

October 2014 Monthly Report for MTC

To: Steve Heminger, Executive Director
From: Tom Bulger, President, GRI
Re: Monthly Report for October 2014
Date: October 30, 2014

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- **4G Data Network Being Put Into Auto Vehicles**
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Experts Discuss Technology's Role in Future of Transportation

On October 21, we attended an "America Answers: Fix My Commute" conference run by The Washington Post. At this conference, numerous transportation experts and lawmakers, including Vice President Joe Biden, discussed the critical importance of investing in national infrastructure to keep the country competitive in the global market. Many experts suggested that the best ways to fund the nation's infrastructure included a mileage-based fee or tolling on interstate highways.

Also discussed at the conference was the influence technology has had on varying modes of transportation and how it will impact transportation in the future. Although the members of the panel agreed that technology has revolutionized the way we look at transportation, many also agreed that proposed technological advancements could lead to potential uncertainty in the years to come. While ideas such as autonomous vehicles, purely-electric cars, self-parking cars, weeding out of parking meters, and flying cars all sound like they will have major benefits to future modes of transportation, they also come with issues that could affect future employment and current transit laws.

List of questions asked to the panel:

- 1) If autonomous vehicles are just over the horizon, will drivers who no longer need to drive still need insurance?

- 2) Will highways of the future still need road signs or guardrails, since the cars will know where they are going and will have the ability to stay in lanes?
- 3) When the last parking meters wear out and disappear, and cars begin to park themselves and pay for spaces electronically, will parking tickets be void? And what will replace the revenue that cities make from parking tickets?
- 4) How popular will public transportation remain when autonomous cars can deliver their passengers that “last mile” from the transit stop to their front door?

Experts who attended the conference

- Joe Biden, Vice President, United States of America
- Anthony Foxx, Secretary of Transportation, United States of America
- Diarmuid O’Connell, VP, Business Development, Tesla Motors
- Chris Urmson, Director, Self-Driving Cars, Google
- David Plouffe, Senior VP, President of Policy and Strategy, Uber
- Carl Dietrich, CEO, CTO and co-Founder, Terrafugia (Flying Car Segment)

Safer Driving Through Technology

On October 5, Mary Barra, CEO of General Motors, wrote an article for The Washington Post where she states that the automobile industry needs to rally behind the scientists and engineers who are developing the V2X technology. She described President Obama’s visit to the Federal Highway Administration research center, where he sat in a V2X-tech driving simulator. “In the driving simulator, he saw how V2X transmitters let cars talk to the world around them and warn drivers of trouble ahead – giving them precious time to react if, for example, an oncoming vehicle appears to be about to run a red light or another is coming around a blind corner. This isn’t the stuff of science fiction. It’s engineering reality.”

According to the Department of Transportation, early studies of the potential of V2V technology alone (one-half of the V2X technology) suggest that the technology could help drivers avoid 70 percent to 80 percent of crashes involving unimpaired drivers, which would sharply reduce roughly \$870 billion in crash-related costs generated every year. Barra states that Cadillac will take the first step in introducing the V2X technology, announcing that the 2017 Cadillac CTS would be the first GM vehicle to carry the technology, at the Intelligent Transportation World Congress in Detroit. Along with the announcement of the 2017 Cadillac CTS technology, Barra says that GM is joining forces with the Michigan Department of Transportation, the University of Michigan’s Mobility Transformation Center and other automakers to create V2I-enabled corridors on 120 miles of metropolitan Detroit roadways. “When completed,” she says, “it will be the largest deployment of V2I technology in the United States and one of the largest in the world.”

4G Data Network Being Put Into Auto Vehicles

On October 6, Popular Mechanics wrote a report detailing their testing of two new vehicles, the Cadillac ATS and the Audi A3, and the benefits of their 4G data network technology. The implementation of the 4G network to vehicles is ushering in vehicular processing, which will allow passengers to use data-intense applications such as full 3D map visualization, two-way video calling, HD video streaming, surround-sound audio, and even multiplayer gaming entertaining passengers on long road trips. Tim Nixon, the CTO of OnStar, said that the next wave of connectivity will probably focus more on diagnostics. "When a car can connect reliably over 4G," he says, "it will be that much easier for dealerships to connect to your car's systems and diagnose any problems."

Although 4G connectivity is the beginning of the connected car future, it will not be used as the future connection between auto vehicles and the roadways, other auto vehicles, or the proposed central car traffic control center. Current plans for these platforms call for a more tightly controlled wireless signal called dedicated short-range communications, or DSRC, which is currently in a testing phase.

New Rules Protect Public Transportation Systems

On October 6, the Federal Transit Administration (FTA) announced it is moving forward with new rules for the emergency relief program, clarifying which cities would be eligible for federal funds to repair, reconstruct or replace public transportation systems that are ruined by earthquakes, hurricanes or floods.

In certain cases, the funds could also be used to help cities build public transportation systems that are protected from natural disasters before they occur, the FTA said. To qualify, the governor or president would have to declare an emergency in the state, among other things. The changes go into effect in 30 days.

Link to the new rules: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2014-23806.pdf>

Department of Transportation Seeks Input on Projects of National and Regional Significance

The Department of Transportation (DOT) is compiling a comprehensive list of Projects of National and Regional Significance (PNRS) through a survey that is open until November 17. This is designed to enable the DOT to classify PNRS projects and develop recommendations on eligible project cost financing. The collection of information is voluntary and will be used in combination with other research in a Report to Congress.

