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The Transportation Development Association of Wisconsin is a statewide, nonprofit educational organization working for an efficient and environmentally responsible transportation system that addresses safe mobility and economic growth.

If you would like to receive this publication by email please contact the TDA office at (608) 256-7044 or general@tdawisconsin.org.

Executive Perspective by Craig Thompson, TDA Executive Director

Looking Forward

An anonymous author once wrote that New Year's resolutions go in one year and out the other. Mark Twain famously stated, "Yesterday, everybody smoked his last cigar, took his last drink and swore his last oath. Today, we are a pious and exemplary community. Thirty days from now we shall have cast our reformation to the winds and gone to cutting our ancient shortcomings considerably shorter than ever."

Here at TDA, however, we are choosing instead to listen to the words of Edith Lovejoy Pierce: "We will open the book. The pages are blank. We are going to put the words on them ourselves. The book is titled Opportunity and its first chapter is New Year's Day."

Happy New Year. I hope 2007 was a safe and healthy year for you and your family.

We are looking forward to 2008 being an extremely active and productive year for TDA. Our Board of Directors has approved an ambitious

agenda for which I have very high hopes and am genuinely enthused to begin implementing.

TDA will be introducing "modal weeks" this year. Coordinating with the statewide associations and working to make the week complimentary to each organization's annual plans, TDA will declare a "Transit Week", "Rail Week", "State & Local Roads Week", "Ports Week" and "Aviation Week". During each of those weeks, we will work with relevant stakeholders and the media to highlight for the public the vital role that each particular mode plays in Wisconsin's economy, safety and quality of life.

We, of course, have our annual Fly-in coming up on April 9th-10th in Washington D.C. Planning for this event is well under way, and I believe the lineup will be well worth the time and effort to attend.

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With reauthorization up in 2009, this year will be a critical time to meet with each member of our congressional delegation and impress upon them that transportation dollars in Wisconsin are again being spent only on transportation services and that the federal partnership is imperative. With the projected deficit in the Highway Trust Fund and the growing overall federal deficit, this will take a strong and unified effort to be effective.

TDA will be implementing regional meetings as well in 2008. We are still working on dates and locations, but we will hold three regional meetings during the course of the year to focus on regional transportation issues and hear from members of our congressional delegation here at home.

In early summer, we will once again hold our Drive-in to Madison. This is an excellent opportunity to interact with our state lawmakers, administration representatives and others on the key transportation issues facing Wisconsin.

In an effort to elevate the debate regarding how we fund transportation into the future, TDA is replacing our annual meeting this year with a

Funding Symposium. This will be held on November 12th-13th at the Monona Terrace in Madison. We are talking with many other statewide associations about partnering with TDA to co-host this event. The feedback we have received thus far has been tremendous. With top notch state and federal speakers, we hope to focus productive dialogue around identifying the most viable and logical funding sources available to fund transportation into the future. This off-budget year is the perfect time to have this discussion before specific proposals have been introduced and lines have been drawn. The current level of dependence on the gas tax is clearly not sustainable into the future, and we need every group at the table if we are to identify solutions that will work for Wisconsin.

In between these meetings, we will be traveling the state to speak at various forums and events. If you would like either me or Debby to attend any event please let us know, and we will make every effort to accommodate that request.

2008 should be an exciting and hopefully fulfilling year. Best wishes to all of you that it is a safe and healthy one as well.

The Future of Intercity Passenger Rail

The Passenger Rail Working Group recently unveiled its new plan entitled "Vision for the future: U.S. Intercity Passenger Rail Network, through 2050. The plan builds upon the existing national passenger rail network by adding more frequent service in growing corridors and linking smaller cities to larger ones. It also calls for federally designated high-speed rail corridors. Implementing this vision would cost an estimated \$357 billion through 2050. However, the plan quantifies the potential safety, energy, environmental, congestion and mobility benefits of an enhanced passenger rail system.

Frank Busalacchi, Secretary of the Wisconsin Department of Transportation and a member of the National Surface Transportation Policy and Revenue

Study Commission brought together state transportation officials, intercity passenger rail experts, members of Amtrak, regional rail transportation authorities and public interest groups from across the country to form the working group. "We need to develop and expand our passenger rail system, not only to provide needed mobility for our nation's travelers, but also to help the nation's environmental efforts to reduce greenhouse gases," Secretary Busalacchi said.

The group's plan has been submitted to the National Surface Transportation Policy and Revenue Study Commission for consideration.

Bush Signs 2008 Omnibus Spending Bill

On December 26th, President Bush signed into law a \$555 billion catchall spending bill for fiscal year 2008 ending the standoff with Congress over spending levels. However, the president was not entirely pleased with the legislation and the nearly 10,000 earmarks. In a statement President Bush said, "I am disappointed in the way Congress compiled this legislation, including abandoning the goal I set early this year to reduce the number of earmarks by half. These projects are not funded through a merit-based process and provide a vehicle for wasteful government spending."

