

2009 Transportation Authorization

*Recommendations
Developed by TFIC*





*TFIC Recommendations
for the
2009 Transportation Authorization*

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TFIC Recommendations for the 2009 Transportation Authorization

PREFACE

The Transportation for Illinois Coalition (TFIC) is a diverse group of statewide and regional business, organized labor, industry, governmental and not-for-profit organizations that have joined together in a united and focused effort to support a strong transportation alliance for Illinois. TFIC takes a comprehensive approach and seeks to speak with one voice for all of Illinois regarding transportation funding needs at both the state and federal levels.

In anticipation of the transportation authorization debate in Washington D.C. this year, the Transportation for Illinois Coalition Federal Affairs Committee created nine working policy subgroups to review several different issues that are part of the authorization debate. The goal – to develop a series of sound policy recommendations that are based on important transportation measures and that recognize the vital role Illinois' extensive transportation network plays in the national infrastructure network.

In total, 57 experts from throughout Illinois representing diverse backgrounds and areas of interest met in nine policy groups to trade ideas and develop a consensus on specific areas of policy. After the policy groups developed their recommendations, the nine chairs of these groups met for several hours to discuss the recommendations and develop a comprehensive and cohesive list of policy recommendations. The Federal Affairs Committee then presented the recommendations to the full TFIC steering committee for approval at its April 2009 meeting. The recommendations in this report are the result of that process.

We anticipate that additional refinements to these recommendations will occur as the debate in Washington unfolds, and we will be sending updates for this notebook as those refinements are made. We are grateful for the work of the nine policy subgroups, and look forward to a productive discussion with the Illinois delegation and key Congressional and administration leaders. A list of TFIC members and the policy group members are included at the conclusion of this report.

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EXECUTIVE SUMMARY

The Challenge: Given its history and location, Illinois has always been a transportation crossroads. The state's extensive and diverse transportation network underpins Illinois' economic health. Today, that network faces difficult challenges. Among them are: an aging overtaxed Interstate system with three of the nation's worst freight bottlenecks; the Chicago rail freight hub hobbled by outmoded congested facilities and delays; and renovating and modernizing one of the nation's oldest and largest rail transit systems some portions of which are more than 100 years old.

The Focus: A continued and increased federal funding partnership is essential for meeting these and other challenges. Last year SAFETEA-LU provided nearly \$1.9 billion for Illinois' roads and bridges and public transportation systems. In the next surface transportation authorization, Illinois' most important need is to continue and improve upon its share of surface transportation dollars. **For highways, TFIC's focus is to increase federal funds to Illinois, improving upon or at least retaining the state's estimated 3.62% share of funds (including earmarks) under SAFETEA-LU. For transit, TFIC's focus is to increase funds to Illinois systems from the \$442 million received in 2009 to at least \$1 billion.**

The Revenue: TFIC recognizes that these objectives cannot be attained without an increase in federal user fee revenues. **TFIC urges Congress to raise existing user fees to support significant funding increases and to consider new user fees for the future.**

The Priorities: Beyond the overall focus on increasing Illinois' funding share in the new authorization, TFIC has identified the following priorities:

- **Highways:** Funding increases for bridge repair/replacement and for Interstate modernization; new funding program for freight corridors of national significance
- **Transit:** Funding increases for rail modernization, for a revamped Clean Fuels/Aging Bus Replacement program and for the Small Transit Intensive Cities program; provisions to expedite new starts projects and to set the match at 80/20
- **Intercity Rail Passenger:** New funding for a comprehensive capital program including improvements to existing corridors, expansions and high-speed rail
- **Other:** Earmark reform through transparency and accountability; streamlining the project delivery process

These priorities collectively enhance mobility through improved public transportation and elimination of infrastructure bottlenecks; enhance safety through repairing and modernizing infrastructure and reducing freight conflicts with cars and pedestrians; and enhance livability through accelerating the switch to clean fuel buses, upgrading transit and passenger rail facilities and reducing highway congestion.



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RECOMMENDATIONS

Reauthorization of the federal highway/transit program is critical to funding Illinois' transportation network. Last year SAFETEA-LU provided nearly \$1.9 billion for Illinois' roads and bridges and public transportation systems. To build on the legacy of SAFETEA-LU, TFIC strongly supports:

- **Continuing a strong federal role in highway and transit funding.**
No partner -- state, local or federal -- can go it alone.
- **Continuing to pay for multi-year federal authorizations through user fees.** Such fees appropriately distribute the costs of transportation improvements among the beneficiaries. Further, user fees provide the stable, predictable, multi-year funding necessary to efficiently implement projects whose planning and construction may take several years.
- **Increasing user fee revenues by raising existing user fees and considering new user fees.**
Revenues from existing user fees have not even been adequate for meeting SAFETEA-LU authorizations. Substantial revenue increases will be necessary to provide the kind of funding increases required to address the transportation goals of safety, mobility and livability.

Following are TFIC recommendations for the next transportation authorization in four areas: Highways, Public Transit, Intercity Passenger Rail, and Other.

Highways

As a transportation hub for the nation, Illinois' economic health depends on a strong and efficient highway network. In SAFETEA-LU, Illinois received an estimated 3.62% of the overall federal funds, including earmarks. In the reauthorization, TFIC is seeking to increase Illinois' share or to do at least as well as in SAFETEA-LU. Within the federal highway program, TFIC has identified the following key priorities for maintaining and strengthening Illinois' road and bridge network.

