

**National Surface Transportation Policy  
and Revenue Study Commission**

Jack Schenendorf  
Of Counsel, Covington & Burling LLP  
Vice Chair, NSTPRSC

## Transportation Essential To Our National Security, Our National Economy And Our Way Of Life

*“Our unity as a nation is sustained by free communication of thought and by easy transportation of people and goods... Together the unifying forces of our communication and transportation systems are dynamic elements in the very name we bear — United States. Without them, we would be a mere alliance of many separate parts.”*



— Dwight D. Eisenhower, 1955

# National Surface Transportation Policy and Revenue Study Commission

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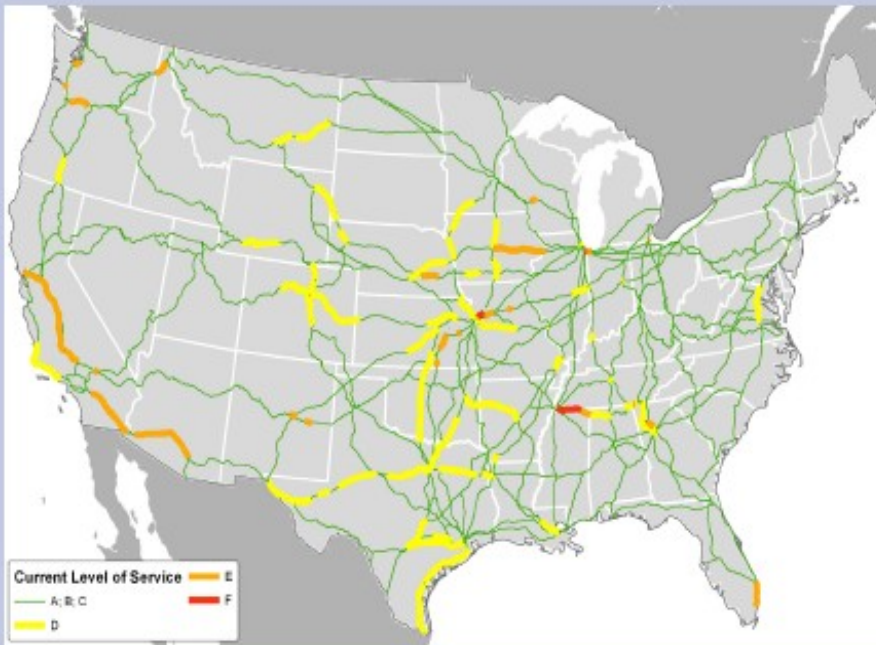
# A Looming Transportation Crisis

# Aging System



# Inadequate Capacity

Exhibit 3-8. Levels of service on the U.S. freight rail network in 2006



The map shows levels of service (LOS) on major U.S. railroads. Rail corridors operating at LOS A, B, or C (shown in green) are below practical capacity. Corridors operating at LOS D (shown in yellow) are near practical capacity, and those operating at LOS E (shown in orange) are at practical capacity. The most severe congestion is on corridors at LOS F (shown in red), where traffic exceeds capacity.

Exhibit 4-13. Projected 2035 train volumes compared to current train capacity



This map identifies the relationship between projected freight train volumes on an 85<sup>th</sup>-percentile day in 2035 with the theoretical capacity of individual rail sections, assuming that no additional capacity expansion occurs before that time. Levels of Service A, B, and C are all considered to be under capacity; Levels of Service D, E, and F are considered to be nearing capacity, at capacity, and over capacity, respectively.

# Three Important Facts

# 10 Emerging Megaregions

## Cascadia

The vision for Cascadia links Seattle, Portland, and Vancouver, British Columbia with high-speed rail, while protecting the area's unique and pristine environment. Other strategies highlight these cities' shared high-tech competencies, commitment to environmental sustainability, and creative clusters in film, music, and green building.

## Northern California

The high quality of life, cultural heritage, and environmental assets of the Northern California region make it an attractive – and expensive – place to live. How can sustainable land use strategies be employed while limiting the skyrocketing cost of living?

