

April 15, 2005

The Honorable Joseph Knollenberg
Chairman
Subcommittee on Transportation, Treasury, and Housing and
Urban Development, The Judiciary, District of Columbia
Committee on Appropriations
U.S. House of Representatives
2358 Rayburn House Office Building
Washington, DC 20515-6027

Dear Mr. Chairman:

The Coalition of Northeastern Governors (CONEG) is pleased to share with the Subcommittee the attached testimony on transportation programs in the FY 2006 Transportation, Treasury, and Housing and Urban Development, The Judiciary, District of Columbia 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 nation's 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.

The Governors urge the Subcommittee to provide the funding necessary to continue the progress in recent years to improve the condition and safety of the nation's highways, bridges and transit systems. In addition, the CONEG Governors request that the FY 2006 Appropriations funding for intercity passenger rail be sufficient to ensure the stability of the current system as critical decisions are made in the months ahead on the future of the system. The Governors also urge the Subcommittee to continue funding for investments in border crossing and gateway infrastructure programs, transportation research and development programs, particularly the Federal Railroad Administration's Next Generation High Speed Rail program, Intelligent Transportation Systems, and the Surface Transportation Board. Additional information on each of these priority programs is provided in the testimony.

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,

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

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

**Statement of the Coalition of Northeastern Governors
to the Subcommittee on
Transportation, Treasury, and Housing and Urban Development,
The Judiciary, District of Columbia
Committee on Appropriations
U.S. House of Representatives
Regarding FY 2006 Appropriations for Transportation Programs
April 15, 2005**

As the Subcommittee begins the fiscal year 2006 transportation appropriations process, the Coalition of Northeastern Governors (CONEG) is pleased to share with the Subcommittee testimony on the FY 2006 Transportation, Treasury, and Housing and Urban Development, The Judiciary, District of Columbia 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 nation's 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.

The Governors urge the Subcommittee to fund the combined highway, public transit and safety programs at levels that will continue the progress in recent years to improve the condition and safety of the nation's highways, bridges and transit systems. Continued and substantial investment in these infrastructure improvements – in both urban and rural areas – is necessary if the nation's surface transportation system is to safely and efficiently move people and the substantial growth in freight movement that is projected in the coming decade. Providing robust funding of the nation's transportation programs will allow states to continue investment that will improve the conditions and performance of the nation's highways, bridges and public transit systems.

Within the public transit program, the Governors strongly urge the Subcommittee to provide funding levels that at least maintain the basic program structure and address the solvency of the mass transit account. Further, the Governors urge the Subcommittee to maintain the authorized 80/20 federal-state match for the New Start Program. Transit programs like New Starts and the Bus and Bus Facilities Discretionary Grant Program have been instrumental in ensuring that needed funds are invested to improve and extend vital services in both our urban and rural communities.

The CONEG Governors request that the FY 2006 Appropriations 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. As discussions on appropriate reforms in the nation's intercity passenger rail system intensify, an appropriation of \$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 phased investment in infrastructure critical to safe and efficient operations.

The safety and security of the nation's highways, transit and rail systems remains a priority of the Governors. The safety and security 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 Amtrak-owned Baltimore and New York tunnels. The Governors also support maximum funding for the Section 130 Highway-Rail Crossing 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.

The Governors urge the Subcommittee to provide sufficient funding for border crossing and gateway infrastructure programs. A strong program – one that invests in transportation projects addressing both security and transportation needs – can contribute to safer, more efficient and secure flows of people and goods across international borders and through gateways.

The Governors support continued federal investment in transportation research and development programs, particularly the Federal Railroad Administration'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 President's FY 2006 budget would zero out the Next Generation High Speed Rail Program that has funded a range of rail improvement programs such as train control systems, non-electric locomotives, grade crossings, track and structure improvements, corridor planning and maglev.

The Governors urge the Subcommittee to continue funding for investments in Intelligent Transportation Systems (ITS) that can maintain and enhance the capabilities and security of the nation's transportation system. ITS helps states and communities along the densely populated Atlantic Coast region improve the safe and reliable operations of highway and transit systems on a daily basis. 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.

The Governors also support the President's funding request of \$23 million for the Surface Transportation Board. The Board is essential for oversight and effective implementation of decisions in the ongoing process of railroad consolidations and restructuring that affect local and regional economies across the nation.

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

Identical testimony was also provided to the Senate Subcommittee on Transportation, Treasury, the Judiciary, and Housing and Urban Development.