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**For More Information:
202/289-4434 (ARTBA)
202/547-4733 (AGC)**

November 19, 2015

Dear Conferee:

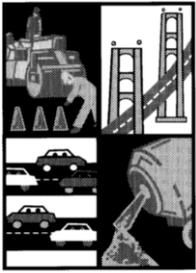
As you work to reconcile the differences between the House- and Senate-passed multi-year surface transportation program reauthorizations, the 31 national association and construction trade union members of the Transportation Construction Coalition (TCC) urge you to consider the following priorities for inclusion in the final conference report.

Increase Highway/Transit Investment. Any final surface transportation reauthorization bill should, at a minimum, contain the investment levels proposed by the Senate-passed Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act. If necessary, the duration of the conference report could be four or five years to enable investment levels to be increased beyond those of the Senate bill. By contrast, the House-passed Surface Transportation Reform and Reauthorization Act (STRRA) constrains investment to the Congressional Budget Office's baseline. Under such an approach, highway and transit investment would fail to keep pace with both the consumer price index and projected increases in construction material costs during the life of the bill and, therefore, yield to inflation-adjusted cuts in highway, bridge, and transit improvement funds.

Initiate Congressional Process for Long-term Highway Trust Fund Revenue Solution. As neither the House- nor Senate-passed reauthorization proposal would generate recurring Highway Trust Fund revenue, the nation will once again find itself facing further uncertainty and another federal surface transportation funding crisis within four or five years. Conferees should use the temporary window of stability that would be produced by the House and Senate proposals to proactively address the Highway Trust Fund's structural revenue deficit. Specifically, the conference report should establish a bicameral task force—as outlined in the legislation introduced by Representatives Jim Renacci (R-Ohio), Bill Pascrell (D-N.J.), Reid Ribble (R-Wis.) and Dan Lipinski (D-Ill.)—to develop and enact a permanent solution before the next Highway Trust Fund revenue shortfall.

Project Delivery. The TCC commends both the House and Senate for including a number of helpful reforms to expedite the transportation project review and approval process. While similar in focus and intent, the measures are largely complementary and taken together would build upon existing process efficiencies to ensure transportation project benefits are delivered as quickly as possible to the American public. Specifically, we urge conferees to accept House proposals to strengthen the U.S. Department of Transportation's "lead agency" status in the environmental review process, deadlines for the completion of environmental approvals, and delegation of federal role in this process to the states. We also urge conferees to include the Senate provisions to allow categorical exclusions to be processed as a group, rather than individually, and enhance the use of programmatic agreements.

Establish a Dedicated Freight Program. The TCC has long-supported the creation of a distinct program to fund highway-related freight improvements. While both the House and Senate proposals include funds that would be available for freight improvements, the Senate proposal is superior in that it would devote greater resources (an average of nearly



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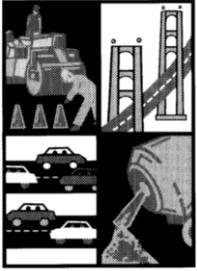
\$1.5 billion per year) toward this clear national priority. By contrast, the House proposal would create a discretionary program for major highway and freight projects with roughly half the annual investment level of the Senate plan. Furthermore, the House proposal would dilute what resources it would provide by allowing the Executive Branch to allocate up to \$500 million over the life of the bill for freight rail projects. We certainly recognize the critical role freight rail plays in the U.S. national goods movement network, but the House proposal would produce an inflation-adjusted cut in total highway investment and any dilution of funds provided for highway improvements would exacerbate this already inadequate level of investment. As such, we urge conferees to support a dedicated program that allows all states to benefit from highway related freight improvements.

