



## MARC 2012 Legislative Program

### **New Federal Surface Transportation Authorization**

Transportation plays a vital role in connecting the Kansas City region's people and businesses to jobs, work force, education, goods, services, and other opportunities. This connectivity is key to the region's and the nation's economic activity and economic competitiveness, and should be supported by federal transportation funds. Transportation is a good investment. In 2012 alone, the \$102 million in federal funds anticipated for the Kansas City area will leverage total investments of \$145 million including state and local matching funds and is estimated to create between 2,523 and 2,771 related jobs in our region. This federal investment and match will be further supplemented by additional state and local resources that support the ongoing maintenance, operation and management of the region's transportation system.

However, these are challenging times for infrastructure in America. States, regions and communities are faced with maintaining aging infrastructure, responding to changing travel patterns, and supporting future growth and development at the same time that the purchasing power of transportation revenue continues to decline.

We also are faced with the uncertainty created by short-term extensions of the current authorization. Further delaying a new Federal authorization will only continue restricting efforts by states, regions and communities to respond to infrastructure challenges.

The next Federal authorization must address these deficiencies and set us on a new path of sound investment in our country's transportation infrastructure.

***The Kansas City region needs action by Congress in 2012 to authorize and fund continued investments in transportation. Our country needs:***

- ***a new vision and purpose for transportation investment.***
- ***adequate levels of funding and investment that restore and sustain purchasing power over time.***
- ***the stability and predictability of a long-term multi-year authorization.***
- ***flexibility to establish and deliver streamlined programs and projects that ensure progress for all modes of surface transportation.***
- ***support for collaborative planning and decision-making among all owners of the transportation system.***

MARC has worked with the Kansas and Missouri departments of transportation, local transit agencies, and area local governments to outline these expectations from the Kansas City region for the next federal transportation authorization.

## Vision and Purpose

### *Legislative Goal: Establish a Clear Direction for the Nation's Transportation Investments*

Our nation needs and deserves a world-class transportation system that promotes and achieves robust commerce and economic competitiveness, personal opportunity and social equity, energy security, global and local environmental protection, public health, national connectivity, national security, and effective emergency management and disaster response. This will require strategic investments in transportation systems and services that are effective and efficient, safe, reliable, maintained in a state of good repair, environmentally sound, and balanced across all modes in ways that complement each other. Additionally, at this particular point in time, it is vital that the country invest in infrastructure that will stimulate the nation's economy while implementing well-planned products of lasting value.

### *Legislative Goal: Establish a performance-driven investment strategy*

In order to accomplish this new vision, it will be necessary to define clear performance objectives, measure our collective progress against those objectives, and make appropriate adjustments in our investments. Some of these objectives should be tied to broad components of our national vision – economic return and job creation, energy consumption, and environmental protection, for example, while other objectives should be tied to the performance of the transportation system itself – traffic safety, congestion relief, availability of travel options or choices, maintenance of existing assets, etc.

Detailed performance measures should be developed at the state and regional level, in response to and in concert with the national objectives, and must look at the relationships across and between modes.

Establishing this type of performance-driven investment strategy for the country will provide accountability to the public that their transportation dollars are actually accomplishing the things that they value and that are beneficial to them.

## Adequate Funding and Investment

### *Legislative Goal: Increase Funding Amount and Broaden Transportation Funding Base*

It is vital that the country significantly increase its financial investment in transportation to restore and enhance the purchasing power of federal funding for transportation. It is also important that Congress ensures that the country has a long-term, dedicated, predictable and sustainable revenue stream to support transportation investment into the future. The nation's transportation needs are extensive, with a mature, aging system. At the same time, there are great opportunities and economic benefits that transportation investments could generate.

The core of the nation's transportation funding should continue to be derived from transportation-related sources. In the Kansas City region, this approach is reflected in motor vehicle fuels taxes, automobile registration fees, other auto related fees and taxes, and tolls on selected facilities. These approaches should be continued in the near term, but the country must begin moving to new models of

transportation-related fees such as a vehicle miles travelled (VMT) tax, value pricing, indexing of existing fuel taxes, and ton-mile taxes on freight.

