

March 5, 2004

The Honorable Don Young  
Chairman  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
2165 Rayburn House Office Building  
Washington, DC 20515-6256

Dear Mr. Chairman:

As the Committee prepares to take up H.R. 3550, Transportation Equity Act - Legacy for Users (TEA-LU), the Northeast Governors want to express our appreciation for the Committee's work to develop a bill that builds upon and strengthens the comprehensive and effective framework of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21). We strongly urge you to maintain the program and formula structure of TEA-21, for it has resulted in improved conditions and safety of the highways, bridges and transit systems of the Northeast and the nation. It is vital that this legacy continue.

We also recognize the difficult pressures that the Committee faces in providing for the needs of the nation's transportation systems at this time of severe fiscal constraints. If these fiscal pressures result in the Committee acting on a shorter, multiyear bill, we strongly urge you to increase the overall program funding in a "clean" bill that maintains the current major programs and formulas, particularly the 90.5 percent minimum guarantee.

The Northeast Governors recently met to discuss the importance of TEA-21 reauthorization to the region's transportation systems and economy. Nine Northeast Governors agreed upon four vital components that should be part of any multiyear reauthorization bill, regardless of its duration. A copy of our shared reauthorization priorities is enclosed. We strongly urge the Committee to incorporate these key priorities in the markup of H.R. 3550.

Distribute highway funding to meet the needs of an inter-related transportation system

We believe highway funding should be distributed on a needs-based formula that strengthens highway safety and security, generates jobs, manages congestion, enhances road and bridge maintenance and construction, and improves mobility. The Northeast's transportation system faces a multitude of demands that create diverse needs. The Northeast is home to some of the nation's most heavily used highways and most extensive and aging system of bridges. Our cities are among the most congested in the nation. On a daily basis, our highways support some of the nation's highest levels of interstate long distance travel, as well as substantial commuter traffic. These highways are also stressed by extensive truck traffic that transports goods – into the Northeast and throughout the region – to feed the nation's largest consumer market.

Protect the transit program

We appreciate the work of the Committee to increase transit funding and largely maintain the current transit program structure. We strongly urge you to ensure that the transit program is fully protected, including the guarantee of General Funds, and that there is continued growth in the important fixed-guideway modernization (Rail-Mod) program.

Maintain the firewalls and funding guarantees for highways and transit

We strongly support the firewalls and General Fund guarantees for highways and public transit, for they provide the funding predictability that our states need to meet the region's growing transportation needs. These financing mechanisms were critical to the success of TEA-21 and it is essential that they continue.

Secure future funding for highway and public transit systems

We encourage the Committee to lay the groundwork to secure future funding for highway and public transit systems. Certain elements of the funding mechanisms within the highly successful federal-state partnership need to be revised and enhanced to meet the region's and the nation's growing transportation needs. A congressionally created "Next General National Transportation Policy Study Commission" would provide the framework to create a new vision of transportation and devise ways to fund it.

We thank you for your leadership and work on behalf of the nation's transportation needs, and we strongly urge the Committee to incorporate these critical elements into any reauthorization legislation that it advances to the House.

Sincerely,

/o.s./  
Mitt Romney  
CONEG Chairman  
Massachusetts

/o.s./  
John E. Baldacci  
CONEG Vice Chairman  
Maine

/o.s./  
John G. Rowland  
Connecticut

/o.s./  
Ruth Ann Minner  
Delaware

/o.s./  
Craig Benson  
New Hampshire

/o.s./  
George E. Pataki  
New York

/o.s./  
Edward G. Rendell  
Pennsylvania

/o.s./  
Donald L. Carcieri  
Rhode Island

/o.s./  
James H. Douglas  
Vermont

Enclosure

*Note: Personalized letters were sent to the leadership of the House T&I Committee, and to the Northeast Members of the House.*

## **NORTHEAST GOVERNORS RESOLUTION**

### **The Northeast Framework for TEA-21 Reauthorization**

An integrated, safe, secure, and adequately financed national transportation system is a critical underpinning to the productivity of the nation's economy, the well-being of our communities, and the quality of life of our citizens. An integrated transportation system can stimulate economic development and sound community development by increasing mobility, creating jobs, and influencing decisions on business and housing location.

