

**CONEG Principles:  
Surface Transportation Authorization  
February 23, 2008**

1. Transportation Is a National Interest: A safe, efficient transportation system is a cornerstone for sustainable and affordable communities and a robust economy in the Northeast and across the nation. A balanced, integrated, well-functioning transportation system is essential to achieving the shared goals of a globally competitive economy; broadened employment opportunities; redundancy for security; responsible use of energy and land resources; and effective reduction of carbon emissions. Therefore, a strong federal role in transportation policy and financial investment is essential to achieving the mobility that underlies these broader public policy goals.
2. Funding and Financing: The Highway Trust Fund (HTF) continues to be the primary instrument of federal policy, reflecting the shared national commitment to and responsibility for a national transportation system. The increasing demand for public transportation investment and growing interest in more energy efficient travel options will require a transition to a broadened revenue base for the HTF. All viable funding and financing options should be on the table for discussion.
  - As members in the federal-state partnership for transportation, states need a stable and growing source of federal funding for this national commitment. Therefore, solutions to ensure the continued growth of the HTF must be found, whether that continues to be the gasoline tax in the near-term or another source, such as Vehicle Miles Traveled (VMT) or Vehicles Hours Traveled (VHT), in the longer term.
  - The nation's transportation system, including its programs and funding/financing options, must be capable of meeting widely varying transportation needs and challenges. No "one-size fits all" approach is appropriate in terms of revenue sources and use of funds. Federal programs and funding must be capable of supporting system renewal as well as system capacity; encouraging coordination and collaboration on systems and projects that cross agency and jurisdictional boundaries; and allowing states to have flexibility with accountability in meeting project and system objectives.
  - Public/Private financing partnerships may offer the opportunity for states to tap into non-public sources of capital for new projects. Market-oriented financing approaches, such as tolls and pricing, also offer additional revenue streams; but they typically focus on more "localized" funding solutions to "localized" transportation needs. They simply cannot replace the need for a strong continued federal presence in funding the broader needs of maintaining and operating a 21<sup>st</sup> Century, internationally competitive system that serves the transportation needs of the entire nation.

- Public/Private partnerships for project design and implementation also offer the potential for program efficiencies that can help states effectively leverage public resources and deliver projects in a more timely, cost-effective manner.
3. Goods Movement: The national economy is becoming increasingly dependent upon globalization and international trade; yet there is no national policy or program to support a goods movement system through the nation's borders and ports and across the domestic transportation system.
    - The federal government has a responsibility, acting in concert with affected parties, to identify an intermodal national goods movement system; specific projects that can provide the most cost-effective benefits; and a separate, dedicated, and secure source of revenue for such projects.
  4. Transit: Transit is a particularly important regional asset in the Northeast, providing mobility for ten billion riders annually within and among communities – both urban and rural. Effective transit systems can provide energy efficient and environmentally sound options for managing the carbon footprint of transportation systems. Transit is clearly an integral part of the national transportation system, not an adjunct to it, and therefore must continue to receive sustained, assured federal funding levels.
    - Seventy four percent of transit ridership occurs within seven metropolitan areas – New York, Chicago, Philadelphia, Boston, San Francisco, Los Angeles, and Washington, D.C. The New York Metropolitan Transportation Authority system alone accounts for one-third of America's total transit ridership, with the New York and Los Angeles metropolitan systems coming in as numbers 1 and 2 in terms of ridership.
    - Rural transit systems provide critical travel options for a wide range of trips for a diverse set of riders.
  5. National Passenger Rail Policy: A national comprehensive rail policy that provides a coherent institutional and funding framework can make the nation's rail system – intercity, commuter, freight and their intermodal links – a stronger component of a balanced, energy efficient and environmentally-sound multi-modal transportation system.
    - This policy must provide stronger collaboration and effective coordination among the federal government, state government and various rail providers and owners. Increased, sustained federal investment, in partnership with the states, is needed for a passenger rail system that can attract and retain significantly increased ridership.
    - The Northeast Corridor (NEC) Network is the nation's premier passenger rail system. Planning, development and management of the Network must consider all of its users as part of a larger transportation system. To ensure that the NEC Network is strategically developed to ensure its highest and best public use, the states must have a meaningful role in and responsibility for policy-making with respect to its development.

6. Technology: “Intelligent mobility” has a role in meeting the challenge of delivering fast, reliable, safe and sustainable transport networks across the region.
  - Today, Intelligent Transport Systems (ITS) are found in varying degrees in all transportation modes, offering the potential to enhance the advantages of these modes working together – in such diverse applications as sophisticated logistics chains, toll collection, advanced traveler information systems, and rural weather services.
7. Data and Modeling: The nation must recommit to investment in data collection to support effective transportation decision-making, both within and among modes. Policymakers and planners need better tools to assess modal trade-offs as they evaluate the user and non-user benefits of transportation projects in the future.
  - The activities of the National Surface Transportation Policy and Revenue Study Commission have revealed the need for improved data and modeling. A national effort might include re-starting and adding more intercity-focused questions to the National Household Travel Survey and Census Bureau reports, including the Vehicle Inventory and Use Survey.
8. Rural Highway Safety: A renewed effort is needed nationally to address safety on rural highways nationwide.
  - The safety of the nation’s transportation system remains paramount for federal and state government. Traffic crashes are a major cause of death and injury in the United States, and crashes on rural roads (roads in areas with populations of less than 5,000) account for over 60 percent of the deaths nationwide (about 70 deaths each day). The rate of fatalities per VMT on rural roads is over twice the urban fatality rate.
9. Sound Development and Sound Transportation: Responsible land use and joint development, in coordination with transportation system development and operations, can help reduce VMT, thereby contributing to the broader objectives of congestion management, effective energy use, and reduced greenhouse gas emissions.
  - Sprawl continues to be a problem nationwide, as the amount of land consumed by development exceeded the rate of population growth since the 1980’s. Sprawl was even worse in the Northeast, where developed land grew at a rate far in excess of population growth.
  - The Commonwealth Capital fund in Massachusetts may provide insights for a regional or corridor-wide approach to dealing with land use, development and transportation. The recent combination of sliding housing markets, higher gasoline prices, and greater concern about climate change invite a renewed look at the dynamic relationship among transportation, housing and land use, energy use, and environment.

## **Action Goals:**

The nation's policy leaders in government, business and local communities, must make a strong continuing commitment to achieve a national transportation system capable of meeting the challenges of the 21<sup>st</sup> Century economy. As the national debate on surface transportation policy reform unfolds, the CONEG Governors offer these aggressive action goals to move the nation toward a safe, efficient, integrated transportation system capable of providing improved mobility and helping achieve the nation's economic, energy and environmental policy goals.

1. Develop a transportation system that, in conjunction with more fuel efficient vehicles, achieves a sustainable reduction in greenhouse gas emissions by:
  - Reducing the VMT rate of growth by 20 percent by 2050, and
  - Doubling transit and intercity passenger rail ridership by 2050.
2. Improve safety on the nation's highways by reducing the number of fatal accidents on rural highways by 25 percent.