Bridges

- **Continue a robust federal bridge program, with significant funding increases, to restore and rebuild the nation's bridges.**
- **Provide special funding for "high cost" bridge projects, which are critical to national or regional commerce and which cannot be accommodated within regular apportionments.**

Interstate Modernization

- **Continue a strong federal Interstate program, with substantial funding increases, to repair, reconstruct and modernize the nation's aging Interstate system.**
- **Provide special discretionary funding for high-cost reconstruction/ modernization projects on older Interstate segments which do not meet current safety standards.**
- **To augment current federal funding sources, permit the consideration of tolling and properly designed public-private partnerships.**

Corridors of National Significance

- **Create a new program for transportation corridors of national significance to provide expanded capacity for the safe and efficient movement of freight.** Such a program should focus on improving surface transportation freight movements throughout the U.S. by reducing congestion, eliminating bottlenecks, reducing safety conflicts, providing intermodal connections, or constructing other improvements to enhance the efficiency of freight movements.
- **Allocate funding on a discretionary basis.**
Include the following among criteria for allocating funding:
 - Projects to relieve congestion where multiple Class 1 railroads come together
 - Projects to relieve conflicts at rail/highway grade crossings in major freight corridors
 - Projects to prevent/eliminate bottlenecks on major structures owned by railroads
 - Projects to ease congestion and enhance safety on Interstate routes and at Interstate interchanges with high truck volumes
- **Create a federal freight trust fund, separate and apart from the highway trust fund, to fund the new freight infrastructure program.**
- **Generate funding for the new federal freight trust fund from the beneficiaries of the program.**
Potential funding sources could include a bill of lading fee, a freight ton-mile fee, a container fee or other freight-related fee.

Public Transit

Transit is critical to Illinois, with 30 systems providing more than 500 million rides a year. Illinois' transit systems range from small rural providers to the nation's second largest system (in the six-counties of northeast Illinois). Through SAFETEA-LU, Illinois public transit systems received \$442 million in FY2009. For the reauthorization, TFIC recommends that funding to Illinois increase to no less than \$1 billion a year. TFIC has identified the following as key priorities for Illinois' transit systems.

Rail Modernization

- **Provide substantial funding increases, sufficient to repair, modernize, and maintain the nation's largest, oldest transit systems.**
The transit system in northeastern Illinois has a nearly \$8 billion capital infrastructure need over the next six years to address critical deferred maintenance and to bring the system up to a state of good repair.

New Starts Program

- Retain a federal match share of no less than 80% of project cost for new starts.
- Simplify/streamline the review and approval process for new starts in order to expedite project delivery.

Clean Fuels Aging Bus Replacement Program

- Create a Clean Fuels Aging Bus Replacement Program to replace the existing Clean Fuels Bus Program.

The purpose of the program would be to provide funds to help transit agencies replace 'overage diesel vehicles with new vehicles that use clean fuels and are more fuel efficient.

- Provide at least \$100 million for the program in the first year, with annual funding growth equal to the overall transit program funding growth.
- Set the federal share for the incremental cost of purchasing clean fuel vehicles at 100%.
- Apportion funding based on the cost to replace vehicles that exceed 125% of the federal standard for replacement.

Small Transit Intensive Cities (STIC) Program

- Continue and expand the STIC program which provides supplemental formula funds to smaller public transportation systems on the basis of performance in six areas.
- Increase the value of qualifying in each of the six areas by the same percentage as the increase in the overall formula program each year of the authorization.

Intercity Passenger Rail

- Provide an intercity passenger rail program with funding to:
 - Upgrade existing corridors to improve reliability and to expand capacity where needed to meet demand, including the purchase and rehabilitation of rolling stock.
 - Increase speed on national priority corridors, including grade crossing upgrades to safely accommodate higher speeds.
 - Initiate service between major metropolitan areas which currently are not served.
 - Plan for future rail passenger corridors.
- Set an 80 /20 federal/state matching fund requirement.
- Enforce the provisions of the Passenger Rail Investment and Improvement Act of 2008 (Title II, Sec. 213) to ensure that host railroads are accommodating passenger service in accord with their agreements.

Other

Earmarks

- **Set new requirements for transparency, accountability, and public access to information regarding all phases of earmark projects, from initial request through project implementation.**
- **Treat federal earmarks as over and above regular program funds apportioned to the states.**
- **Limit earmarks to no more than 5% of the total transportation program.**

Planning

- **Streamline the project delivery process.**
Areas that should be reviewed include methods to accelerate and coordinate reviews by multiple federal agencies and to broaden the definition and application of categorical exclusions for projects with little or no potential for environmental impacts.
- **As part of state and MPO long-range planning, include a review of aggregate resource needs to ensure that basic construction materials are supplied in the most cost-effective and environmentally responsible manner.**



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: BRIDGES

- **Continue a robust federal bridge program, with significant funding increases, to restore and rebuild the nation's bridges.**
- **Provide special funding for "high cost" bridge projects, which cannot be accommodated within regular apportionments and which are critical to national or regional commerce.**

Background

The need to repair, replace and modernize the nation's 590,000 bridges is growing, with nearly one out of every four bridges categorized as either structurally deficient or functionally obsolete. The estimated cost to repair all deficient bridges is a staggering \$140 billion (in 2006 \$) according to FHWA data. While the cost of fixing all deficient bridges seems prohibitive, it is essential that the nation accelerate the pace and funding of bridge repair/replacement.

With nearly 26,000 bridges, Illinois has too many bridges to repair and maintain without federal help. Under SAFETEA-LU, Illinois has been receiving around \$145 million a year in federal bridge funds. Combined with state resources, these federal dollars have enabled Illinois to dedicate 24% of its FY09-15 highway capital program to bridge maintenance needs.

Despite the state's investment in bridge maintenance, the number of bad IDOT bridges has grown. Of the 7,600 bridges on IDOT's system, 19% (1,445 bridges) are considered deficient under the Federal Highway Administration rating system. Nearly ten percent (729 bridges) of IDOT's bridges are rated structurally deficient and need to be repaired. That represents a 32% increase in the number of structurally deficient bridges since 2003. Another 716 are functionally obsolete, that is, too narrow or with other size limitations that impede today's traffic volumes.

Local governments also rely on the federal bridge program. There are nearly 2,600 problem bridges on the county, township and municipal systems. That includes 1,619 bridges with structural deficiencies and 973 bridges classified as functionally obsolete. While these bridges may not carry as much traffic as IDOT bridges, they are often critical for farm to market movements and for school bus routes.

