

February 3, 2005

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 Congress again takes up reauthorization of the Transportation Equity Act for the 21st Century (TEA-21), the Coalition of Northeastern Governors (CONEG) urges Congress to maintain the proven needs-based structure of the highway and transit programs. The structure provided by TEA-21 has resulted in improved conditions and safety of highways, bridges and public transportation systems of the Northeast and the nation. It is vital that this legacy continue.

We appreciate your leadership throughout the reauthorization process, and understand that in an environment of severe fiscal constraints, you face major challenges balancing the many diverse interests and demands placed upon the highway and transit programs and available funding. However, to address these interests adequately, robust long-term funding is required to tackle the nation's growing transportation needs.

As Congress again takes up surface transportation reauthorizing legislation, we urge you to:

- **Take Timely Action on a Bill That Fully Funds the Surface Transportation Program to Meet the Needs of All States.** A multi-year authorization will provide the program with the continuity and certainty needed for adequate planning and implementation of surface transportation programs and projects. Without federal funding consistency, states and localities often have no choice but to defer much-needed projects – an action that can increase overall costs. Therefore, the CONEG Governors urge the highest level of funding for a multi-year bill that adequately meets the needs of all states.
- **Maintain the States' Existing Share of Highway Funding.** We urge you to retain the current program structure which distributes funds through 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, with some of the nation's most heavily used highways and most extensive and aging system of bridges, is an integral part of a transportation network that supports the nation's economic well-being. Consistent with the needs-based approach, the existing share of highway funds received by Northeastern states should not be negatively impacted.

- **Maximize Core Program Funding by Putting High Priority Projects, and Projects of Regional Significance Outside the Minimum Guarantee.** This position, consistent with the original structure of the Intermodal Surface Transportation Efficiency Act (ISTEA), is vital to ensuring that states have optimal flexibility in funding to meet the needs of their highway systems. Including these earmark projects within the Minimum Guarantee reduces the level of flexible core program funding that is available to the states.
- **Maintain the “Firewalls” and General Fund Guarantees for Transit.** These protections, which provide the funding predictability that states need to meet their transportation needs, have been critical to the success of TEA-21. It is essential that both the firewalls and the General Fund guarantees for transit be maintained.
- **Protect the Transit Program.** Continuation of the General Fund guarantees and the current transit program structure – particularly the historic 80/20 split between the highway and transit programs – provides a balanced approach that is essential for funding reliability and stability for both the highway and transit programs.
- **Consider the Issues of Transportation System Needs and Transportation System Funding through a National Transportation Policy Study Commission.** The Northeast States support a study of the future needs and funding for an integrated transportation system that can meet the diverse demands generated by the global economy and trade, domestic security considerations, emerging technologies, community growth, and the need to maintain a quality environment. The issues of transportation needs and revenues are interconnected and must be studied together. We encourage Congress to combine the study of future transportation needs with the study of future revenue needs. This effort should involve a comprehensive examination of an integrated multimodal transportation system.

We stand ready to work with you to advance a surface transportation program that addresses these priorities and encourages all states to work together to address the critical transportation needs of the nation.

Sincerely,

/o.s./
John E. Baldacci
Chair

/o.s./
Donald L. Carcieri
Vice-Chair

/o.s./
George E. Pataki
Lead Governor for
Transportation

Identical letters were also provided to the House & Senate Leadership, as well as the Chairmen and Ranking Members of the authorizing committees in both chambers.