# National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290 (202) 962-3310 Fax: (202) 962-3202 TDD: (202) 962-3213

**Item #5** 

#### **MEMORANDUM**

June 11, 2009

**TO:** Transportation Planning Board

**FROM:** Ronald F. Kirby

Director, Department of Transportation Planning

**RE:** Letters Sent/Received Since the May 20<sup>th</sup> TPB Meeting

The attached letters were sent/received since the May 20<sup>th</sup> TPB meeting. The letters will be reviewed under Agenda #5 of the June 17<sup>th</sup> TPB agenda.

Attachments

## National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290 (202) 962-3310 Fax: (202) 962-3202

#### **MEMORANDUM**

Date:

June 11, 2009

To:

Transportation Planning Board

From:

Ronald F. Kirby

Director of Transportation Planning

Re:

Draft Letter to Secretary of Transportation LaHood and the region's

Congressional Delegation on Fuel Efficiency Standards, "Cash for Clunkers"

Legislation, and the Highway Trust Fund (HTF) shortfall

At the May 20 TPB meeting, TPB First Vice-Chairman David Snyder asked that the TPB consider sending a letter to the Administration and the Congress supporting the recently updated vehicle fuel efficiency standards, and receive a briefing on the proposed federal "cash for clunkers" program. At the June 5 TPB Steering Committee meeting, Vice Chairman Snyder suggested that the TPB consider sending a letter to the Administration and the Congress expressing concern about the projected shortfalls in the Highway Trust Fund for fiscal years 2009 and 2010.

In response to Vice Chairman Snyder's request, the attached draft letter and background summaries have been prepared for the Board's consideration at its June 17 meeting. The Board will have the opportunity to review and approve the draft letter under Item 5 of the June 17 agenda.

Attachments

# National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290 (202) 962-3310 Fax: (202) 962-3202

#### DRAFT

June 11, 2009

To: The Secretary, US Department of Transportation

Members of the Congressional Delegation for the Metropolitan Region

Dear Mr. Secretary, Senator ----, Representative -----

The National Capital Region Transportation Planning Board (TPB), the federally designated Metropolitan Planning Organization (MPO) for the Metropolitan Washington region, is very pleased that the Administration recently strengthened vehicle fuel efficiency and greenhouse gas emissions standards for cars and light trucks, and that the Congress is moving forward with a federal "cash for clunkers" program aimed at encouraging consumers to purchase more fuel-efficient vehicles. The TPB is increasingly concerned, however, that inadequate funding levels are resulting in serious under-investment in the nation's transportation system, and believes in particular that the multi-billion dollar shortfalls in the Highway Trust Fund for fiscal years 2009 and 2010 must be addressed in the immediate future.

The TPB is currently completing an update to the long-range transportation plan for the Washington Region. Relative to projections prepared just a year ago, this plan update included deferrals of many significant highway and transit projects due to funding shortfalls at all levels of government. The plan update also projected that despite a drop of 2.5 percent in regional vehicle miles of travel in 2010 due in part to the economic slowdown, vehicle emissions will increase by as much as 7 percent due to a slowdown in the purchase of new, cleaner vehicles. These findings underscore the importance of accelerated production and purchase of cleaner vehicles, as well as the urgent need to address funding shortfalls.

In addition to addressing the multi-billion dollar shortfall in the Highway Trust Fund, the TPB believes that fundamental changes are needed in the structure and funding of ongoing federal surface transportation programs. The TPB has developed a set of policy principles (copy attached) to help guide the next federal authorization of surface transportation programs, following the expiration of the SAFETEA-LU authorization on September 30, 2009. These policy principles call for a substantial increase in federal transportation funding; an explicit focus on the repair and efficient operation of existing highway and transit systems; uniform evaluation procedures and criteria for assessing all new modal and intermodal capacity increases; and increased funding focused on metropolitan transportation challenges.

Thank you for considering the TPB's views on these important initiatives for the nation's economy and transportation infrastructure. For further information, please contact the Director of Transportation Planning for the TPB, Ronald Kirby, at (202) 962-3310 or <a href="mailto:rkirby@mwcog.org">rkirby@mwcog.org</a>.

