Economic Recovery Program – Transportation Investment Principles
December 2008

1. The Metropolitan Transportation Commission (MTC) supports a sustained effort to renew the nation's transportation infrastructure to benefit the United States long after the current recession ends with investments that will endure for generations.

2. Residents of the San Francisco Bay Area continue to rely every day on major infrastructure projects built during the Great Depression, such as the Golden Gate and San Francisco-Oakland Bay Bridges, Caldecott Tunnel, Berkeley Marina, Alameda County Courthouse, and San Jose Civic Auditorium. These 1930's investments helped make possible the unprecedented economic expansion that followed for decades to come.

3. The Economic Recovery Program under consideration by President-Elect Obama and the next Congress should have a dual focus: (a) short-term "quick hitter" projects that can be put out to bid promptly and create jobs in the beleaguered construction industry; and (b) longer-term "game changing" investment strategies that can jump start a new direction for federal transportation policy in the 21st Century.

4. The short-term stimulus funding likely will focus on system preservation activities that can be commenced and completed quickly, such as road resurfacing, bridge repair, and bus replacements. These funds should be subject to "use it or lose it" requirements to ensure that money does not languish unspent. There should also be maintenance of effort requirements to prevent state or local project sponsors from substituting the stimulus funds for existing revenue sources.

5. The short-term funding should be allocated to state and local government by existing statutory formulas. Highway funds should be distributed according to the Surface Transportation Program (STP) formula, which provides funds in an equitable manner both to states and metropolitan areas. Public transit funds should be allocated to existing designated recipients under the Section 5307 and Section 5311 formula programs. There should be no project earmarking of any funds in Washington DC.

6. A significant portion of the economic recovery package should be devoted to longer-term infrastructure investments that can lay the groundwork not only for greater mobility of people and goods, but also the achievement of urgent national priorities like climate protection and energy security. Examples of such investments might include:

    - Smart Highways – Outfitting freeways in congested metropolitan areas with intelligent transportation system (ITS) and vehicle-infrastructure integration (VII) technologies to squeeze maximum efficiency out of the existing national highway system.

    - Electrification – Converting rail, bus and other local government vehicles to hybrid or electric power to reduce the emissions profile of the nation's municipally-owned fleets.

    - Train to Plane – Completing missing intermodal links to connect existing urban rail systems to the nation's major commercial airports.

7. In order to get the biggest and soonest "bang for the buck" from the economic recovery program investment, Congress should consider steps to expedite process and permit reviews for the affected transportation projects without diminishing environmental standards and safeguards.

8. Following completion of the economic recovery package, Congress should turn its immediate attention to the multi-year authorization of a new federal surface transportation program that – as recommended by the National Surface Transportation Policy and Revenue Study Commission – is "performance-driven, outcome-based, generally mode-neutral, and refocused to pursue objectives of genuine national interest." The national commission also recommended significantly higher federal investment levels funded by increased user fees.