

BUILDING ON MAP-21

RENEWING A FEDERAL
COMMITMENT
TO TRANSPORTATION



AN OPPORTUNITY TO REINVIGORATE TRANSPORTATION.

Even as the nation's trust fund teeters on the brink of insolvency, lawmakers in Congress need to pass a new federal transportation bill. These challenges, as difficult as they are, present an opportunity to re-evaluate—and reinvigorate—the federal transportation program in ways that will boost today's economy and ensure future prosperity. **While MAP-21 made important changes to the federal transportation program, more needs to be done to reform federal policy.**

After conversations with business, civic and elected leaders in communities throughout the country, Transportation for America has established this framework for policies that can put the program, and the nation, on a sound footing.



Transportation
for America



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WHAT'S AT STAKE: COMMERCE, INNOVATION, QUALITY OF LIFE.

Across the country, our cities, towns and suburbs—the local centers of commerce that form the backbone of America's economy—are in a serious bind: They know they must have top-notch transportation networks to attract talent, compete on a global scale and preserve their quality of life. They know they need to get workers of all wage levels to their jobs. They also know they need to eliminate crippling bottlenecks in freight delivery.

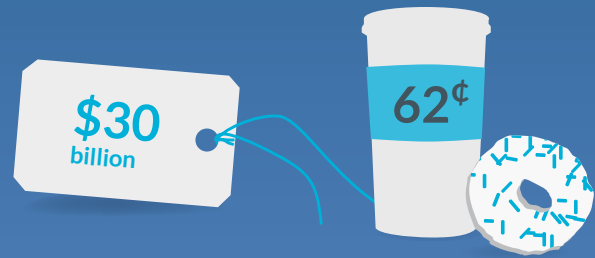
These communities are stretching themselves to raise their own funds and to innovate, but without a strong federal partner the twin demands of maintaining their existing infrastructure and preparing for the future are beyond their means. Even as the nation's transportation trust fund faces insolvency, existing federal programs too often put a damper on innovation rather than stoking it. **This cannot stand.**

GUIDING PRINCIPLES



PAYING FOR PROGRESS

WHAT WE NEED: Raising the additional \$30 billion needed in annual investment to make the transportation fund solvent and effective would entail a daily cost per commuter of about 62¢ — about as much as a cup of coffee and doughnut per week.



POLICY PROPOSALS

The following proposed changes and additions to MAP-21 will help to rejuvenate the federal transportation program in a way that creates the greatest benefit for American businesses, consumers and the economy as a whole:

> Strengthen the nation's transportation fund.

The first order of business is to support a transportation trust fund for the 21st century that allows us to maintain our existing infrastructure, reward local innovation, and prepare for the future. Congress and the next transportation bill should:

- Replenish a stand-alone transportation trust fund with dedicated revenue for all modes of surface transportation;

- Provide a multi-year commitment of funds to give states and local communities the certainty they need to undertake major projects;
- Reinvest in the programs that repair and preserve our aging infrastructure, and
- Raise additional revenue to support locally driven projects that support economic growth.

See our reinvestment proposal at t4america.org/our-vision/investment



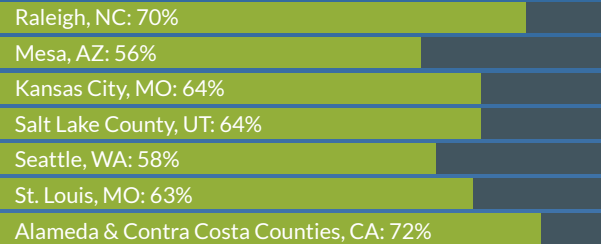
"Helping people get to jobs, helping employers get access to the widest community of employees—transportation investments make sense. It's something people from all parts of the political spectrum should be able to agree on."

—Marc Morial, former Mayor of New Orleans, LA; President, National Urban League



Transportation ballot measures pass at **twice** the rate of all other ballot measures. Communities raising funds for transportation should be rewarded.