Sincerely,

Charles Jenkins Chairman National Capital Region Transportation Planning Board

# NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD

# Policy Principles for the 2009 Authorization of Federal Surface Transportation Programs

- Fundamental changes are needed in the current structure and funding of federal surface transportation programs: current planning, programming, and environmental processes are overly cumbersome and inefficient, and inadequate funding levels are resulting in serious under-investment in transportation.
- An explicit program focus is needed to put and keep the nation's transportation infrastructure in a state of good repair, and to ensure that it is operated efficiently and safely.
- Decisions on investment in new transportation capacity should be based on a rigorous and comprehensive analysis of economic, social and environmental benefits and costs, which assesses all modal and intermodal options with uniform evaluation procedures and criteria.
- Federal transportation policy should provide for increased federal funding focused on metropolitan congestion and other metropolitan transportation challenges, with stronger partnerships between federal, state, regional and local transportation officials.
- A substantial increase in federal transportation funding will be needed to address the current under-investment in the nation's transportation system, and should be sought from:
  - Increases in federal fuel taxes or other user-based taxes and fees;
  - Pricing strategies enabled by emerging technology for all modes of travel, including rates that vary by time of day, type of vehicle, level of emissions, and specific infrastructure segments used;
  - Inclusion of major transportation investments in legislation to create national infrastructure banks or bonding programs; and
  - Auction of pollution emissions allowances.

Approved September 17, 2008

THE BRIEFING ROOM

#### THE WHITE HOUSE

Office of the Press Secretary

FOR IMMEDIATE RELEASE

May 19, 2009

# President Obama Announces National Fuel Efficiency Policy

WASHINGTON, DC – President Obama today – for the first time in history – set in motion a new national policy aimed at both increasing fuel economy and reducing greenhouse gas pollution for all new cars and trucks sold in the United States. The new standards, covering model years 2012–2016, and ultimately requiring an average fuel economy standard of 35.5 mpg in 2016, are projected to save 1.8 billion barrels of oil over the life of the program with a fuel economy gain averaging more than 5 percent per year and a reduction of approximately 900 million metric tons in greenhouse gas emissions. This would surpass the CAFE law passed by Congress in 2007 required an average fuel economy of 35 mpg in 2020.

"In the past, an agreement such as this would have been considered impossible," said President Obama. "That is why this announcement is so important, for it represents not only a change in policy in Washington, but the harbinger of a change in the way business is done in Washington. As a result of this agreement, we will save 1.8 billion barrels of oil over the lifetime of the vehicles sold in the next five years. And at a time of historic crisis in our auto industry, this rule provides the clear certainty that will allow these companies to plan for a future in which they are building the cars of the 21st century."

This groundbreaking policy delivers on the President's commitment to enact more stringent fuel economy standards and represents an unprecedented collaboration between the Department of Transportation (DOT), the Environmental Protection Agency (EPA), the world's largest auto manufacturers, the United Auto Workers, leaders in the environmental community, the State of California, and other state governments.

"The President brought all stakeholders to the table and came up with a plan to help the auto industry, safeguard consumers, and protect human health and the environment for all Americans," said EPA Administrator Lisa P. Jackson. "A supposedly 'unsolvable' problem was solved by unprecedented partnerships. As a result, we will keep Americans healthier, cut tons of pollution from the air we breathe, and make a lasting down payment on cutting our greenhouse gas emissions."

"A clear and uniform national policy is not only good news for consumers who will save money at the pump, but this policy is also good news for the auto industry which will no longer be subject to a costly patchwork of differing rules and regulations," said Carol M. Browner, Assistant to the President for Energy and Climate Change. "This an incredible step forward for our country and another way for Americans to become more energy independent and reduce air pollution.",

A national policy on fuel economy standards and greenhouse gas emissions is welcomed by the auto manufacturers because it provides regulatory certainty and predictability and includes flexibilities that will significantly reduce the cost of compliance. The collaboration of federal agencies also allows for clearer rules for all automakers, instead of three standards (DOT, EPA and a state standard).

"President Obama is uniting federal and state governments, the auto industry, labor unions and the environmental community behind a program that will provide for the biggest leap in history to make automobiles more fuel efficient," said Department of Transportation Secretary Ray LaHood. "This program lessens our dependence on oil and is good for America and the planet."

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# THE WALL STREET JOURNAL

WSJ.com

JUNE 9, 2009, 5:29 P.M. ET

# House Passes 'Cash for Clunkers' Bill

I Associated Press

WASHINGTON--The House passed a plan to boost auto sales by providing vouchers of up to \$4,500 for consumers who turn in their gas-guzzling cars and trucks for more fuel-efficient vehicles.

The House bill, which passed by 298 votes to 119, is aimed at stimulating car sales during a bleak period for the auto industry and increasing the nation's fleet of cars that get more miles to the gallon.

General Motors Corp. and Chrysler LLC have received billions of dollars in government aid and the entire auto industry has watched car sales plummet during the past year. In May, overall sales were 34% lower than a year ago.

"Our industry has been stuck in neutral and really has not started to move," said Larry Kull, president of Marlton, N.J.-based Burns Kull Automotive Group, which includes General Motors, Honda and Toyota dealerships.

President Barack Obama has urged Congress to approve consumer incentives for new car purchases as part of the government's efforts to reorganize General Motors and Chrysler through the bankruptcy courts.

The vehicle scrappage bill has been under negotiations for months as lawmakers try to find a solution that boosts car sales while providing some environmental benefits. Proponents have pointed to similar programs in Europe that have enhanced auto sales.