Support a Nationally Significant Projects Program. Both the House and Senate proposals would dedicate funds for major projects. As discussed previously, however, the House proposal would allow resources to be diverted to freight rail projects. The Senate proposal, by contrast, would explicitly support highway-related major projects. Again, the TCC supports the need to upgrade the nation's freight rail infrastructure, but conferees should not create a false choice between highway-related freight improvements and freight rail projects. Instead of allowing limited Highway Trust Fund resources to be used for freight rail, conferees should develop a plan to fund freight rail directly out of the general fund.

TIFIA. Both the House and Senate reauthorization proposals would impose dramatic cuts in funds allocated to the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program. We urge conferees to work to restore these funding reductions to help leverage limited federal resources and further engage private sector capital in investing in surface transportation infrastructure improvements. At a minimum, we urge the final conference report provide at least the TIFIA funding levels proposed by the Senate and the provision in both bills that would eliminate the redistribution requirement for TIFIA funds above a certain uncommitted balance.

Private Activity Bonds. Another critical tool to financing major transportation infrastructure projects are Private Activity Bonds (PABs) for highway and freight transfer facilities which were established in SAFETEA-LU, where the total amount of such bonds were limited to \$15 billion. According to the Federal Highway Administration, nearly \$11 billion in transportation PABs have been issued or allocated as of August 2015. Considering PABs are an integral part of many Public-Private Partnership projects, TCC urges the conferees to increase the cap to prior authorized levels of \$15 billion or lift it all together.

Hours of Service. The House reauthorization proposal includes a provision that would increase the air-mile radius from 50 to 75 miles for the transportation of construction materials and equipment to satisfy the 24-hour restart period under the federal hours of service rule. The provision would provide needed flexibility to complete transportation improvement projects without added costs or reduced public safety. We urge conferees to accept the House proposal to increase the hours of service air mile radius to 75 miles. In addition we urge conferees to support the House and Senate provisions which would permanently exempt ready mixed concrete drivers from the Hours of Service 30 minute break rule.



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The TCC supports the House provision (Section 5514) which will allow ready mixed concrete driver's a logbook exemption that will increase the 12-hour on-duty logging threshold to 14 hours in order to be consistent with the maximum on-duty period in the FMCSA's HOS regulations. This section is aimed at improving the Paperwork Reduction Act without sacrificing safety. The TCC urges conferees to include the House-passed language in the final conference agreement.

Transportation Alternatives Program (TAP). Both the House and Senate continue to recognize that, in a time of limited resources, federal transportation investment should be focused on meeting national transportation needs. The DRIVE Act and STRRA provide similar annual funding levels for the Transportation Alternatives Program, however, the DRIVE Act requires that states obligate and sub-allocate 100 percent of their TAP funding to local communities based on population. TCC urges conferees to reject this increase and continue the current 50 percent allocation as required by MAP-21.

Work Zone Safety. Protecting construction workers and DOT employees from vehicle intrusions into highway work zone continues to be a challenge. The House bill includes a provision directing FHWA to do all within its power to protect workers in highway work zones and to move rapidly to finalize regulations, as directed in MAP-21 to protect the lives and safety of construction workers in highway work zones from vehicle intrusions. TCC urges the conferees to maintain this initiative to enhance worker safety. In addition, worker safety could be further enhanced by promoting more widespread use of movable barriers for maintenance and paving operations in cases where permanent barriers are not practical. TCC encourages the conferees to allow FHWA to participate in the capital costs related to the use of movable barriers between traffic lanes and work zones.

Promote partnership between State DOTs and the engineering industry. The House reauthorization bill includes bipartisan language (Section 1435) that would affirm the valuable role the engineering industry plays in working with the public sector to improve surface transportation project delivery and reduce costs. This Sense of Congress language simply underscores the exemplary public and private partnership that has long been a foundation of the federal highway and public transportation programs. TCC urges conferees to include this provision in the final conference report.

Thank you for your consideration of these views. We look forward to working with all conferees to secure enactment during 2015 of a multi-year reauthorization of the federal surface transportation program that increases federal highway and public transportation investment.

Sincerely,

The Transportation Construction Coalition