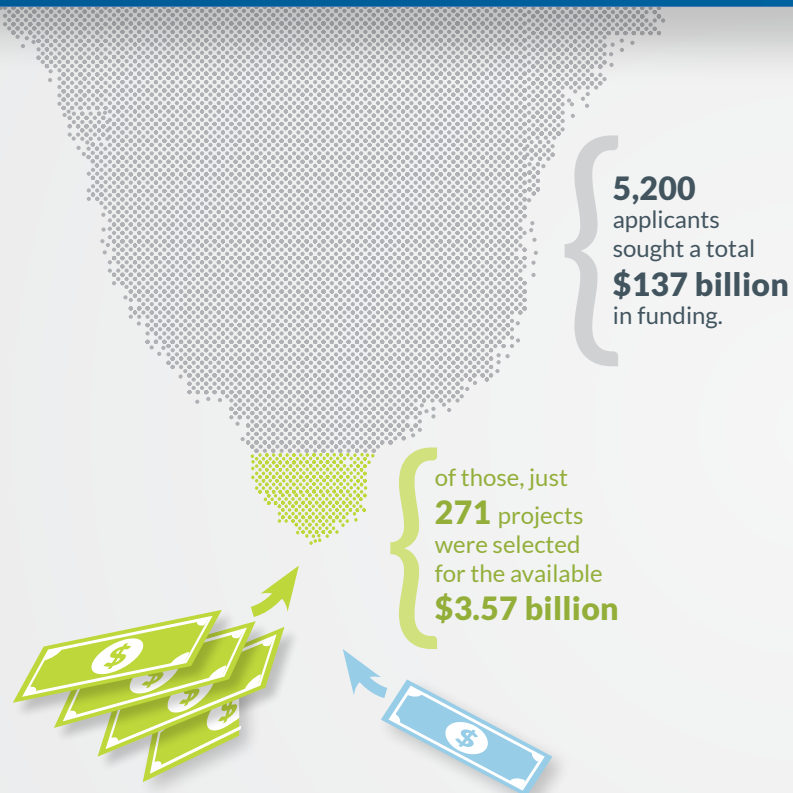
BALLOT MEASURE APPROVAL RATES



Spur local initiative and innovation through competition and incentives.

When communities are given the opportunity to compete for federal funds, they work harder to put forward projects that maximize return on investment, provide creative solutions, and involve a diverse range of stakeholders. The next bill should:

- Establish a national program of merit-based grants to help state and local applicants accomplish projects that fix existing infrastructure and improve critical links for moving people and freight;
- Within states, give local communities increased access to federal funds, through mechanisms such as state-administered competitive grants or additional suballocation of funds, to help them meet pressing local transportation challenges; and
- Reward communities that take action to address long-term transportation challenges – such as raising local revenues – with opportunities for additional funding.



ATTRACTING LOCAL REVENUE

The 271 projects funded by a competitive federal program attracted more than 3.5 additional state or local dollars for every federal grant dollar given.



“Transportation is essential. It connects us. The cool thing about America is that we love options and choices. And when we have more options and choices, we thrive.” Commissioner Mark Sharpe, Hillsborough County, FL



BOTTLENECKS THREATEN THE ECONOMY

It takes nearly as long for freight to travel across Chicago as it takes to reach Chicago from Los Angeles.

The delay is caused by bottlenecks in the greater Chicago area — which we could fix if we were willing to invest.

➤ Reduce freight bottlenecks.

We must ensure the capacity for long-haul routes, while at the same time address the costly and time-consuming bottlenecks within congested metropolitan areas and in the “first- and last-mile” connections to ports and freight yards. The next bill should:

- Target funding through competitive grant programs to projects that relieve freight bottlenecks and improve last-mile connections, and ensure that all appropriate modes are eligible;
- Expand the national Primary Freight Network to include all freight modes;
- Incentivize and support regional planning for freight movement, particularly with regard to first- and last-mile connections.

➤ Leverage innovative financing & public-private partnerships for taxpayer benefit.

By supplementing traditional funding, innovative financing mechanisms such as infrastructure banks, federal credit assistance, and public-private partnerships can help communities carry out critical projects. In particular, partnerships to construct “transit-oriented development” near stations and intermodal centers can be powerful generators of economic development, with long-term payoff for communities and investors alike. To grow these resources, the next transportation bill should:

- Structure innovative financing programs to protect the public interest while supporting projects that ensure a strong return on investment and capture the benefits of economic development;
- Expand innovative financing programs to provide the upfront credit needed for transit-oriented development; and
- Measure performance of financed projects to learn from and replicate best practices.

“It is projected that just 20 percent more truck congestion would result in over \$14 billion in increased operating costs to Washington’s freight-dependent industries.” —WSDOT/Washington State University, 2012



IMPROVING ACCESS AND ATTRACTING TALENT.

500,000

Number of additional potential workers
the planned transit network will allow
Twin Cities employers to recruit from.



> Connect workers with employers.

Solutions may take many forms, such as new public transit links, employer shuttles, safer bicycle and pedestrian pathways, or car-sharing options. The next transportation bill should:

- Allow local communities to apply for grants for targeted transportation services and connections to job centers, particularly those with a concentration of low-wage workers; and
- Provide the technical assistance and tools to encourage local communities, companies and employees to work together to craft the suite of commuter benefits, incentives, and options that not only gets employees to jobs, but also helps relieve over-burdened transportation networks and supports the economy.

> Nurture & propagate the next generation of transportation innovations.

Federal research dollars should be used as the seed capital for next-generation infrastructure and practices, such as innovative financing tools and technologies that can improve efficiency of existing networks while reducing costs. With the federal ability to deploy effective solutions in communities across the country, a modest investment can deliver huge benefits and decrease the time it takes for innovative concepts to get to implementation nationwide. The next bill should:

- Establish pilot grants for communities to conduct real-world testing of innovative practices and technological solutions.
- Provide the technical assistance and training needed for the pilots to serve as models, should they succeed, for communities nationwide.



“Better, more reliable transit is an important mechanism to help working families access a broader variety of jobs by enabling them to look beyond their immediate neighborhoods for employment.”

—Renata Soto, Executive Director, Conexión Americas

RETURN ON INVESTMENT

For every dollar spent on the State of Utah's unified transportation plan, an estimated \$1.94 is returned to the state in value.



