

2009 AASHTO EMPHASIS AREAS

Authorization Sustainability Strategic Freight Plan



In the year ahead, as we shape the change to restore our transportation system to preeminence, AASHTO must address three critical issues—authorization, sustainability, and strategic freight planning.

In selecting emphasis areas for 2009, I believe our foremost responsibility to the American public is to deliver the surface transportation program the country needs.

Our new policy for authorization and my two other emphasis areas—sustainability and a multi-modal strategic freight plan—will improve our quality of life and support our economic prosperity. The health of our planet, our energy security, and our place in the global economy are dependent on choices we make today.

I ask for your support and assistance over the next year as we work together to pursue these emphasis areas.

Allen D. Biehler

Allen Biehler, Secretary
Pennsylvania Department of Transportation

Authorization

Delivering A New Agenda for Transportation in America

AMERICA NEEDS A BETTER TRANSPORTATION SYSTEM.

The opportunity to create a dynamic and responsive system—accountable to the public and focused on the future—lies before us as Congress enacts a new surface transportation authorization in 2009.

AASHTO must lead with a reform agenda that will:

- ♦ Enable the United States to compete in the global economy;
- ♦ Reduce congestion and ensure mobility;
- ♦ Meet the needs of all parts of America, rural and urban;
- ♦ Protect the environment, and improve our quality of life; and
- ♦ Save lives.

Federal programs must be focused on national interests, and transportation investments must be performance-based and outcome-driven. Americans are

willing to invest in a better future if they understand the benefits that will result.

It will take all of our efforts to reach our ultimate goal—a renewed, robust transportation system that is fundamental to economic resurgence and the American way of life.

Background

In 2006, the AASHTO Board of Directors set its sights on the authorization of the federal highway and transit programs.

The Board called for increased investment to keep the United States globally competitive and to meet 21st Century mobility needs. The Board also urged the development of:

- ♦ a compelling vision of the system needed for America's future;
- ♦ a reform agenda to restore a

sense of purpose for the federal transportation program; and

- ♦ bold goals that define a strategy for meeting the country's needs.

The surface transportation authorization should take “a multi-modal approach, which preserves what has been built to date, improves system performance, adds substantial capacity in highways, transit, freight rail, intercity passenger rail, and betters the connections to ports, airports, and border crossings. It will also require solutions which go beyond transportation improvements and include policies addressing land use, energy, global climate change, the environment, and community quality of life.”

Since that time, AASHTO members have put real meat on the bones of this outline, working to craft a comprehensive set of policies to achieve the changes we believe must occur. Those policies outline a new federal program that includes:

- ♦ Performance management to ensure a national program focused on national interests and accountable for results;
- ♦ A highway program that preserves and renews the system while enhancing competitiveness, safety, personal mobility, and system reliability;
- ♦ Increased funding for metropolitan mobility and congestion relief;
- ♦ Reducing project delivery

actions

- **Continue our national education campaign to build understanding and restore confidence in federal transportation investments.**
- **Work with Congress to craft the new transportation program America needs and identify options to fund the substantial investments required.**
- **Build a strong coalition of support together with transportation and safety advocates, state and local governments, business and labor to achieve the enactment of a new authorization by September 30, 2009.**

time by half, while improving environmental and transportation outcomes;

- ♦ A national vision for intercity passenger rail;
- ♦ Focused investment on freight transportation and a framework for planning for those investments;
- ♦ Doubling transit ridership to more than 20 billion by 2030; and
- ♦ Increased surface transportation investment from traditional sources and other revenue generators with development of long-term sustainable revenue streams.

A Difficult Climate

While our proposals are well defined, there has never been a more difficult climate for passing this legislation. For the first time since the creation of the Highway Trust Fund in 1956, we face a situation of transportation revenue decline at the federal level.



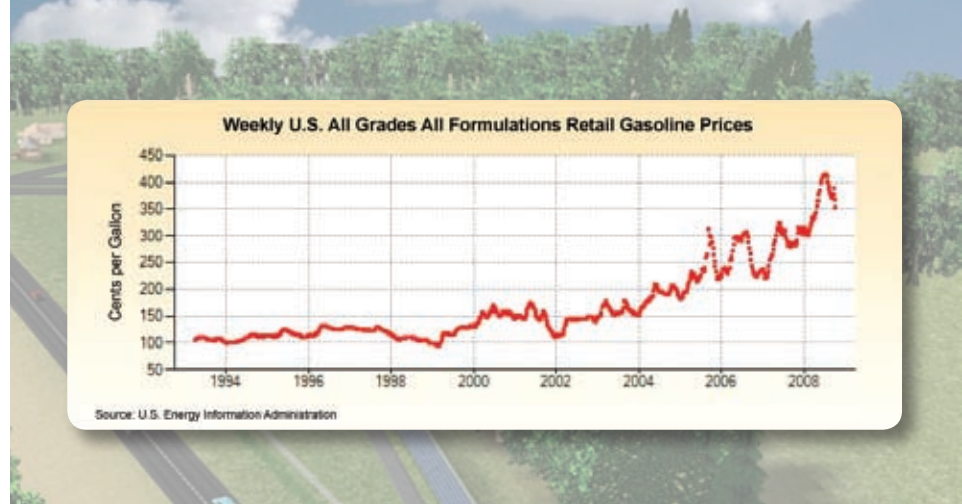
High fuel prices have prompted dramatic reductions in driving. Americans have driven 63 million fewer miles since last November. That in turn has reduced income to the Trust Fund that supports both highway and transit investment. A trend toward more fuel-efficient cars means that the fuel tax, which represents roadway use, will no longer be an accurate measure into the future. New approaches are needed, but will take time.

