



September 27, 2009

## Changing gears on transportation

### Nation needs smarter policies and funding system for the 21st Century

Nearly a decade into the 21st Century, the United States still lacks a comprehensive national plan to drive hundreds of billions of dollars of transportation investments that connect communities, fuel the economy, and shape patterns of growth and development. Given the energy, environmental and national security needs of the new century, continuing to put the nation's transportation system on cruise control is wasteful, shortsighted and reckless.

Developing a balanced transportation system will take the same commitment, vision and sacrifice that built the interstate highway system 50 years ago. Yes, it will take more money -- perhaps double the current investment. But equally important, it will require a blueprint to guide those investments, ensuring that they complement sustainable land use and housing developments that help create communities, and commuting patterns, that reflect how Americans want to live.

The current transportation law -- the Safe, Accountable, Flexible, Efficient Transportation Equity Act -- expires Sept. 30. The House favors an extension of three months, while the Senate and President Barack Obama favor an extension of up to 18 months. Congress has extended every transportation bill in the last 30 years. The more important issue is getting the next six-year bill right.

The next long-term authorization bill shouldn't simply authorize hundreds of unrelated pork projects that incumbent lawmakers can exploit in their re-election campaigns. It should, instead, chart a course for rebuilding and maintaining the nation's aging road and bridge networks and creating intercity rail and transit systems that relieve congestion, conserve energy, reduce global warming gases and reduce the enormous cost of maintaining and expanding highways.

It's a tall order, demanding a visionary understanding of how transportation policy can create jobs, promote energy independence and national security, rebuild cities, and preserve green space. A bill that meets this challenge would include:

- **A fairer return to cities and metropolitan regions, with more flexibility for local governments seeking to make the most of their transportation dollars.**

One study by the Environmental Working Group found that commuters in 176 metropolitan areas paid \$20 billion more in federal gas taxes than they received in federal Highway Trust Fund money from 1998 through 2003. Highway construction interests and transportation mind-sets more suited to the 1960s still dominate state transportation departments. Metropolitan planning agencies like the Southeast Michigan Council of Governments should have more authority over how federal transportation dollars are spent in their regions.

- **Restrictions on the use of federal transportation funds for highway expansion.**

The nation cannot build its way out of traffic congestion. Preservation and maintenance should be the

watchwords of our national road policy. America's mature and aging freeway system must be maintained, while regions develop transit alternatives to relieve congestion without exacerbating suburban and exurban sprawl.

Preservation programs are especially important for states like Michigan, whose road systems are relatively older than average. Says Carmine Palombo, SEMCOG's transportation chief: "We want to make sure this bill treats us fairly, compared to growth states with expanding systems."

- **A bigger slice for mass transit, which gets only 18% of government's transportation funding under the current bill.**

The nation's economic, environmental and security interests all demand less dependence on foreign oil. Transit systems nationwide, including Michigan's, report record ridership. Light rail, trains and conventional and rapid-transit buses are needed to meet national energy and environmental goals, as well as carry entry-level workers without cars from central-city neighborhoods to suburban jobs.

Federal aid for public transit can trigger wider economic development, as metropolitan regions such as Denver have demonstrated. States and metropolitan regions also should have greater flexibility in using federal transit aid, including the freedom to subsidize operating costs while new or newly expanded transit systems attract riders.

- **A big increase in spending.**

The \$286 billion authorized in the transportation bill that expires this Wednesday fell far short of what was needed to keep the nation's transportation grid from deteriorating. The Highway Trust Fund, which historically enjoyed huge surpluses, has also been dangerously depleted.

To fix the nation's flagging highway and rail systems over the next 50 years, the National Surface Transportation Policy and Revenue Study Commission last year urged Congress to raise the gas tax by up to 40 cents a gallon over the next five years, and more than double the current levy.

The federal gas tax, now at 18.4 cents a gallon, has not risen since 1993. Nationwide, each cent raises \$1.7 billion a year for the Highway Trust Fund.

Besides raising critically needed revenue for highway maintenance and expanded public transit, a higher gas tax would sustain consumer demand for both the economically fuel-efficient vehicles Detroit's car companies are retooling to build and the sustainable public transit systems America needs to reduce global warming gases and diminish our dependence on autocratic regimes abroad. The House is considering a \$500-billion bill, including \$50 billion for high-speed rail that would meet the nation's needs and create hundreds of thousands of jobs.

- **Pilot projects to evaluate new methods of financing a 21st Century transportation system.**

As fuel efficiency increases, gasoline taxes can't keep up with transportation needs. Increasing federal gas taxes would provide a short-term solution. In the long run, however, the gas tax should be scrapped and replaced with a system that taxes motorists by the mile. Other sources of transportation money could come from tolls, public-private partnerships and property taxes on development that benefits from the availability of public transit options.

At stake is nothing less than the nation's economic and environmental health. It shouldn't take another oil embargo, oil-financed terror attack, or man-made disaster (like the 2007 collapse of a four-lane bridge over the Mississippi River in Minneapolis) to muster the political will to fix the nation's transportation system.

Raising the gas tax would cost Americans relatively little, but more money is only part of the answer. The next six-year transportation bill must provide a clear vision of the national transportation network we

need and a practical blue-print for building it.

---