



# Transfer

Surface Transportation Policy Project's Electronic Update

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## Announcements

### **Rail-Volution 2004: Call for Papers Announced**

Rail-Volution 2004 will take place in Los Angeles, September 18-22. Citizen activists, developers, business leaders, planners, local elected officials, transit operators and federal and state officials are now encouraged to submit presentation topics to conference organizers. Of particular interest are case studies of transit and land use coalitions and partnerships; community revitalization; streets and transit for place making; innovative uses of flexible federal funds; public health relating to walkable, transit-oriented communities; and successful examples of incorporating affordable housing into TOD. Submittals are due March 1, 2004. For more details, visit [www.railvolution.com](http://www.railvolution.com)

### **Apollo Alliance Report Recommends Multi-Modal Transportation Investments to Support National Energy Security**

A new coalition of labor and environmental groups called the Apollo Alliance released a report last week outlining a 10-year, \$300 billion plan to achieve greater energy independence and create 3.3 million jobs. The ten-point plan includes manufacturing hybrid vehicles; improving transportation options including rail transit and regional high speed rail; and reinvesting in smart urban growth

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## **Congressional Leaders Target Immediate Action on TEA-21 Renewal**

Last week Senate Majority Leader Bill Frist (R-TN) and House Speaker Dennis Hastert (R-IL) met with the nation's mayors at their annual Winter Meeting, pledging that the Senate and House will act early next month on legislation reauthorizing "TEA-21", the nation's surface transportation law.



Frist indicated he expected to have the legislation on the Senate floor in "about two weeks", while acknowledging that additional resources to pay for the planned \$311 billion renewal bill remained uncertain. Hastert pledged House action next month on its legislation that would provide a \$300 plus billion investment.

On February 2, President Bush submits his Budget Request for Fiscal Year 2005, a document that will renew or modify the Administration's position on proposed transportation funding levels for the next fiscal year and thereafter. Ironically, the President's budget will be unveiled on the same day the Senate is expected to begin Senate floor debate on a TEA-21 renewal bill that will exceed the Administration's requests by tens of billions. The Senate debate on TEA-21 renewal legislation could begin before two Committees have finished their work on key titles of the bill.

In recent weeks, Administration officials have said they were reviewing revenue options to allow some upward adjustments in their \$247 billion "SAFETEA" renewal plan that was unveiled in May.

## **Senate to Consider Threats to Section 4(f), Other Coalition Priorities**

When the Senate takes up its renewal legislation, called "SAFETEA" (S. 1072) after the Administration's bill, several Senators are expected to offer amendments that will revisit issues dealt with by the Senate Environment and Public Works Committee during its action in November. Most notably, the EPW bill did not propose any changes to the Section 4(f), the

through road maintenance, bridge repair, brownfields redevelopment, and metropolitan planning and governance. To read the report, visit [www.apolloalliance.org](http://www.apolloalliance.org).

### Quote of the Week

"No increase in gasoline taxes; no indexing of gasoline taxes, because (President Bush) considers that a tax increase; no long-term bonding; and no impact on the deficit in the general fund."

#### Transportation Secretary

**Norman Mineta** on 1/22 in describing President Bush' opposition to a gas tax increase and other options being considered by Congress to significantly increase funding for federal highway and transit program (AAHSHTO Journal 1/23/04).

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38-year old federal standard that requires project sponsors to minimize or avoid impacts to historic, park, wildlife and others resources. STPP and its coalition partners have made the protection of the current Section 4(f) standard a top priority.

Also threatened are new water quality provisions that the Environment Committee adopted during action on S. 1072. Specifically, the Committee approved an amendment led by Senators John Warner (R-VA), Lincoln Chafee (R-RI) and Hilary Clinton (D-NY) that calls for a modest commitment of resources (i.e. 2 percent set aside of Surface Transportation Program funds) for stand-alone stormwater and other water quality improvements on the federal aid system.

