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## TCC Priorities for 2009 SAFETEA-LU Reauthorization

The 2009 reauthorization of the federal surface transportation program is a historic opportunity to establish a national vision and mission that delivers 21<sup>st</sup> Century sustainable transportation solutions that strengthen the U.S. economy, enhance the quality of life for all Americans and protect our natural environment. For too long, an inefficient and deteriorating transportation network has been taken for granted—as have the federal programs and financing structures designed to support this system. As a result, traffic congestion has become pervasive, the competitiveness of American businesses in the global market has suffered, and the role of the federal government in transportation has been clouded. In short, the status quo is not only unacceptable, but also destructive.

The Transportation Construction Coalition (TCC) is a partnership of 28 national associations and construction unions representing hundreds of thousands of individuals with a direct market interest in federal transportation programs. As Congress prepares for the upcoming reauthorization debate, the members of the TCC offer the following goals and recommendations to transform the U.S. surface transportation network from a liability into an asset.

### Guiding Principles

#### *Strong Federal Leadership*

The U.S. surface transportation network must operate as a seamless, interconnected system to achieve optimal performance. Enhanced federal leadership and resources are necessary to ensure the modal and regional components of the system work together as efficiently as possible.

#### *Protect Existing Assets-Sustainability*

The U.S. has made substantial investments over the last half century to develop a national network of highways, bridges and public transportation facilities. This system, however, requires rehabilitation and ongoing maintenance beyond the current levels of investment to ensure its continued productivity and safety.

#### *Expand System Capacity*

Improving the efficiency of current transportation assets and broadening the available range of multimodal alternatives are part of a comprehensive approach to solving the nation's transportation challenges. Equally important is expanding highway, bridge and transit infrastructure capacity to accommodate the 30 percent increase in U.S population and the over 100 percent increase in demand on our transportation system since 1982.

### *User Fee Financing to Increase Investment*

User fee financing has proven over the last 50 years to be the most efficient, equitable and reliable means of financially supporting critical transportation improvements. While there are numerous mechanisms that can allow highway and transit users to contribute to the system's maintenance and improvement, the user fee principle must continue to be the backbone of financing the U.S. surface transportation network.

### *Improve Project Delivery Process*

The 2005 surface transportation program reauthorization law, SAFETEA-LU, made important strides to improve the environmental review and approval process for transportation projects, without diluting environmental protections. Further process reforms, however, are necessary to reduce the average 13 years it takes to complete a transportation improvement project.

### *Enhance Infrastructure Safety*

Over 40,000 people die on our nation's roadways every year, with a national economic cost of \$230.6 billion. Roadway conditions are a contributing factor in one-third of U.S. vehicular crashes. We recognize that people sometimes lose control of their cars, react to unexpected situations, or are impacted by the poor behavior of other drivers. The price of human error should not be punishable by death. We should adopt a goal to eliminate deaths on our nation's roadways. This requires that we invest more in safety infrastructure solutions.

## **Specific Recommendations**

### *Short-Term Financing*

The next reauthorization bill must generate new revenues to prevent significant cuts in federal highway and public transportation investment and support growth in these programs to begin addressing the nation's documented surface transportation needs.

- The most reliable and efficient method to finance surface transportation improvements in the short-term is the federal motor fuels tax. A fuels tax increase should be the foundation of the 2009 reauthorization bill's financing package.
- The remaining highway user fees (excise taxes on truck tires, truck and trailer sales, and heavy vehicle use tax) should also be increased.
- To maintain purchasing power, the federal motor fuels tax should be indexed to the Consumer Price Index or, ideally, a measure of highway construction material costs.
- Further efforts and resources to eliminate the illegal evasion of user fee payments are necessary.
- A bond financing mechanism for significant, transportation capital

improvements should be developed to complement the core highway and transit programs.

- The use of toll financing, congestion pricing, public-private partnerships, and other innovative practices should be expanded where appropriate and in the public interest. Proceeds from toll financing should be reinvested in transportation improvements.

#### ***User Fee Rate Commission***

To prevent a future federal revenue crisis and ensure transportation investment levels keep pace with system needs, a new entity should be created to adjust future federal highway user fee rates outside of the political process. This entity would be modeled on the U.S. Postal Rate Commission.

#### ***Future Financing***

While the federal motor fuels tax remains viable and will continue to be the primary revenue source for federal surface transportation improvements over the next 5 to 10 years, the next reauthorization bill should begin the process of transitioning to a non-fuel based financing mechanism, such as a vehicle miles tax.

#### ***New Freight Program***

A “Critical Commerce Corridors” program should be enacted to develop the additional system capacity necessary to accommodate the dramatic projected growth in U.S. freight shipments and help improve the productivity and competitiveness of American businesses. This initiative must be funded outside the Highway Trust Fund with freight-based user fees or other appropriate revenue sources.

#### ***Budget Firewalls***

The existing budgetary protections for the Highway Trust Fund, separate budget categories for highway and transit and investments statutorily linked to trust fund receipts, should be continued and strengthened during the reauthorization of SAFETEA-LU to ensure highway user fee revenues are fully invested in highway, bridge and public transportation improvements.

#### ***Accountability***

To preserve the American public’s faith in federal government’s ability to deliver transportation solutions, accountability must be a top priority in the next reauthorization bill. Specifically, the bill should establish a set of specific performance standards in the areas of congestion relief, asset protection, safety, and financial stewardship and impose tangible enforcement mechanisms to ensure these standards are achieved.

#### ***Timely Enactment***

A multi-year reauthorization of SAFETEA-LU should be enacted by October 1, 2009, to minimize disruption to state transportation program and facilitate multi-year planning.

### ***Environmental Review Process***

Among the options to reform the transportation project environmental review and approval process are:

- Delegation of NEPA responsibilities to all interested states
- Implementation of an alternative dispute resolution processes
- Integration of transportation planning, NEPA processes, and access to resources by state agencies
- Strengthen the "Lead Agency" status for U.S. Department of Transportation
- Establish an expedited process for projects with no significant impact
- Utilize time limits for environmental reviews

### ***Infrastructure Safety***

The federal role in promoting infrastructure safety, through the Highway Safety Improvement Program and other initiatives to improve the quality of traffic safety devices and roadway work zone safety, should be strengthened through increased investment and continued programmatic independence. Furthermore, efforts to improve the safety of high risk rural roads and accommodate the needs of older drivers should be enhanced. Dedicated infrastructure safety funds should not be transferrable to other programs.

### ***User Fee Integrity***

Given the vast disparity between available federal revenues and surface transportation needs, the next reauthorization bill should explicitly preclude new initiatives to finance non-transportation infrastructure activities with Highway Trust Fund revenues. These types of activities should be financed from the federal general fund. Similarly, funds allocated to the respective Highway and Transit Accounts of the Highway Trust Fund should be dedicated exclusively for those purposes and not "flexed" between the two accounts.

### ***Research***

The existing asphalt, concrete, and aggregates research program should be reauthorized with increased funding to achieve meaningful research into longer lasting, environmentally friendly highway pavements. A strong federal partner with adequate funding will foster pavement research and speedy implementation that benefits all Americans. To address the more than 40,000 deaths that occur on our nation's roadways each year, specific research should also be funded that focuses on roadway safety infrastructure, including roadway safety features and devices.