Analysts said the bill, which has not yet been considered by the Senate, would encourage car shoppers but would not be a panacea for carmakers. The U.S. industry is expected to generate about 9.5 million vehicles sales in 2009, compared to more than 13 million in 2008 and more than 16 million in 2007.

Auto analysts questioned whether it would be enough of an incentive for many consumers burdened by debt or financially stressed by the troubled economy.

Separately, House and Senate appropriators were discussing providing \$1 billion to a supplemental war funding bill for the "cash for clunkers" program, which aims to generate about one million new auto sales. Since the yearlong vehicle program is expected to cost \$4 billion, lawmakers would attempt to find the

additional money later this year.

Under the House bill, car owners could get a voucher worth \$3,500 if they traded in a vehicle getting 18 miles per gallon or less for one getting at least 22 miles per gallon. The value of the voucher would grow to \$4,500 if the mileage of the new car is 10 mpg higher than the old vehicle. The miles per gallon figures are listed on the window sticker.

Owners of sport-utility vehicles, pickup trucks or minivans that get 18 mpg or less could receive a voucher for \$3,500 if their new truck or SUV is at least 2 mpg higher than their old vehicle. The voucher would increase to \$4,500 if the mileage of the new truck or SUV is at least 5 mpg higher than the older vehicle. Consumers could also receive vouchers for leased vehicles.

Rep. Betty Sutton (D., Ohio), the bill's chief sponsor, said the bill showed that "the multiple goals of helping consumers purchase more fuel efficient vehicles, improving our environment and boosting auto sales can be achieved." Sen. Debbie Stabenow (D., Mich.), has backed a similar version in the Senate, which has the support of automakers and their unions.

The bill would direct dealers to ensure that the older vehicles are crushed or shredded to get the clunkers off the road. It was intended to help replace older vehicles--built in model year 1984 or later--and would not make financial sense for consumers owning an older car with a trade-in value greater than \$3,500 or \$4,500.

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For Immediate Release: June 9, 2009

#### House Passes Rep. Sutton's "CARS" Bill

Washington, D.C. - Today, the House of Representatives passed Congresswoman Sutton's Consumer Assistance to Recycle and Save (CARS) Act, H.R. 2751, by a margin of 298-119. The bill will help consumers purchase more fuel-efficient vehicles, improve our environment and boost auto sales. Rep. Sutton worked with the Administration, House leadership and the Committee on Energy and Commerce to pass this collaborative measure.

Through the program, consumers may trade in less fuel-efficient vehicles and receive vouchers ranging from \$3,500 to \$4,500 to help purchase or lease a more fuel-efficient car or truck. Under the bill, the Department of Transportation will outline the eligibility requirements and provide a list of vehicles that will qualify. For more information, please visit <a href="http://www.fueleconomy.gov/">http://www.fueleconomy.gov/</a>.

"This bill is called the CARS Act, but it is about far more than just cars. It is about people. It is about the millions of families in this great nation who depend on the strength of our auto and related industries for their livelihood," said Rep. Sutton. "It's about our friends and neighbors and it is about our communities that depend on auto related jobs for their tax base to support their schools, police, fire, and other city services. By passing the CARS Act, we can shore up these jobs, get customers back into the showrooms, help our dealers move cars, and improve the environment."

"This legislation will ensure that we have a strong manufacturing base and get more fuel-efficient vehicles on the road, which is essential to our economy, to our national security, and a clean, green future," Speaker Nancy Pelosi said. "I commend Congresswoman Sutton for her determination to bring this legislation to the floor quickly. Her hard work is evident in the strong bipartisan vote received today."

"Congresswoman Sutton should be commended for her unwavering commitment to getting the Consumer Assistance to Recycle and Save Act passed through the House," said House Majority Leader Steny Hoyer. "As a result of her efforts, we have passed a bill that will make new vehicles more affordable for consumers at a time when more consumer purchasing power is sorely needed by the auto industry. The bill has important side benefits of providing an incentive for the trade-in of older vehicles for more fuel efficient ones, more rapidly reducing fossil fuel consumption by America's vehicle fleet."

"I appreciate the work of Rep. Sutton and my colleagues on this important legislation, which is good for the economy, good for consumers, and good for the environment," said Chairman Waxman, Chairman of the U.S. House Committee on Energy and Commerce. "The automobile industry is and must remain a vital part of our economy and this is an area where saving American jobs and protecting the environment go hand in hand."