Other amendments will be offered to relax further environmental protections in the legislation as well as provisions that would authorize states to expand tolling with the revenues directed to finance more highway capacity. There is also the potential that a Committee-approved increase in metropolitan planning funds (i.e. set aside of 1 ½ percent, up from 1 percent) will be challenged during floor action.

Among the most controversial provisions of the bill are changes to current law requirements governing local areas in complying with the Clean Air Act, with the bill extending how often conformity analyses are conducted and shortening the time frame (i.e. 20 to 10 years) that metropolitan planning organizations and their long-term plans must consider the effects of transportation investments on clean air. The Senate bill did provide for an increase in clean air funding under the CMAQ program, but did not provide any additional assurances that these funds would actually reach areas that exceed current standards and other areas that will be designated non-attainment under new ozone (8-hour ozone) and particulate matter (PM2.5) standards.

On environmental streamlining, a number of provisions remain problematic, most notably language that makes permissive (i.e. "may consider") the Transportation Secretary's consideration of MPO plans, clean air plan and other sanctioned products under existing laws in determining "purpose and need" for transportation projects.

With the potential for floor action in early February, Senators are now preparing amendments for consideration during the floor debate.

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### Senate Panels Race to Complete Work on Key Titles

To keep on track with the February 2 target date to begin Senate floor debate on S. 1072, committees are now accelerating their efforts to complete their work on key titles to include in the legislation, with the potential that Committees might be wrapping up their work on critical parts of the bill

while the opening floor debate on S.1072 is already underway.

The Senate Finance Committee will lead the way with its planned February 2 target date for action on the revenue title by adopting new provisions to generate the additional revenues that will be needed to support the Senate's planned \$311 billion six-year package. The Senate bill is now fully \$60 billion over what the Bush Administration indicated was sustainable from existing revenue commitments.

Finding new revenues without increasing existing taxes, such as the federal gas tax, has proven to be the most challenging aspect of TEA-21 renewal. The Senate Finance Committee is reportedly looking at a number of options to increase trust fund revenues, some of which rely on transfers of additional general fund revenues to the trust fund, although it will be argued that these revenues should be committed to transportation investment.

With the President Bush signaling his intention to curb domestic spending increases in his upcoming budget request, scheduled for release on the same day the Senate hopes to debate its TEA-21 renewal legislation, it is uncertain how Senators will respond to any Senate Finance Committee proposals that could result more curbs on domestic spending to underwrite the legislation's higher transportation investment levels.

The Senate Banking, Housing and Urban Affairs Committee which has jurisdiction over public transit and other matters is expected to act immediately after the Senate Finance Committee, most likely the morning of February 3, to ensure that the total renewal package can be ready to bring to the Senate floor action as soon as possible. Details of the Banking Committee's initial proposal, developed by Chairman Richard Shelby (R-AL), are now being circulated to Committee members.

### **Rail Package to Be Offered During Senate Floor Action**

Another piece of the Senate legislative puzzle is under development by a number of Senators, principally Senators Kay Bailey Hutchison (R-TX) and Fritz Hollings (D-SC), who are leaders on the Senate Commerce, Science and Transportation Committee, the panel which has jurisdiction over selected safety issues of TEA-21.

Last summer the Senate Commerce Committee completed its work on the relevant safety provisions under its jurisdiction, but the panel also voted to include a placeholder in its title for new provisions on passenger and freight rail investment. A bipartisan agreement on a broad-based rail package is now being finalized with other Senators including Senator Tom Carper (D-DE), a plan that is expected to provide resources for

Amtrak's financing needs over the next six years as well as authorize new federal commitments to intercity passenger and freight rail investment. This will be one of the key amendments that will be offered to S. 1072 during Senate floor action.

