

## Transportation Committee Leaders Roll Out Reauthorization Proposal

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Washington, DC – Transportation Committee leaders today rolled out a new six-year transportation reauthorization proposal that streamlines and reforms federal programs, expedites the project approval process, maximizes leveraging of limited resources, provides flexibility for states, and ensures long-term funding stability for job-creating transportation programs.

Committee Chairman John L. Mica (R-FL) and Committee leaders presented a framework for a six-year reauthorization of federal highway, transit and highway safety programs. The multi-modal initiative also incorporates significant policy reforms for rail and maritime transportation.

“Given U.S. House rules and budget constraints, this proposal maximizes the value of our available infrastructure funding through better leveraging, streamlining the project approval process, attracting private sector investment, and cutting the federal bureaucracy,” Mica said. “Most importantly, this six-year proposal provides the stability states need to plan major transportation improvements and create long-term jobs.

“While some continue to advocate the same old tax-and-spend approach, I prefer a new direction,” Mica continued. “More short-term extensions or a two-year bill are recipes for bankrupting the Highway Trust Fund. These options will cut the legs from under our states and hamper their ability to move forward with many needed, large-scale projects.

“This long-term plan is the only fiscally responsible proposal and will ensure the continued solvency of the Highway Trust Fund,” Mica said.

Mica and Rep. Duncan today also invited Democrat Committee leaders who are asking for higher spending levels to appear with them before the Ways and Means Committee to discuss revenue issues.

“This is an important first step in implementing a six-year highway plan that will dramatically improve the efficiency and safety of the Nation’s transportation system and stimulate the economy by creating thousands of long-term jobs,” said Highways and Transit Subcommittee Chairman John J. Duncan, Jr. (R-TN). “The plan we are laying out today takes away the red tape and streamlines a process that has become entangled with bureaucracy. I am looking forward to advancing a bill through the full Congress.

“This proposal for a new direction in the transportation reauthorization bill is an important step in the right direction for our nation,” said Railroads, Pipelines and Hazardous Materials Subcommittee Chairman Bill Shuster (R-PA). “This is a bold vision for a reauthorization that focuses on multiple modes, including rail and hazardous materials transportation as well as our highway system. We can do this with America’s rail system at the same time we improve our highways.”

“I applaud the Committee for recognizing the critical role the maritime industry plays in our nation’s economy, global commerce and job creation. It is therefore appropriate to include a maritime title in this multi-year legislation for the first time,” said Coast Guard & Maritime Transportation Subcommittee Chairman Frank LoBiondo (R-NJ). “It is our shared goal to improve coordination between agencies and streamline the bureaucratic process to increase efficiency of our marine transportation system.”

“While the U.S. economy is fueled by maritime commerce and millions of Americans depend on jobs created by imports, exports, and the commercial shipping industry, government red tape has stifled the flow of commerce and our ability to effectively build and maintain our maritime infrastructure,” said Water Resources and Environment Subcommittee Chairman Bob Gibbs (R-OH). “Today’s proposal cuts through the bureaucratic red tape, streamlines project delivery, eliminates double taxation on shippers, enhances our ports and waterways, and strengthens our economic foundation to help us to compete globally. These reforms are critical as we work to grow our economy and create jobs.”

“As a freshman I came to Washington to help create jobs, spend responsibly and empower states; this bill would accomplish those goals,” said Highways and Transit Subcommittee Vice-Chair Richard Hanna (R-NY). “One of the most important aspects of this proposal is that it provides predictability for states and public transit agencies to plan for multi-year projects. The Stimulus forced states to focus on short-term projects like pavement resurfacing and guard rail replacements. The long-term certainty provided by a long-term bill empowers states to take on major projects including bridge replacements, highway interchange improvements and investment in our nation’s transit systems. These types of projects will provide jobs for years to come and have the potential to have a real impact on the unemployment rate in the construction industry.”

The proposal authorizes approximately \$230 billion over six years from the Highway Trust Fund for highway, transit, and highway safety programs. These funding levels match current revenue being deposited into the Highway Trust Fund and comply with House rules that do not permit authorization of more funds than those collected.

Congress will not support a gas tax increase, and this proposal does not raise taxes. Without an increase in revenue, other current options, such as a two-year bill, the Administrations’ proposal, or extending expired law at the current funding levels, all lead to the Highway Trust Fund going broke by 2013.

The fiscally responsible Committee proposal better leverages our limited resources, reduces the federal bureaucracy, and expedites projects to ensure greater value per dollar.

Highlights of the proposal include:

### **Streamlining & Reform**

- Streamlines the project delivery process by cutting bureaucratic red-tape, delegating more decision making authority to states, allowing federal agencies to review transportation projects concurrently, and setting hard deadlines for federal agencies to approve projects.
- Reforms the surface transportation programs by consolidating or eliminating approximately 70 programs that are duplicative or do not serve a federal purpose.
- No longer requires states to spend highway funding on non-highway activities, but permits them to fund those activities if they so choose.
- Provides states the flexibility to fund their highest project priorities, but holds them accountable for those decisions through performance measures.

### **Better Leveraging**

- Provides additional funding for the TIFIA loan program to meet demand for low interest loans for transportation projects.
- Allows states to toll new lanes on the Interstate System, while ensuring that existing Interstate lanes remain toll-free.
- Encourages states to create and capitalize State Infrastructure Banks to provide loans for transportation projects at the state level.

### **Highways**

- Distributes nearly all federal highway funding to state DOTs through formula programs designed to preserve existing highways, build new highway capacity, and address congestion, freight mobility, and highway safety.
- Focuses the federal highway program on the Interstate Highway System and the National Highway System – the highways that facilitate interstate travel and interstate commerce.

### **Transit**

- Removes current barriers that prevent the private sector from offering public transportation services.
- Provides more of a focus on transit programs that benefit suburban and rural areas and will improve transit options for the elderly and disabled.

### **Highway and Motor Carrier Safety**

- Prioritizes safety funding by holding highway and motor carrier safety programs harmless from any spending cuts in the bill.
- Ensures that federal regulators keep unsafe trucks and buses off the road while allowing companies that operate in a safe and responsible manner to continue to do so.

### **Rail Transportation**

- Improves access to the underperforming Railroad Rehabilitation and Improvement Financing (RRIF) program.
- Expedites project review process and streamlines project delivery.

#### **Maritime Transportation**

- Ensures that Harbor Maintenance Trust Fund revenues are invested as intended in maintaining the nation's harbors, not tied up in a federal budgetary shell game.
- Expedites Corps of Engineers permit processing to reduce project backlog.
- Encourages short-sea shipping by eliminating double taxation on vessels transporting freight between domestic ports.

#### **Hazardous Materials Transportation**

- Achieves greater safety through regulatory certainty and uniformity.
- Reduces regulatory burdens that do not enhance safety.