#### News Coverage

Apr. 22 - Watch Rep. Sutton Speak on the American Clean Energy and Security Act at a House Energy and Commerce Committee Hearing (YouTube)

Apr. 21 - <u>Avon Lake</u> <u>also shows interest in</u> <u>wind energy</u> (Elyria Chronicle-Telegram)

Apr. 12 - <u>Credit card</u> <u>companies using new</u> <u>fees, rates to get more</u> <u>out of consumers</u> (Cleveland Plain Dealer)

Apr. 12 - <u>Cash-for-</u> <u>clunkers can benefit</u> <u>environment and</u> <u>Detroit</u> (Detroit Free Press)

Apr. 10 - <u>Auto liaison</u> <u>sent to Ohio by</u> <u>president</u> (Akron Beacon-Journal)

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"This bill is the ultimate political triple play. It is a win for consumers who get a new, more fuel efficient vehicle, a win for reducing America's dependence on imported oil, and a win for American auto workers as the industry gets back on its feet," said Edward J. Markey (D-Mass.), Chairman of the Energy and Environment Subcommittee.

Close to home, UAW Local 2000 President Tim Donovan said:

"Passage of this important legislation will not only help the consumer and public by putting cars on the road that run cleaner and maintain better fuel efficiency, but it will provide assistance by boosting car sales to the struggling auto industry in America," said President Donovan.

"The UAW applauds Representative Sutton for her tremendous leadership on the fleet modernization issue. Thanks to her efforts, the House has approved legislation that will provide an immediate boost to the auto industry in the United States, helping to promote jobs for American workers," said Alan Reuther, Legislative Director, United Auto Workers.

And, Terry Metcalf, Executive Vice President of the Akron Area Auto Dealers Association added:

"Providing an incentive to stimulate sales is a critical step in the recovery of the automobile industry and congressional passage of the CARS Act represents an opportunity to benefit both the economy and the environment," said Mr. Metcalf.

#### Q: What is the purpose of this bill?

A: To help consumers purchase more fuel efficient vehicles, help the environment, and boost auto sales.

# Q: What are the <u>trade-in eligibility requirements</u> to participate in the CARS program?

#### A: Requirements:

- $\cdot$  Trade-in vehicle  $\underline{must}$  be registered in purchaser's name and have been owned for 1 year.
- Consumers must trade-in a vehicle with a maximum combined city/highway fuel economy of 18 miles per gallon or less to be eligible for CARS program.

#### Q: What are the requirements when purchasing the new car?

A: The requirements for purchasing a new car, light truck, or work truck are different depending on what class of vehicle you are purchasing.

· Eligible new vehicles must have a Manufacturer's Suggested Retail Price (MSRP) of \$45,000 or less

#### Passenger Car

Minimum Fuel Economy for New Vehicle must receive <u>22 mpg (EPA combined fuel economy)</u>

To receive a \$3,500 Voucher- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least 4 mpg over trade-in vehicle

To receive a **\$4,500 Voucher**- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least 10 mpg over trade-in vehicle

#### Small Light-Duty Truck

Minimum Fuel Economy for New Vehicle must receive <u>18 mpg</u> (EPA combined fuel economy)

To receive a \$3,500 Voucher- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least 2 mpg over trade-in vehicle

To receive a **\$4,500 Voucher**- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least 5 mpg over trade-in vehicle

Large Light-Duty Truck

Minimum Fuel Economy for New Vehicle must receive <u>15 mpg</u> (EPA combined fuel economy)

To receive a \$3,500 Voucher- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least <u>1 mpg</u> over trade-in; or trade-in a work truck for Large Light-Duty Truck

To receive a **\$4,500 Voucher**- toward the lease or purchase of a new eligible vehicle

· Mileage improvement must be at least 2 mpg over trade-in vehicle

Work Truck (8,500-10,000 pounds gross vehicle weight rating)

- · Minimum Fuel Economy for New Work Truck Does not apply
- · If you trade in a work truck, you must purchase a work truck.

To receive a \$3,500 Voucher- toward the lease or purchase of a new work truck

- · Trade-in vehicle must be a 2001 Model Year work truck or older.
- Q: Can I lease a vehicle through the CARS program?
- A: Yes, the vehicle lease terms must be for a minimum of five years.
- Q: What is Combined Fuel Economy? How do I qualify?
- A: To determine if your vehicle qualifies under the CARS Act you should:
- · Find out the combined fuel economy of your vehicle by visiting the Environmental Protection Agency's site <a href="http://www.fueleconomy.gov/">http://www.fueleconomy.gov/</a>.
- · Proceed to "Your MPG" section located in the bottom left hand corner of the site. Follow the link and provide the make, model, and year your vehicle.
- · Visit a local dealership in your area
- Q: How do I receive the voucher?
- A: A dealer will credit the voucher amount towards the purchase or lease of the eligible new vehicle.
- Q: When can I take advantage of this CARS program?
- A: The CARS program will be effective immediately after the bill is enacted.
- O: Is the bill retroactive?
- A: Unfortunately, this bill is not retroactive.
- Q: What is the status of the bill?
- A: The House of Representatives passed the bill on Tuesday, June 9, 2009. The Bill will now go to the Senate.
- Q: When trading in the old vehicle, is the voucher value added to the "trade in" or scrap value of the car?
- A: Consumers surrender their old vehicle to the dealer in order to take advantage of the CARS program. Consumers should research the scrap value of the vehicle they are trading in. The bill does require the dealer to disclose

their best estimate regarding the scrap value of the trade-in car. There is no requirement for the scrap value to be added to the voucher value.

