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BACKGROUND: On June 24, 2009, the House Transportation & Infrastructure Committee’s Subcommittee on Highways and Transit approved the Surface Transportation Authorization Act of 2009 (STAA) for full committee markup. In response to this action, throughout July 2009 seven TFIC policy group subcommittees (Earmark Reform, Freight & Corridors, Intercity Passenger Rail, Public Transit, Interstate Reconstruction & Bridges, Programming and Planning, and PPP) met individually to review the STAA. The review concentrated on whether or not the proposal incorporated the TFIC recommendations outlined on page 3 of the “TFIC Recommendations for the 2009 Transportation Authorization.” In addition, the subcommittees reviewed the proposal to ensure the policies are in the best interests of Illinois.

On July 24, 2009, the TFIC Steering Committee approved the recommendations by the policy group subcommittees. Four key recommendations are outlined below. Additional analysis and recommendations are highlighted in the next section.

**Key Recommendations:**

1) TFIC strongly supports the STAA’s level of funding of $500 billion ($450 billion in STAA and $50 billion for the High Speed Rail Initiative) for transportation investment over the next six years and will support the efforts to identify and win approval of revenues necessary to fund that level of investment.

2) TFIC supports those efforts at increasing the efficiency of project delivery and urges Congress to mandate that USDOT develop performance measures by which the Office of Expedited Delivery can be evaluated. In the interim, Congress should adopt a “do no harm” directive to all transportation agencies relative to their development of the operating policies and programs and that all such required performance measures be phased in to avoid substantial loss of time and investment in implementing the Act.

3) TFIC urges Congress to provide a temporary program designed to elevate existing mass transit systems to a “state of good repair” and to develop a formula for allocating funds under the Rail Modernization Program.

4) TFIC requests that Congress substitute a program of “Corridors of National Significance” (in lieu of “Projects of National Significance”) and specifically authorize and mandate that USDOT coordinate with all 50 states and prepare a National Freight Corridors Plan to be funded by a separate trust fund in which the revenues from a new bill of lading tax are deposited.
After analyzing the House T&I proposed Surface Transportation Authorization Act of 2009, TFIC identified the following additional recommendations.

**Earmark Reform**

Overall the committee was pleased with the document as presented and noted that all major recommendations had been addressed with the exception that no “cap” was set on “earmarks” as had been recommended by AASHTO and TFIC.

Due to the requirement to commit matching funds with regard to projects selected under the Metropolitan Mobility and Access Program and the Projects of National Significance Program, language should be added to specifically permit appropriate phasing of projects (from “alternative analysis” to “construction”) to permit better budgeting of state matching funds.

**Program and Planning**

Clearly define that when operating within the guidelines of applicable federal law, states and local governments are the final decision makers of projects and not federal agencies whether within USDOT, USEPA or otherwise.

Limit the apparent expansion of authority to the EPA to strictly set national emissions reduction goals, as well as standardized models and methodologies for use in developing emissions reduction targets.

Establish definitions of “the largest and most complicated highway projects” which fall under the purview of the Office of Expedited Project Delivery.

Ensure that a system is implemented to correlate the often competing goals and decisions of the Office of Livability and those of the Office of Expedited Project delivery.

Empower the OEPD to establish by administrative rule fines to public utilities that fail to move their facilities within a “reasonable” time frame.

Direct that the OEPD develop a matrix for identifying smaller projects not requiring the level of environmental review and permitting.

Establish that all of the requirements concerning the creation of “performance measures” be phased in and clarify that federal funds will not be held up pending the federal rule making or other changes.
Drop the requirement for “proportional voting” and allow states and their respective MPO’s to determine the method by which decisions are made.

Include “congestion relief” in the planning decision making.

Mandate that USDOT develop a National Freight Corridor Plan and create a separate trust fund funded by a “bill of lading tax” to fund “freight only” construction projects.

Mandate that states prepare a “construction resource inventory” to identify and protect aggregate mining sites and other critical construction related materials.

Fund the $50 billion for the new program entitled Metropolitan Mobility and Access according to the proposed split of 78% (Highways) and 22% (Transit) currently in the bill.

**Intercity Passenger Rail**

Overall, the committee felt that the proposed bill met all of their recommendations but desired further amplification or explanation of proposed programs.

Intercity rail should be planned and included within the context of the “high speed rail initiative.”

When funding high speed rail or intercity rail projects, preference should be given to those projects which are multi-state in nature.

Adherence to the provisions of the current Passenger Rail Investment and Improvement Act (PPRIIA) should be a criterion of whether a private railroad can access funds or credits from the National Infrastructure Bank.

The committee recommended that the Secretary and DOT streamline and facilitate the Buy America process for intercity passenger rail and high speed rail projects.

**Freight and Corridors**

The Committee notes that the Projects of National Significance Program is piecemeal by nature and does not holistically incorporate the planning concept envisioned in the recommended Corridors of National Significance.

Mandate that the USDOT prepare a National Freight Corridors Plan (similar to the National Bikeways Plan) coordinating with and incorporating the State plans as mandated in the blueprint, and create a separate discretionary trust fund funded by a “bill of lading tax” to pay for “freight only” construction projects.

**Public Transit**

Provide a temporary program designed to eliminate the state of good repair backlog in some of the oldest and largest urban transit systems, and specify a formula for allocating funds under the Rail Modernization Program.

For the New Starts Program, ensure that the ratings used to select projects are not affected by the ability to provide local match in excess of the required 20%.
The Intermodal and Energy Program should be expanded to include expenditures by the Clean Fuels Aging Bus Replacement program.

Ensure that transit projects are eligible to receive funding from the National Infrastructure Bank.

**Interstate Reconstruction and Bridges**

Bill should phase-in development and review of performance measures.

Delete authority for FHWA to withhold future project approvals if performance measures are not met. (Possibly withhold funds to a state but not specific project approval.)

Create specific funding category for reconstruction of interstate segments that are high fatality/injury locations and whose cost would exceed 50% of the annual apportionment to a state under this category.

Support mandatory interlock and seat belt measures.

Ensure that project eligibility under the new CAI program is the same as in the current NHS program.

**An open question - How will high cost bridge projects be handled/funded?**

**PPP**

TFIC specifically notes that while PPP’s present opportunities for advancing and accelerating specific projects, it should NOT be considered as the primary source of running of public infrastructure and that the significant public investment stemming from approval of this Act must be continued.

As OPB establishes rules, all parties of design, construction and financing should be included in the discussion.

Language should be included in the bill to prevent unsolicited proposals which would trigger the PPP process.

The committee recommended that the standards for OMR and system expansion be identified separately.

The committee recommended that the OPB also focus on national interoperability standards.

The committee recommended that USDOT further explore the use of PPP for all modes of transportation projects.