In addition to the regular bridge program, special federal funds are needed for high cost bridges, like I-74 in the Quad Cities. This bridge corridor, which spans the Mississippi River between Iowa and Illinois, carries almost 78,000 vehicles per day. The bridge is functionally obsolete and has never met Interstate bridge standards. The Iowa-bound span was built in 1935, and the Illinois-bound span in 1959. The bridge has no shoulders; entrance ramps nearest the bridge

have inadequate merging lanes; and crashes along portions of the corridor are greater than three times the national average for similar corridors. Preliminary engineering is underway, and total project cost estimates are still being finalized, but they are expected to be around \$850 million. While the costs of the bridge will be shared between Iowa and Illinois, the estimated cost is virtually quadruple the combined average annual apportionments to both states under SAFETEA-LU. Special discretionary funding is needed to replace facilities, like the Quad Cities bridge, whose costs dwarf federal bridge apportionments.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: INTERSTATE MODERNIZATION

- Continue a strong federal Interstate program, with substantial funding increases, to repair, reconstruct and modernize the nation's aging Interstate system.
- Provide special discretionary funding for high-cost reconstruction/modernization projects on older Interstate segments which do not meet current safety standards.
- To augment current federal funding sources, permit the consideration of tolling and properly designed public-private partnerships.

Background

TFIC recognizes the importance of the Interstate system and the vital role it plays in the overall economy. Representing only one percent of total system mileage, the 47,000-mile Interstate system carries 24 percent of all traffic and 41 percent of combination-vehicle truck traffic. In Illinois the numbers are even higher, with the Interstate carrying 30 percent of all traffic.

The Interstate was designed in the pre-World War II period and built between the late 1950's and the 1980's. Given its age, the Interstate system faces significant challenges, including:

- **Outdated Safety Standards:** Since Interstate construction began, many safety standards have been strengthened. Older segments need improvements to bring them to modern safety standards. This is particularly true for older segments in urban areas where interchanges may have safety problems with inadequate merge distances, ramps with tight turning radii, traffic weaving accidents, and inadequate capacity.
- **Failing Pavement Structure:** As pavements age, simple resurfacing and repair is no longer adequate to keep the road in good condition. Complete reconstruction of the pavement and its foundation becomes necessary. (It should be noted that in addition to the 210,000 lane mile of pavement on the Interstate, there are also some 55,000 bridges and ten of thousands of other structural elements which require extensive repair and, in some cases, are ready for replacement.) In Illinois, more than 80 percent of the Interstate is more than 20 years old. The state should be reconstructing 50 miles of Interstate a year, but funding constraints have allowed the state to program less than 10 percent of that amount. Instead, scarce dollars must be focused on resurfacing projects rather than the more expensive reconstruction. But project costs continue to rise as reconstruction is deferred.

A particular challenge of Interstate reconstruction is handling traffic while the work is underway. An estimated 24 percent of non-recurring congestion is due to work-zone delays. Techniques to handle work-zone traffic safely include extensive traffic control, night-time work, short-term closures, extensive upgrades to parallel routes, contractor incentives, etc. All of these add significant cost to Interstate reconstruction projects, particularly in urban areas. For example, in

Illinois it cost around \$1 billion to reconstruct 8.5 miles of Interstate in Chicago and nearly \$50 million to reconstruct an 8.3 mile segment of Interstate in Peoria. The Peoria route, in particular, required extensive work to modernize old unsafe ramps.

If the nation is to compete successfully in a global economy, the Interstate system must be modernized: aging pavements and structures must be rebuilt in a timely basis; older segments must be brought up to current safety standards which provide greater mobility with fewer accidents; and special funding must be allocated to high-cost reconstruction/ modernization projects on older segments which experience high accident and delay problems. These vital improvements require a strong federal-state partnership. For these reasons, TFIC is urging that funding for the Interstate modernization program be a national priority with significant funding increases and that the federal program include a special funding component for high-cost projects to reconstruct heavily-travelled segments with outdated or inadequate safety features.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: **CORRIDORS OF NATIONAL SIGNIFICANCE**

- **Continue a strong federal Interstate program, with substantial funding increases, to repair, reconstruct and modernize the nation's aging Interstate system.**
- **Provide special discretionary funding for high-cost reconstruction/modernization projects on older Interstate segments which do not meet current safety standards.**
- **To augment current federal funding sources, permit the consideration of tolling and properly designed public-private partnerships.**
- **Create a new program for transportation corridors of national significance to provide expanded capacity for the safe and efficient movement of freight.** Such a program should focus on improving surface transportation freight movements throughout the U.S. by reducing congestion, eliminating bottlenecks, reducing safety conflicts, providing intermodal connections, or constructing other improvements to enhance the efficiency of freight movements.
- **Allocate funding on a discretionary basis.**
Include the following among criteria for allocating funding:
 - Projects to relieve congestion where multiple Class 1 railroads come together
 - Projects to relieve conflicts at rail/highway grade crossings in major freight corridors
 - Projects to prevent/eliminate bottlenecks on major structures owned by railroads
 - Projects to ease congestion and enhance safety on Interstate routes and at Interstate interchanges with high truck volumes
- **Create a federal freight trust fund, separate and apart from the highway trust fund, to fund the new freight infrastructure program.**
- **Generate funding for the new federal freight trust fund from the beneficiaries of the program.**
Potential funding sources could include a bill of lading fee, a freight ton-mile fee, a container fee or other freight-related fee.

Background

Since 1982, despite a near doubling of traffic, there has been only a 6.6 percent increase in capacity on the nation's roads. Truck tonnage is projected to double by 2035, giving rise to what the American Road and Transportation Builders Association refers to as a "tsunami of freight" coming our way. Our highway systems are ill-equipped to handle that new demand. Growing congestion on the current highway system is already costing the nation more than \$78 billion annually according to the Texas Transportation Institute.

