



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Agenda Item 7a

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*Memorandum*

TO: Legislation Committee

DATE: February 6, 2009

FR: Executive Director

RE: Federal Transportation Authorization Principles

We recommend the Commission endorse the attached California Consensus principles (see Attachment 1). These principles resulted from our work with local, regional, and state transportation interests across California under the auspices of Caltrans and the California Association of Councils of Governments (CALCOG). Also included is a list of the 36 public and private organizations who have already adopted the principles (see Attachment 2).

The six principles found in the California Consensus can be summarized into the six points below:

1. ***Ensure the financial integrity of the Highway and Transit Trust Funds.***  
The financial integrity of the transportation trust fund is at a crossroads. Current user fees are not keeping pace with needs or even the authorized levels in current law.
2. ***Rebuild and maintain transportation infrastructure in a good state of repair.***  
Conditions on California's surface transportation systems are deteriorating while demand is increasing.
3. ***Establish goods movement as a national economic priority.***  
Interstate commerce is the historic cornerstone defining the federal role in transportation.
4. ***Enhance mobility through congestion relief within and between metropolitan areas.***  
California is home to six of the 25 most congested metropolitan areas in the nation. These mega-regions represent a large majority of the population affected by travel delay and exposure to air pollutants.
5. ***Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access.***  
California recognizes that traffic safety involves saving lives, reducing injuries, and optimizing the uninterrupted flow of traffic on the state's roadways.
6. ***Strengthen comprehensive environmental stewardship.***  
Environmental protection should be part of every transportation project and program.
7. ***Streamline project delivery.***  
Extended processing time for environmental clearances, federal permits and reviews, etc. add to the cost of projects and delay benefits to the public.

As is sometimes the case with a broad set of principles written to appeal to a wide audience, important details and areas of emphasis are often missing. To address this, we recommend that MTC focus on three of the six principles for our advocacy efforts in Washington, D.C. as they are the most critically needed to achieve a new direction in federal transportation policy. The three most critical principles are:

***Principle 1: Ensure the financial integrity of the Highway and Transit Trust Funds.***

The precipitous drop in oil prices over the last six months presents a unique opportunity. The federal fuel tax has not been raised since 1993 and it has lost 40 percent of its purchasing power since then. To meet the nation's vast transportation funding needs, MTC strongly supports the recommendations to raise the federal fuel tax by the National Surface Transportation Policy and Revenue Study Commission, and the National Commission on Surface Transportation Infrastructure Financing. We support a sustained and substantial fuel tax increase, including indexing, to meet the investment gap that exists between current revenues and the nation's transportation investment requirements.

***Principle 3: Establish goods movement, as a national economic priority.***

Interstate commerce is the historic cornerstone defining the federal role in transportation. The U.S. government's role in the building of canals, and construction of the transcontinental railroad followed by the interstate highway system, demonstrated a national interest beyond a doubt. Yet in the last half-century, federal investment in support of the flow of goods and services has greatly diminished, and the Bay Area and California are paying the price with congestion and the need to invest local and state funds to solve a national problem.

***Principle 4: Enhance mobility through congestion relief within and between metropolitan areas.***

MTC should strongly urge Congress to create a new Metro Mobility Program in the next federal surface transportation act. Metropolitan areas with a population of one million or more comprise about 60 percent of the total population and generate an equal share of the value of U.S. goods and services. The San Francisco Bay Area in particular, has a regional economy worth more than \$400 billion, and if it were a country, it would rank as the world's 18<sup>th</sup> largest economy.

While existing federal and California laws have allowed the Bay Area to become a national model for what a metro-focused transportation policy can achieve, the example MTC is providing ought to be only a starting place. If realistically funded, we envision that many of the specific investment priorities in the Bay Area can be met in this program rather than seeking specific set aside programs in Washington D.C., which have proven to fragment the nation's transportation program into more than one hundred separate funding categories.

Lastly, we urge an emphasis on measurable performance objectives and outcomes at every level of a new direction in the federal transportation program. This transition, from a formula entitlement to states and localities, to a true national program focused on performance-driven outcomes, may well be the most important, but most difficult to achieve.

  
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Steve Heminger