## Texas Triangle

By 2050 about 35 million people, or 70 percent of the population of Texas, will live in the metropolitan areas that compose the Texas Triangle. Three of the nation's 10 largest cities are in the Triangle, including Houston, which has a port that handles more foreign tonnage than any other in the U.S. Cultural cohesion creates the potential for collaboration among the metro regions of the Triangle to address land use, transportation, and environmental concerns.

## Great Lakes

The Great Lakes megaregion is exploring ways to grow its economy in face of the shrinking role of the manufacturing sector. The region's assets include the environmental resources and amenities of the Great Lakes and a strong research and cultural tradition tied to its leading public universities.

## Northeast

The Northeast is a powerhouse of density and economic output, producing 20 percent of the nation's Gross Domestic Product with 18 percent of the population and only two percent of the nation's land area. Over the next generation, the Northeast will add 18 million new residents. This population growth will demand infrastructure investments and economic growth to accommodate these new residents while preserving quality of life.

## Southern California

With some of the largest ports in the nation, the economy of Southern California is closely tied to the logistics and goods movement industry. This region is taking aggressive action to build infrastructure that enhances its role as a global gateway while providing opportunities for its fast-growing native-born and immigrant populations.

## Arizona Sun Corridor

The Sun Corridor is equivalent to Indiana in size and population but will add another Indiana's worth of residents by 2040. Located in a desert environment, Phoenix and Tucson – the megaregion's biggest metropolitan regions – have instituted water conservation requirements and are promoting the use of desert landscaping. These efforts provide the two metros with enough water for perhaps up to twenty million people, preparing the Sun Corridor for current and future growth.

## Gulf Coast

The devastation of Hurricanes Katrina and Rita and the displacement of victims along the I-10 corridor highlighted the environmental, transportation, and economic links of the Gulf Coast. Despite the recent destruction, the region is expected to grow due to the continued in-migration of retirees from the Midwest.

