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## Crunch Time for Chicago Transit Funding

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*Chicago Tribune - Oct 29, 2007; Crain's Chicago Business, IL - Oct 29, 2007*

**CHICAGO** – Legislators in Illinois are under pressure to decide whether they will provide a long-term funding program for mass transit in Chicago or force the Chicago Transit Authority and Pace to make steep service cuts and increase fares beginning Sunday.

Chicago Mayor Richard M. Daley spoke at a news conference with students and parents at Mather High School "to put a face on" the people whom the service cuts would harm. "Without long-term funding reform, the CTA, Metra and Pace will be put in the position of having to consider service cuts and fare increases every year, creating annual uncertainty and hardship for riders," Mr. Daley said. Chicago Public Schools CEO Arne Duncan said at the news conference that the CTA's proposed service cuts "would be absolutely devastating to our public schools."

Mayor Daley and local transit officials support a plan to raise the regional sales tax and the real estate transfer tax in Chicago to generate \$435 million annually for transit. However, Gov. Blagojevich has threatened to veto any attempt to increase sales taxes.

The mayor encouraged lawmakers to "set aside their personal differences" and come up with a compromise, although he did not suggest an alternative plan. "To me, it's pretty clear," Daley said at the news conference. "Either [the governor and the General Assembly] support public transit or they don't. This is do-or-die time."

U.S. Rep. Peter DeFazio (D-Ore.) said unless reinvestment in the transportation system begins promptly, Chicago might have few mass-transit services left when the 2016 Olympics are held there. During a congressional field hearing downtown that analyzed the city's transportation needs if it hosts the Summer Games in nine years, DeFazio criticized Illinois as "the poster child for neglect." DeFazio chairs the House Highways and Transit Subcommittee, which influences fierce competition among cities contending for billion in federal grants and funding earmarks for coveted transportation projects.

## Bill Will Urge Sales Tax as Transit Funding Solution

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*The Journal Times* – October 29, 2007

**RACINE COUNTY** – Supporters of Kenosha-Racine-Milwaukee, a proposed extension of Chicago's Metra rail line, were devastated last week after legislators failed to approve a funding method for KRM in the state budget. But a possible new legislative order could conceivably fund the local commuter rail.

The Wisconsin Alliance of Cities are drawing up a bill to create regional transit authorities, or RTA's, which would have the ability to use sales tax for transit needs. They are looking at a .0035 percent sales tax, or 35 cents per \$100 spent. KRM is expected to cost \$198 million to build, and advocates hope to get half from a New Start grant from the Federal Transit Authority. Proof of a stable funding source is a crucial requirement to obtain the grant.

Federal transit assistance is expected to end for the Fox Valley and Green Bay areas in 2010, as the U.S. Census predicts they will exceed a population trigger qualifying them for the funding. Transit support will presumably be raised in the area by the Republican-dominated legislators. Milwaukee and Dane County are among other areas with transit at the top of their priority lists. Transit advocates theorize that with those needs, support for transit funding – possibly as a sales tax – will grow.

## Oberstar Unveils Bridge Proposal

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*News Release* – October 31, 2007

Congressman Jim Oberstar introduced legislation Tuesday to identify and fix the nation's most dangerous bridges. The National Highway Bridge Inspection and Reconstruction Act creates tougher new standards for bridge inspections, and authorizes \$2 billion through 2009 to repair the nation's worst bridges.

Oberstar's bill also requires states to provide better training for bridge inspectors, and mandates that all structurally deficient bridges be inspected annually. States failing to meet these requirements will not be eligible for federal bridge funding.

The \$2 billion in funding for bridge repair and reconstruction will be allocated based on a public safety formula. Those funds may not be earmarked or diverted to other purposes by Congress or the White House.

"This program makes a good start. It creates new national standards to promote bridge safety," said Oberstar. "The collapse of the I-35W bridge has demonstrated that we have to act decisively on this issue, we owe it to the 13 people who lost their lives on August 1st. This bill will help establish nation priorities for fixing bridges, and lay the groundwork for future legislation."