The highlights of the bill are as follows:

Highways

The omnibus bill maintains the full \$40.216 billion obligation limitation as mandated by SAFETEA-LU plus an additional \$1 billion in obligation limitation for the national bridge program. While the bill provides \$631 million in obligation limitation for revenue aligned budget authority (RABA), the bill doesn't apply the entire amount to highway formula programs as SAFETEA-LU instructs. Instead, \$260 million is set aside for earmarked projects.

The bill also increases the size of the rescission of unobligated contract authority held by the states from \$3 billion to over \$4 billion. A rescission of contract authority is a budget gimmick which allows Congress to report lower spending numbers but doesn't directly affect the amount of money received by the states. However, a provision in the newly enacted energy bill will require the rescission be applied across the board to all highway programs increasing the impact this rescission is likely to have on state programming.

Transit

In this bill, transit receives \$9.512 billion which is 97.7 percent of the amount authorized in SAFETEA-LU. The reduction is accomplished by cutting both capital investment grants (a.k.a. new starts) and the obligation limitation for formula and bus grants. The new starts program bears the largest percentage of

the reduction receiving \$1.569 billion versus an authorized \$1.7 billion, while the Formula and Bus Grants account receives \$7.788 billion versus the "guaranteed" \$7.873 billion.

Aviation

Federal Aviation Administration (FAA) programs are funded at \$14.9 billion which is \$379 million more than in 2007 but less than the amount included in either the House or Senate bills or the related conference report. FAA Operations receive almost the entire increase. The Airport Improvement Program (AIP) receives \$3.5 billion and Facilities & Equipment \$2.5 billion – in both cases roughly equal to amounts received in 2007.

Because no action has been taken on the long-term aviation authorization, the omnibus bill extends federal aviation taxes and spending authority from the Airport and Airway Trust Fund through February 29th. The omnibus bill does not extend contract authority for the Airport Improvement Program.

Rail

The omnibus bill provides a total of \$1.56 billion for the Federal Railroad Administration. Amtrak receives \$1.325 billion which is approximately \$30 million more than in 2007. The new program for intercity passenger rail matching grants for states is downsized to \$30 million.

Wisconsin Earmarks

The omnibus bill retains all earmarks but with a 2 percent reduction. Visit the TDA website, www.tdawisconsin.org, to see a listing of Wisconsin earmarks prepared by the Wisconsin Department of Transportation.

2007 Energy Bill Enacted

President Bush recently signed the Energy Independence and Security Act of 2007. The bill aims to increase the production of renewable fuels, reduce our dependence on oil, and confront global climate change.

The major provisions of the bill include:

- Increased fuel economy standards – The bill requires an increase in motor vehicle fleet corporate average fuel efficiency (CAFE) to 35 miles per gallon by 2020. This 40 % increase in fuel economy standards is the first increase in CAFE standards since 1975.
- Increased supply of alternative fuels – The bill mandates a Renewable Fuel Standard (RFS) requiring fuel producers to use at least 36 billion gallons of renewable fuel by 2022 – an amount equal to five times the current level. In addition to renewable fuel already in use, such as ethanol derived from corn, Congress is also pushing for the creation of a new industry capable of turning agrarian waste into renewable fuel.

TDA and many transportation organizations have warned for years that the gas tax would lose its effectiveness as a measure of system usage as fuel efficiency increases and alternative fuels come to market. This mandated increase in the CAFE standard simply speeds up the process and makes the timely transition to an alternative form of transportation revenue collection, both at the state and federal level, critical.

California Sues EPA

California recently filed a suit against the U.S. Environmental Protection Agency (EPA) for denying the state's greenhouse-gas limits on cars, trucks and SUVs – challenging the Bush Administration's assertion that states have no business setting emission standards. California was the first state in the nation to establish tougher emission limits, but other states had been expected to adopt California's standard. Many of these states are also expected to join the lawsuit.

In announcing the decision to deny the waiver, U.S. EPA Administrator Stephen Johnson said the federal government was moving forward with national legislation (Energy Independence and Security Act of 2007) and dismissed California's claims that it faced unique threats from climate change.

"The Bush Administration is moving forward with a clear national solution – not a confusing patchwork of state rules – to reduce America's climate footprint from vehicles," Johnson said in a statement. "President Bush and Congress have set the bar high, and, when fully implemented, our federal fuel economy standard will achieve significant benefits by applying them to all 50 states."

California Governor Arnold Schwarzenegger applauded the new federal fuel standards but said they don't go far enough in addressing greenhouse emissions. California's legislation called for the state to cut greenhouse emissions to 1990 levels by 2020.

TDA Welcomes New Members

Enterprise Rent-A-Car

Town of Bristol

Transportation in the News

Wisconsin Transportation Aids – Governor Doyle announced \$412 million for local transportation projects and released the list of 2008 General Transportation Aids and Connecting Highway Aids. These funds are part of efforts to support economic development through strategic investments in the state's transportation network. Visit <http://www.wis.gov.state.wi.us/docview.asp?docid=12686> for the complete list of grants by municipality.