## Metro Area Population

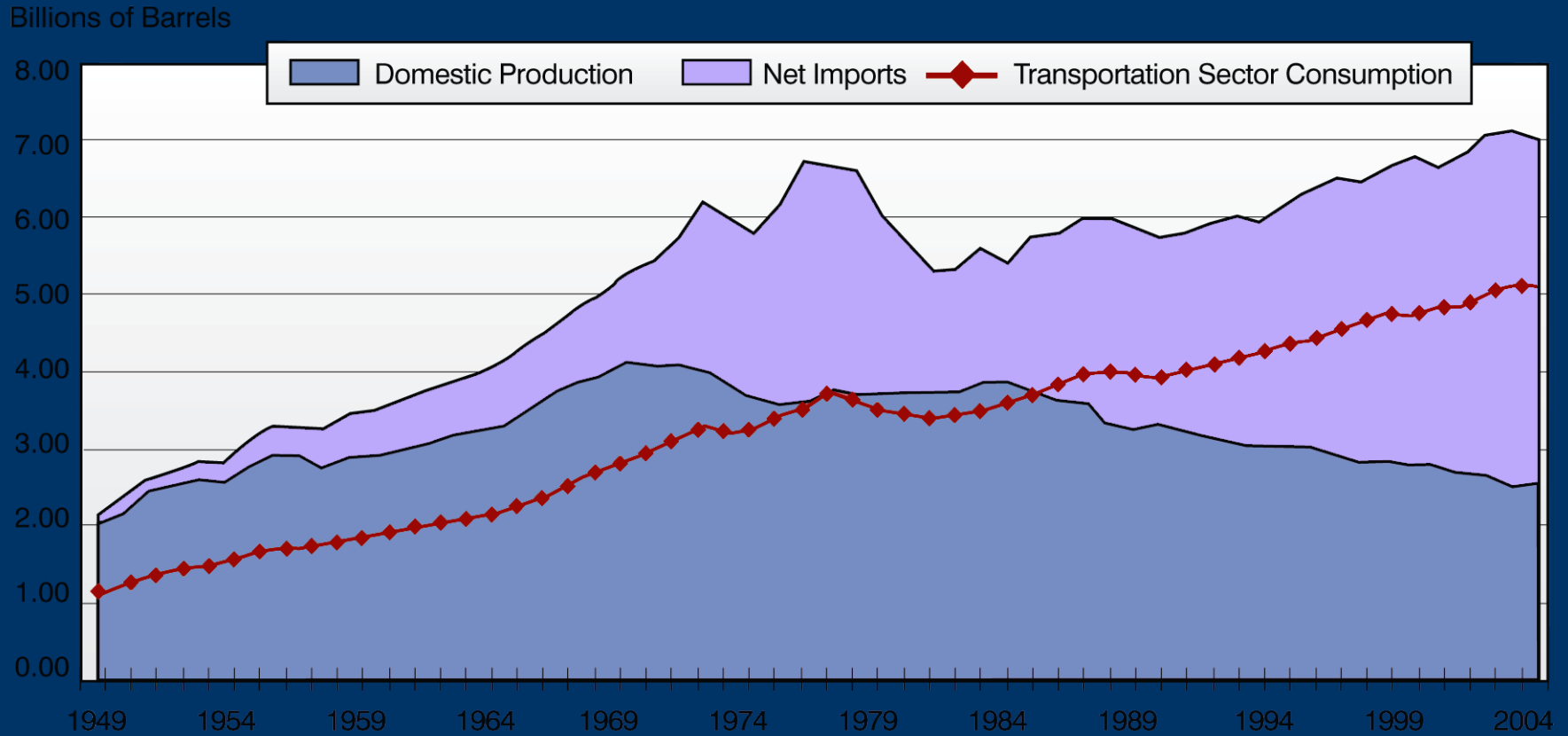


## Florida

The Florida megaregion is one of the fastest growing in the nation and possesses a wealth of diversity, with six of every 10 new residents in the last decade coming from foreign countries. It is both dense and populous, with the major international city of Miami acting as a gateway to Latin America. Regional strategies to protect the Everglades have preserved the natural heritage of the state.

