



The Transportation Development Association of Wisconsin is a statewide nonprofit organization that advocates building and maintaining an efficient, reliable and interconnected transportation system that addresses our state's needs for safe mobility and economic growth.

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House Narrowly Approves a Jobs Bill

The House narrowly passed (217-212) a \$150 billion jobs-creation package including \$40 billion for infrastructure investment. Like the first stimulus package, Republicans stood together to oppose the legislation, but unlike the first stimulus package, 38 Democrats defected and voted against the bill.

H.R. 2847, the "Jobs for Main Street Act", would provide \$37.3 billion for transportation investment broken down as follows:

- \$27.5 billion for highways and bridges
- \$6.15 billion for transit formula grants, including \$100 million available for energy-efficiency grants

- \$1.75 billion for transit fixed guideway modernization grants
- \$500 million for transit new starts
- \$800 million for Amtrak fleet modernization
- \$500 million for airport improvement grants
- \$100 million for shipbuilding loans

Also included in the legislation are a number of transportation-related items, including an extension of Highway Trust Fund spending authorization under SAFETEA-LU through September 30, 2010. In addition, the legislation would waive state matching requirements for federal surface transportation programs through

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Executive Perspective

By Craig Thompson, TDA Executive Director

Register Today for the 2010 TDA Fly-in

The timing of TDA's 2010 Fly-in is a bit different than in the past several years. We will be taking our case to Washington D.C. on March 10th-11th rather than in April this year. The goal of the earlier Fly-in is to put us in the nation's capital during the middle of the congressional debate over reauthorization and perhaps a second stimulus package. But the earlier Fly-in also requires people to make arrangements soon – very soon! In fact, **the deadline for registering for the 2010 TDA Fly-in is January 8th.** Please take the time to register today.

I can't stress enough how important a strong contingent from Wisconsin will be for this year's Fly-in. Everything in Washington D.C. regarding transportation is in flux right now. SAFETEA-LU expired in September and the country has limped along ever since with short-term continuing resolutions. Aviation reauthorization also continues to depend on multiple continuing resolutions. Meanwhile, the real debate about the next six years of transportation funding is set to play out in 2010, beginning in the next several weeks. As transportation stakeholders, we need to be there to support and inform Wisconsin's congressional delegation and other key decision-makers about the importance of transportation issues.

We also need to let Wisconsin's congressional delegation know that transportation's portion of the funding provided by the American Recovery and Reinvestment Act of 2009 (ARRA) achieved its goal. We used that money to move important projects forward, buy new buses, and begin addressing the backlog of infrastructure repairs needed throughout the state. And, just as important, ARRA funding kept Wisconsinites on the job. We've all seen the press reports of skilled workers who were able to continue working – and who would have otherwise been unemployed and

most likely looking to the state for health care and other benefits – thanks to ARRA funding.

With all of that being said, we also need to help our state's policymakers move past the current conversation about shovel-ready projects and short-term stimulus funding when it comes to transportation. The severity of the nation's infrastructure needs is alarming, and a solution that involves tapping the job-creation potential of transportation investment not only shows great promise but has already been demonstrated.

In addition to providing one-time money for projects that are "ready to go," we need to raise the ongoing funding necessary to finance the projects and systems that will provide the greatest benefit to our economic competitiveness in both the short and long term. At this year's Fly-in, we can help members of Congress understand the true benefits of a strategy to rebuild our crumbling infrastructure in a coherent and well thought-out manner.

Members of Congress need to roll up their sleeves and get down to the hard work of determining our priorities for the next six years and also determining how we are going to pay for those priorities. Borrowing from China and other countries just to maintain our infrastructure is not a long-term winner when it comes to either government policy or economic security. Passing a new six-year reauthorization that sets out to put America back to work and rebuild its infrastructure in a way that will move goods and people more efficiently is.

Let's go to Washington, D.C., on March 10th-11th and let the Wisconsin congressional delegation know that we want this kind of leadership.

2010 Transportation Spending Bill Enacted, Surface Programs Extended

More than two months into the current fiscal year, Congress passed and President Obama signed a \$1.07 trillion omnibus appropriations bill, including 2010 spending for the U.S. Department of Transportation (USDOT). The president also signed the 2010 Defense appropriations bill which included an extension of surface transportation authorization through February 28th.

The 2010 appropriations bill provides approximately 7.5% more in budgetary resources – excluding stimulus spending – for USDOT. The key transportation provisions are as follows:

Highways

The bill provides an obligation limitation of \$41.107 billion for the federal highways program for fiscal year 2010. This represents a one percent increase over the prior year level. In addition, the bill includes a \$650 million general fund appropriation – down from \$1.4 billion in the Senate version – for the highways program.