- Q: How many vouchers can be obtained per person?
- A: One voucher can be issued per individual.
- Q: How many vouchers can be obtained per trade-in vehicle?
- A: One voucher will be issued for a single trade in vehicle; this includes trade in vehicles that are jointly-registered.
- Q: Are used cars eligible under the CARS program?
- A: Unfortunately no, this program applies to the purchase of new vehicles.
- Q: Are only American cars eligible for this program?
- A: No, all cars are eligible for this program if they meet the requirements.
- Q: Are their any tax consequences?
- A: No, the value of the voucher is not considered gross or taxable income.
- Q: Are all dealerships required to participate in the CARS program?
- A: The Department of Transportation will issue regulations within 30 days of the bill, including the process for dealers to register to participate in the program. These regulations will also include how to determine if the vehicle is eligible for a trade in, how to locate participating dealers, a comprehensive list by make and model, of new fuel efficient automobiles meeting the requirements of the program.
- Q: Where can I find more information?
- A: More information can be found at <a href="http://www.sutton.house.gov/">http://www.sutton.house.gov/</a>.

Contact: Nichole Francis Reynolds at 202-225-3401 or nichole.reynolds@mail.house.gov

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Vol. 109, No. 22 June 5, 2009

#### Concern Mounts over Highway Trust Fund Solvency

Senator Barbara Boxer, Chair of the Senate Environment and Public Works Committee, this week raised concerns about the potential shortfall looming by August in the Highway Trust Fund.

Meanwhile eight Senate transportation leaders have requested meetings with White House officials to address the Highway Trust Fund crisis.

At the confirmation hearing for the Federal Highway Administrator nominee Victor Mendez, Boxer cited the Highway Trust Fund shortfall as an immediate concern for the next Administrator of FHWA. Boxer noted that the DOT and other Obama Administration officials have reported that the Highway Trust Fund is estimated to have insufficient cash by August of this year to make good on prior commitments. She said that an additional \$5 to 7 billion will be needed to keep the Highway Trust Fund solvent through the end of fiscal year 2009.

She noted that Administration officials have estimated that as much as \$18 billion is needed overall to pay immediate cash needs if the overall program is to be maintained at current funding levels through the end of fiscal year 2010.

Boxer said, "The need to maintain a sustainable funding source for our critical infrastructure must be a central focus of our efforts. Investment in transportation creates jobs and is crucial to our long-term prosperity." She added, "additional revenue will be needed to merely maintain existing programs. And much more revenue will be needed if Congress wants to provide additional resources to states struggling to improve existing infrastructure."

Meanwhile, Boxer and Ranking Minority Member James Inhofe joined with the leaders of other Senate transportation committees in a letter to President Barack Obama asking for a meeting to discuss solutions to the short and long term transportation funding crises.

Signing the letter were Committee Chairs and Ranking Members as follow: Sens. Christopher Dodd and Richard Shelby of the Committee on Banking, Housing and Urban Affairs; John Rockefeller and Kay Bailey Hutchison of Commerce, Science and Transportation; Max Baucus and George Voinovich of the Finance Committee and Subcommittee on Transportation and Infrastructure; Robert Menendez and David Vitter of the Subcommittee on Housing, Transportation and Community

Development; and Frank Lautenberg and John Thune, of the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security.

The letter states that "This shortfall in funding is of great concern to us, and we would like to work with you to find a solution. The jobs created through transportation funding are critical to our economic recovery and our long-term prosperity."

It continues, "In addition to addressing the short-term funding crisis, we also need to find a long-term, sustainable funding source for the next highway, transit and highway safety authorization." The letter notes that the current authorization expires at the end of fiscal year 2009. "Without an infusion of new funding into the HTF, existing formula programs and spending would be cut dramatically. A lack of consistent and dependable federal funding would also make it difficult for transportation officials to address not only the nation's current infrastructure crisis, but also to improve the surface transportation network to accommodate the expected population increases and growth in freight traffic. A dedicated source of funding for such programs is the most reliable way to achieve these goals. The assurance states need cannot be achieved through the annual appropriations process."

The senators request a meeting with Peter Orszag, Director of the Office of Management and Budget, Secretary of Transportation Ray LaHood, and White House senior officials to discuss the issues "at the earliest possible opportunity."