As the Congress develops legislation to reauthorize the programs in the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21), the Coalition of Northeastern Governors (CONEG), joined by Governor Ruth Ann Minner and Governor Ed Rendell, urge the Congress 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 partnership, 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 in any new legislation.

As the Congress reaches a critical juncture in its consideration of this important legislation, the Governors of the Northeast urge the Congress to incorporate the following program elements into any legislation enacted.

#### **Distribute Highway Funding to Meet Transportation Needs**

- The Governors recognize the difficult challenges facing Congress in providing sufficient funding to meet the highway and bridge needs of the nation, and appreciate its efforts to secure funding to meet the needs of the nation's transportation system.
- Highway funding should be distributed based upon a needs-based formula that strengthens highway safety and security, generates jobs, manages congestion, enhances road and bridge maintenance and construction, and improves freight mobility.
- The Governors appreciate the increased funding that all the Northeast states would receive under TEA-21 legislation currently before Congress. However, the Northeast's funding increases as a whole are the smallest increases of any other region in the country, and the region's overall share of highway funding would decrease under bills currently before the Congress. Yet the Northeast contains some of the most densely populated states, and its transportation facilities are among the oldest, most heavily used, and the most stressed by the variation of seasonal changes.
- The Northeast States understand that the nation's and the region's highway systems are interconnected and that their economies depend upon moving their people and goods in and out of the Northeast. The Northeast, which is one of the nation's largest consumer markets for goods both domestic and imported, is also the most truck-dependent region of the Nation. If the roads and bridges in one or two States of the region fall into disrepair – all of the economies of our region and the nation suffer.

*over...*

### **Protect the Transit Program**

- Transit is an essential part of nation's urban and rural transportation systems. Transit provides essential mobility for people of all age and income groups to stay connected to work, health and social services and recreational opportunities. It is a way of life for commuters in the Northeast, and it is critical to the safety of our communities when large masses of people must be moved in an emergency. The Northeast is the most transit intensive region of the country. These ten states and the District of Columbia account for over 54 percent of all transit riders in the United States.
- The Governors are pleased to see that Congress has increased funding and largely maintained the current transit program structure, which has worked well for all states in this region. It is vital that the legislation approved by Congress ensures continued growth in the important fixed-guideway modernization program ("Rail-Mod"), as it provides critical funding to maintain and upgrade the aging state-built rail transit systems in the Northeast and the nation.

### **Maintain the Firewalls and Funding Guarantees for Highways and Transit**

- TEA-21 financial mechanisms – the firewalls and guarantees for highway and public transit funding – were critical to the success of TEA-21, and it is essential that they be reauthorized. The firewalls and guarantees provide the funding predictability that our states need to meet the region's growing transportation needs. This predictability is particularly important for the planning and funding of the region's larger and more complex projects.
- States cannot adequately plan or rely on unguaranteed General Funds, for history has shown that General Funds that are not guaranteed do not materialize. The Governors look forward to working together with the Congress to ensure that the firewalls for highway programs and the guaranteed General Funds that have long been provided to the transit program are maintained.

### **Secure Future Funding for Highway and Transit Systems**

- The long-standing federal-state partnership for surface transportation has served the nation well in developing a multi-modal transportation network that serves all the states, and this highly successful partnership must continue. However, certain elements of the funding mechanism within this partnership need to be revised and enhanced to meet the nation's and the region's growing transportation needs. A funding system designed in the 1950s, and that relies almost exclusively on the gas tax, cannot be expected to sustain us through the 21<sup>st</sup> Century. It is vital that the Congress and the states look at other alternative funding mechanisms to meet the region's and the nation's growing transportation needs.
- In order to meet the region's future transportation needs, the Governors urge the Congress to authorize the formation of a Next Generation National Transportation Policy Study Commission that would create a new North American vision for transportation in the new millennium and devise new ways to fund it. The Northeast states look forward to contributing to the work of such a commission.

The Governors urge the Congress to incorporate these critical elements into any legislation enacted, and look forward to providing additional information on these transportation programs that are so important to the nation and the Northeast region.