The American Society of Civil Engineers estimates that it would cost over \$188 billion to fix all of the nation's 73,784 structurally deficient bridges. Oberstar's bill begins the process of examining bridges and identifying those in need of immediate repair.

## Poll: Arizonans Oppose Toll Roads to Fix Congestion

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Arizona - Residents of Arizona are nearly unanimous in believing that traffic congestion is a problem; however, most do not believe toll roads are the answer, according to a poll released Tuesday. Instead, most residents would be much more open to the concept of using tax increases to build and maintain highways, according to a Grand Canyon State Poll conducted by the Social Research Laboratory at Northern Arizona University.

"The majority doesn't like the privatization of the highways, and people are willing to pay taxes instead," said Fred Solop, director of Grand Canyon State Poll. A Legislature-formed Blue Ribbon Transportation Committee is considering toll roads as one possible solution for easing traffic congestion. Fifty-seven percent of survey respondents across the state said they do not support the creation of toll roads, 32% supported toll roads and 11% had no opinion.

The survey found 52% were willing to vote for a tax hike to fund highway construction and maintenance, while 40% would vote against the increase and 9% had no opinion. Almost 60% of residents said traffic congestion is an important problem in the state.

Meanwhile, the Transportation & Infrastructure Moving AZ's Economy, known as the TIME Coalition, is working to put an initiative for transportation funding on the 2008 ballot.



*Arizonans are familiar with raising money for transportation by using regional sales taxes. As early as 1985 they voted in a ½ percent sales tax in Maricopa County to fund the regional highways system that we all use when traveling in the Phoenix metropolitan area. The Maricopa County tax was renewed a few years ago. Now Pima County also has a tax. With that kind of track record they may feel confident they can get there without the private sector. TW*

## Maryland Transportation Needs go 'Well Beyond' \$400M

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Baltimore Business Journal – November 1, 2007

Maryland - The head of transportation in Maryland told state legislators Wednesday that the \$400 million budget allotment proposed by Gov. Martin O'Malley for transportation is not enough to make a significant dent in the backlog of unfunded projects.

"It's very clear to me our needs go well beyond that \$400 million a year," Secretary John Porcari told a joint committee of Senate and House members at a hearing on the proposed Transportation Investment Act. "If you would expect significant progress, we would have to go well beyond \$400 million a year."

The bill would use increased gas and vehicle excise tax rates to infuse new money into the state's Transportation Trust Fund. Business leaders in the area told lawmakers they support such tax increases, which under the bill would increase up to 1 percent each year to keep up with inflation in the road construction industry. Porcari encouraged legislators to look at making the level of the increase determined by the Construction Cost Index, which is calculated by the costs of lumber, cement, steel and labor. "Indexing, which has been adopted in other states, would directly address the problem," said Porcari. "It would at least allow us to run in place."

Representatives from business groups such as the Greater Washington Board of Trade, the Greater Baltimore Committee and the Maryland Chamber of Commerce all testified in support of channeling \$600 million into transportation.

# Aviation Congestion Pricing Talks Sparks Debate

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Aviation Week, NY - Oct 28, 2007

NEW YORK - Airlines flying into New York City are already concerned about the government's attempts to cap flights at John F. Kennedy International Airport, but now a proposition is brewing that scares them even more – a congestion charge to make them pay for flying when demand is the highest.

The FAA recently began negotiations with airlines to reduce schedules to what they believe is a more manageable level after the outcry over chronic delays at JFK, which is a main source for airline delays across the country. Delta Air Lines, American Airlines and JetBlue Airways will feel the greatest effect of the restrictions, but the entire airline industry is uniting in opposition. "I don't think there's any question that if [flight cuts] are successful in New York, the [FAA] will try to apply them at other parts of the country," said Air Transport Assn. President James May.

Transportation Secretary Mary E. Peters and her senior advisors are giving increasingly strong indications that New York area airports have congestion charging in their future, under the notion that airlines would find it attractive economically to move flights to less busy periods. In the opening of the first round of scheduled talks Oct. 23, Secretary Peters told airline representatives she has a "strong preference for using market mechanisms like congestion pricing" to fight delays.