#### Trust Fund Balance Below Last Year's Level

According to the Federal Highway Administration, as of April 30, the Highway Trust Fund had received \$15.8 billion in tax receipts and other revenue this fiscal year, some 9 percent below the same period last year. However, outlays amounted to \$19.6 billion, in increase of nearly five percent over last year. As a result the balance of the Trust Fund is some 12 percent below the level this time last year.

Receipts to the Mass Transit Account are also down some 9 percent from last year, while outlays are up some 35 percent. As a result, the balance of the Mass Transit Account is 21 percent below the level it was at in April of last year.

#### LaHood Says Trust Fund Fix "Must Be Paid For"

Testifying before the House Transportation Appropriations Subcommittee on Thursday, Secretary of Transportation Ray LaHood continued the Administration's opposition to a gas tax increase and also stated that the Administration will soon have a proposal to fix the expected shortfall in the Highway Trust Fund.

LaHood stated that an overarching concern about surface transportation is the status of the Highway Trust Fund. "I want to assure you that we will soon have a plan to address the potential Trust Fund shortfall this summer. We believe very strongly that any Trust Fund fix must be paid for. We also believe that any solution must be tied to reform of the current highway program to make it more performance-based and accountable, such as improving safety or improving the livability of our communities – two priorities for me."

The Administration's budget request had identified the expected shortfall earlier this year, and proposed an additional \$35 billion in domestic discretionary appropriations to keep the program running through FY 2010 at current levels. Some concern has been raised about the terminology of the Administration's budget. A general fund appropriation would presumably require some "offsets" of reducing discretionary spending in other areas, pitting transportation spending against other programs. It would also apparently forego the "contract authority" that allows states to make multi-year commitments for projects, and instead provide "budget authority" which would be subject to appropriations every year.

Transportation advocates maintain that to preserve the unique nature of the highway program, and avoid reducing spending for other agencies, a general fund transfer would be needed.

LaHood emphasized, however, that the Administration's budget proposal is a "placeholder" and does not reflect the Administration's recommended funding levels or approach for the next surface transportation reauthorization.

In response to questions from the panel, LaHood repeated earlier statements that the Administration would not support a gas tax increase during a recession. He said, "There are a lot of people hurting in America right now. The last thing you want to say to people is that we are going to raise your gas tax."

#### Authorization, Climate Change Topics at Confirmation Hearing

At his Senate confirmation hearing Tuesday, Federal Highway Administrator nominee Victor Mendez fielded questions ranging from how to curb greenhouse gas emissions to the safety implications of larger trucks.

In an opening statement, Committee Chair Barbara Boxer (D-CA) outlined the many issues facing Mendez as he assumes leadership of the Federal Highway Administration, including authorization of surface transportation programs, the approaching insolvency of the Highway Trust Fund which is the fundamental financing mechanism for federal highway and transit programs, and the need to rebuild the nation's aging transportation infrastructure.

Boxer noted that highways and bridges built in the 1950s and 1960s are reaching the end of their expected service life, and additional funding is needed for major repair or replacement. Similarly, transit systems are aging and many communities are in need of new or expanded service.

"This means we need to make significant investments in the short term just to maintain our infrastructure at safe functioning levels, followed by even larger investments over the next 20 to 30 years to completely replace aging infrastructure and accommodate expected growth in population," she said.

Regarding authorization of federal highway and transit programs, which expires at the end of fiscal year 2009, Boxer said that "transformational changes" are necessary to ensure the nation's transportation system will meet future needs.

Mendez, former Director of the Arizona Department of Transportation (ADOT) and former President of AASHTO, said that authorization and resolving the cash flow shortage in the Highway

Trust Fund are immediate concerns. He added that "in the long-term, we must identify sustainable funding mechanisms to address our aging infrastructure and congested roads in the face of a struggling economy." He also cited the need to meet the growing demands of freight movement, and to consider multimodal solutions to reduce the transportation sector's greenhouse gas emissions."

Listing his top priorities, Mendez cited safety, successful deployment of economic recovery funding to create jobs, and development of a "robust transportation reauthorization solution in partnership with Congress, the Administration, Secretary LaHood, and the various transportation stakeholders." Mendez said, "We need a transportation solution that:

- keeps both rural and urban America moving and economically competitive in the 21st century;
- meets the needs of the American public and business community to ensure safety, a better quality of life, and a vibrant economy;
- considers the diverse needs of regions and populations throughout the nation;
- supports environmental stewardship;
- blends and synchronizes public and private sector collaboration; and
- ensures accountability and transparency of public expenditures in transportation."

In response to questions, Mendez emphasized the need for multi-modal solutions which employ innovation, research, and technology. "The world is changing," he said. "We need to really assess the true needs and look at all the options that are there to ensure citizens can get from point A to point B safely and efficiently."

