John Cunningham

From: Chris Lee <clee@counties.org>

Sent: Wednesday, February 05, 2014 1:37 PM

To: Chris Lee Cc: Kiana Buss

Subject: RE: MAP 21 Reauthorization Priorities - transportation revenues

To: CEAC Transportation Committee

Public Works Directors

We wanted to share this article as background information related to our highest priority for transportation reauthorization. Our federal advocates point out that while the Chairman opposes a gas tax increase, he has indicated that he favors a VMT fee.

February 04, 2014, 10:44 am

House Transportation chairman opposes gas tax hike

By Keith Laing

The chairman of the House Transportation Committee on Tuesday ruled out an increase in the federal gas tax this year to pay for transportation projects.

Transportation advocates argue that increasing the federal gas tax from 18.4 cents per gallon would be the easiest way to shore up the trust fund that Congress uses to pay for road and transit projects.

But Rep. Bill Shuster (R-Pa.) said Tuesday during an event hosted by the Washington, D.C.-based Building America's Future group that "economically, it's not the time" to raise the gas tax.

He added that he was not sure there was enough support from lawmakers or the public to move forward with such a proposal.

The Department of Transportation has projected that the Highway Trust Fund, which is facing a \$20 billion shortfall, would run out of money in September without additional congressional action.

Shuster is pushing for passage of a new transportation funding bill this year, and had previously said he would be open to any option for shoring up the trust fund's finances.

The gas tax has not been increased since 1993, and its revenue stream has been dwindling as Americans drive less and choose more fuel-efficient vehicles.

The idea of increasing the gas tax to pay for more transportation projects has drawn rare consensus from business and labor groups.

The sponsor of a bill in the House to nearly double the tax to 33.4 cents per gallon, Rep. Earl Blumenauer (D-Ore.), told The Hill he was disappointed in Shuster's decision to oppose the tax increase.

"I'm not surprised he doesn't like the gas tax. I don't like the gas tax," Blumenauer said in a statement. "That's why I would like the phased in gas tax increase to be the last time Congress acts to raise the gas tax. But, we need something to bridge the gap until we get a sustainable fee system like VMT [Vehicle miles traveled] in place or transportation funding will come to a standstill at the end of September."

Blumenauer said he is "glad [Shuster's] engaged in this conversation" and that he'd be "eager to hear his other ideas."

The current surface transportation funding bill, which includes the authorization of the gas tax at its current level, is scheduled to expire in

September. The date coincides with the Department of Transportation's projected bankruptcy deadline for the Highway Trust Fund.

The expiring transportation measure was passed in 2012. It provided only two years of funding, compared to previous five- or six-year appropriation

bills, because lawmakers struggled to close a shortfall between the gas tax collections and infrastructure spending.

Former Transportation Secretary Ray LaHood said at Tuesday's event that the easiest way to provide the additional funding would be to increase the

gas tax.

"Nothing is going to create the kind of money that increasing the gas tax and indexing does," the former DOT chief said. "And then use tolling, raise

TIFIA [the Transportation Infrastructure Finance and Innovation Act], do more TIGER [Transportation Investment Generating Economic Recovery]

money, do all of these things. But only do it after you replenish the fund that has built America and put America back to work."

LaHood, who served as Transportation secretary when Congress passed its last transportation bill, called the 2012 measure a "joke."

"We need someone to step up and say we need a six-year bill; we need to increase the gas tax; we need to index it," LaHood said. "I would increase it

10 cents."

Shuster said during his remarks he was hoping for a long-term transportation bill as well, despite his opposition to increasing the federal gas tax.

LaHood said lawmakers should at least consider indexing the gas tax to future inflation rates.

"The idea of indexing is so critical to the future," he said. "If they'd have indexed it in '93, I don't think we'd be having this conversation."

Other ideas that have been floated by transportation advocates include replacing the gas tax on drivers altogether in favor of a fee that is paid by oil

wholesalers

Sen. Barbara Boxer (D-Calif.), who is chairwoman of the Senate Environment and Public Works Committee, said last fall that it was worth exploring

the possibility of doing away with the gas tax after states such as Virginia had experienced success in making similar switches.

— This story was last updated at 5:44 p.m.

From: Kiana Buss

Sent: Tuesday, February 04, 2014 3:32 PM

To: Kiana Buss **Cc:** Chris Lee

Subject: MAP 21 Reauthorization Priorities - Final Draft - Last Chance to Provide Input

To: CEAC Transportation Committee

County Public Works Directors

From: Kiana Buss, CSAC Legislative Representative

Chris Lee, CSAC Legislative Analyst

Re: MAP 21 Reauthorization Priorities - Final Draft - Last Chance to Provide Input

Moving Ahead for Progress in the 21st Century Act (MAP 21), the federal surface transportation authorization measure, is set to expire on September 30, 2014. Congress has already started to hold informational hearings to consider policy and fiscal issues for the next reauthorization. For our part, in order to effectively advocate on behalf of counties during these reauthorization discussions, CEAC/CSAC has developed the attached priorities for MAP 21 reauthorization. Staff will take the MAP 21 reauthorization priorities to the CSAC Board of Directors for approval at their February 20th meeting.

2

Staff has circulated this document to the CEAC Transportation Committee a number of times via email and at committee meetings over the past year. This version is substantially similar to previous versions. The only notable difference is the Highway Bridge Program priority now includes an option to reestablish the bridge program *OR* dedicate a set-aside for local on-system bridge projects. The MAP 21 reauthorization priorities are consistent with existing CEAC/CSAC policy and our previous federal transportation funding efforts. However, please let us know if you have any questions or final comments regarding the final draft policy before the CSAC Board meeting on February 20th.

