

2008 TDA Fly-in Summary of TDA Positions

Highways & Transit

- Fully fund the federal highway and transit programs through the appropriation process up to the levels authorized in SAFETEA-LU including New Starts. The President's 2009 budget proposal, which includes a highway obligation limitation of \$1.8 billion less than the amount authorized by SAFETEA-LU, would reduce Wisconsin's 2009 federal highway funding by approximately \$30 million.
- Shore up the Highway Account (HA) of the Highway Trust Fund (HTF) to prevent the economic impacts that would result from a sudden and severe reduction in guaranteed funding. The 2009 shortfall in the HA is currently estimated at between \$1.1 billion and \$3.2 billion, which could result in a reduction of up to 35% of federal obligation authority for Wisconsin. TDA recommends either a gas tax increase or strategies like those proposed by the Senate Finance Committee (S. 2345). TDA opposes the Administration's proposal to cover the projected shortfall in the HA by borrowing from the HTF Mass Transit Account.
- Provide adequate Bus Capital funding by restoring Wisconsin's 2009 Bus Capital funding to at least the 1998-2005 average of \$15 million – preferably \$20 million to address the growing backlog of needs that has come from reduced funding and inflationary impacts.
- Support proposed legislation that seeks to maintain or restore federal transit operating assistance for small urban systems serving populations over 200,000 with fewer than 100 vehicles. Nationally, this effort is known as the "100 Bus Coalition".
- TDA commends the National Surface Transportation Policy and Revenue Commission for highlighting the vital needs of the nation's transportation system. However, TDA would encourage a better balance between highway user fees and other user fees, a shortened timeline for replacing the gas tax with a new system such as a vehicle-miles traveled fee and increased state flexibility to toll on the Interstate Highway System.

Aviation

- The Airport and Airway Extension Act of 2008 extended authority to make Airport Improvement Program (AIP) grants through June 30, 2008 and released 75% of annual AIP funding. However, bidding for large projects will be delayed until all of the funds are released. TDA requests an April release for the remaining 25% of 2008 funds.
- Reauthorize and appropriate \$3.9 billion for AIP in 2009. The President's 2009 budget proposes \$2.75 billion for AIP which would cause Wisconsin to lose \$18 million in federal funds.
- Pass a comprehensive long-term (minimum of four years) Federal Aviation Administration (FAA) reauthorization this fiscal year that includes reauthorizing AIP at \$3.8 billion for 2008 and a \$100 million increase in investment each year. While short-term extensions are necessary to keep the system going, they don't provide the kind of certainty necessary for long-term planning and investment.

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- Maintain the current system of taxes and fees with moderate increases such as passed by the House in H.R. 2881. The Administration's call to revamp the aviation funding system is unnecessary and would not be beneficial to Wisconsin.
- Increase general fund support to a minimum of 25% of FAA funding, acknowledging that the benefits of the air transportation system extend well beyond the direct users of the system.
- Support raising the Passenger Facility Charge to \$7.50 and providing airports more flexibility in the use of these funds.
- Modify the apportionment formula for general aviation airports in the next authorization to improve funding for Wisconsin's nearly 90 general aviation airports. The current formula provides \$5 million annually, which only allows the state to address 2 modest projects per year.

Amtrak Reauthorization & Rail Funding

- Fully fund Amtrak in FY 2009 with \$1.7 billion. The President's 2009 budget requests \$800 million for Amtrak – \$525 million for capital and \$275 million for "efficiency grants" and represents a 40% reduction from 2008 levels. This proposed funding level would not allow Amtrak to maintain current operations.
- Enact a long-term Amtrak authorization bill to establish predictable funding levels and program reforms. The cornerstone of intercity passenger rail reform should include a dedicated, multi-year federal capital program – with an 80% federal and 20% state cost sharing approach – for infrastructure and equipment investments. TDA supports the Senate passed Amtrak reauthorization (S. 294) but urges Congress to increase the annual capital grant program to \$5 billion per year.
- TDA supports the Commission's position on the importance of intercity passenger rail to the future of the nation's surface transportation system.

Ports, Harbors and Waterways

- Provide adequate funds in the 2009 Energy and Water Development Appropriation Bill to address the backlog of dredging projects at Wisconsin ports.
- Appropriate federal funds for the following projects authorized by the recently enacted WRDA of 2007:
 - o Soo Lock Reconstruction: This approximately \$350 million project would provide a second 1,000-foot lock and refurbish the existing lock to provide a reliable link between the Great Lakes and the world.
 - o Upper Mississippi River and Illinois Waterway: Congress has authorized \$3.72 billion for improved navigation and ecosystem restoration for the Upper Mississippi River System. An appropriation of \$50 million for the U.S. Army Corps of Engineers FY 09 construction general account is needed to start the project.
- Adopt legislation establishing consistent national standards for the treatment of ships' ballast water to prevent the introduction and spread of aquatic invasive species and including a federal research program to develop ballast water treatment technology.
- Support S. 1683/ H.R. 981, legislation exempting the movement of certain cargo from the U.S. Harbor Maintenance Tax as a means of encouraging the movement of freight from congested surface transportation systems to marine alternatives.