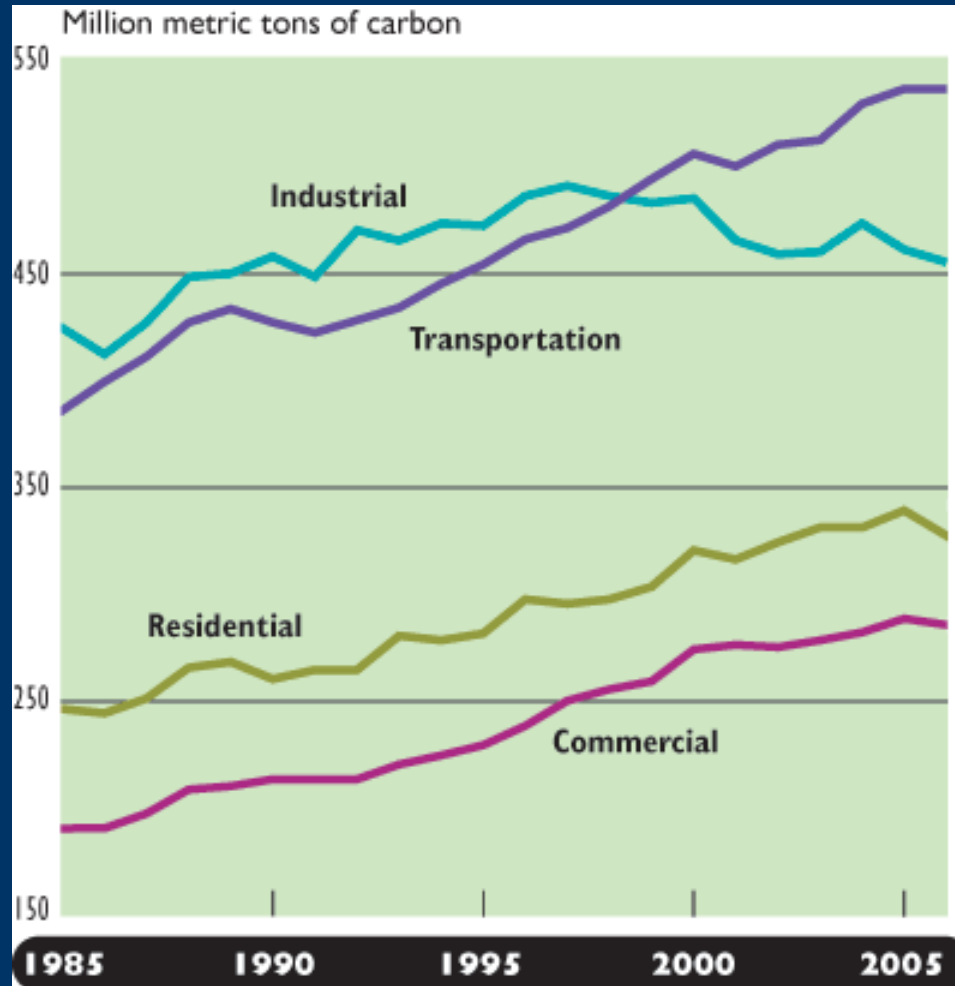
Source: America 2050

# Big User of Petroleum



Source: Energy Information Administration

# Big Emitter of Greenhouse Gases



Source: Bureau of Transportation Statistics, 2007

# Major Recommendations



# ACTION

"I have only a second rate brain, but I think I have a capacity for action."

# Reform

## Current Federal Surface Transportation Programs

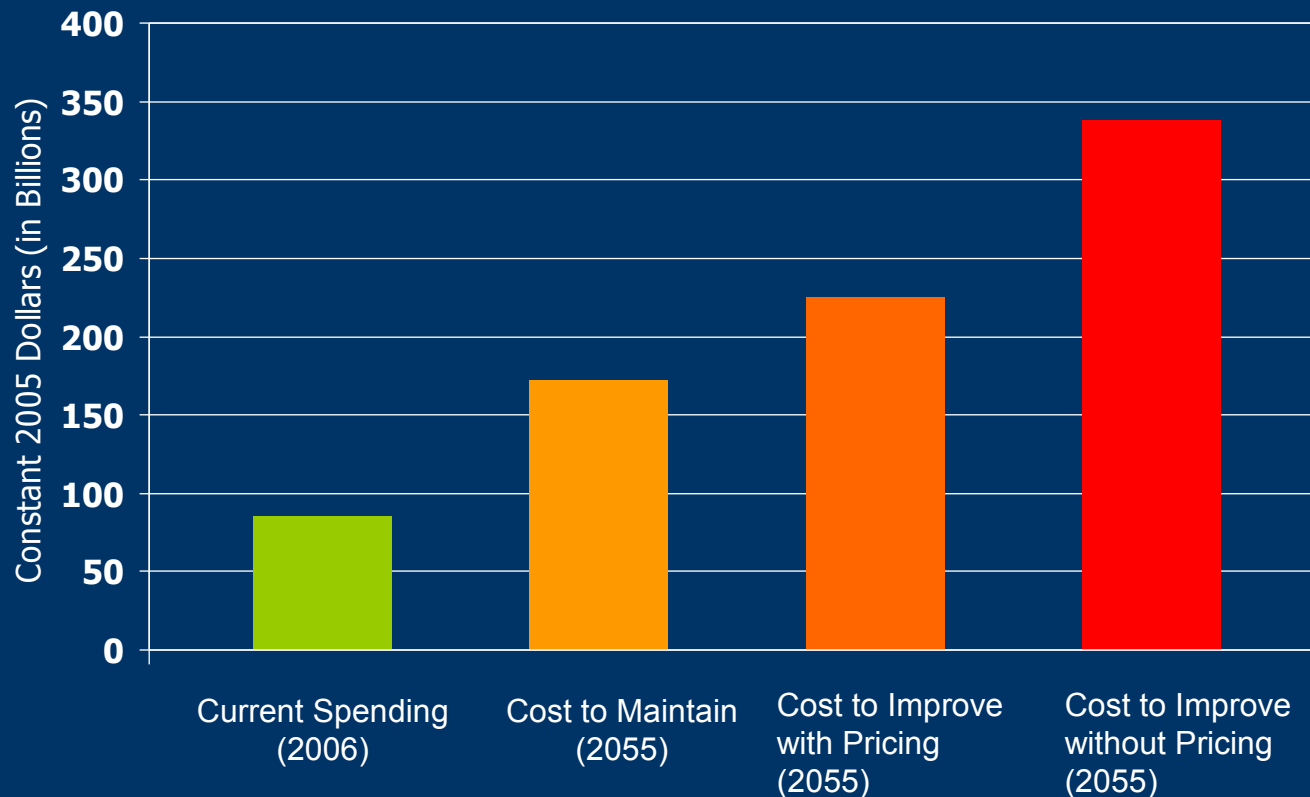
Federal Highway Administration	62 programs
Federal Transit Administration	20 programs
Federal Railroad Administration	6 programs
National Highway Traffic Safety Administration	12 programs
Federal Motor Carrier Safety Administration	8 programs
<b>Total</b>	<b>108 programs</b>