### **Senate Panel Releases Highway Funding Totals for States**

Finally, the Senate Environment and Public Works Committee, which completed its work on the highway and research titles of the bill in November (S. 1072), released the final details of how transportation dollars will be allocated among the states, showing how each state's share affected by the funding provisions of its bill. The threshold decision to raise every state to at least a 95 percent rate of return (i.e. minimum share to any state), up from the current 90.5 percent floor, will be achieved for all states by the last year of the legislation. To view how each state's relative share of funds changes over the six years, go to: [www.fundingfairness.com/article/S1072.RORcharts.Jan2004.pdf](http://www.fundingfairness.com/article/S1072.RORcharts.Jan2004.pdf)

### **Senate Banking Committee Expected to Consider Transit Title Next Week**

Senate Banking, Housing, and Urban Affairs Committee Chairman Richard Shelby (R-AL) recently confirmed that his panel will mark-up the transit and planning sections of the bill February 3 once the Senate Finance Committee has completed its work on the revenue title of the Senate bill.

The Banking Committee will consider a \$56.5 billion funding package for public transit investment over the six-year TEA-21 renewal period.

Transit funding formulas are among the key issues before the Committee, reflecting the growing demand for transit in urban, suburban and rural communities throughout the nation. Proposals to adjust the funding factors that will determine each transit agency's share of formula funds under the bill are likely to generate considerable debate within the Committee. New factors under consideration could shift future transit funds away from providers serving the most passengers to other agencies seeking to grow their transit systems. Existing law factors, in contrast, reward performance by favoring providers that deliver the most services and handle the most passengers.

In another surprising development, the Banking Committee markup proposal may recommend the elimination of the fixed guideway requirement in FTA's "New Starts" program, a significant policy shift that could open up this program to bus projects of all types.

While funding levels for specific programs are still under discussion, it is likely that funding for the Section 5310

program for Persons with Disabilities and the Elderly will increase significantly, while funding increases for the JARC program are uncertain. Future funding for the Clean Fuels Bus Program could be eliminated.

The planning title, which the Senate Banking Committee shares with the Environment and Public Works Committee, appears to follow the Administration's proposal.

For more information, visit [www.banking.senate.gov/](http://www.banking.senate.gov/).

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### **House Transportation Committee Works to Complete Its Renewal Plan**

Late last year the bipartisan leadership of the House Transportation and Infrastructure Committee released their six-year \$375 billion renewal plan (H.R. 3550) that spells out key elements of that panel's plan for renewing TEA-21. The Committee bill, however, did not include agreements on selected environmental features of the bill, issues that Committee staff are now drafting in an effort to complete the full legislative package before the end of the month.

The tentative plan is to schedule a Subcommittee markup as early as February 3<sup>rd</sup> or 4<sup>th</sup>, to be followed immediately by full Committee markup.

Like the Senate, the House is also challenged to figure out where new resources will be found to support the Committee's funding levels, with debate continuing over where additional resources will be found to support an investment level that is about 50 higher than the Administration's request. Once the House Transportation Committee finishes its work, the House Ways and Means Committee will have to tackle the issues of where additional revenues will be found to support the bill's spending levels.

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### **Congress Passes Omnibus Spending Measure, Including the FY'04 Transportation Appropriations Bill**

As the President's Budget Request for the new fiscal year (FY'05) is about to be released, Congress finally completed work on this fiscal year's funding levels through an omnibus spending measure totaling \$820 billion, most of which is for mandatory spending under Medicare and Medicaid. The final agreement provides \$328 billion in discretionary spending, resources that will fund most of the federal government as well as an estimated \$11 billion in earmarks for 7,900 member projects.

After failing to cut off debate (i.e. invoke cloture) earlier in the

week, the Senate subsequently approved the measure 65-28, after 61 Senators approved cloture to end a filibuster.

The final omnibus package provides \$33.8 billion in highway spending, \$7.266 billion for transit, and \$1.218 billion for Amtrak. While funding was substantially higher for highways and Amtrak, the transit funding level is still below what Congress provided for the last year (FY'03) of TEA-21. Funding for the Job Access and Reverse Commute (JARC) program is set at \$104 million, \$1 million less than current spending and \$46 million below the baseline established in TEA-21.

