

September 12, 2003

The Honorable Don Young
Chairman
Committee on Transportation and Infrastructure
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

As the Committee continues to develop its legislation to reauthorize the programs in the Transportation Equity Act for the 21st Century (TEA-21), the Coalition of Northeastern Governors (CONEG) urges the Committee to build upon and strengthen the progress and success of TEA-21. TEA-21's comprehensive and effective framework has resulted in the improved condition and safety of the nation's highways, bridges and transit systems. Fundamental to this success have been strong federal-state-local partnerships, adequate and predictable funding, and an effective program structure for the delivery of federal transportation programs and projects. It is vital that the continuity of these programs and funding be maintained while new legislation is completed.

First, the CONEG Governors believe it is paramount that the federal partnership with the States be maintained and that Congress enacts a six-year bill that provides predictable and adequate funding for all States. As the needs and demands on the nation's transportation infrastructure continue to grow, the federal government must remain a strong and consistent partner with the States on transportation funding. Congress can take actions to ensure that revenues to the Highway Trust Fund will be adequate to meet the future needs of highway and transit programs.

Second, CONEG Governors believe that the structure and intent of TEA-21 should be preserved and strengthened. The overall program structure of the highway, transit, and highway safety programs should be maintained. Any changes made to these programs should be evolutionary, drawing upon lessons learned by States and the federal government.

TEA-21's financial mechanisms – the firewalls for transportation funding and guarantees for highway and public transit funding – are fundamental to the success of TEA-21 and must be preserved. These mechanisms have provided record levels of transportation funding for all States and the funding predictability required to effectively plan and deliver transportation systems. Revenue Aligned Budget Authority (RABA) is a good concept and should be maintained. However, its formula should be adjusted and smoothed-out to prevent the unpredictable funding swings of recent years. Funding should continue to flow through the States and not be sub-allocated to other entities. TEA-21's commitment to flexibility, public transit, safety, research, and the environment has also improved the delivery, safety and efficiency of our nation's transportation system.

Third, the CONEG Governors believe it is critical that flexibility is strengthened. The current ability of States to flex TEA-21 funds between some TEA-21 programs and modes of transportation should be strengthened and expanded, enabling States to develop transportation solutions based upon merit and need at this time of increased pressure on States to fund a more multi-modal transportation system.

Fourth, the CONEG Governors believe it is very important to continue investing in public transit and to increase funding to a level that is proportionate to the increases made for the highway and transit programs in TEA-21. Several key elements of the transit program must be maintained to ensure adequate investment by communities of all sizes. These include the public transit funding guarantees, both the Mass Transit Account in the Highway Trust Fund and the General Fund guarantees; the existing non-federal match requirements for Fixed-Guideway New Starts and other transit programs; the Bus and Bus Facility Discretionary Program; and the Fixed-Guideway Modernization Program. Continued and enhanced funding for rural, elderly and disabled transit initiatives can help make the important connection to medical services, work and recreational opportunities so important to the elderly and disabled persons, children and those without a car or driver's license.

Fifth, the CONEG Governors believe that transportation safety and security efforts need to be enhanced. Efforts to improve safety on the nation's highway, transit, and rail systems, including the Railway-Highway Crossing Elimination Program, must continue. States should be given the maximum ability to flex funding from other transportation programs to improve safety. Even as improved security on all modes of the nation's transportation network takes on heightened importance, federal programs must be designed and coordinated to ensure that the regional and national flow of goods and people are not impeded or inconvenienced. Additional federal security funding for operations and infrastructure should not come at the expense of other federal transportation programs. It is also critical that there is sufficient funding for border crossing and gateway infrastructure projects, particularly for those transportation projects that are required to meet new federal security requirements.

Sixth, the CONEG Governors urge you to authorize the formation of a commission that would create a new North American vision for transportation in the new millennium. In 1976, Congress chartered a National Transportation Policy Study Commission to look at strategic transportation issues through the year 2000. A generation has passed since those recommendations were made, the world has changed, and it is time to revisit these issues and formulate a new national transportation policy for the next generation. A key component of this study should be an examination of the future financial health of the Highway Trust Fund and the feasibility of alternative revenue streams or alternatives to it. Congress should authorize sufficient funding for the preparation of a national transportation policy study over a period of two years following the reauthorization of TEA-21.

The CONEG Governors also believe that TEA-21 reauthorization should:

- Encourage Connectivity and Intermodalism. Effective connections among intermodal networks are essential to the efficient movement of people and goods.

- Advance Efficient Delivery of Transportation Programs Consistent with Environmental Objectives. The federal government, in partnership with the States, should continue to simplify and streamline federal transportation programs and permitting processes, consistent with the important goals of environmental stewardship.
- Support Transportation Research and Technologies for Safety, Security, Efficiency, and Economic Development. Federal resources should continue to be invested in research and technologies that improve safety, security, efficiency, and economic development of the nation's transportation system.
- Promote Environmental Stewardship and Energy Efficient Transportation. Environmental stewardship and energy efficient transportation should be integrated into all aspects of the nation's transportation program.
- Supplement Transportation Funding with Effective Investment Strategies. Innovative financing programs should be made more attractive to encourage their effective use by States and the private sector.

The CONEG Governors appreciate the opportunity to share with the Committee our views on these key components of the federal-state partnership that have contributed to a comprehensive, integrated and well-financed multi-modal national transportation system. As you continue this effort, we look forward to providing you with additional information on these transportation programs so important to the nation and the Northeast region.

Sincerely,

/o.s./
Mitt Romney
Chair
Governor of Massachusetts

/o.s./
John Baldacci
Vice Chair
Governor of Maine

/o.s./
George E. Pataki
Lead Governor for Transportation
Governor of New York

Identical letters were sent to House & Senate leadership, chairmen & ranking members with jurisdiction over reauthorization.