The recent solvency crisis with the Highway Trust Fund signals

an even more serious problem less than a year away. While an infusion of \$8.1 billion from the general fund solved the shortfall short term, it is only a one-year solution.

Also for the first time since 1956 we approach an authorization with what is likely to be a zero balance in the Trust Fund. Unless new revenue is generated, highway and transit programs will have to depend on what is accrued from current taxes, month to month. Estimates are that this level of revenue would force a reduction in the federal-aid program





to half our current authorizations.

Another challenge to be addressed in the authorization process will be rapidly rising construction costs. By 2015, we estimate the highway and transit programs will have lost over 80 percent of their purchasing power.

Calls for Reform

Passage of SAFETEA-LU in 2005 triggered widespread negative publicity on the 10 percent of the federal aid highway and transit authorization that was earmarked by Congress, an estimated \$12 billion.

Public confidence in the federal program was seriously eroded. As a result, the U.S. Department of Transportation, the National Surface Transportation Study and Revenue Commission, and many others have been clamoring for program reform. AASHTO agrees and our proposed policy recommendations respond to that demand.

Restoring Public Confidence

The restoration of public confidence also requires a major

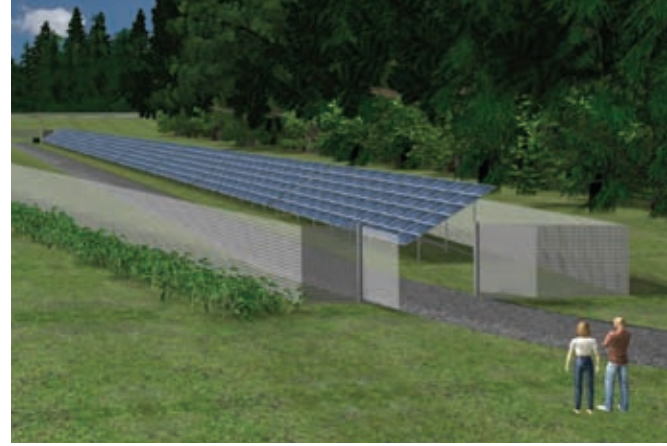
educational effort to highlight the benefits that result from transportation investment and identify outstanding projects that demonstrate on-time, on-budget, and innovative project delivery. That is the focus of the America's Transportation Awards, initiated with the U.S. Chamber of Commerce and AAA earlier this year. Through these and other efforts we plan to tell the real story of the nation's transportation needs and the importance of addressing them today.

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Progressing to Sustainability

Addressing energy security and climate change



TRANSPORTATION'S MISSION IS NO LONGER ABOUT JUST MOVING PEOPLE AND GOODS.

It's much broader. Transportation fundamentally allows us to achieve economic, social, and environmental sustainability. Transportation supports and enhances our quality of life.

As state transportation professionals, we need to model the way toward achieving a sustainable future that includes:

- ♦ Partnerships across modes and levels of government to create communities and transportation systems that last for generations;
- ♦ Planning and designing more efficient multi-modal transportation systems;
- ♦ Using "green" construction and maintenance practices; and
- ♦ Learning about and sharing our successes.

Sustainability includes addressing energy security. The benefits would be monumental. The recent run-up in petroleum price underscores the integral link between transportation and energy; and more critically, our vulnerability. An integrated transportation system conserves and protects our energy resources and is sensitive to the environment around us.

Another issue of national interest is addressing climate change. AASHTO members must not only accept the obligation, but also lead the effort, to reduce our environmental footprint for future generations.

Sustainable transportation requires innovative approaches and partnerships like never before. There are hundreds of examples of good practices in play in each state and around the world that

are producing progress toward sustainability.

Background

In the report "A New Vision for the 21st Century" AASHTO and other transportation partners have encouraged adoption of a "triple bottom line" in evaluating the sustainability of surface transportation policies and performance to ensure that transportation investments result in:

- ♦ expanding the economy;
 - ♦ reducing our environmental footprint; and
 - ♦ improving the quality of life for our growing population.
- Many examples of such efforts are highlighted in the report, "Above and Beyond," issued earlier this year.