> Improve return on investment & recognize good performance.

Taxpayers—both individuals and businesses—expect their investment to deliver a system that is as efficient, convenient, affordable and safe as possible. MAP-21 began implementing a framework for incentivizing good performance. To fulfill this vision, the next bill should:

- Build on MAP-21 by measuring a full range of outcomes from our transportation investments, including efficiently moving goods to market and workers to jobs;
- Strengthen MAP-21's framework so that results on performance inform the selection of projects, and that sufficient funding is targeted to areas where progress falls short; and
- Expand assistance to local communities to ensure they have the capacity to plan projects so that they benefit all users and deliver the greatest possible return.

OUR CHALLENGE

In the 20th century our nation's great task was to build an interstate highway system to connect our states and metropolitan areas. Today, our challenge is to complete the transportation network within the cities, towns and suburbs that drive our economy.

These proposals reflect the needs expressed by local leaders across the country. They are reaching for economic opportunity with forward-looking plans, and going to voters to raise revenue, but still they do not have access to enough resources to build the necessary 21st century infrastructure. They need a dependable federal partner. Incorporating the proposals they are requesting into MAP-21 will help their cities, towns and suburbs prosper and flourish as places where businesses can thrive and people of all incomes and ages can live healthy and productive lives.

TRANSPORTATION FOR AMERICA'S GUIDING PRINCIPLES



INVESTMENT

The federal government must become a stronger partner in a 21st century plan for transportation that invests in our local economies and rewards smart, locally driven solutions. It is clear that our current gasoline tax, frozen at 1993 levels even as costs have soared, is not sufficient to sustain our transportation network at the level our economy needs. Meanwhile, every year Congress is scrounging from elsewhere in the federal budget to patch holes in transportation funding. Critical projects are being delayed or canceled, as states and local communities face the loss of federal funds and the uncertainty of the program's future.

There are several ways Congress can raise the needed revenue—about \$30 billion a year—whether by raising the gas tax, indexing it to inflation, introducing fees elsewhere in the fuel supply chain, or employing a sales tax to supplement or replace the per-gallon fee. [See our proposal at t4america.org/our-vision/investment] The key is that we get the job done, this year.



LOCAL CONTROL & ACCOUNTABILITY

Our cities, towns and suburbs are the epicenters of the modern American economy. Today, they face myriad new challenges – aging infrastructure, changing demographics and market demand, increasing congestion from both freight and commuter movements, new technologies and more. Efficient movement of goods and people is critical to economic growth. Local communities are prepared to take bold steps to meet them. But they need the resources and latitude to respond effectively. Today, only a small fraction of federal funding is directly available to them.

At the same time, when Americans are asked to contribute more, they will want to know the money will flow to their communities to help them get to work, school and daily needs—making travel easier, more affordable and safer while supporting the economy. And they trust the levels of government closest to them because they can hold them accountable. At the same time, communities that have vetted their transportation plans with voters and won their approval for funding should receive added consideration for federal resources.



INNOVATION

Formula programs are necessary to ensure baseline funding for transportation, but funding that flows automatically for specified purposes does not allow for innovation and flexible action. **Innovation** happens when local leaders are freed to design projects that solve particular problems and help communities meet their economic and quality-of-life aspirations. **Inspiration** comes from seeing great ideas emerge from competition and put into practice. **Progress** comes from widespread replication of the best ideas.

Rather than merely dole out all federal transportation funds by formula, our national program needs to spur competition, reward innovative proposals, identify successes and share the lessons learned.



OPTIONS

Changes in market preferences, technology and travel patterns are driving a new consumer demand for a range of transportation options. Millennials and baby boomers with a growing desire to live in places where they spend less time in traffic are driving a rising demand for neighborhoods near public transportation. Companies increasingly understand that a younger workforce wants to bike to work or live in vibrant, walkable neighborhoods. Small towns and large cities alike want reliable passenger rail connections to regional economic hubs. Goods must be moved from port, to rail, to truck, to businesses and, increasingly, to doorsteps. And emerging technologies are enabling a growing range of new transportation services. The precise mix of options will be determined by the specific circumstances of each local community, but it is clear that one size no longer fits all, and the federal program must recognize that and begin factoring in changing demands and demographics.



ACCESS TO JOBS

A most basic function of the transportation network is to connect people to jobs and broader economic opportunity. Today, though, many communities are struggling to attract and retain talented workers, while workers often face transportation obstacles in reaching jobs. An efficient and complete transportation network means businesses can recruit from every corner of their region, and lure new talent to town. It ensures workers of all wage levels can reach their jobs with the lowest possible cost and stress, improving retention for employers. A smarter, 21st century approach to transportation can help expand the earning potential of individuals, boosting the bottom line for business, and strengthening the economic power of regions.

WHO WE ARE



Transportation for America is an alliance of elected, business and civic leaders from communities across the country, united to ensure that states and the federal government step up to invest in smart, homegrown, locally-driven transportation solutions. These are the investments that hold the key to our future economic prosperity. www.t4america.org