2008 TDA Fly-in Highways & Transit

Background

Wisconsin relies on federal funding to provide 25-30% of the state's transportation budget. The current multi-year surface transportation authorizing legislation, the Safe, Accountable, Flexible and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), each year provides Wisconsin approximately \$630 million for highways and \$65 million for transit. SAFETEA-LU expires in 2009.

In the short term, the Highway Trust Fund (HTF) is being threatened on two fronts – bankruptcy and high construction inflation. It is widely recognized that investment in the transportation system is not sufficient for the U.S. to remain competitive in a global economy. In the next reauthorization, Congress needs to outline compelling national transportation objectives and establish the necessary short and long-term funding sources. The debate surrounding privatization versus new revenue and the equitable distribution of funds will likely determine Wisconsin's share of future federal funds.

TDA Position

- Fully fund the federal highway and transit programs through the appropriation process up to the levels authorized in SAFETEA-LU including New Starts. The President's 2009 budget proposal, which includes a highway obligation limitation of \$1.8 billion less than the amount authorized by SAFETEA-LU, would reduce Wisconsin's 2009 federal highway funding by approximately \$30 million.
- Shore up the Highway Account (HA) of the HTF to prevent the economic impacts that would result from a sudden and severe reduction in guaranteed funding. The 2009 shortfall in the HA is currently estimated at between \$1.1 billion and \$3.2 billion, which could result in a reduction of up to 35% of federal obligation authority for Wisconsin. TDA recommends either a gas tax increase or strategies like those proposed by the Senate Finance Committee (S. 2345). TDA opposes the Administration's proposal to cover the projected shortfall in the HA by borrowing from the HTF Mass Transit Account.
- Provide adequate Bus Capital funding by restoring Wisconsin's 2009 Bus Capital funding to at least the 1998-2005 average of \$15 million – preferably \$20 million to address the growing backlog of needs that has come from reduced funding and inflationary impacts.
- Support proposed legislation that seeks to maintain or restore federal transit operating assistance for small urban systems serving populations over 200,000 with fewer than 100 vehicles. Nationally, this effort is known as the "100 Bus Coalition".
- TDA commends the National Surface Transportation Policy and Revenue Commission for highlighting the vital needs of the nation's transportation system. However, TDA would encourage a better balance between highway user fees and other user fees, a shortened timeline for replacing the gas tax with a new system such as a vehicle-miles traveled fee and increased state flexibility to toll on the Interstate Highway System.



2008 TDA Fly-in **Air Reauthorization & 2009 Aviation Funding**

Background

Airports, aviation and related industries in Wisconsin account for \$2.1 billion of economic activity, supporting over 41,000 jobs with a payroll of \$775 million. The economic impact is even greater if the income produced by existing businesses that depend on air cargo shipments is taken into account. Between 1997 and 2001, 85% of all new and expanding manufacturing firms located within 15 miles of the state's 49 jet-capable airports.

Federal funds make up 60-70% of Wisconsin's aviation program and are allocated to both commercial passenger service and general aviation airports. Wisconsin received on average \$60 million per year under the four-year aviation authorization (Vision-100), which expired September 30, 2007. Funding for the Federal Aviation Administration (FAA), the Airport Improvement Program (AIP) and the related taxes have been extended through June 30, 2008.

TDA Position

- The Airport and Airway Extension Act of 2008 extended authority to make AIP grants through June 30, 2008 and released 75% of annual AIP funding. However, bidding for large projects will be delayed until all of the funds are released. TDA requests an April release for the remaining 25% of 2008 funds.
- Reauthorize and appropriate \$3.9 billion for the Airport Improvement Program in 2009. The President's 2009 budget proposes \$2.75 billion for AIP which would cause Wisconsin to lose \$18 million in federal funds.
- Pass a comprehensive long-term (minimum of four years) FAA reauthorization this fiscal year that includes reauthorizing AIP at \$3.8 billion for 2008 and a \$100 million increase in investment each year. While short-term extensions are necessary to keep the system going, they don't provide the kind of certainty necessary for long-term planning and investment.
- Maintain the current system of taxes and fees with moderate increases such as passed by the House in H.R. 2881. The Administration's call to revamp the aviation funding system is unnecessary and would not be beneficial to Wisconsin.
- Increase general fund support to a minimum of 25% of FAA funding, acknowledging that the benefits of the air transportation system extend well beyond the direct users of the system.
- Support raising the Passenger Facility Charge to \$7.50 and providing airports more flexibility in the use of these funds.
- Modify the apportionment formula for general aviation airports in the next authorization to improve funding for Wisconsin's nearly 90 general aviation airports. The current formula provides \$5 million annually, which only allows the state to address 2 modest projects per year.



