

March 8, 2005

The Honorable Judd Gregg  
Chairman  
Committee on the Budget  
United States Senate  
624 Senate Dirksen Office Building  
Washington, DC 20510-6100

Dear Mr. Chairman:

As the Budget Committee develops its FY 2006 Budget Resolution, the Coalition of Northeastern Governors (CONEG) writes in support of several programs important to the Northeast and the nation. We request the Committee to provide maximum allowable funding for the nation's surface transportation programs and for passenger rail security, \$1.8 billion for intercity passenger rail, and \$3.1 billion for the Low Income Home Energy Assistance Program (LIHEAP) in FY 2006 and advance funding for FY 2007. We recognize the difficult decisions facing the Committee, but believe that these important programs contribute to the mobility and vitality of the nation's economy, to public security, and to the well-being of some of its most vulnerable citizens.

Surface Transportation: We urge the Committee to provide the maximum funding allowable for the nation's highways, transit and safety programs. The long, difficult process of reauthorizing the nation's surface transportation programs is now at a critical juncture. A budget resolution that provides the maximum allowable funding – in FY 2006 and beyond – and the budget procedural flexibility, such as that in the House concurrent resolution for FY 2005, can address both the needs of the nation's transportation system and also facilitate successful completion of the current reauthorization process. Providing the foundation for robust funding of the nation's transportation programs will allow states to continue investments that will improve the condition and performance of the nation's highways, bridges and transit systems.

Intercity Passenger Rail: The CONEG Governors request that the FY 2006 Budget Resolution allow for at least \$1.8 billion in funding for intercity passenger rail to ensure stability of the current system as critical decisions are made in the coming months on the future of the intercity passenger rail system and service. We understand that Amtrak has implemented management reforms, modified service, reduced personnel, and sought to increase non-federal revenues. A capital investment program to bring essential infrastructure closer to a state of good repair will essentially exhaust the cash reserves that made it possible for Amtrak to continue operations the last few years. Yet bringing about necessary system reforms will require time for an orderly transition that does not jeopardize service and safety. A budget that allows for \$1.8 billion for Amtrak, plus additional resources for a state-controlled corridor development, will enable

continued operation and basic maintenance of a national system, and continues phased investments in infrastructure while discussions on appropriate reforms in the nation's intercity passenger rail system intensify.

Rail Security: Efforts to strengthen the nation's security, particularly its multi-modal transportation system, are of paramount importance to the CONEG Governors. We believe high priority must be given to the safety and security of the nation's passenger rail systems, and therefore urge that the budget include the funding necessary to enable the Department of Homeland Security to help strengthen the security of the nation's intercity, commuter rail, and rail transit systems. These extensive systems move millions of riders daily, and are critical components of the transportation network. Funding for rail security programs will allow the Department of Homeland Security to be an essential partner with states, local governments and public transportation authorities in ensuring that these vital rail systems remain accessible, reliable – and safe.

LIHEAP: The CONEG Governors also request that the budget provide \$3 billion for the Low Income Home Energy Assistance Program (LIHEAP) in FY 2006, and that the allocation provide for advance appropriations in FY 2007. As energy prices remain high, the assistance provided by LIHEAP in making home energy more affordable for the nation's very low income households becomes even more essential. Yet the program remains seriously underfunded – a funding level of \$3 billion will simply equal the purchasing power provided in 1982. Providing for the full \$3 billion in FY 2006, as well as advance funding that enables more efficient management of the program, will enable states across the nation to reach more of the vulnerable citizens for whom energy costs have become unaffordable.

We stand ready to work with you to advance an FY 2006 Budget Resolution that adequately addresses these critical needs.

Sincerely,

/o.s./  
John E. Baldacci  
Chairman  
Governor of Maine

/o.s./  
Donald L. Carcieri  
Vice-Chairman  
Governor of Rhode Island

*Identical letters were also provided to the House Budget Committee Leadership.*