The demand for rail freight service is also projected to rise significantly by 2035, with growth of 69 percent based on tons and 84 percent based on ton-miles. Yet the rail system is faced with major chokepoints, such as in Chicago where it can take rail freight longer to pass through the Chicago area than it takes to travel from the west coast to Chicago.

To compete in the global marketplace and to secure productivity gains from such practices as "just-in-time delivery," a reliable and efficient freight network is crucial. Our current systems must be upgraded to enhance mobility by eliminating chokepoints; to enhance safety where growing rail and truck traffic conflict with automobile and pedestrian travel; and to enhance livability by providing improvements that promote economic opportunity while protecting communities and the environment.

TFIC recommends the creation of a new program for freight corridors of national significance to fund improvements needed to better serve current and projected freight movements. Corridors of national significance could include:

- New multi-modal trade corridors;
- New capacity "truck only" lanes;
- Access to military bases, ports, airports, inland waterways and rail connections;
- Tunneling and elevated road and railways on existing right-of-way;
- International gateways;
- Bottleneck relief;
- Multi-modal freight transfer centers; and
- Integrated telecommunications and utility corridors

Given the demands on existing highway user fees and given the intermodal focus of this freight program, new funding sources, linked to freight movements, should be considered. However, it is important that any revenues generated and funding provided through the freight program be equitably distributed among the beneficiaries. Also, it would seem appropriate to use for the new program the same 80/20 federal/non-federal funding split that applies to other transportation programs.

To assure that federal authorizations are targeted at the most pressing problems, TFIC suggests allocating funding on a discretionary basis. Among criteria that ought to be considered are the following:

- Projects to relieve congestion where multiple Class 1 railroads come together -- like the CREATE project which would unsnarl rail freight congestion in the Chicago region, enhancing safety, mobility and the environment
- Projects to relieve conflicts at rail/highway grade crossings in major freight corridors -- like the Canadian National's newly-acquired EJ&E corridor in northeast Illinois
- Projects to prevent/eliminate bottlenecks on major structures owned by railroads -- like the congested MacArthur Bridge across the Mississippi River at St. Louis or the aging BNSF bridges over the Mississippi River at East Burlington and at Niota (this bridge serves highway traffic as well as rail traffic)
- Projects to ease congestion and enhance safety at Interstate interchanges with high truck volumes -- like I-90/I-290 and I-94/I-90, which between them cause over 3 million hours of truck delay a year.

Through focused investments in corridors of national significance, our surface transportation systems will be positioned to serve anticipated growth in freight movements without sacrificing the mobility, safety and livability of our communities.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: RAIL MODERNIZATION

- **Provide substantial funding increases, sufficient to repair, modernize, and maintain the nation's largest, oldest transit systems.**

Background

The fixed guideway modernization ("Rail Mod") program provides capital assistance for the modernization of existing fixed guideway systems. Funds are allocated by a statutory formula to urbanized areas with fixed guideway systems that have been in operation for at least seven years. Primary recipients of Rail Mod funds include some of the largest and oldest transit systems in the country including Chicago, New York, Philadelphia, Boston and San Francisco.

These funds may be used for capital projects to modernize or improve existing fixed guideway systems, including purchase and rehabilitation of rolling stock, track, stations, signals and communications. Although the program was designed to help keep these old, large transit systems in a state of good repair, funding has been insufficient and as a result these systems have fallen into significant disrepair.

In December 2007, several United States senators, led by Illinois Senator Dick Durbin, asked the Federal Transit Administration (FTA) to study the capital needs of the nation's largest rail systems. The FTA released their study results in April 2009. In studying the nation's seven largest transit systems (based on ridership), they found that more than one third of those agencies' assets are either in marginal or poor condition. In Chicago, over 50% of the buses in service in the region have travelled distances farther than the Earth to the Moon. 46% of CTA's rail car fleet has exceeded the FTA standard useful life of 25 years.

The FTA indicates that the seven systems studied (Chicago's CTA, Boston's MBTA, New York's MTA, New Jersey Transit, San Francisco's BART, Philadelphia's SEPTA, and Washington's WMATA) have a total \$50 billion backlog of repairs necessary to upgrade the system to a state of good repair. This is in addition to the annual need of \$5.9 billion just to maintain those systems in their current states.

The FTA recommends considering a temporary funding program designed to eliminate the state of good repair backlog. In practice, this temporary program could last for two or three six-year authorization periods.

The temporary program could be funded at a level of \$4.2 billion per year annually over twelve years just for the seven systems studied by FTA, plus additional funding sufficient to meet the state of good repair needs of other old, large rail systems such as Metra.

At the same time, the level of expenditures for normal replacement needs should be increased to ensure that the state of good repair is maintained into the future.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: NEW STARTS PROGRAM

- **Retain a federal match share of no less than 80% of project cost for New Starts Program.**
- **Provide for a simplified and streamlined review and approval process for project delivery.**

Background

The Federal Transit Administration (FTA) New Starts Program provides capital funding for the development of new fixed guideway transit systems and extensions to existing systems. New Starts funds are allocated on a discretionary basis. Federal funding decisions are made jointly by the administration and the Congress through a four-step process:

- Projects are authorized in laws enacted by Congress and signed by the president;
- Each year, FTA evaluates those projects that are in final design and preliminary engineering and assigns a rating of “highly recommended,” “recommended” or “not recommended” based on project readiness, project justification, local financial commitment and other factors;
- Once an authorized and recommended project reaches final design, FTA and the grantee may enter into a Full Funding Grant Agreement (FFGA) under which FTA agrees to seek New Starts funding for the project through the appropriations process and the grantee agrees to build the project; and
- Congress then appropriates the funds each year.

The New Starts program can fund up to 80% of the capital cost of a project. In practice, however, the average New Starts project receives only about half of its funding from the New Starts program.

Because the demand for New Starts funding exceeds the supply of funds available, recent administrations and Congress have urged project sponsors to request less than the authorized 80% share, so that available funds might be distributed to more projects. The Section 5309 share has averaged around 50% over the last 10 years, and according to some studies has trended lower.