Responding specifically to questions on the reduction of transportation greenhouse gas emissions, Mendez noted that reductions in travel, lower carbon fuels, and vehicle advances are among the strategies that should be pursued, as well as innovative approaches. He added that "it is not just a DOT effort," and that other agencies, including housing, must be involved and a number of options should be examined.

#### Authorization May Be Marked Up in Late June

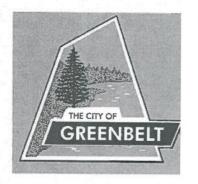
Rep. James Oberstar, Chairman of the House Transportation and Infrastructure Committee, hopes to report a surface transportation authorization bill by late June, according to news reports.

Today's *Daily Report for Executives* reports that Oberstar would like to have the bill marked up before the Congress recesses for the July 4<sup>th</sup> holiday on June 26. If the Ways and Means Committee then produces the revenue title in July, the bill could be ready for the House floor before the August recess.

No timetable has emerged in the Senate for action on transportation authorization.

## CITY OF GREENBELT, MARYLAND

25 CRESCENT ROAD, GREENBELT, MD. 20770 - 1886



June 9, 2009

Honorable Charles A. Jenkins, Chair MWCOG Transportation Planning Board 777 N. Capitol Street, NE, Suite 300 Washington, DC 20002-4290 CITY COUNCIL
Judith F. Davis, Mayor
Rodney M. Roberts, Mayor Pro Tem
Konrad E. Herling
Leta M. Mach
Edward V.J. Putens

Dear Chair Jenkins:

At its regular meeting of June 8, 2009, the Greenbelt City Council reaffirmed its support for the Purple Line. The City of Greenbelt has been a strong advocate for the Purple Line as a mass transit opportunity to move residents of our region in an east-west direction, while providing positive environmental gains. It is the Council's understanding that in the next few months key decisions will be made that would enable the Purple Line to proceed to construction. Greenbelt is in favor of going forward with the air quality conformity test, the results of which could allow for the entire Purple Line project to be included in the 2009 Constrained Long Range Plan (2009 CLRP).

The City Council of Greenbelt supports the light rail version of the Purple Line with construction starting in Prince George's County. The Council is well aware that the preferred alignment for the Purple Line between Silver Spring and Bethesda includes the controversial use of the Capital Crescent Trail and the impact that construction will cause on adjacent trees. The Council is very concerned about this potential and urges all parties involved to look for approaches that would minimize any impacts using best practices and great sensitivity to the environment, while also ensuring social justice for those needing quicker transportation to jobs and services.

The Purple Line will provide a key link to our region's mass transportation network and should be built as soon as possible. The residents of Greenbelt and Prince George's County have waited long enough.

Sincerely,

Judith F. Davis,

Mayor

JFD:amb

cc: City Council

Beverly K. Swaim-Staley, Acting Secretary Maryland Department of Transportation

> A NATIONAL HISTORIC LANDMARK (301) 474-8000 FAX: (301) 441-8248 www.greenbeltmd.gov

# OPPORTUNITIES FOR PRIORITY BUS TRANSIT IN THE WASHINGTON REGION A One-Day Conference on Providing New Transportation Choices through Transit Prioritization Strategies

Sponsored by the National Capital Region Transportation Planning Board with support by the Federal Transit Administration

### Washington Plaza Hotel, Washington, DC Wednesday June 24, 2009

#### <u>Purpose</u>

This workshop is designed to support the region's transportation planning efforts by bringing together key stakeholders to learn about options for prioritizing bus transit and building consensus for a regional priority bus network.

#### **Background**

The Washington region has a very successful public transit network, consisting of the world-class Metrorail system complemented by commuter rail systems and by regional and local bus systems which combine to support the regional core and dense activity centers.

To ensure continued success and provide greater levels of transit service, challenges to existing bus service must be addressed. These challenges include traffic congestion, overcrowding, schedule adherence, and reliability. Priority bus treatments can improve the capacity and efficiency of bus service.

The Washington region currently has numerous high performance bus projects under development or implementation. These include WMATA's proposed Priority Corridor Network, the District of Columbia's K Street Busway, express bus enhancements as part of the Shirley Highway HOT Lanes project, the ICC Enhanced Transit Plan and a series of existing and planned intermodal transit centers. Funding for many of these projects is uncertain, as state and county budgets have been tightened due to the current economic situation.

At the same time, the American Recovery and Reinvestment Act (ARRA) will provide the region with hundreds of millions of dollars in formula funding, as well as the opportunity to seek discretionary funding under a new multimodal program. The members and staff of the Scenario Study Task Force of the National Capital Region Transportation Planning Board (TPB) are developing a plan for the first phase of a regional enhanced bus network, with the intention of seeking funding for this plan through the new discretionary multimodal program.

#### Organization

The workshop will be one full day. First, participants will learn about plans and prospects for priority bus transit in the region and examples of where similar projects have been implemented around the country. Then, stakeholder groups, transportation agency heads and local officials will discuss strategies and potential challenges related to providing priority bus transit in the Washington region.