Federal funding should continue to require local commitments and local match, but percentages of that match should be equalized across modal programs. Today, federal highway programs are funded at 80% federal/20% match; funding for major transit facilities (New Starts) is so competitive that most recent projects are 50%/50%; and federal funds available for local road systems are so limited that often local governments significantly overmatch them to have sufficient funds to complete meaningful projects. Federal matching percentages should be equalized across programs, particularly ensuring that transit projects receive 80% federal funding commensurate with highway projects, but programs should still retain flexibility for state and local project sponsors to overmatch, when appropriate, to complete priority projects.

The federal authorization should also provide maximum flexibility to local governments, states and regions to implement their own additional funding mechanisms to complement federal transportation investment and ensure adequate resources are available to meet the region's and the nation's transportation needs.

#### Stability and Predictability

*Legislative Goal: Ensure a Long-Term, 6-year Authorization Consistent with Past Authorizations*

Once funding at current or higher levels has been secured, authorization to use that funding should be codified in a long-term, multi-year authorization. Congress has historically passed multi-year authorizations for surface transportation programs. In the current era, ISTEA, TEA-21 and SAFETEA-LU were all established as 5- or 6-year authorizations. The multi-year authorizations provide predictability to states and regions as to program structure and funding levels. This predictability makes it possible to anticipate and plan for established funding levels. Major transportation projects are very complex, requiring substantial lead time and cost to plan, engineer, design, and acquire right-of-way, before being ready to construct. With a multi-year program, priorities can be established and project development and design activities can be initiated, with the assurance that funds will be available to implement the projects. Without such stability, states and regions are hesitant to initiate project development activities due to the uncertainty as to whether implementation funds will be available in future years. Strategic investments may be delayed or deferred, impacting the overall performance and efficiency of the transportation system.

#### Flexibility

*Legislative Goal: Provide adequate flexibility to achieve both national and regional priorities*

In the Kansas City region, the programs need to provide the flexibility to achieve the region's transportation priorities:

- maximizing mobility and access to opportunity for all area residents;

- decreasing the use of fossil fuels through reduced travel demand, technology advancements and a transition to renewable energy sources;
- supporting an innovative, competitive 21<sup>st</sup>-century economy;
- protecting and restoring our region’s natural resources (land, water and air) through proactive environmental stewardship;
- coordinating transportation and land-use planning as a means to create quality places in existing and developing areas, and to strengthen the quality of the region;
- facilitating healthy, active living;
- improving safety and security for all transportation users;
- ensuring the transportation system is maintained in good condition; and
- managing the system to achieve reliable and efficient performance.

MARC has identified a variety of transportation investments that will help the region achieve these goals, and with a strong federal program, plans to invest at least \$6 Billion over the next 10 years.

2010-2020 Planned Transportation Expenditures*		
<i>Transportation Outlook 2040</i>		
	Highway Investments	Transit Investments
Maintenance and Operations	\$3.2 B	\$0.9 B
System Improvement & Expansion Projects	\$1.7 B	\$0.2 B
Total	\$4.9 B	\$1.1 B

\*based on a continuation of current funding levels (i.e. fiscally constrained)

However, the illustrative list of projects in *Transportation Outlook 2040* has also identified an additional \$3B in urgently needed expenditures that cannot be funded, even if current funding levels are maintained.

*Legislative Goal: Design Programs to ensure the sustainability and viability of the current systems as well as progress in all parts of the country and across all components and modes of the transportation system*

The design of the federal transportation programs should provide maximum flexibility to states and metropolitan regions to achieve performance outcomes in support of both regional and national objectives. However, within that flexibility, there should be some baseline assurances to address current challenges as well as to support what’s currently working well: Midwest regions such as the Kansas City area, must be provided adequate resources to address their transportation situation, even though they may currently have different degrees of congestion, transit utilization, and environmental impacts than other parts of the country; programs must support efforts to protect current assets by keeping existing roads, bridges, transit facilities and equipment, and bicycle/pedestrian facilities in a state of good repair; transit programs need to be assured of guaranteed amounts in order to conduct long term service and facility planning, and maintain a strong commitment to both bus and rail systems; and states and regions should have the flexibility to spend funds in support of sustainability and livability objectives as it makes the most sense to those places.