Non-federal funds have met approximately 50% of the cost of New Starts projects. This includes capital funding provided by state and local governments, as well as funding from other non-federal sources such as regional port and airport authorities and the private sector. While local governments provided the largest proportion of non-federal funding, much of the growth in the non-federal funding share has come from the states.

Under the new authorization, additional funding should be provided to allow the actual federal share for New Starts projects to be 80 percent.

Additionally, a simplified and streamlined review and approval process should be created to expedite project delivery. Currently, New Starts projects can take up to 14 years to move from design to completion.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: **CLEAN FUELS AGING BUS REPLACEMENT PROGRAM**

- **Create a Clean Fuels Aging Bus Replacement Program to replace the existing Clean Fuels Bus Program.**

Background

The current Clean Fuels program was newly created under the Transportation Equity Act (TEA 21) to promote the change of motor bus propulsion systems to fuels that produce lower amounts of air pollutant emissions. Funds are provided for the purchase of clean fuel buses.

This program would address two top priorities for transit agencies. It would provide needed funds to help transit agencies to replace vehicles in their fleets that have exceeded the Federal Transit Administration's (FTA) standard for replacement, and accelerate the replacement of existing diesel vehicles with new, fuel efficient vehicles.

Under TEA 21, the program provided for the apportionment of grant funds under a formula where transit agencies in air quality non-attainment areas were to apply for grants by January 1st of each year. In fact however, these funds were transferred to the Bus and Bus Facilities Capital Program during the appropriations process and allocated as part of the Bus Capital funds. Under SAFETEA-LU, these funds were discretionary and distributed by grant under the Bus Capital Program.

The new Clean Fuels Aging Bus Replacement Program would replace the existing Clean Fuels Bus Program. Under the program, grant recipients would be required to purchase clean fuel vehicles, which include vehicles powered by: compressed natural gas; liquefied natural gas; biodiesel fuels; batteries; alcohol based fuels; hybrid electric; and fuel cells.

Funds provided would be in addition to those made available for the Bus and Bus Facilities Program. The program would be funded from amounts that would have otherwise been made available under the Clean Fuels Bus Program and new funds made available under the federal transit program overall.

Program funds should be apportioned by formula to designated recipients in urbanized areas over 200,000 and to states for distribution to grant recipients in urbanized areas less than 200,000 and rural areas. These funds would be apportioned to designated recipients and states under a

formula that is based on the relative share of the total cost to replace vehicles within the urbanized area or state that exceed 125% of the FTA standard for replacement. Funds should not be made available to transit agencies that do not have vehicles that exceed 125% of the FTA standard for replacement.

One hundred million dollars should be provided in the first year of the program, and then grow annually at a proportion equal to the growth of federal transit program overall. The federal share for the incremental cost of purchasing clean fuel vehicles under this program should be 100%. No local match is required for the incremental cost of purchasing a clean fuel vehicle.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: **SMALL TRANSIT INTENSIVE CITIES (STIC) PROGRAM**

- **Continue and expand the STIC program which provides supplemental formula funds to smaller public transportation systems on the basis of performance in six areas.**

Background

In response to concerns of small transit intensive communities, Congress mandated a study of the issue of the effectiveness and equity of the formula program in the 1998 Transportation Equity Act for the 21st Century (TEA 21). Section 3033 of the Act required the Federal Transit Administration to report to Congress on the Federal Transit Formula Program and address the needs of small areas with unusually high levels of transit service, both provision and consumption.

In September 2000, FTA released "The Urbanized Area Formula Program and the Needs of Small Transit Intensive Cities" (Report No. FTA-TBP10-00-04). The study concluded that "sufficient issues exist to suggest the changes to the existing Urbanized Area Formula Grant Program should be considered in 2002-2003 as part of the FY 2004 and beyond reauthorization cycle". The study defined small transit intensive communities as those that: a) have transit systems or vehicles that are heavily used by the public, measured by passenger miles per vehicle revenue mile and passenger miles per vehicle revenue hour; b) provide a high level of service to the citizenry measured by vehicle revenue miles per capita and vehicle revenue hours per capita; c) have a high rate of service consumption by the population measured by passenger miles traveled per capita and unlinked passenger trips per capita; d) have service levels that are significantly greater than would be predicted given population and density or those communities whose existing needs (reflected by service levels) are not captured by the potential needs (reflected by population and density).

The Small Transit Intensive Cities Program was established in 2002 as part of the reauthorization program. It has met with good success allowing STIC eligible communities to increase their capital investment in equipment and facilities.

As part of the reauthorization the goal is to continue and expand the Small Transit Intensive Cities Program (Section 5336) which provides supplemental formula funds to smaller public transportation systems on the basis of performance in six qualifying performance areas and provide that the value of qualifying in each of the six areas shall be increased by the same percentage as the increase in the overall formula program each year of the authorization.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: INTERCITY PASSENGER RAIL

- **Provide an intercity passenger rail program with funding to:**
 - Upgrade existing corridors to improve reliability and to expand capacity where needed to meet demand, including the purchase and rehabilitation of rolling stock.
 - Increase speed on national priority corridors, including grade crossing upgrades to safely accommodate higher speeds.
 - Initiate intercity passenger rail service between major metropolitan areas which currently are not served.
 - Plan for future rail passenger corridors.
- **Set an 80 /20 federal/state matching fund requirement.**
- **Enforce the provisions of the Passenger Rail Investment and Improvement Act of 2008 (Title II, Sec. 213) to ensure that host railroads are accommodating passenger service in accord with their agreements.**

Background

Intercity passenger rail is a "green" and fuel-efficient way to improve mobility and reduce highway and air congestion. Development of the nation's passenger rail system received a tremendous boost through the funding provided by the American Recovery and Reinvestment Act as well as through President Obama's recently announced vision for high-speed rail. TFIC believes the new surface transportation authorization legislation should include a comprehensive approach to the nation's passenger rail system, including funding for improvements on existing corridors, development and construction of high-speed rail corridors, and planning and initiation of service on new rail corridors.

