be the first time we'll be seeing full legislative text beyond the bill outline released over the summer. And second, the scheduling of a markup may signal that Senate leadership is on board to vote on the bill before the end of the year. After all, lawmakers generally don't like to release bill text too far in advance of a vote, since it leaves too much time for critics to pick it apart.

The EPW Committee had been reluctant to release the bill and vote on it before receiving final sign-off from the Finance Committee that it had [definitively "found" the \\$12 billion](#) it needed to fully fund the bill. And while the Finance Committee has indicated several times that it's "close," it seemed Committee Chair Max Baucus was waiting for the super committee to finish its work before making a final determination.

But recently, EPW has given itself permission to move forward with the transportation bill even without a solid promise from the Finance Committee.

Indeed, rather than wait for the super committee before starting the process, some speculate that EPW wants to act now so they're ready to move forward on the bill when the super committee issues its report, in order to be relevant to that discussion.

Some also say that rather than wait for the House to act first, EPW leaders may want to get ahead of the House, in order for the Senate bill to be the starting point for negotiations.

FasterBetterSafer

AMERICANS FOR TRANSPORTATION MOBILITY

1615 H Street, NW / Washington, DC 20062 / www.fasterbetersafer.org

September 28, 2011

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The Americans for Transportation Mobility Coalition (ATM), representing businesses, labor, and highways and transit interests that advocate for improved and increased federal investment in the nation's aging and overburdened transportation system, commends the House and Senate for passing H.R. 2887, the six-month clean extension of the federal highway and transit program.

The ATM Coalition strongly urges Congress to focus efforts on the passage of a multi-year reauthorization of highway, public transportation and safety programs that reforms the federal programs and maintains, at minimum, existing levels of investment before the expiration of the six-month extension. Passage of a multi-year reauthorization bill would prevent further uncertainty in the market, the loss of hundreds of thousands of jobs and the delay of billions of dollars worth of major multi-year construction projects of regional and national importance. Without the certainty of a multi-year bill, current problems are harder to solve as highway and transit conditions worsen and land, labor and materials get more expensive. Highway and transit investments facilitate national, regional, and local economic growth in the long term and create direct jobs in the short term.

Efforts to pass a multi-year reauthorization bill have been stymied for nearly two years because of the unwillingness of Congress and the Administration to address the financial stability of the Highway Trust Fund. Without identifying a way to stabilize federal transportation funding mechanisms, the next multi-year reauthorization would include draconian cuts amounting to one-third of total federal investment in highway, transit and safety programs, which would accelerate the deteriorating performance of the nation's surface transportation network, greatly undermine U.S. economic growth and competitiveness, and result in the real loss of hundreds of thousands of jobs across the country.

The ATM Coalition is pleased that both the House and Senate, in recognition that robust federal infrastructure spending plays a foundational role in the American economy, have acknowledged in their reauthorization proposals that, during these uncertain economic times, the country can ill-afford any reductions in current funding levels for federal highway and transit programs. The ATM Coalition acknowledges that there are significant challenges in finding the revenue that Congress has identified would be needed to maintain current levels of service. We applaud the House and Senate for their efforts to find the additional revenues required to avoid cuts and we remain committed to working with Congress to find reliable revenue streams that will be sufficient to support long-term growth and fiscal sustainability of the program.

The ATM Coalition stands ready to bring together business, labor, highway, and transit stakeholders to ensure that Congress has the public support to pass an adequately funded multi-year surface transportation bill by March 31, 2012.

Sincerely,

American for Transportation Mobility

ATM Management Committee Members

American Public Transportation Association • American Road and Transportation Builders Association • Associated Equipment Distributors • Association of Equipment Manufacturers • Associated General Contractors • American Society of Civil Engineers • International Union of Operating Engineers • Laborers International Union of North America • National Asphalt Pavement Association • National Stone, Sand, and Gravel Association • United Brotherhood of Carpenters and Joiners of America • U.S. Chamber of Commerce