

April 11, 2003

The Honorable Ernest J. Istook
Chairman
Subcommittee on Transportation, Treasury and Independent Agencies
Committee on Appropriations
U.S. House of Representatives
2358 Rayburn House Office Building
Washington, D.C. 20515-6027

Dear Mr. Chairman:

As the Subcommittee begins the fiscal year 2004 transportation appropriations process, the Coalition of Northeastern Governors (CONEG) is pleased to share with the Subcommittee testimony on the FY 2004 Transportation and Treasury Appropriations bill. The CONEG Governors commend the Subcommittee for its past support of funding for the nation's highway, transit, and rail systems. Although we recognize the extensive demands being made upon federal resources in the coming year, we urge the Subcommittee to continue the important federal partnership role that is vital to strengthening the multi-modal transportation system. This system is a critical underpinning to the productivity of the nation's economy and the security and well-being of its communities.

First, the Governors urge the Subcommittee to fund the combined highway, transit and safety programs at levels that will continue the progress made over the last several years to improve the condition and safety of the nation's highways, bridges and transit systems. In both urban and rural areas, these infrastructure improvements are not only necessary for moving people, but are also critical for improving the projected substantial growth of freight movements along the nation's surface transportation system. The U.S. Department of Transportation's 2002 Conditions and Performance Report to Congress documented the improvements in the physical condition of the nation's highway, bridge and transit infrastructure as a result of the federal-state investments made under the Transportation Equity Act for the 21st Century (TEA-21). It also found that a combined federal highway and transit program of \$53 billion annually is needed simply to maintain our nation's highways and transit systems in the current conditions, and a program level of \$74.8 billion is needed to actually improve our nation's highways and transit systems.

Within the Transit program, the Governors strongly urge the Subcommittee to address the solvency of the mass transit account while maintaining the basic program structure. Further, the Governors urge the Subcommittee to continue the traditional 80/20 federal/state match for the New Start Program and the Bus and Bus Facilities Discretionary Grant Program. These programs have been instrumental in ensuring that needed funds are invested to improve and extend transit services in both our urban and rural communities.

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Second, the Governors strongly urge the Subcommittee to provide at least \$1.8 billion in FY 2004 for intercity passenger rail. Intercity passenger rail is an vital part of the nation's transportation system, particularly in the Northeast and Mid-Atlantic region, where it provides essential mobility, enhances capacity of other modes, and provides much needed redundancy to the nation's transportation system. This funding level is critically needed to maintain services and begin a program of essential investments in equipment and infrastructure to bring the system back to a state of good repair for reliable service. The United States Department of Transportation Inspector General has noted that over \$1 billion in capital funds is needed annually just to sustain the current intercity passenger rail system, regardless of who operates that system. The states are already major investors in the current intercity passenger rail system, with the Northeast and Mid-Atlantic states already investing over \$4 billion in intercity passenger rail operations and infrastructure since 1991. A funding level of \$1.8 billion in FY 2004 will help provide a period of stability for intercity passenger and commuter rail operations while the Congress, Administration and states work cooperatively to determine the future of intercity passenger rail and Amtrak in the nation's transportation system.

Third, the Governors urge the Subcommittee to continue funding for investments in Intelligent Transportation Systems (ITS). It is vital that the nation's transportation system maintain and enhance the capabilities made possible by investments in ITS. The densely populated Atlantic Coast region relies heavily on ITS to improve operations every day on both highways and transit. The Northeast's rural areas and communities also benefit significantly from ITS investments. The region's ITS systems, including those provided by TRANSCOM and the I-95 Corridor Coalition, have demonstrated their critical role, both in the emergency management and recovery phases, when security demands put added pressure on the region's transportation networks.

Fourth, safety on the nation's highways, transit and rail systems remains a priority of the Governors. The safety of the aging rail tunnels along the Northeast Corridor is a particular concern, and we urge the Subcommittee to fund life safety improvements for the Baltimore and New York tunnels. The Governors also support maximum funding for the Railway-Highway Crossing Hazard Elimination Program. As part of the federal-state partnership to correct hazardous conditions on the nation's highways, investments in highway-rail crossings can reduce injuries and death from accidents even as they allow higher train speeds and increased reliability.

Fifth, the Governors urge the Subcommittee to provide sufficient funding for border crossing and gateway infrastructure projects, particularly those transportation projects that are required to meet new federal security requirements.

Sixth, the Governors also support the President's funding request of \$20 million for the Surface Transportation Board.

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Finally, the Governors support continued federal investment in transportation research and development programs, particularly the Federal Railroad's Next Generation High Speed Rail program. This program enhances safety and helps stimulate the development of new technologies, which will benefit improved intercity rail service across the nation.

The CONEG Governors thank you, Ranking Member Olver and the entire Subcommittee for the opportunity to share these priorities and appreciate your consideration of these requests.

Sincerely,

/os/

Mitt Romney
Chair

Identical testimony was also submitted to the Senate Subcommittee on Transportation, Treasury and Independent Agencies