

# SAVING THE NATION'S TRANSPORTATION FUND

## An investment plan for the 21<sup>st</sup> century

We must act—now—to fix the transportation trust fund, so that we can **maintain** our existing infrastructure, **reward** local innovation and **prepare** for the future.

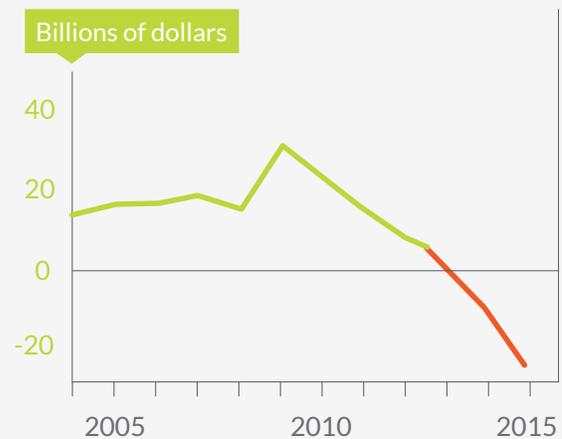
### Trust Fund headed for insolvency

Our nation's ability to build and maintain our transportation network is nearing a crisis. Without action from Congress in 2014, our Highway Trust Fund will be in a deep deficit that could require **halting the federal program for fiscal year 2015**.

— Highway Trust Fund balance

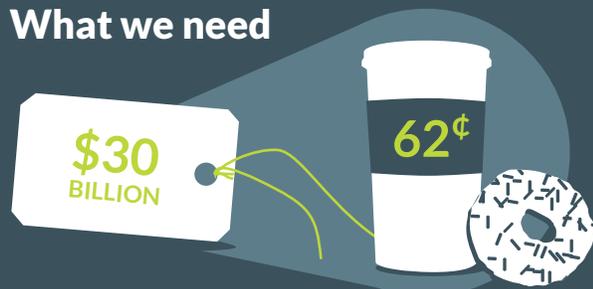
\*2012-2020 numbers are based on CBO projections from August 27th, 2012

\*\*DOT requires a minimum \$6 billion cushion, hence the HTF hits the red before crossing zero. [fhwa.dot.gov/policyinformation/statistics/2010/fe210.cfm](http://fhwa.dot.gov/policyinformation/statistics/2010/fe210.cfm)



## PAYING FOR PROGRESS

### What we need



Annual investment needed to make the transportation fund solvent and effective

Daily cost per commuter.  
About as much as a cup of coffee and a doughnut per week.

### How to raise it

The simplest way: Add 17 cents per gallon to the federal gas tax. Other possibilities (choose one):

- Replace the existing per-gallon tax with a sales tax of 11%; or
- Introduce a fee of \$4 on each barrel of oil; or
- Add a sales tax of 5.5% to fuel purchases; or
- Index the gas tax to construction costs and raise one of the above taxes/fees a lesser amount.

### Can we count on your support?

- ✓ Stabilize funding for the MAP-21 program Congress adopted in 2012 and protect all modes of transportation from draconian budget cuts;
- ✓ Raise additional revenue for locally-driven projects that spur economic growth and innovation.

# OUR ECONOMY & COMMUNITIES DEPEND ON TRANSPORTATION INVESTMENT

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 networks of roads and transit to 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 local 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 transportation trust fund faces insolvency, existing federal programs too often put a damper on innovation rather than stoking it.

**This cannot stand.** The federal government must become a strong partner in a 21<sup>st</sup> century investment plan for transportation that invests in strong local economies and rewards smart, homegrown, locally-driven transportation innovations.

