

Critical Commerce Corridors:

A New Vision & Mission for the Federal Surface Transportation Program

ARTBA American Road & Transportation Builders Association



Major National Challenges

Think how our national surface transportation program can either help... or hurt... our ability as a nation to meet existing and looming major challenges:

- U.S. economic competitiveness in world markets (which impacts the price Americans pay for every good and service)
- Global warming and air quality
- Controlling health care costs (motor vehicle crashes is past cause of death and permanent disabling injuries to U.S. children and teens \$280B+ annual health care bill)
- Energy dependence
Homeland security, defense and emergency response

Ready to Meet Future Needs?

The federal government finances almost half of all U.S. capital investments in highway and bridge construction and is a major financier of mass transit and airport projects. . . BUT

... By any performance metric, the current federal investment in transportation infrastructure is woefully underfunded to meet current OR future national safety, mobility, security and environmental needs... or even maintain current conditions.

The Competitive Challenge

Our future economy and quality of life depends on a safe and efficient U.S. surface transportation network.

Where is the U.S. Plan?

The Federal Surface Transportation Program

Meeting national needs means allowing a federal role that uses federal funds collected from the citizenry as necessary to meet national goals and strategic objectives.

The Federal Surface Transportation Program

The Interstate Highway System would never have been built if each state alone had to pay for the segments running through it.

Implementing the IHS "vision" required a 50-state partnership with buy-in to strong federal leadership, coordination and financing.

A New Vision

ARTBA Envisions a New Federal Program Structure Post-2009...

- A significantly better funded & streamlined "Core Program"—highways and transit...

AND

- A new, separately funded major 25-year federal initiative to enhance the secure and efficient movement of freight as a national priority—The "Critical Commerce Corridors" (3C) Program.

A New Vision

First... Boost Existing "Core Program" Highway/Transit Investments

A major federal motor fuels excise increase no later than October 2009 to meet existing system needs

- At minimum, 10 cents per gallon... indexed annually for inflation... to keep pace with construction material price increases and maintain current physical conditions and performance levels... also addressing post-2009 funding shortfall/program cut

A New Vision: The "Critical Commerce Corridors" Program

Second... Authorize a "Critical Commerce Corridors" (3C) Program

- National Priority Program led by federal government to develop system to ensure secure/efficient movement of freight
- Separate user fee financing mechanism "fire walled" from core HTF and solely dedicated to 3C
- Complements existing "Core" programs

**A New Vision:
The "Critical Commerce Corridors" Program**

**3C System Development:
"Put the Best Minds to the Task"**

U.S. DOT to lead **fast-track** process involving **key private and public stakeholders and state partners** to create a **"strategic business plan"** for congressional review and approval that . . .

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What the 3C Would Include...

- Utilization of existing right-of-way to the greatest extent possible to **minimize environmental footprint**
- Using **"best-of-class"** environmental protection/mitigation design & construction techniques
- Application of the **world's most advanced materials, communications & safety technologies**

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3C Program Administration

- Projects administered by state DOTs
- **Suggested Eligible Use of 3C Funds**—Capacity Enhancements, Technology Implementation, Reconstruction, Managed and Truck-only Lanes
- Freight Rail/Telecommunications inclusion **contingent on Rail/Telecom company/user financial contribution to 3C System**

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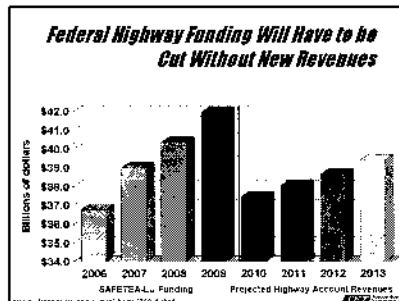
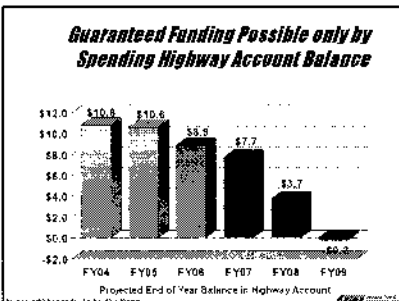
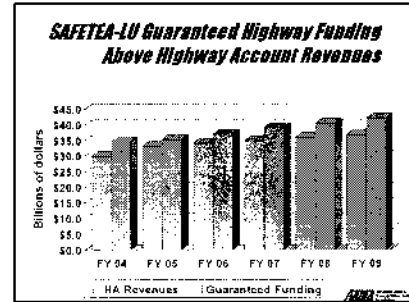
3C System Financing

- U.S. DOT, w/relevant stakeholders, recommend **Freight-Based User Fee(s)** to finance costs identified for 3C System
- **Potential Fees might include (but not limited to)**—Bill of Lading Tax, Customs Fees, Mileage Tax, Freight Transaction Fee, Segregated Diesel Fuel Fee
- Statutory **"Budget Firewalls"** to separate 3C and "core program" HIF revenues

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The "Critical Commerce Corridors" Program**

Results of the ARTBA Vision:

- Two Equal **Priority** Federal Programs
- Two Independent Financing Structures
- **One Cohesive National Surface Transportation Strategy That Results in the WORLD-STANDARD System!**



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- www.artba.org
- www.tnaw.com (Transportation Makes America Work! – includes links to ARTBA's full proposal)

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