Transit

The Federal Transit Administration receives \$10.733 billion in 2010 – a 3.8 percent increase over the president's budget request and a 4.9 percent increase over the 2009 non-stimulus level. The largest account, Formula and Bus Grants, is funded with \$8.343 billion in obligation limitation, a one percent increase over last year. Capital Investment Grants (a.k.a. new starts and small starts) receives \$2 billion, a 10 percent increase over the 2009 level.

Aviation

The bill appropriates \$15.992 billion for the Federal Aviation Administration (FAA) – 3.4 percent more than the prior year. The capital account, Facilities and Equipment, receives \$2.936 billion, a 7 percent increase over 2009. For the fifth consecutive year, the Airport

Improvement Program gets \$ 3.5 billion.

High-Speed Rail

The final bill includes a \$2.5 billion appropriation for high-speed and intercity passenger rail. This amount is a compromise between the \$4 billion included in the House bill and the \$1.2 billion in the Senate bill. The president requested \$1 billion.

Amtrak

The bill provides \$1.584 billion for Amtrak – 6.3 percent more than the 2009 non-stimulus appropriation. A little over \$1 billion is for Amtrak capital grants with the rest for operating subsidies.

Rail

The Federal Rail Administration (FRA) will receive \$172.3 million for FRA safety and operations and \$37.6 million for research and development. The bill also provides \$34.5 million for rail relocation and \$50 million for grants to railroads to implement positive train control technologies.

Maritime

The bill provides \$362.8 million for the Maritime Administration, a five percent increase over the budget request.

Discretionary Grants

The bill provides \$600 million for discretionary grants for surface transportation to be granted by the USDOT secretary. Grant projects can be title 23-eligible highway or bridge projects, title 49-eligible transit projects, passenger and freight rail transportation projects, and port infrastructure investments. The secretary is directed to take into account geographic equity, urban-rural equity (no less than \$140 million for rural areas) and modal diversity when making the grants.

Senate Committee Approves STB Reauthorization

The Senate Commerce, Science and Transportation Committee approved a bill that would reauthorize the Surface Transportation Board (STB) for the first time since its inception. The STB is an economic regulatory agency charged with resolving freight railroad rate and service disputes, reviewing proposed rail mergers, rail line purchases, construction and abandonments. The bill would give the board a greater role in regulating freight rail rates, and authorize the appropriation of up to \$256 million in the next five fiscal years. If it becomes law, it would be the largest reform of rail regulations since the 1980 deregulation.

The bill would expand the STB from three to five members and remove it from the U.S. Department of Transportation, making it completely independent. However, the heart of the bill is title III which extends the STB regulatory authority, specifically the requirement that the board must find proposed mergers and acquisitions “reasonable” and “in the public interest” before approving them. The bill establishes a binding arbitration process for certain complaint cases and gives the STB greater authority to initiate its own investigations. The bill also addresses interchange commitments, special rates at service “bottleneck” areas and gives the STB power to force carriers with market dominance at certain terminal facilities to share the facilities with other railroads. One thing not addressed in the bill is the issue of antitrust jurisdiction.

Merging this bill with a bill (S. 146) reported by the Judiciary Committee earlier last year and authored by Senator Kohl may prove to be difficult. The Kohl bill would take away key parts of the STB’s jurisdiction and give the authority to investigate potential antitrust violations by railroads to the Justice Department, the Federal Trade Commission and the federal courts.

While Ed Hamberger, CEO of the Association

of American Railroads, expressed appreciation for the efforts of the committee to work with freight stakeholders in crafting the legislation, he went on to say, “We continue to have concerns about certain provisions in the bill, particularly the nature and scope of the antitrust provision that may be added at a later date, and we will remain engaged with the Commerce Committee, Congress and the Administration, to craft the final legislation that ensures railroads can continue to make the investments that sustain a healthy national rail network.”

Obama Signs 3-Month Aviation Extension

President Obama has signed into law a short-term extension of current federal aviation programs and taxes through March 31st.

This is just the latest in a string of short-term extensions, the last of which was to expire on December 31st. The Federal Aviation Administration (FAA) has been without multi-year authorization legislation since the last law expired September 30, 2007.

The House passed its long-term authorization (H.R. 915) in May, and the Senate Commerce, Science, and Transportation Committee approved its version (S. 1451) in July. However, the Senate version is stalled waiting for revenue provisions from the Senate Finance Committee.