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### Washington Plaza Hotel, Washington, DC Wednesday June 24, 2009

## 1 Registration and Continental Breakfast

8:00 AM

#### 2 Welcome and Introduction

8:30 AM

- Charles Jenkins, Frederick County Commissioner and Chair, Transportation Planning Board (TPB)
- Harriet Tregoning, Director, DC Office of Planning and Chair, TPB Scenario Study Task Force

Workshop participants will be welcomed by the current chair of the TPB and learn about the scenario planning efforts at the TPB, including the evaluation of a regional priority bus transit network.

# 3 The Role of Bus Transit in Regional Transportation 8:45 AM Systems, Present and Future

Representative, American Public Transportation Association\*

This session will review the present role of bus transit in regional transportation systems, and explore potential future roles that buses can play in increasing regional mobility and shaping urban spaces.

## 4 Examples of Priority Bus Transit in the United States 9:15 AM

- William Vincent, Breakthrough Technologies Institute, Moderator
- Express/Rapid Bus: Chun Wong, PE, Transportation Engineer, Metro Rapid, Los Angeles CA
- Busways: David E. Wohlwill, AICP, Manager of Extended Range Planning, Port Authority, Pittsburgh, Pennsylvania
- Bus Rapid Transit: Mike Schipper, Deputy General Manager for Engineering/Planning and Project Management, Greater Cleveland Regional Transit Authority
- Bus-on-Shoulder Operations: Craig A. Lamothe, AICP Senior Project Manager, Urban Partnership Agreement, Manager, Facilities Planning, Metro Transit, Minneapolis, Minnesota
- Buses on Managed Lanes: Richard J. Lobron, Consultant, Director for Strategic Technologies – METRO, Metropolitan Transit Authority of Harris County, Houston, Texas

<sup>\*</sup> Italicized participants have been invited but not yet confirmed and are subject to change.

This session will provide a survey of different priority bus strategies currently employed in different locations across the United States. Questions to be explored include: Which prioritization strategies are appropriate for different facilities and different land uses? What successes and challenges have other cities experienced when implementing high-quality bus transit services?

Break 10:45 AM

### 5 Perspectives from Stakeholder Groups

11:00 AM

- Ronald F. Kirby, Transportation Planning Board, Moderator
- Robert Grow, Greater Washington Board of Trade
- Stuart Schwartz, Coalition for Smarter Growth
- · Robert Dunphy, Urban Land Institute
- David Alpert, WMATA Riders' Advisory Council
- · Larry Martin, TPB Citizens Advisory Committee, Sierra Club
- Rod Lawrence, Managing Director, The JGB Companies

This session will explore different stakeholder groups' perspectives on prioritizing bus transit. Questions to be explored include: Can buses be perceived as providing high-quality, environmentally friendly transit? Can investments in bus transit facilities encourage transit-oriented development around station areas? How does the construction of bus lanes affect service levels for other roadway users? Will the benefits of prioritizing bus transit outweigh the perceived costs?

### Lunch, Keynote Speaker

12:00 PM

Roy Kienitz, Under Secretary of Transportation for Policy, US Department of Transportation

## 6 Prioritizing Bus Transit in the Washington Region

1:30 PM

- Nat Bottigheimer, Washington Metropolitan Area Transit Authority (WMATA), Moderator
- John Catoe, General Manager, WMATA
- Gabe Klein, Director, District Department of Transportation
- Neil Pedersen, Administrator, Maryland State Highway Administration
- Michael Harris, Transit Project Coordinator, Virginia Department of Rail and Public Transportation

This session will engage state agency officials in a discussion about the practical realities of implementing running-way improvements and other priority treatments for buses. Questions to be explored include: Can currently planned road improvements provide benefits to buses as well as private vehicles? Can funding

<sup>\*</sup> *Italicized* participants have been invited but not yet confirmed and are subject to change.

from existing highway programs be used to implement priority bus transit projects? How would DOT and transit agency staff manage planning for bus prioritization projects?

Break 2:45 PM

# 7 Achieving Regional Consensus for Priority Bus Transit 3:00 PM

- Chris Zimmerman, Arlington County Board, Moderator
- Marc Elrich, Montgomery County Council
- Phil Mendelson, DC City Council
- · Cathy Hudgins, Fairfax County Board
- Vic Weissberg, Prince George's County Department of Public Works and Transportation

This session will provide opportunities for TPB members to discuss the political realities of prioritizing bus transit in their jurisdictions. Questions to be explored include: Will priority transit reduce operating costs for agencies? How will be benefits and burdens of prioritizing bus transit be distributed? What indirect benefits would result from prioritizing bus transit? How can these benefits best be communicated to the public?

8 Adjourn

4:15 PM

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