To access the FY'04 Conference Report, go to <http://appropriations.house.gov/>.

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### **Access Coalition Outlines Priorities for Job Access and Coordination**

Last week, the Access Coalition held a Capitol Hill briefing on the Job Access and Reverse Commute (JARC) program and opportunities for improving public transportation and human service coordination. The briefing was held to inform the Senate Banking, Housing, and Urban Affairs Committee which is preparing its legislation to renew the transit and planning sections of TEA-21.

Among the recommendations made by the Access Coalition was a call for increased funding for the JARC program, while urging the Committee to retain the current program structure, target a portion of state and metropolitan planning efforts to serving transportation-disadvantaged groups, and provide additional incentives to further coordination between public transportation and human service agencies.

Participants noted that between \$4-7 billion in federal funds are spent on transportation each year by eight different federal agencies, often with little coordination with the Federal Transit Administration. According to the General Accounting Office, through greater coordination, these agencies could save between \$700 million and \$1 billion in federal funds.

For more information on the Access Coalition's proposal for the JARC program and improving coordination, visit [www.transportationequity.org](http://www.transportationequity.org).

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### **Senate Committees Address Transportation Coordination in Welfare and Workforce Development Legislation**

Fortunately, efforts to leverage transportation and human service investments gained some momentum last year. During mark-up of the TANF welfare reauthorization, the Senate Finance Committee approved an amendment introduced by

Senator Rick Santorum (R-PA) which requires human service agencies that provide transportation services with TANF to consult with state and local transportation agencies and planning bodies in the development of the TANF plan.

Similarly, Senators Judd Gregg (R-NH), Edward Kennedy (D-MA), Michael Enzi (R-WY) and Patty Murray (D-WA) of the Senate Health, Education, Labor, and Pensions Committee introduced a bipartisan, non-controversial provision on transportation in the Chairman's mark of S. 1627, "Workforce Investment Act Amendments of 2003." Specifically, the committee-approved language requires state and local workforce development agencies to coordinate the location of work activities such as job training facilities with state and local transportation planning agencies and public transportation providers.

Both TANF and WIA are awaiting action on the Senate floor. The House of Representatives has passed both bills, neither of which included provisions requiring coordination with transportation providers or planning agencies.

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### **TOD Successes Prominently Featured in New Book**

"The New Transit Town: Best Practices in Transit-Oriented Development", a new book edited by Hank Dittmar and Gloria Ohland, was published this month by Island Press. The book examines the first generation of transit-oriented development resulting from rail systems built in the 1970's and 1980's and provides lessons for the next generation of commercial and residential projects near transit.

Experts in transportation, planning, and sustainable design deliver new thinking on the history and state of the practice for TOD and the suggest ways to move forward. Topics include taxonomy of projects appropriate for different contexts; the planning, policy and regulatory framework for "successful" projects; obstacles to financing TOD and strategies for overcoming these barriers; and the roles and resources available to cities, transit operators and community groups who wish to undertake TOD projects. Case studies of Arlington County, VA, Dallas, Atlanta, San Jose and San Diego are included.

New Transit Town is a must-read for anyone seeking to understand "What will it take to bring TOD to scale in a way that captures its potential economic and environmental advantages?"

To buy the book or to read the first chapter of New Transit Town, visit <http://www.reconnectingamerica.org/html/TOD/>.

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### **New FHWA & FTA Transportation Planning Excellence Awards**

The Federal Highway Administration and the Federal Transit Administration have developed a new awards program to recognize innovative

transportation planning practices and are currently seeking nominations for 2004. The Transportation Planning Excellence Awards will focus on ten categories, including transportation and land use integration, safety conscious planning, transportation planning and environment, and public involvement-education-outreach. Entries will be judged by their level of innovation, partnerships, results and replicability, intermodalism, equity and sustainability. Submittals are due by February 27, 2004.

For more information, visit [www.fhwa.dot.gov/planning/tpea04](http://www.fhwa.dot.gov/planning/tpea04)

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