Dane County – Dane County Regional Airport (DCRA) has been named one of the Top 20 of the world's most noteworthy airports for 2008 by Passenger Terminal World, a leading industry publication. Critical to the judges was the service and speed of flow through the terminal and, in particular, DCRA was singled out for its "environmental build program." The publication stated, "Airport construction is currently being criticized by a multitude of environmental groups around the world. ...Dane County airport, Madison, Wisconsin, continues to win awards for its design and environmentally friendly build program." It also said, "The building will provide a beautiful gateway airport for Madison and is unique in the global airport construction business."

ARTBA Ads – The American Road and Transportation Builders Association recently launched a print and online advertising campaign to complement its legislative proposals for the reauthorization of SAFETEA-LU. Visit <http://www.artba.org/foundation/IOF/cp/ads/index.htm> for more information regarding ARTBA's recommendations for the reauthorization of SAFETEA-LU.

Iowa – "With gasoline reaching \$3 per gallon, I believe now is not the time to raise the gas tax," Iowa Governor Chet Culver wrote to a special task force considering potential transportation revenue options. This announcement caused the task force to adjourn without recommendations but agreeing to continue the discussion when the Iowa Legislature reconvenes.

The Iowa Department of Transportation has estimated that the state faces a \$28 billion shortfall for road construction projects over the next two decades. At a minimum, over \$200 million of additional money is need annually.

Kentucky – Looking for a way to fund two Louisville bridge projects without shortchanging other state road projects, especially in rural areas, Senate President David Williams proposes giving local governments the ability to create an authority to issue bonds, create tolls for roads and bridges, acquire property and enter into contracts with the federal government. These authorities would have to be approved by the governor and the General Assembly.

Governor Steve Beshear said the proposal should be reviewed as part of the discussion on innovative solutions for funding the state's transportation although he has not favored tolls in the past.

"We support any alternatives designed to improve our infrastructure", said Jack Fish president of Kentuckians for Better Transportation, an advocacy group for all modes of transportation.

New Mexico – Twenty-nine road projects are on hold due to a financing shortfall of nearly \$500 million according to Transportation Secretary Rhonda Faught. "We will be needing a new funding source or new revenues to get that done in the short term," she told legislators.

These 29 projects were part of a \$1.6 billion statewide package approved in 2003. Faught said the state will not have enough planned bond financing to cover the higher than anticipated construction cost brought on by 34% construction inflation. Also exacerbating the issue is lower than expected federal funding.

A study group has identified a number of options to help the financially challenged New Mexico Department of Transportation including raising motor

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Association News

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2008 TDA Fly-in April 9th-10th



**Please plan to join the
18th annual TDA Fly-in.**

Registration material available on
TDA website, www.tdawisconsin.org.

Calendar of Events

Wisconsin Transportation Reception during the TRB Annual Meeting – January 15th at the Marriott Wardman Park Hotel in Washington, D.C. Visit TDA's website, www.tdawisconsin.org, for more information.

ACEC WI's 4 Cornerstones of Risk Management – February 28th in Waukesha. For more information, visit www.acecwi.org or call 608-257-9223.

TDA Fly-in to Washington, D.C. – April 9th - 10th. For event details and a registration form visit the TDA website, www.tdawisconsin.org. Don't wait. The registration deadline is February 1st.

If you know of an upcoming event that would be of interest to TDA members, please forward information to the TDA office, general@tdawisconsin.org.

vehicle registration fees and increasing the state's gross receipts tax rate, with the money earmarked for transportation. Indexing the tax on gasoline to provide for automatic increases is also being proposed as a long-term option. Governor Richardson has yet to indicate which if any of the proposals he would be willing to support.

Pennsylvania – In a setback to Pennsylvania's effort to place tolls on I-80, Federal Highway Administration (FHWA) officials have declined to approve the state's application and in addition, didn't grant a conditional approval that would reserve a slot in the pilot program. The federal government did, however, have a series of questions about why the state felt it necessary to toll the 311-mile section of I-80.

Pennsylvania applied to participate in a federal pilot program that allows 3 states (2 slots are already taken) to toll interstates "for the purpose of reconstructing and rehabilitating interstate highway corridors that could not otherwise be adequately maintained or functionally improved without the collection of tolls." In its response FHWA said the Pennsylvania application did not meet this test. In addition, the state did not show that the tolls would only be used for I-80 improvements.

While turnpike officials are downplaying the federal response to the application, Governor Rendell is once again pushing his first proposal to fund transportation – leasing the Pennsylvania Turnpike – which he reluctantly gave up when it gained little support in the legislature. By the end of February, he hopes to be able to show the legislature the results of the bids to lease the turnpike.