2008 TDA Fly-in **Amtrak Reauthorization & 2009 Rail Funding**

Background

The National Surface Transportation Policy and Revenue Study Commission's recently released report highlighted intercity passenger rail as the missing link in the nation's surface transportation system. The Commission recommends increased investment in passenger rail in order to mitigate growing congestion of the air and highway transportation systems and to help meet important national energy and environmental goals.

An estimated \$357 billion is needed over the next 40 years to maintain existing Amtrak lines and to build or upgrade passenger rail routes to establish "regional service" in high-growth intercity corridors. At the start of the new program, the Commission recommends \$5 billion per year for capital grants to states, Amtrak or other competitive service providers. The federal share of the capital costs to be 80%. The Commission proposes three sources of federal funding for intercity passenger rail service: ticket surcharges, highway user revenue (increased federal gas tax), and general fund revenue.

In Wisconsin, Amtrak's Hiawatha route offers an affordable and reliable option for those traveling the 85 miles between Milwaukee and Chicago. The Hiawatha has growing ridership and continues to earn one of the best on-time ratings among the Amtrak routes. Wisconsin has supported the service financially since 1989 and currently funds approximately 75% of the nonfederal subsidy. Illinois funds the remaining 25% of the non-federal subsidy.

In addition to Amtrak, high-speed rail is a key next step for intercity passenger rail in Wisconsin. A 110 mph Milwaukee-to-Madison high-speed rail corridor would be part of the proposed Midwest Regional Rail System, envisioned as a 3,000 mile Midwest passenger rail network radiating from Chicago and serving nine states. High-speed rail hinges on significant federal funding such as proposed by the Commission.

TDA Position

- Fully fund Amtrak in FY 2009 with \$1.7 billion. The President's 2009 budget requests \$800 million for Amtrak – \$525 million for capital and \$275 million for "efficiency grants" and represents a 40% reduction from 2008 levels. This proposed funding level would not allow Amtrak to maintain current operations.
- Enact a long-term Amtrak authorization bill to establish predictable funding levels and program reforms. The cornerstone of intercity passenger rail reform should include a dedicated, multi-year federal capital program – with an 80% federal and 20% state cost sharing approach – for infrastructure and equipment investments. TDA supports the Senate passed Amtrak reauthorization (S. 294) but urges Congress to increase the annual capital grant program to \$5 billion per year.
- TDA supports the Commission's position on the importance of intercity passenger rail to the future of the nation's surface transportation system.

2008 TDA Fly-in Ports, Harbors & Waterways

Background

Wisconsin's 20 commercial ports offer manufacturers and shippers a major transportation alternative many states cannot provide. A commodity-flow study conducted by Reebie Associates for the Wisconsin Department of Transportation in 2002 indicated that Wisconsin's commercial ports annually handle some 44 million tons of cargo with an estimated value of more than \$7 billion. According to a 2004 economic overview of Wisconsin's commercial ports published by WisDOT, our state's ports support 11,387 jobs and annually generate more than \$1.3 billion in economic output and nearly \$377 million in personal income.

Increased federal investment is vital to maintaining and modernizing the U.S. water transport system. When the Water Resource Development Act of 2007 (WRDA) was enacted, it became the first such authorizing legislation since 2000. The act authorized \$23 billion and hundreds of water projects, including seven 1,200 foot locks on the Upper Mississippi and Illinois rivers and Soo Lock reconstruction. Funding still needs to be provided during the annual appropriations process.

TDA Position

- Provide adequate funds in the 2009 Energy and Water Development Appropriation Bill to address the backlog of dredging projects at Wisconsin ports.
- Appropriate federal funds for the following projects authorized by the recently enacted WRDA of 2007:
 - Soo Lock Reconstruction: This approximately \$350 million project would provide a second 1,000-foot lock and refurbish the existing lock to provide a reliable link between the Great Lakes and the world.
 - Upper Mississippi River and Illinois Waterway: Congress has authorized \$3.72 billion for improved navigation and ecosystem restoration for the Upper Mississippi River System. An appropriation of \$50 million for the U.S. Army Corps of Engineers FY 2009 construction general account is needed to start the project.
- Adopt legislation establishing consistent national standards for the treatment of ships' ballast water to prevent the introduction and spread of aquatic invasive species and including a federal research program to develop ballast water treatment technology.
- Support S. 1683/ H.R. 981, legislation exempting the movement of certain cargo from the U.S. Harbor Maintenance Tax as a means of encouraging the movement of freight from congested surface transportation systems to marine alternatives.