Feds Relax Oversight on Highway, Bridge Projects

States will have more leeway to build highways and bridges without oversight from the Federal Highway Administration (FHWA) under new rules from the Obama administration. The FHWA said on September 8 that it will loosen restrictions on federal grants provided to states to help fund new transportation projects. Since the 1990s, the FHWA has conducted a cost-benefit analysis on any highway improvement that costs more than \$25 million or any bridge project that costs more than \$20 million. But the FHWA is loosening the requirements so that states do not have to go through the cost-benefit analysis unless they plan on spending more than \$50 million for a highway project or more than \$40 million on a bridge project. The new rules only apply to highways and bridges that are built with the help of federal grant money, and went into effect on October 5.

Sen. Boxer Urges House Ways & Means Committee to Save Highway Trust Fund

On October 14, Senator Barbara Boxer (D-Calif.), Chairman of the Environment and Public Works Committee, wrote a letter to Congressman Dave Camp (R-Mich.), Chairman of the House Committee on Ways & Means, seeking help in finding a long-term solution to save the Highway Trust Fund.

“Although Congress passed a short-term Highway Trust Fund patch and an extension of our surface transportation programs in MAP-21 through May 31, 2015, the longer we wait to find a long-term funding solution for our critical infrastructure the worse it will be,” Boxer wrote. The Senator is not the only person that feels this way as many organizations have begun to push even harder for a long-term solution over the past year. If Congress waits until the last second to try to work out a long-term funding solution, chances are that nothing will be solved.

Whatever the solution, Boxer wants a long-term plan in place – sooner rather than later. “There are many reasonable ways to continue a self-funded transportation program, and I will not stop working until we in Congress have the courage to do what is right for jobs and business and our nation,” Boxer wrote as she concluded her letter. “I look forward to working with you to find a long-term, bipartisan solution for the Highway Trust Fund this year.”

Transportation Parity Permanence Coalition Letter Finalized

Over the last month, we have been working on a letter to send to members of Congress regarding the Transit Benefit Parity. On September 4, the United States Congress Joint Committee on Tax estimated that providing transit parity versus parking at \$235 for 2015, with inflation thereafter, would result in net revenues of \$130 million over the next ten years. As of October 29, over 45 transportation coalitions have signed their support, including the Metropolitan Transportation Commission and other major transportation coalitions in the Bay Area. The letter will be sent to members of Congress after the midterm elections on November 4.



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Link to Coalition Letter:

Meeting

Meeting with Homer Carlisle, Staff Member at the Senate Committee on Banking, Housing, and Urban Affairs concerning transit reauthorization

Coming and Going

After serving as President and CEO of ITS America for the past seven years, Scott Belcher is leaving the trade association and moving to Telecommunications Industry Association.

Dear Representative:

As you may be aware, the tax provision which provides equitable treatment for commuters has expired and needs to be reauthorized. Until its expiration on December 31, 2013, the tax code provided an exclusion from income of equal amounts (parity) either for a parking benefit or public transit benefit (I.R.C. § 132(f)). Following the expiration of the transportation parity provision, we have reverted to a large disparity between the two benefits that now provides \$250 monthly for parking, but only \$130 monthly for diverse modes of public transportation such as mass transit, buses, and van pools.

Later this year, it is important that Congress address this expired tax provision in order to restore a common-sense policy that equalizes commuter benefits for middle class working families. Congress has the unique opportunity to institute this sound transportation policy at no additional cost to the American taxpayers. **The Joint Committee on Taxation (JCT) has recently noted that a permanent provision setting both parking and transit benefits at \$235 and indexing them for inflation would raise net revenues of \$130 million over ten years.** Seventy bipartisan cosponsors in the House are supporting The Commuter Parity Act (H.R. 2288), which would equalize the parking and transit benefits – accomplishing sound transportation policy and fair tax policy at the same time. The recent JCT score again shows that we can provide working Americans with this important tax relief without increasing the Federal deficit. In fact, this approach would actually raise revenue.

Encouraging the use of public transportation has many obvious benefits, including less congestion and wear and tear on our roadways, reducing emissions, and assisting working Americans and their employers. A recent study by TransitCenter on Mobility Attitudes demonstrates the significant link between the transit tax benefit and commuting choices, reporting that “people offered pretax transit commuting benefits from their employers are over five times as likely to take transit regularly as employed persons who are not receiving benefits.” Thus, we need to instill greater certainty to our transportation policy and Congress has the unique opportunity to do so on a revenue-neutral basis.

We urge you to communicate to the Congressional leadership the importance of making permanent this important transit parity provision.

Thank you for your support.

Sincerely,

128 Business Council
Amalgamated Transit Union
American Payroll Association
American Public Transportation Association
Association for Commuter Transportation
Association of Pedestrian and Bicycle Professionals

Benefit Resource Inc.
Bike New York
CalTrain
Charles River TMA
Cycles for Change
Edenred Commuter Benefit Solutions
Employers Council on Flexible Compensation
Greater Valley Forge Transportation Management Association
League of American Bicyclists
Metropolitan Transportation Commission (San Francisco Bay Area)
National Association of Regional Councils
National League of Cities
Neponset Valley TMA
New York League of Conservation Voters
NJ Bike Walk
NYPIRG/Straphangers Campaign
Raritan Valley Rail Coalition
Regional Plan Association
Riders Alliance
San Francisco (City and County)
San Mateo County Transit District
Santa Clara Valley Transportation Authority (VTA)
Sierra Club-NJ Chapter
Southeastern Pennsylvania Transportation Authority (SEPTA)
TransitCenter
Transit for Connecticut
Transit Solutions (LI)
Transportation Alternatives
Tri-State Transportation Campaign
US Conference of Mayors
Utah Transit Authority (UTA)
vRide
Vision Long Island
WageWorks