## Proposed Federal Surface Transportation Programs

1. **Rebuilding America** — state of good repair
2. **Global Competitiveness** — gateways and goods movement
3. **Metropolitan Mobility** — congestion relief in major urban areas
4. **Connecting America** — connections to smaller cities and towns
5. **Intercity Passenger Rail** — regional networks in high growth corridors
6. **Highway Safety** — incentives to save lives
7. **Environmental Stewardship** — both human and natural environments
8. **Energy Security** — development of alternative transportation fuels
9. **Federal Lands** — providing public access on federal property
10. **Research & Development** — a coherent national research program

# Increased Investment

\$87 billion per year to \$225 billion per year



# How Will We Pay For It?

- Paid For By Users
  - Continue Trust Fund Financing
- Federal Motor Fuels Tax
  - To be replaced by VMT fee in future
- Freight Fee
- Customs Fees (portion)
- Ticket Tax
- Cap-and-Trade Revenue
- Investment Tax Credit
- Tolling
- Congestion Pricing



## CRITICISM

"It behooves every man to remember that the work of the critic is of altogether secondary importance, and that, in the end, progress is accomplished by the man who does things."

# Modernizing Our Transportation Network To Meet The Challenges Of The 21<sup>st</sup> Century

- Will be the Real Economic Stimulus We Need
  - Short term Jobs
  - Long term Jobs
- Will Make America More Competitive in 21<sup>st</sup> Century Global Marketplace
- Is Essential for a Healthy and Robust Economy
  - Makes Other Investments Possible
- Will Reduce Our Dependency on Foreign Oil
- Will Reduce Greenhouse Gas Emissions
- Will Save Lives
- Will Improve Quality Of Life For All Americans
- And Will Be Paid for by Users

# Let's Take A Look At What Is Happening In Washington?

# Financial Crisis / Economic Recession

“Man looks in the abyss, there’s nothing staring back at him. At that moment, man finds his character. And that is what keeps him out of the abyss.”

From “Wall Street”

# Ambitious Agenda

- Long Term Finances
  - State of Union's Finances ([www.pgpf.org](http://www.pgpf.org))
  - A Financial Wake-Up Call ([www.concordcoalition.org](http://www.concordcoalition.org))
- Stimulus
- Financial Reform
- Climate Change
- Health Care
- Partisanship / 2010 Elections

# Transportation Bill

- Program Expires September 30, 2009
- SAFETEA-LU Legacy
  - Trust Fund Bankrupt
  - Rescission
- Status of Multi-Year Legislation
- Extension Needed
  - House: 3 months
  - Senate / Administration: 18 months (really 24-30 months)
  - Continuing Resolution: 1 month at reduced rates

# Very Significant Challenges

- Increased Investment
  - How do we raise the revenue?
- Reform
  - How do we get right kind of balanced bill?
- Very Real Risks
  - Anti New Capacity, Especially New Highway Capacity
  - Anti User Fee / Trust Fund
  - Metropolitan Focus
  - Diminished State Role
  - Climate Change Focus
- Rural / Highway Dependent Areas At Special Risk
- Balkanization
- Stifle Economic Growth

