



A bold voice for transportation workers

FURTHER DELAY OF SURFACE TRANSPORTATION REAUTHORIZATION THREATENS THE ECONOMY

The President and Congress should work together to pass a robust surface transportation bill into law. This reauthorization will define our national surface transportation priorities and play a critical role in boosting economic growth, increasing prosperity and creating good jobs in transportation, construction and manufacturing. After several extensions of the expired authorizing legislation over the last few years, states cannot wait for Washington to act and our still weakened economy – including the 14 million Americans still out of work – cannot afford more delay.

Transportation labor applauds the \$556 billion funding level – directed at highways, transit and rail – embodied in the President’s surface transportation funding proposal. It is also significant that the President delivered on his Labor Day 2010 promise to “front load” \$50 billion in multi-modal investments. And we endorse the Administration’s aggressive stance on enforcement of rigid Buy America requirements in our federal transportation investment programs. Overall, the Administration proposal underscores the President’s view that investment in transportation systems and infrastructure are a major pillar of economic policy and job creation and that the deployment of much higher transportation funding levels will ease congestion and air pollution concerns and in the long-run help address mounting energy and environmental challenges.

Transportation labor condemns those who propose reckless cuts to vital transportation investment programs as a way to score political points in the budget deficit debate. We are deeply disappointed by elected officials who promise job creation but simultaneously join obstructionists to block a serious surface transportation bill that can create more than 6 million jobs. No longer should these officials be allowed to have it both ways.

The surface transportation reauthorization must make significant investments that begin the overdue process of dealing with a severe backlog of long neglected transportation system and infrastructure needs. The final bill that goes to the President’s desk must also honor longstanding employee protections that have been a part of all previous rewrites of our surface transportation programs. These protections must be preserved, both in the core surface transportation programs, and in any innovative finance programs or measures designed to boost private sector participation.

Transit systems are cutting jobs and service, scrapping expansion plans and suffering from flawed spending rules that should be reformed to permit use of a portion of transit capital dollars for operating expenses based on a dual action trigger tied to unemployment rates and gas prices. Highways are suffering from a badly deteriorating infrastructure and record-setting traffic congestion while the nation’s construction jobless rate is as high as 40 percent in some regions. America’s vast network of bridges is becoming dangerously obsolete as the horror of the I-35W Minneapolis bridge collapse in 2007 demonstrated. Our passenger and freight rail system suffers

from chronic under investment as demand grows significantly and as President Obama pushes a multi-billion dollar initiative to give 80 percent of Americans access to passenger rail by 2035. And our ports and navigation channels need billions in new investments if the Administration is serious about doubling American exports by 2015. This snapshot of our surface transportation network, makes it clear that the economy cannot wait any longer for our elected leaders to rally around a long-term investment plan that is sustainable and paid for.

As the President is staking out an aggressive stance on the need to invest billions more in our surface transportation system, we call on the House to pull back its budget proposal to impose deep cuts in nearly every area of transportation spending. These proposed cuts would deal a severe blow to an already deteriorating transportation system and infrastructure and cost our economy more than 300,000 jobs.

Instead our nation's leaders must find a way to fund a large surface transportation program. On this issue there is complete agreement among a broad array of interests across the political spectrum: it is time to raise the gas user fee and index it to inflation to fund our surface transportation investments. Because the fees that support this funding mechanism have been frozen for close to 20 years, the highway trust fund and its mass transit account is going broke. And with revenues into the trust fund sliding downward, the current funding model is unsustainable, especially as fuel efficient cars capture more and more market share. Other revenue raisers, including VMTs and making Wall Street and Big Oil pay their fair share, should be considered. The fact is that Wall Street should contribute its share of the cost of rebuilding an economy it helped to sink into a record recession. There is also considerable interest in expanding bonding authority and innovative finance mechanisms such as the Administration's national infrastructure bank proposal to supplement federal investment. These proposals complement dedicated funding and user fees, but should never be considered as a replacement for them.

The deterioration of our transportation system is a national disgrace. Completion of a multi-year, \$556 billion surface transportation program will put millions to work; make America more competitive; help urban, suburban and rural cities weather a mounting urban transit crisis; and boost manufacturing with rigid enforcement of domestic content requirements.

In the coming months we will mobilize in favor of a multi-year surface transportation bill that reverses decades of severe neglect and ensures that America remains the world leader in the movement of people and goods.

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