Such a comprehensive approach is particularly important to Illinois. Ridership on Illinois rail corridors has increased in each of the past six years, with Illinois' state-supported trains now carrying nearly 1.5 million riders a year. Overall, boardings and alightings at Illinois locations served by Amtrak totaled 4.4 million in federal FY2008.

However, service reliability is hobbled by lack of modern, reliable equipment. The equipment problem was particularly severe this winter. In December alone, 43 trips on state-supported routes were canceled or late by 15 minutes or more; eleven trains were late by more than two hours. Much of the deteriorating on-time performance has been due to equipment breakdowns. The Amtrak equipment used in Illinois is old and includes retrofitted commuter cars which were not designed for longer distance runs. The number of locomotives and coaches available for service is stretched too thin. A federal-state funding partnership is needed to provide the equipment and other improvements that underlie a safe and reliable intercity rail passenger system.

President Obama's high-speed rail initiative also is of great importance to Illinois. A nine-state Midwestern network, with Chicago as the hub, was included among the ten corridors selected as high-priority projects. For nearly a decade, work has been underway to upgrade the Chicago-St. Louis portion of that network. Since 1999, the state has invested \$143 million to improve tracks and signals on about half the 284-mile Chicago-St. Louis corridor. Investments to date, including work currently underway, should allow the travel time between Chicago and Springfield to be reduced by 30 minutes. But more work is needed to upgrade the entire corridor and cut the travel time between Chicago and St. Louis to less than four hours (a reduction of more than one and a half hours). Ridership on the Chicago-St. Louis route continues to increase, growing by 16.5% last year.

For Chicago to serve as the Midwest high speed rail hub will also require improvements to Union station as well as construction of additional capacity and improvements in the congested Chicago rail network.

A comprehensive rail program must also focus on planning for and initiating service among urban areas not yet connected to the passenger system. In Illinois, studies have been completed on restoring passenger service from Chicago to Rockford and on to Dubuque and from Chicago to the Quad Cities. Such restoration would not only connect these major Illinois cities with Chicago; they would also increase ridership on the Midwest Regional Rail Chicago Hub Network. Capital costs to construct the necessary rail connections are estimated at \$100 million. Other Illinois cities considering rail passenger service are Peoria and Decatur.

As noted earlier, intercity rail plays a key role in fostering environmentally friendly transportation. For example,

- Intercity rail uses 17% less energy per passenger mile than airlines and 21% less energy per passenger mile than autos.
- Intercity passenger rail contributes to congestion relief at airports and on the roadway, by providing direct service to downtown destinations such as the Chicago Loop.
- Intercity passenger rail generates fewer emissions of pollutants than other transportation modes. For example, the average intercity passenger train produces 60% fewer carbon dioxide emissions per passenger mile than the average auto.

Intercity rail passenger service also provides important economic benefits. In Illinois alone:

- Amtrak expended nearly \$160 million for goods and services in FFY2008.
- Amtrak employed about 1,450 Illinois residents in FFY2008, with annual wages totaling more than \$87 million.
- Chicago Union Station, the fourth busiest station in the Amtrak system, also serves more than 240 Metra trains per day and is a focal point of the resurgent West Loop.
- Completion of the Midwest Regional Rail Initiative will:
 - Create 24,200 jobs in Illinois
 - Stimulate over \$2.2 billion in joint economic development potential
 - Increase Illinois household income by \$480 million



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: EARMARKS

- Set new requirements for transparency, accountability, and public access to information regarding all phases of earmark projects, from initial request through project implementation.
- Treat federal earmarks as over and above regular program funds apportioned to the states.
- Limit earmarks to no more than 5% of the total transportation program.

Background

While the majority of surface transportation funds are allocated through core programs to state DOT's and transit agencies, a growing percentage has been earmarked during the authorization process. In 1991 under ISTEA, nearly 95% of the federal highway funding went to core programs; in 2006 under SAFETEA-LU, that number fell to less than 83%. While earmarks enable members of Congress to respond to their constituents' concerns regarding needed transportation projects, they also have the effect of limiting the amount available for the core programs -- which provide the basic federal funding for road and transit repair and improvement. Additionally, some of the earmark projects have been controversial and have generated significant negative publicity.

TFIC is pleased that Congress is working to reform the earmark process. Below are a number of detailed suggestions for providing additional transparency and accountability.

- Transparency - The name of the congressional sponsor and sponsoring state or other eligible recipient of Title 23 funds for each project should be posted on the internet in a federal database that is accessible and searchable.
- Accountability/Performance Measures
To receive federal highway earmark funds, a project must:
 - Be eligible for Title 23 federal highway funding
 - Follow all Title 23 requirements regarding the use of federal funding, including planning and environmental requirements and federally-required state and MPO approvals
 - Have a maximum 80% federal share and require at least a 20% non-federal match
 - Be sponsored by a state or other eligible recipient of Title 23 funds
 - Advance the goals of the state/MPO long-range transportation plan

For each earmark project, the following information should be publicly available and posted on the internet:

- Sponsoring member of Congress
- Sponsoring state or other eligible recipient of Title 23 funds
- Name of owner/operator of facility, if other than sponsoring state/eligible recipient

- Project information, including
 - Total project description, its purpose and need, estimated cost by project phase, funds currently committed, estimated schedule by project phase and current status
 - Description of specific project segment for which earmark is requested, its cost, the amount of federal earmark, and the projected schedule
 - Planning/programming status -- Is project in state/MPO long-range plan? In Transportation Improvement Program? If not, why not?
 - Description of how the project advances the goals identified in the state/MPO long-range plan
- Non-federal Match - The sponsoring state/eligible recipient of earmark funds is responsible for negotiating the 20% non-federal match and must initiate a written request for the funding.
- Over and Above Regular Funding - Federal earmarks should be over and above regular program funds apportioned to the states.
- 5% Limit - TFIC concurs with AASHTO's recommendation that earmarks should not account for more than 5% of the total transportation program to ensure a robust increase in the core program funding that is critical to the needs of existing infrastructure.