# Making A Difference

# Strong Congressional Delegation

## Democrats

Conrad (ND)  
Dorgan (ND)  
Baucus (MT)  
Testor (MT)  
Johnson (SD)  
Nelson (NE)  
Bennett (CO)  
Udall (CO)  
Bingaman (NM)  
Udall (NM)

9 House Members

## Republicans

Thune (SD)  
Enzi (WY)  
Barrasso (WY)  
Johanns (NE)  
Inhofe (OK)  
Coburn (OK)  
Hutchison (TX)  
Cornyn (TX)

8 House Members

# Be Bipartisan In Your Approach

# Build Solid Political Relationships

- Political Contributions / Fundraising
- Meet with Member in Washington / District
- Organize “Meet-and-Greet” Events
- Political Party Activities
- Speeches
- Site visits
- Personal “Remembrances”
- MAINTAIN CONTINUAL PRESENCE

# Form Coalition

- Allows Team Effort
- Structured, Dues Paying
- Comprehensive, Coordinated Efforts
- Increased Political Clout
- Activate / Energize Other Parties With Similar Interests
- Coordinated Media / PR Strategy

# Advocate Positions

- Use Direct Personal Contacts / Meetings
- Meet With Personal and Committee Staff
- Use Calls, Letters, E-Mails, Letters to Editors, Op Eds, Etc.

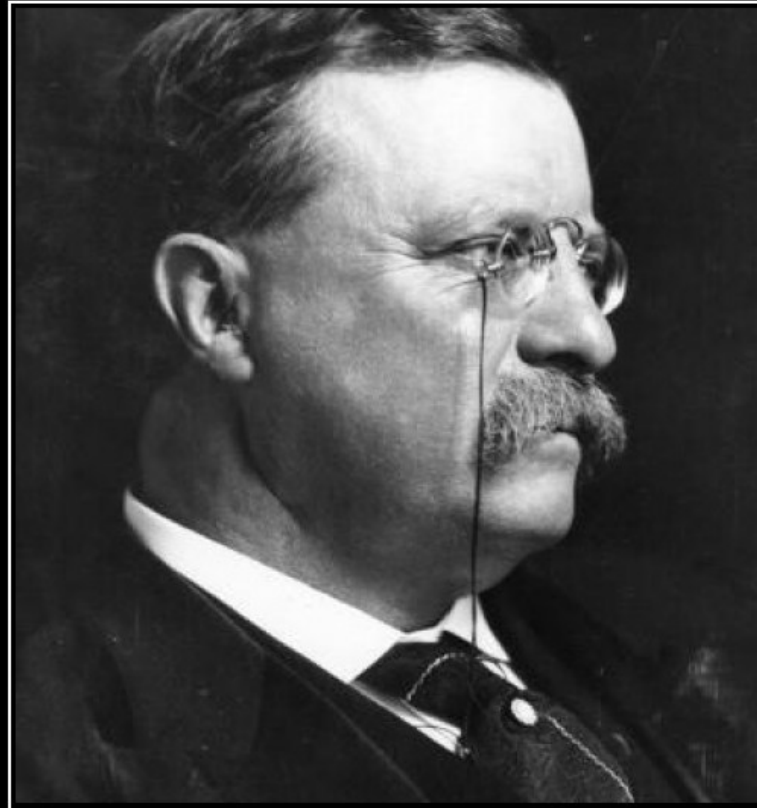
# Utilize “Independent” Outside Opinion

- Academic Experts
- Think Tanks
- Opinion Polls
- Government Studies

# Use Persistence, Hard Work And Common Sense

- Keep Pressure On
- Demonstrate High Level Of Interest
  - Repeated Contacts
  - Involve CEOs
- Commit Adequate Resources
- Don't Get Discouraged
- Face Up To Problems

# Will Our Generation Act? Will We Do The Right Thing?



## RESOLUTION

"In any moment of decision the best thing you can do is the right thing, the next best thing is the wrong thing, and the worst thing you can do is nothing."