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National Infrastructure Bank

The bill doesn’t include a National Infrastructure Bank as requested by the president. Given the complexity of the new endeavor, the bill conferees decided the bank should be carefully reviewed and considered during the normal authorization process.

Transportation in the News

Verona Road, Wisconsin – The projected cost for the Verona Interchange project is more than double an earlier estimate. In 2003, the Wisconsin Department of Transportation estimate was \$140 million for the proposed reconstruction of the Verona Road Interchange from the Beltline to Highway PD. Now, the state estimates the project will cost \$343 million in three phases over the next two decades.

Colorado – Secretary of State Bernie Buescher announced that Proposition 101 will be on the November 2010 ballot. The proposition would cut the state income tax rate, end telecommunications taxes except to support 911 services, and reduce vehicle taxes.

The proposition would reduce vehicle ownership taxes starting in 2011 by eliminating taxes on vehicle rentals or leases, establishing a \$10,000 vehicle sales tax exemption and capping the annual registration and title fees at \$10 per vehicle.

State legislators have expressed concern that the proposition, if passed, would cost the state approximately \$1 billion in taxes, greatly reducing the state's ability to provide services including transportation.

Georgia – The Georgia Transportation Board has lifted a ban on projects that place tolls on existing lanes as part of the Managed Lane System Plan, a proposed network of optional toll lanes that would span the Atlanta region. The ban was imposed in 2005 following public outrage over a proposal to rebuild and toll Georgia 316. Georgia Department of Transportation officials stressed that they have no plans initially to toll existing regular traffic lanes. However, tolls may be placed on existing HOV (High Occupancy Vehicle) lanes or new lanes and in rare cases on existing lanes.

Michigan – Last month Governor Jennifer Granholm said she supports raising Michigan's diesel fuel tax from 15 cents a gallon to 19

cents a gallon. This would make the diesel tax the same as the state's gas tax. The Michigan Senate Transportation Committee has passed a bill to raise the fee, which would generate approximately \$38 million a year.

New Jersey – Governor-elect Chris Christie has endorsed a plan to borrow \$1.2 billion to pay for highway improvements and mass-transit projects. The New Jersey transportation fund has been nearly bankrupt for years and is currently expected to bottom out in mid-2011. Proceeds raised through the debt sale will fund previously approved transportation projects.

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the end of the fiscal year, provide a \$19.5 billion infusion to the trust fund – \$14.7 billion for the Highway Account and \$4.8 billion for the Mass Transit Account – for reimbursement of interest payments not received since 1998, and change how the government pays for fuel-tax exemptions.

According to Jim Bernard, spokesperson for House Transportation and Infrastructure Committee Chairman Jim Oberstar, the chairman, who has pushed for quick passage of multi-year reauthorization legislation, agreed to support an extension of SAFETEA-LU through September in exchange for the provisions listed above.

The Senate was consumed with health care reform legislation prior to the holiday break and will not be back in session to consider a second stimulus bill until January 19th. It is unclear whether the Senate plans to consider the House-passed bill or a similar Senate bill.

The president has expressed support for a jobs bill and the inclusion of infrastructure spending as a component.

Association Notes

2010 TDA Fly-in

March 10th-11th

Every year, we present our case for transportation and express appreciation for the efforts of our delegation. Taking our message to Washington will be particularly important in 2010.

Jobs and the economy dominate the public's interest right now. There is no close second. The current jobless rate has made the country uncommonly single-minded on this point. We must illustrate to Congress the connection between transportation investment and jobs.

Please join the TDA Fly-in to thank members of the delegation for their work and to encourage them in their efforts to strengthen Wisconsin's infrastructure and put Wisconsinites back to work.

Reservations are due by January 8, 2010 and full payment by January 15th.

Visit the TDA website, www.tdawisconsin.org, for TDA event details and any future changes in the schedule.



Calendar of Events

Wisconsin Transportation Reception during the TRB Annual Meeting – Sunday, January 10th at the Marriott Wardman Park Hotel in Washington, D.C. Visit <http://www.wistrans.org/trb.pdf> for more information.

Wisconsin Concrete Pavement Association's Annual Concrete Pavement Workshop – February 17-18, 2010 at the Radisson Paper Valley in Appleton. Visit <http://www.wisconcrete.org/news.html> for more information and to register.

TDA Fly-in to Washington, D.C. – March 10th-11th. Visit the TDA website, www.tdawisconsin.org, for event information and a registration form. Don't wait. **Reservations are due by January 8, 2010 and full payment by January 15th.**

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.

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