*Legislative Goal: Improve Federal Funding Program Delivery Mechanisms*

Federal funding programs should be streamlined and approval processes simplified for all programs. Federal oversight of tax dollars is important but federal agencies should administer federal programs with reasonableness and flexibility so as not to result in a significant burden on states and local communities, nor delays to project implementation. No new federal mandates should be issued affecting transportation without corresponding funding to support those mandates – the ADA paratransit service requirement is an example for the Kansas City region where a mandate was issued without additional funding to implement it. Finally, federal funding programs should be structured to maintain purchasing power while providing a predictable funding stream to foster better planning.

Public Private Partnerships (PPPs), infrastructure banks and other innovative financing mechanisms should continue to be developed and refined as tools to improve the timely delivery of projects and programs that benefit the public interest. However, they cannot be expected to serve as a substitute for continued federal investment in the nation’s transportation systems. Federal legislation should facilitate the use of these mechanisms as program delivery tools where they support the national, state and local public interest by including provisions for them in project development rules and regulations and by providing support for research and technical assistance to state and local decision-makers on the effective and appropriate uses of such mechanisms.

Collaborative Decision Making

*Legislative Goal: Foster effective collaboration in decision making*

In a major metropolitan setting, such as the Kansas City region, the individual components of the transportation system are owned and operated by a variety of entities (state departments of transportation, cities and counties, toll authorities, transit agencies, private corporations, etc.). In order for the overall transportation system to perform most effectively and deliver the best mobility options for all citizens, each of the elements (highways, local roads, transit services, bike/ped facilities, freight and passenger terminals, etc.) must work together. While the federal government should retain a strong role in funding transportation and setting broad national objectives, it should also support stronger collaborative relationships among all parties responsible for transportation in metropolitan areas, to encourage more shared decision-making and more effective linkages between the elements of the transportation system while recognizing the needs and goals of cities and counties within the region. Metropolitan Planning Organizations should continue to serve as the place for metropolitan collaborative planning and decision-making, facilitating efforts to address the complex, metropolitan transportation challenges facing our country.

And because many of our challenges, such as freight and intercity passenger movement, transcend individual state or metropolitan boundaries, the federal government should provide leadership and incentives to convene clusters of regions (so-called mega-regions), or convene groups of states to tackle multi-state corridors for freight and passenger movement. Examples of this in the Kansas City region

include coordination with neighboring metropolitan planning organizations in St. Joseph and Lawrence, the Success in the Heartland initiative looking at connections between the Kansas City region and other neighboring major regions (Oklahoma City, Omaha, Des Moines, Minneapolis), the I-29 and I-35 multi-state corridor coalition activities, and the Midwest Regional Rail initiative looking at a Midwest high speed rail network linking the Kansas City region to a number of other Midwest regions.

States should continue to have a strong role in planning and funding multi-modal state transportation networks in partnership with metropolitan regions and multi-state collaborations.

Another area of collaboration is between multiple disciplines. Efforts are underway in the Kansas City region to create stronger linkages between land use planning at the local level and transportation planning at the regional level and to better integrate conservation/environmental planning and transportation planning. Federal transportation policy should encourage this linkage and integration, and view it as a means to streamline project development activities and expedite the time it takes to develop and approve projects, but in a way that strengthens the National Environmental Policy Act, rather than circumvents it.

***The MARC Board urges Congress to enact a new long-term 6-year federal transportation authorization that will establish a new transportation vision for our country, provide adequate funding for transportation, provide stability and predictability of multi-year funding, provide flexibility to establish and deliver streamlined programs and projects that ensure a balanced transportation system and progress for all modes, and support collaborative partnerships between federal, state, regional and local governments and agencies to addresses our current critical needs while positioning us for future progress and success.***

Approved by MARC Board of Directors

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