**Just as our national economy depends on strong local economies, our national transportation program should invest in and reward smart, home grown, locally driven transportation solutions.**

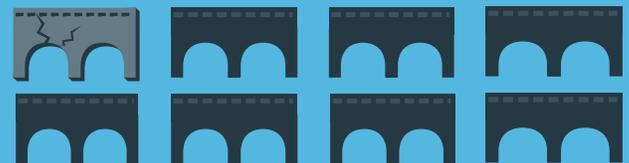
## THE COSTS OF INACTION

### Bottlenecks.



*Freight takes almost as long to get across Chicago on the rails as it does to get there from Los Angeles.*

### Hazardous conditions.



**1 in 9** bridges in the U.S. is structurally deficient, requiring significant repairs, maintenance or replacement.

### Unmet demand.



*Even as transit ridership is surging and people are returning to work, ambitious local plans to invest in transportation to grow their local economies would stall if the federal support disappears.*

## A 21<sup>st</sup> century transportation plan

Investors know you must put money in today to get returns in the future. Raising an additional \$30 billion per year would allow us to invest to accomplish critical goals at only a small cost per commuter:

**Reverse the decline** of the transportation trust fund. Fully fund the existing highway and transit programs that preserve our aging infrastructure, without taking money from other important programs or adding to the deficit;

**Spur the innovation our economy needs** to meet population growth and rising demand by funding competitive grants to local communities that come up with smart solutions.



### Fixing what we need to fix.

- Repair **46,508** bridges
- Replace **16,000** aging buses and **5,000** rail cars
- Meet our ongoing commitments.



### Improving communities & expanding opportunity.

- Based on the average cost of construction, the investment fund would support **70 new transit projects**, providing new **access to jobs** and potential workers in dozens of cities, towns and suburbs.



### Spurring local innovation.

The federal government plays a key role in promoting innovation, by providing capital for locally driven **path-breaking initiatives**, whose success can be shared nationwide.

- Fund competitive grants, such as a freight grant program and the popular **TIGER** grant program, for groundbreaking projects with **significant economic pay-off**.



### Increasing accountability and local control.

By providing more funding and control to the local level, Americans will more easily **see the impact** and be better able to hold officials accountable.

## SPURRING LOCAL INNOVATION: FEDERAL DOLLARS AT WORK



### Regional investments, national benefits

The rail improvements in Chicago's **CREATE** project will provide **\$3.6 billion** annually in national economic benefits.



### High rate of return in Utah

For every \$1.00 spent on the state's unified transportation plan, an estimated **\$1.94** is returned to the state in value.



### Access to jobs in Minnesota

Building the planned transit network will allow Twin Cities employers to recruit from an additional **500,000 potential workers**.



Learn more and voice your support at  
[www.T4America.org](http://www.T4America.org)

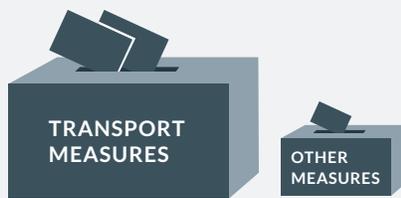
## Local accountability: the best way to ensure a return on investment

While this level of investment is a modest request from taxpayers, they have a right to expect a guaranteed return on it. Opinion polls and ballot results show what American voters want—a system that is:

- *In good repair;*
- *Rewards locally driven innovation;*
- *Keeps the nation in the economic forefront; and*
- *Connects all Americans to economic opportunity.*

They want to know the money will flow to their communities for improvements in their daily life—making travel easier, more affordable and safer. And they trust the levels of government closest to them because they can hold them accountable.

American workers and businesses will willingly pay a little more to achieve these goals, if the expected results—and accountability for them—are clearly articulated.



Transportation ballot measures pass at **twice** the rate of all other ballot measures.

- Raleigh, NC: **70%** approve
- Mesa, AZ: **56%** approve
- Kansas City, MO: **64%** approve
- Salt Lake City, UT: **64%** approve
- Seattle, WA: **58%** approve
- St. Louis, MO: **63%** approve
- Alameda & Contra Costa County, CA: **72%** approve



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## PLEASE JOIN US!

We are business, civic and elected leaders from across the country, united to ensure our nation invests to keep our cities, towns and suburbs strong and economically competitive. Because our future prosperity depends on it.

Americans are eager to return to world leadership in the quality of our transportation networks. And we want to leave our children with a legacy of lower deficits and an infrastructure suited to our future economy and quality of life. This investment plan is a significant down-payment toward fulfilling those desires.



**Transportation**  
for America

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