

April 16, 2007

The Honorable John W. Olver  
Chairman  
Subcommittee on Transportation,  
Housing and Urban Development, and Related Agencies  
Committee on Appropriations  
United States House of Representatives  
2358 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

The Coalition of Northeastern Governors (CONEG) is pleased to share with the Subcommittee testimony on transportation and community development programs in the FY2008 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill. The CONEG Governors appreciate the Subcommittee's longstanding support of funding for the nation's highway, transit, and rail systems, and we understand the difficult fiscal challenges and complex, interlocking issues that the Subcommittee faces in crafting this appropriations measure. We urge the Subcommittee to continue the strong federal partnership so vital for the national, integrated transportation system that underpins the productivity of the nation's economy and the security and well-being of its communities.

In summary, the CONEG Governors call for:

- \$ funding the federal aid highway-bridge, transit and safety programs at the FY2008 authorized levels with Revenue Aligned Budget Authority, and with full funding for the Small Starts Program;
- \$ funding intercity passenger rail at \$1.78 billion to ensure adequate funding to continue the critically needed bridge repair projects and life-safety work in the New York and Baltimore tunnels; initiate effort for prompt updates of the Northeast Corridor electric traction system capacity between Washington and New York to avoid major service disruptions; and provide \$100 million for a state capital investment program for intercity passenger rail;
- \$ any appropriations provisions dealing with reform of the nation's intercity passenger rail system to ensure a consistent federal funding partner, and contribute to a data-driven, orderly and transparent process that includes meaningful collaboration by Amtrak with its state funding partners;
- \$ funding for the enhanced Swift High Speed Rail Development program and the Rail Relocation program;
- \$ funding the Surface Transportation Board (STB) at its requested level of \$26.495 million; and
- \$ funding the Community Development Block Grant program at \$4.1 billion as provided in the House FY2008 Budget Resolution.

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We thank the Subcommittee for this opportunity to share the views of the Coalition of Northeastern Governors, and we stand ready to provide you with any additional information on the importance of the transportation and community development programs.

Sincerely,

/o.s./  
Jim Douglas  
Vice-Chair  
Governor of Vermont

/o.s./  
M. Jodi Rell  
Lead Governor –Transportation  
Governor of Connecticut

*Identical testimony was also provided to the Senate Appropriations Committee.*

**Statement of the Coalition of Northeastern Governors  
to the Subcommittee on  
Transportation, Housing and Urban Development,  
and Related Agencies  
Committee on Appropriations  
United States House of Representatives  
Regarding FY2008 Appropriations for Transportation and  
Community Development Programs  
April 16, 2007**

The Coalition of Northeastern Governors (CONEG) is pleased to share with the Subcommittee testimony on transportation and community development programs in the FY2008 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill. The CONEG Governors appreciate the Subcommittee's longstanding support of funding for the nation's highway, transit, and rail systems, and we understand the difficult fiscal challenges and complex, interlocking issues that the Subcommittee faces in crafting this appropriations measure. We urge the Subcommittee to continue the strong federal partnership so vital for the national, integrated transportation system that underpins the productivity of the nation's economy and the security and well-being of its communities.

## **Transportation**

### Surface Transportation

The Governors urge the Subcommittee to fund the combined highway, public transit and safety programs at levels consistent with the FY2008 authorized levels, including the Revenue Aligned Budget Authority (RABA). This level of federal investment in these infrastructure improvements is necessary if the nation's surface transportation system – in both urban and rural areas – is to safely and efficiently move people and support the substantial growth in freight movement projected in the coming decade. Specifically, we urge the Subcommittee to:

- support a federal aid highway obligation limit at the authorized level of \$39.585 billion, plus the Revenue Aligned Budget Authority (RABA);
- fund public transit at the authorized funding level of \$9.423 billion, including full funding for the Small Starts Program; and
- provide sufficient funding for the Coordinated Border Infrastructure Program to enable investment in projects addressing both security and transportation needs at our nation's borders.

### Rail

The CONEG Governors also request that the FY2008 appropriations include \$1.78 billion in federal funding for intercity passenger rail, with specific funding levels provided for operations, capital and debt service. We particularly encourage the Subcommittee to ensure that Amtrak can

continue the critically needed bridge repair projects and life-safety work in the New York and Baltimore tunnels, and also initiate efforts to promptly upgrade the Northeast Corridor electric traction system capacity between Washington and New York to avoid major service disruptions. We also support the proposal for \$100 million to fund a state capital investment program for intercity passenger rail.

This funding level for intercity passenger rail can ensure the stability of the national system, continue vital and on-going work to bring the Northeast Corridor to a state of good repair, and provide essential investment funds critical to the continued development of rail corridors across the country – even as reforms are undertaken through concerted and hopefully coordinated activities of the U.S. Congress, Amtrak, the U.S. Department of Transportation (USDOT), and the states. Since intercity passenger rail is a complex and interconnected system with significant capital requirements, it is essential that any operations reform be incremental and that the federal government continues to be a consistent partner in funding the capital needs of the nation's intercity passenger rail system. We also believe that any reform of intercity passenger rail must be a data-driven, orderly and transparent process that includes meaningful collaboration with Amtrak's state funding partners.

A number of other national rail programs are important components of the evolving federal-state-private sector partnerships to enhance passenger and freight rail across the country. We encourage the Subcommittee to provide funding for both the Rail Relocation Program and the Swift High Speed Rail Development Program, both of which benefit passenger rail and freight rail systems.

The CONEG Governors also support a modest increase in funding for the Surface Transportation Board (STB) to \$26.495 million. This funding level will allow the STB to provide the critical oversight services as the nation's rail system assumes increasing importance for the timely, efficient, and environmentally sound movement of people and goods across the nation.

### **Community Development**

The CONEG Governors urge the Subcommittee to provide \$4.1 billion for the Community Development Block Grant (CDBG) program as provided in the House FY2008 Budget Resolution. The CDBG enables states to provide funding for infrastructure improvement, housing programs, and projects that attract businesses to urban and rural areas, creating new jobs and spurring economic development, growth and recovery in the nation's low income and rural communities.

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