TFIC Recommendations for the 2009 Transportation Authorization

TFIC RECOMMENDATIONS: PLANNING

- **Streamline the project delivery process.**
Areas that should be reviewed include methods to accelerate and coordinate reviews by multiple federal agencies and to broaden the definition and application of categorical exclusions for projects with little or no potential for environmental impacts.
- **As part of state and MPO long-range planning, include a review of aggregate resource needs to ensure that basic construction materials are supplied in the most cost-effective and environmentally responsible manner.**

Background

According to FHWA, the project delivery process for a major highway project takes approximately 13 years. Smaller projects, too, with little to no environmental impact, can become caught up in a planning and review process that is out of proportion to the potential impacts of the project. The cost of such delay is too great both in terms of escalating project price due to inflation and lost opportunity for motorists and freight providers to benefit from the improvement. The project delivery process must be expedited.

The steps needed for speeding up the project delivery process are typically a regulatory/administrative issue, but legislation sets the goals and parameters for such an effort. The National Surface Transportation Policy and Revenue Study Commission, which was established by SAFETEA-LU, made several recommendations for expediting project delivery. TFIC concurs with the Commission's recommendations. Among the recommendations were:

- Providing for a simplified NEPA process for projects with few impacts
- Allowing for a single EIS (rather than a draft document and a final document), while preserving public comment and review opportunities
- Standardizing the "risk design" approach under which design activities could proceed during the EIS process at the sponsor's risk
- Requiring greater coordination among federal reviewing agencies including setting time limits for review

Participants in TFIC's federal legislative policy groups noted several examples of projects within the state requiring extensive NEPA work when the projects had minimal impacts and projects being seriously delayed by the lengthy federal review processes. The Commission's recommendations would address these concerns.

TFIC is also concerned about a developing national problem where the growth of urban/suburban areas has led to a lack of locally available aggregate for construction purposes. Development can encircle aggregate sites or development can occur on top of them. When aggregate resources cannot be mined locally, they must be brought in from distant sources, adding to project costs and energy costs as materials are transported from longer distances. In

California, the state Department of Conservation reported that, while the state has 74 billion tons of aggregates, resources are dwindling because only one-third of the supply may be mined due to proximity to residential areas or other environmental concerns. As a result, California imports aggregates from British Columbia or Mexico.

Local and state planners need to achieve a balance between development and environmental concerns and the need for the aggregate materials to sustain that development. To do this, TFIC recommends that the transportation planning process include a review of aggregate resource needs in long-range plans.

Illinois Share of SAFETEA-LU Highway Funds

Formula Funds -- FY04-09 Total

Program	IL - (\$ Million)	Nat'l - (\$ Million)	IL % Share
Interstate	1,457	35,192	4.14%
Nat'l Hwy System	1,232	43,263	2.85%
Surface Trans. Pro.	1,637	47,545	3.44%
Bridge	889	29,485	3.02%
CMAQ	536	12,196	4.39%
Rec. Trails	11	423	2.51%
Metro Planning	83	1,717	4.84%
Hwy. Safety	172	5,199	3.32%
Rail-Hwy. Xing	40	878	4.57%
Safe Rte. To School	23	596	3.90%
Equity Bonus	418	16,052	2.60%
Planning/Research	130	3,848	3.37%
Total	6,628	196,394	3.38%

SAFETEA-LU Earmarks

# of IL Projects	IL - (\$ Million)	Nat'l - (\$ Million)	IL % Share
305	1,250	21,105	5.92%

Illinois Total - FY04-09 SAFETEA-LU Highway Formula and Earmark Funds

IL - (\$ Million)	Nat'l - (\$ Million)	IL % Share
7,878	217,499	3.62%

Note: FY09 formula funds preliminary, pending release of final FHWA tables.

Illinois Share of SAFETEA-LU Transit Funds

FY04-09 Total

Program	IL - (\$)	Nat'l - (\$)	IL % Share
Urbanized Area Formula	1,414,261,783	23,819,321,525	5.94%
Nonurbanized Area Formula	67,411,211	2,210,705,646	3.05%
Elderly & Individuals with Disabilities	26,454,203	673,024,639	3.93%
New Freedom	13,963,539	338,220,000	4.13%
Alternatives Analysis	10,775,100	99,441,000	10.84%
Job Access and Reverse Commute	24,374,566	829,500,500	2.94%
Metropolitan Planning	25,716,536	474,533,885	5.42%
Statewide Transportation Planning	4,655,663	71,461,440	6.51%
Fixed Guideway Modernization	885,648,927	8,418,374,075	10.52%
New Starts	654,098,148	9,186,125,212	7.12%
Bus and Bus Facilities	77,951,374	4,770,626,832	1.63%
Total	3,205,311,050	50,891,334,754	6.30%

2009 TRANSPORTATION FOR ILLINOIS COALITION

The Transportation for Illinois Coalition is a diverse group of statewide and regional business, organized labor, industry, governmental and not-for-profit organizations that has joined together in a united and focused effort to support a strong transportation alliance for Illinois. The coalition takes a comprehensive approach and seeks to speak with one voice for all of Illinois regarding transportation funding needs at both the state and federal levels. The coalition believes that transportation is critical to the economy of Illinois. This comprehensive approach involves all modes of transportation, including rail, air, water, highways and mass transit.