Recent data suggests that transportation and climate are interrelated.

- ♦ The transportation system contributes approximately 1/3 of the nation's greenhouse gas emissions in the United States; only electric utilities contribute more.

actions

- Conduct a "mining" mission to seek sustainability examples—advance our collective understanding and make best practices available to AASHTO's members and partners.
- Collaborate with other partners to explore new solutions and accelerate progress toward achieving sustainability.



- ♦ Approximately 72 percent of the transportation sector's emissions are generated by road transportation, including both passenger and freight travel.
- ♦ Eleven of the past twelve years for which we have data rank among the 12 warmest years for global surface temperatures since recordkeeping began in 1850.
- ♦ Since 1978, Arctic Sea ice has

shrunk by 8 percent. AASHTO's "Primer on Climate Change" released this spring makes the case for our industry to be part of the solution to climate change impacts.

Through the work of the Center for Environmental Excellence, AASHTO has offered in-depth resources to deliver transportation services in a manner that improves communities, a "better-

than-before" approach.

The pooled-fund Climate Change program will assist AASHTO members still further as we move forward to meet this global challenge.





Launch Development of a Multi-modal

Freight Strategic Business Plan

Creating a world-class freight and goods movement system for the U.S.

THE STRENGTH OF THE NATION'S ECONOMY IS INTEGRALLY LINKED TO THE STRENGTH OR WEAKNESS OF OUR FREIGHT AND GOODS MOVEMENT SYSTEM. AASHTO is uniquely positioned to help achieve a position of strength.

Shippers seek out the path of least cost, least time, and highest reliability when making shipping decisions. Business owners consider similar issues on a longer term basis when making decisions regarding market opportunity, product and materials distribution, and business site location. Shippers and businesses need and expect freight and goods movement to be handled efficiently through a single multi-modal system. And so should we.

Background

- ♦ In less than 20 years, the number of trucks traveling our Interstate system will double, and as much as 2,500 miles of the system will carry 50,000 trucks a day.
- ♦ The volume of international containers coming into our ports is forecast to increase from 40 million in 2005 to 110 million by 2020.
- ♦ Container volumes will quadruple in Los Angeles, Houston, and Savannah, and triple in New York, Charleston, and Virginia. These volumes will overwhelm the ports and surface freight system in each of these areas.
- ♦ Rail freight is expected to increase by 60 percent by 2035.
- ♦ Seventy to eighty percent of

the nation's freight moves by truck. Truck traffic on the nation's highways has increased significantly, contributing commensurately to repair and expansion demands.

- ♦ FHWA estimated in 2005 that highway freight bottlenecks alone cost users over \$7 billion annually.

Our global economic success depends on an integrated solution to just some of the following examples:

- ♦ Rail chokepoints in the Baltimore tunnels affect large parts of the mid-Atlantic region for both passenger and freight systems.
- ♦ Intermodal transfer, rail capacity restraints, and life-threatening carbon emissions surrounding the Port of Los Angeles and Long Beach impact our ability to compete in a global marketplace.
- ♦ Truck traffic build-up on the I-10 Corridor threatens to weaken an important link for cargo not only in the United States, but in Canada, Mexico, and South America,
- ♦ The Columbia Snake River system, a strategic shipping route for product deliverables

AASHTO, working in cooperation with other modal interests, will:

- **Identify primary problems hampering freight and goods movement throughout the US, which AASHTO's Freight Bottom Line reports have already begun to address.**
- **Develop a strategic plan of investments and other initiatives to produce a world-class balanced and integrated freight and goods movement system for the United States.**

actions



PHOTO BY BRIAN DALBACON



serving the Northwest states, Far East, and Europe, has begun to surpass capacity.

- ♦ Major highway congestion creates huge delays and costs shippers millions of dollars who serve New York City.
- ♦ Rail freight movements compete with intercity passenger trains for severely limited capacity resulting in delays to both modes.

An efficient and dynamic transportation system is vital to our domestic and international growth, productivity, and progress. A truly “national” system

is one that reaches into all parts of the country and makes the benefits of an efficient national freight transportation system available to all of the nation’s producers and consumers.

How will America prepare to meet these enormous demands? The U.S. DOT began the development of a National Freight Policy, identifying a 10 part strategic approach. More recently, the American Road and Transportation Builders Association has evolved a Critical Commerce Corridors concept to target investment to meet freight

needs. In addition, research on meeting freight needs is being conducted at the national level under a cooperative research program.

In order to move forward, we must launch the development of a Strategic Multi-modal Freight Business Plan for the entire freight system to guide initiatives and investment.

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