Secretary Peters emphasized she has "high hopes for market-based incentives," saying they have been successful in other sectors such as telecommunications, highways and electricity supply. The ATA's May vows a court challenge if the department introduces congestion pricing. The airlines have "a number of legal or legislative options available ... I don't think [the department] would have the legal grounds to stand on," May said.

The ATA and the Port Authority agree increasing ground and airspace capacity is the best answer to JFK flight delays.



*Yes, it's true, increasing ground and airspace capacity would be nice. The possibility of that providing relief in the near-term is slim. When you see statistics on the doubling and tripling of air travel in the future, you begin to recognize that more infrastructure will not be the only answer. Larger planes, GPS and better management of air assets will figure heavily into the solution. Congestion pricing at airports - count on it.*  
TW

## NC Secretary say I-95 Tolling is a Reality

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Roanoke Rapids Daily Herald, NC - Oct 28, 2007

ROANOKE RAPIDS, N.C. – Toll roads are on their way to North Carolina, state transportation Secretary Lyndo Tippettt told the Roanoke Valley Chamber of Commerce on Oct. 26. The upcoming tolls will provide a way for the state to fund \$4 billion in long-term improvements to the 190 miles of I-95 in North Carolina, Tippettt said.

Municipalities along I-95 have long fought the tolling of the interstate, and Tippettt said because of their concerns, there will still be free lanes, most likely located at each end of the corridor and possibly in the middle.

With an expected population increase of 42 percent by 2030, the Turnpike Authority said funding

is no longer available to construct and maintain roadways within the state's already stressed transportation infrastructure. "For many states, toll roads have become financial necessities," explains the authority's website. "Currently, 36 states operate some type of toll facilities, including South Carolina, Virginia, Georgia and Maryland. In fact, every state along the East Coast from Florida to Maine - except North Carolina and Connecticut - uses toll facilities."

Before I-95 is tolled, there will be \$21 million in short-term improvements made to the interstate, said Tippet.

## **\$5B Roads Proposition is Up to Voters**

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*The Brownsville Herald - October 27, 2007*

*AUSTIN* - The fate of a \$5 billion transportation proposition is in the hands of voters Nov. 6, which would authorize the state department of transportation to issue that amount in bonds to spend on road improvements. The proposition does not specify which individual projects or improvements would be funded; that decision would be left up to lawmakers when they return to Austin in 2009.

In recent years, TxDOT has urged municipalities to establish regional authorities to find ways to fund transportation projects the state cannot afford, including using controversial toll projects to fund them. TxDOT must compete with other state agencies for gasoline tax revenue, and is facing decreased federal funding along with the increased cost of road projects, explained Randall Dillard, spokesman for TxDOT. "We're not going to have enough money to both reduce congestion and maintain our system properly," he said.

## **Many Iowans Ready to Pay for Better Roads, Bridges**

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*Sioux City Journal, IA - Oct 31, 2007*

*Iowa* - Iowans want better roads and bridges, and they are willing to pay to get them, according to a recent survey commissioned for the Iowa Good Roads Association. The organization's Executive Director, Dave Scott, said he was surprised to find out that by a 2-to-1 ratio, state residents want increased state spending on repair and replacement of roads and bridges over teacher pay increases and tax reductions, according to the survey performed by Victory Enterprises of Davenport.

Scott was even more surprised to find out almost half of survey respondents said they would be willing to pay a higher state gas tax if there was a constitutional guarantee that it would be used exclusively for roads and bridges. "We're not talking about a lot, maybe three to five cents, but it shows that people value road and bridge systems that are in good repair," Scott said.

In the wake of the Minnesota bridge collapse, a legislative committee in Iowa has been studying ways to generate \$200 million annually to pay for transportation improvements. A fuel tax increase and changes in pickup truck registration fees are likely to be the recommendations made to lawmakers in January, said state Sen. Tom Rielly, D-Oskaloosa, co-chairman of the panel.

The American Society of Civil Engineers reported in a 2005 assessment that 28% of the state's 24,854 bridges are in substandard condition. The Iowa Department of Transportation reported to the state legislature in January that the state "is on the verge of a transportation crisis," the result of a confluence of sky-high construction costs, flat revenue streams, aging infrastructure and maintenance that has been postponed for too long.

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