STEERING COMMITTEE

Statewide Organizations

American Concrete Pavement Asso. – IL Chapter, Inc.
American Council of Engineering Cos. of Illinois
Associated General Contractors of Illinois
Illinois Asphalt Pavement Association
Illinois Association of Aggregate Producers
Illinois Association of County Engineers
Illinois Chamber of Commerce
Illinois Municipal League
Illinois Road & Transportation Builders Association
Illinois State Branch of Operating Engineers
Precast/Prestressed Producers of IL & WI
Underground Contractors Association
United Transportation Union

PARTICIPATING MEMBERS

336 Coalition
AAA Chicago
Greater Peoria Contractors & Suppliers Assn
Illinois Concrete Pipe Association
Illinois Construction Industry Committee
Illinois Professional Land Surveyors
Illinois Public Transportation Association
Illinois Society of Professional Engineers
Illinois Valley Contractors Association
Mid-West Truckers Association
River Bend Growth Association
Structural Engineers Association of Illinois
Township Officials of Illinois



STEERING COMMITTEE

Local/Regional Organizations

Carpenters' District Council of Greater St. Louis & Vicinity
Champaign County Chamber of Commerce/
Champaign Alliance
Champaign-Urbana Mass Transit District
Chicago Area LECET
Chicago Metropolis 2020
Chicago Southland Economic Development Corp.
Chicago Transit Authority
Chicago & District Vicinity Council of Iron Workers
DuPage County – Dept. of Economic Dev. & Planning
Egyptian Contractors Association
Elgin Area Chamber of Commerce
Greater Decatur Chamber of Commerce
Greater Springfield Chamber of Commerce
Heartland Partnership
Kane County
Kankakee Regional Chamber of Commerce
Lake County Division of Transportation
Lake County Transportation Alliance
MetroLINK
Naperville Area Chamber of Commerce
Quincy Area Chamber of Commerce
Regional Transportation Authority (RTA)
Rockford-Winnebago County Better Roads Assn.
Route 51 Coalition
Southern Illinois Construction Adv. Program
Will County Center for Economic Development

SUPPORTING MEMBERS

American Society of Civil Engineers – IL Section
Associated Equipment Distributors
Builders Association
Chicago Federation of Labor (AFL-CIO)
Chicago Southland Chamber of Commerce
Chicagoland Chamber of Commerce
Corridor 67, Inc.
Greater Aurora Chamber of Commerce
Highway 34 Coalition
Illinois Automobile Dealers Association
Illinois Highway Users Association
Illinois Petroleum Council
Illinois Public Airports Association
Illinois Quad City Chamber of Commerce
Jacksonville Area Chamber of Commerce
Leadership Council of SW Illinois
Macomb Area Chamber (MACCDDC)
McLean County Chamber
Metra
Metropolitan Planning Council
Mid-Central Illinois Regional Council of Carpenters
Northwestern Illinois Contractors Association
Southwestern IL Bldg. & Constr. Trades Council



TFIC Recommendations for the 2009 Transportation Authorization

MEMBERS of the NINE POLICY SUBGROUPS

Interstate Reconstruction/Expansion

Chair: Kathi Holst – IRTBA

Mark Johann – 336 Coalition

Jim Schwarz – Route 51 Coalition

John O'Neill – Epstein

Don Schaefer – Mid-West Truckers Association

Mohammad Shabbir Hassan – URS Corporation

Lou Dixon – Crawford, Murphy & Tilly, Inc.

Bridges

Chair: Amy Benecke McLaren – Peoria County

Kirk Landers – Better Roads and Aggregates Manager

Mary Clumpner – Chicago Southland Chamber

Rich Kerhlikar – Crawford Murphy & Tilly, Inc.

Earmark Reform

Co-Chair: Tom Cuculich – DuPage County

Co-Chair: Craig Fink – DeWitt County Engineer

David Oates – Oates Associates, Inc.

David Pellizzari – Michael Baker Jr., Inc.

Patrick Pechnick – SEC Group

Mike Scholefield – Chicago Southland Econ. Dev. Corp.

Patrick Zuroske – City of Rockford

Corridors of National Significance

Chair: Jim Piekarczyk – IL Assn of County Engineers

Bola Delano – CMAP

Matt Hart – Mid-West Truckers Association

Sam Smith – RTA

John O'Neill – Epstein

Steve Quigley – Will County

Robert O'Brien Jr. – NW Chicagoland Regional Airport

Freight

Chair: Frank Beal – Chicago Metropolis 2020

Matt Hart – Mid-West Truckers Association

Steve Jaeger – Heart of IL Regional Port District

Bernadette Rodriguez – Hegewisch Chamber

Jim LaBelle – Chicago Metropolis 2020

Jeff Wilmarth – Silver Arrow Express

Patrick Skarr – Naperville Area Chamber

Intercity Passenger Rail

Chair: Paul Rumler – Illinois Quad City Chamber

Richard Harnish – Midwest High Speed Rail Assn.

Joe Szabo – United Transportation Union

Bob Guy – United Transportation Union

Stephen Ernest – RMAP

PPP

Chair: Eric Fields – AGC-IL

Bola Delano – CMAP

Bruce Helm – The Helm Group & Civil Constructors

Greg Hummel – Bell, Boyd, Lloyd LLC

George Tapas – URS Corporation

John Holmstrom – William Charles, Ltd.

Lou Dixon – Crawford, Murphy & Tilly, Inc.

Public Transit

Chair: Andrew Gruber – RTA

Tom Lucek – GPMTD - City Link

Mike Pagano – University of Illinois Chicago

Bill Volk – Champaign-Urbana Mass Transit District

Doug Yerkes – HNTB Corporation

Mike McLaughlin – Chicago Transit Authority

David Taylor – Northern IL Commuter Trans. Initiative

Richard W. McVinnie – Rockford Mass Transit District

Programmatic and Planning

Chair: David Kennedy – ACEC of IL

Tim Zahn – Illinois Association of County Engineers

Mark Avery – DuPage County

Denise Casalino – Earth Tech/AECOM

John Henriksen – Illinois Assn of Aggregate Producers

Steve Friedman – S.B. Friedman and Company

Steve Nailor – Rockford-Winnebago Better Roads Assn.

** Bill Grams, TFIC Federal Affairs Committee
Chair and Linda Wheeler, TFIC Consultant are
ex-officio members of all policy groups.*