

November 3, 2011

The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
H-307 Capitol Building
Washington, DC 20515-6015

The Honorable Norman Dicks
Ranking Member
Committee on Appropriations
U.S. House of Representatives
1016 Longworth House Office Building
Washington, DC 20515-6157

The Honorable Tom Latham
Chairman
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
2358A Rayburn House Office Building
Washington, DC 20515-6157

The Honorable John Olver
Ranking Member
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
1016 Longworth House Office Building
Washington, DC 20515-6157

Dear Chairman Rogers, Ranking Member Dicks, Chairman Latham, and Ranking Member Olver:

As you prepare to finalize funding levels for the FY2012 Transportation, Housing and Urban Development, and Related Agencies appropriations, the Coalition of Northeastern Governors (CONEG) deeply appreciates your continued strong support for full funding of the nation's transportation and critical community development programs.

We recognize the difficult and uncertain budget situation that the Committee confronts, as well as the challenge of crafting the FY2012 appropriations measure while the debate on the surface transportation authorization and funding framework remains unresolved. We urge the Committee to continue its support for a strong federal role in a national, integrated, multi-modal transportation system. This system underpins the competitiveness of the nation's economy, broadens employment opportunities, and contributes to the efficient, safe, environmentally sound, and energy-smart movement of people and goods.

Highways and Transit

- The Governors urge the Committee to support baseline funding for the highway obligation ceiling and related safety programs, as well as modest increases for public transit programs including the Formula and Bus Grants and the Small Starts and New Starts Programs. Continued and substantial federal investment to improve congested and degraded highways, bridges and transit systems – in urban, suburban, exurban, and rural areas – is necessary to maintain this vital infrastructure and move people and products safely and efficiently.
- We welcome continued support for the Transportation Investment Generating Economic Recovery (TIGER) grant program as a complement to the basic core federal transportation

infrastructure investment programs. These grants, provided to urban and rural areas, enable innovative, multi-modal and multi-jurisdictional transportation projects that promise significant economic and environmental benefits. They can be an important tool for funding an integrated transportation network.

- We fully support additional funding for the Highway Emergency Relief Program and the more flexible provisions dealing with disaster events in FY2011 and FY2012. The Northeast is the region most recently hit by natural disasters that have devastated communities and destroyed critical public infrastructure vital to the public health and safety, and to the economy. In light of the severity and magnitude of natural disasters across the nation, the ability of the Secretary to obligate more than the current \$100 million for a single event, extend the period in which a local match is not required, and authorize a higher federal share is critical for an effective and timely federal-state-local partnership to restore the transportation networks that are the economic foundation of our communities and the nation.
- We fully support the provision in the Senate bill that extends to Maine and Vermont a permanent waiver from federal truck size and weight requirements. All states place the highest priority on the safety and structural integrity of the nation's federal, state and local highway and road network. A number of northeast states have in place permanent waivers from these requirements in recognition of the variation of freight loads and traffic flows across the region. The Senate provision will allow heavier trucks on rural interstates and contribute to the safety of the local road network in these states.
- We welcome the Senate provision that holds harmless the states that received Commercial Vehicle Information Systems and Networks grants in prior years based on administrative guidance provided by the Federal Motor Carrier Administration.

Intercity Passenger Rail

The ability of the state-federal-Amtrak-private sector partnership to achieve critical "state of good repair," improve service, and encourage increased ridership in corridors across the country will depend upon a continuation of substantial, on-going federal capital investment in infrastructure, equipment, and safety. Therefore, we strongly urge the Committee's continued support for the Intercity Passenger Rail Service Corridor Capital Assistance Program and for Amtrak capital and operations funding.

- The Capital Assistance Program recognizes the critical role of states in advancing regional and corridor intercity passenger rail service. The proposed funding level of \$100 million in FY2012 will ensure the continued ability of states to plan for and advance longer-term projects and corridor development initiatives that are the backbone of a vibrant intercity passenger rail system. We also appreciate the Senate provision that continues to allow a portion of these planning funds to be used for preparation of service development plans and related environmental impact statements for corridors located in multiple states. The 11 northeast states are now working cooperatively with the Federal Railroad Administration on a project to develop a service plan and

related environmental assessments for the Northeast Corridor. This planning is crucial for the Northeast Corridor to advance major projects essential to improve the capacity and reliability of passenger rail service in the nation's most congested highway, rail and air travel corridor.

- We strongly urge the Committee to maintain robust funding for Amtrak operations and capital. A balanced program of adequate, sustained capital investment in infrastructure is vital for an intercity passenger rail system that provides reliable, safe, quality services that attract and retain riders. Therefore we support modest increases in urgently needed capital funding for Amtrak. Adequate capital funding is vital for effective and efficient service which is dependent upon "state of good repair projects" that improve reliability and capacity as well as equipment modernization and expansion. We welcome the Senate's recognition of the Gateway Project which will help alleviate rail congestion and bottlenecks in the New York metro area.
- In the Northeast and across the nation, 15 states are active partners in developing and funding improvements to state-supported routes that are vital elements that stitch together a national intercity passenger rail system. These routes carry over 15 million passengers annually and account for 48 percent of Amtrak's ridership and 25 percent of its revenues. As directed by the Congress in the Passenger Rail Investment and Improvement Act of 2008, these states have been engaged with Amtrak in developing a methodology to ensure that they fairly and equitably reimburse Amtrak for the costs associated with the operation of state-supported routes. These agreements are close to a final resolution with a two year transitional period in recognition of state budget cycles. Therefore, we are concerned with the provision in the House bill that would deny Amtrak its ability to use its operating funds for any state-supported costs. Such an abrupt halt in funding would throw the congressionally-directed resolution of cost-allocation into disarray. It would also immediately halt much of the nation's intercity passenger rail service to cities and towns throughout the country, and contribute to a loss of Amtrak ridership and revenues.

Community Development

We request the Committee to continue support for the Community Development Block Grant program at least at the current funding level. This program enables states to provide funding for infrastructure improvements, housing programs, and projects that attract businesses to urban, suburban, exurban, and rural areas. These projects help create new jobs and spur economic development, growth and recovery in the nation's low income and rural communities.

We appreciate the opportunity to share these priorities and appreciate your consideration of these requests.

/o.s./
Deval L. Patrick
Governor of Massachusetts
CONEG Chair

Sincerely,
/o.s./
Lincoln D. Chafee
Governor of Rhode Island
CONEG Vice-Chair

/o.s./
Peter Shumlin
Governor of Vermont
CONEG Transportation Lead
Governor

Identical letters were also sent to Leadership of Senate Appropriations and THUD Subcommittee.