Thanks in advance for your attention to this issue.

Kiana Buss

Legislative Representative Housing, Land Use, & Transportation Policy California State Association of Counties 1100 K Street, Suite 101 Sacramento, CA 95814 Phone: (916) 327-7500 ext. 566

Fax: (916) 321-5061 kbuss@counties.org

See: Web / Facebook / Twitter / The County Voice



California State Association of Counties

DRAFT CSAC PRIORITIES FOR MAP 21 REAUTHORIZATION

Pending Approval by CSAC Board of Directors

MAP 21 Reauthorization Priority: Increase Federal Revenues for Transportation Infrastructure

Without immediate, bold action by Congress, the Highway Trust Fund will continue to face insolvency. Existing federal revenues continue to fall short of meeting the funding needs to bring our nation's surface transportation infrastructure into the next century. Our future economic prosperity, our commitment to progressive environmental stewardship, and our dedication to the health, safety, and welfare of the traveling public and all Americans demands a significant reinvestment into the transportation network. **CSAC urges Congress to enhance revenues for investment in our national transportation infrastructure.**

The California State Association of Counties (CSAC) – the unified voice of California's 58 counties – believes that until the funding issue is addressed, we will not make significant progress in improving our critical transportation infrastructure. California's counties and cities are facing an \$82 billion funding shortfall over the next ten-years for the maintenance and preservation of the local system, let alone other vital modal needs. On average, pavement conditions are "at risk" and without a surge of new revenue, 25-percent of California's local roads will be in failed condition by 2022. News article after news article discusses staggering figures about the condition of the nation's bridges – an estimated 8,000 bridges nationally are structurally deficient or fracture critical. In California, 950 bridges need replacement and over 1,800 are in need of rehabilitation.

The demands on our infrastructure are relentless – Californians log 300 million vehicle miles traveled annually, which is more than the current system was ever intended to accommodate. At the same time, our existing sources of revenue are declining due to necessary improvements in fuel economy and hybrid, electric, and alternative fuel vehicle technology. In order to address pressing environmental concerns, ranging from air quality and climate change to impacts on our water resources and energy demands, the nation must continue its work to advance technological improvements in fuel economy, alternative vehicles such as zero emissions vehicles, and reduce the amount people must drive to access work, school, home, services, and recreation. These challenges will only exacerbate our current funding dilemma.

CSAC's policy supports a variety of new revenues sources from increasing the federal gas tax to assessing a user fee that more accurately charges motorists for their use of the system than traditional revenues sources. Failing to address the severe funding issue within the next reauthorization effort will only negatively impact the condition of our system, our economy, our environment, and the overall quality of life for Americans. Increased revenue is our highest priority for MAP 21 reauthorization.

In addition to the preeminent priority of addressing the ongoing revenue shortfall, CSAC submits the following additional policy and programmatic priorities for consideration by Congress.

MAP 21 Reauthorization Priority: Restore the Highway Bridge Program

 Provide dedicated revenue for on-system highway bridge projects, either by creating a set-aside similar to the off-system highway bridge set-aside or restoring the Highway Bridge Program as a core program. Increase dedicated funding for preventative maintenance on, and replacement of, bridges. This is a critical safety issue.

MAP 21 Reauthorization Priority: Focus on Safety

- Increase funding for safety infrastructure projects on the existing transportation system.
- Programs/projects must be aimed at reducing the greatest number of fatalities regardless of ownership of the system.
- Ensure the rural road system, where fatality rates are the highest, retains dedicated funding.
- Promote and increase funding for bicycle and pedestrian safety projects and programs.

MAP 21 Reauthorization Priority: Fix-it-First

• Provide increased funding for maintenance and preservation of the existing system. Reinvesting in the system now prevents exponentially higher costs down the road.

MAP 21 Reauthorization Priority: Improve Environmental Stewardship & Address Climate Change

- Provide financial incentives to States that adopt and set greenhouse gas (GHG) emissions reductions targets and programs to accomplish those targets.
- Provide incentives in current programs and/or provide new funding sources for climate change neutral or friendly transportation projects and programs.
- Provide financial incentives for rural sustainability.
- Provide financial support for regional and countywide planning processes that integrate transportation and land use planning to reduce GHG emissions.
- Provide funding for retrofitting equipment and for alternate fuel infrastructure.

MAP 21 Reauthorization Priority: Streaming Project Delivery & Environmental Review

- Approve a state-federal environmental reciprocity pilot program.
- Support streamlining of federal regulations to facilitate more expeditious project delivery.
- Ensure that federal project oversight is commensurate to the amount of federal funding.

MAP 21 Reauthorization Priority: Increase Flexibility to Meet State, Regional, and Local Needs

- Maximize the use and flexibility of federal funds by not requiring minimum federal matches.
- Eliminate the need to program multiple phases for small projects.
- Eliminate need for TIP programming for air quality neutral projects.

CSAC MAP 21 Reauthorization Priority: Assistance for Data Collection

- Provide funding, training, tools, and uniform standards for the collection of roadway and traffic data specifically for the local and rural roadways.
- Provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change in long-range transportation plans.

For more information regarding these priorities and principles, please contact: Joe Krahn, Waterman & Associates, (202) 898-1444 Kiana Buss, California State Association of Counties, (916) 327-7500 ext. 566