



## **A SERIOUS INVESTMENT IN OUR TRANSPORTATION SYSTEM AND ITS WORKERS**

The reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) is at a critical juncture. President Bush continues to publicize his staunch opposition to a fully-funded reauthorization bill, and most recently has threatened to veto any legislation over \$270 billion. Despite this intense political pressure from the White House, Congress must pass a reauthorization bill at a considerably higher level that makes a serious investment in our nation's highways and transit systems, protects workers and preserves labor protections, and enhances the safety and security of our transportation network.

Simply put, the Bush Administration's \$256 billion reauthorization proposal does not meet the surface transportation needs of our nation. Fortunately, both political parties and both chambers of Congress are committed to reauthorizing TEA-21 at higher funding levels. Transportation labor has previously endorsed the \$375 billion bill introduced by the bipartisan leadership of the House Transportation and Infrastructure Committee, the Transportation Equity Act: A Legacy for Users (TEA-LU). This funding level, based on the Department of Transportation's (DOT) estimates of what is needed to repair and improve highways and transit systems, would give our economy a boost it so badly needs.

Regrettably, the House leadership is under strong pressure to drastically reduce the size of its bill to more closely mirror the Administration's spending priorities. We note that the Senate has passed a \$318 billion SAFETEA bill, maintaining the level set out in last year's budget resolution, despite receiving the same message from the White House. It now falls on the House to show resolve and not acquiesce to unreasonable White House demands to pass a bill below the Senate funding levels – a move that would cost millions of jobs and shortchange our transportation system. We understand that the House is considering a two-year reauthorization bill as a stop-gap measure. While such a solution may be inevitable, even a temporary reauthorization bill must build on the successes of TEA-21 by increasing funding for existing programs while not shortchanging new initiatives.

In addition to low funding overall, the Administration has also denounced guaranteed general fund spending for transit programs. As we have previously argued, a surface transportation reauthorization bill must grow all programs and not simply reallocate existing resources to specific parts of our transportation system. To this end, general fund spending is essential to support vital mass transit needs without moving funds away from other modes and safety programs. Recognizing this fact, TEA-LU preserves the funding guarantees and budget firewalls for transit programs that are so important to our transportation system. The Senate SAFETEA bill also maintains the historic spending balance between modes and walls off close to \$10 billion from the general fund for transit.

Adequate funding for transit is especially important in this bill, as many localities will lose the ability to use federal formula grants to pay for transit operating expenses as a result of the most recent Census. We further support efforts to provide transit agencies with more flexibility in how they use funds, such as allowing the use of capital funds for debt service on bonds, as provided for in both the House and Senate bills.

It must be remembered that an investment in transportation infrastructure is an investment in workers. Since every \$1 billion spent on transportation creates 47,000 jobs, a higher reauthorization bill means more Americans are put to work. The House bill would create 5.6 million more jobs than the Administration's proposal, while the Senate bill would add 2.9 million jobs. We are baffled by the President's opposition to the only proposal before Congress that will stimulate the economy and create badly needed jobs.

However, in order to ensure that these are good jobs that support working families, federal labor standards and worker protections must apply to all existing and new programs. In addition, any transportation projects funded by innovative financing proposals – such as State Infrastructure Banks or any type of bonding mechanisms – must comply with these same federal worker protection standards. Specifically, Section 13(c) is essential to protect the collective bargaining rights of transit employees and Davis-Bacon provides job and wage stability for construction workers. Every major surface transportation reauthorization bill in the past five decades, including TEA-21, has contained appropriate labor policies.

Unfortunately, the Senate bill includes unwarranted changes to Section 13(c) coverage – which transportation labor opposes – that would negatively impact job security, employment rights and training benefits for transit and commuter rail workers. In particular, the Senate bill reduces the duration of certain 13(c) benefits, limits protections for employees affected by changes made in private contractors, as well as follows the Administration's misguided proposals to limit the application of 13(c) for new programs and expands the use of waivers and warranties, without justification. The fact is that the Section 13(c) program is administered efficiently by the Department of Labor and any claims that case processing slows down the transfer of funds to transit agencies is a manufactured myth. Instead, we will look to uphold provisions from TEA-LU in conference that broadly apply Section 13(c).

In an attempt to increase available funds in a reauthorization package, both chambers of Congress are looking at bonding initiatives, including private activity bonds and Build America bonds in the Senate bill. We continue to caution lawmakers that revenue streams from bonding initiatives, while potentially promising, are uncertain and must only be used as supplemental funding, not as a substitute for guaranteed funding.

While we acknowledge the expanding role of the private sector in our transportation infrastructure, we continue to urge against privatization mandates. Instead, we support a provision from TEA-21 that allows states and local governments, their Metropolitan Planning Organizations (MPO), and transit grant recipients to develop their own conditions for private sector participation. To ensure that the needs of workers are addressed in this process, labor representatives must have a voice and a vote on MPOs. In addition, we oppose policies that result in selling off our transportation system through contracting out schemes based on illusory

cost savings. Instead, we believe that state DOTs should invest more in their own workers, by only contracting out when an analysis shows savings will be realized without eroding quality standards. In addition, state DOTs should have internal staffing levels that are sufficient to properly provide public oversight and inspection of projects.

Enhancing the security and safety of our nation's roads, railways, and transit systems is a key accomplishment of TEA-21 that must be continued in a new bill. A fundamental component of this agenda is obtaining funds to protect and train workers. Funding is badly needed to train workers who are responsible for ensuring the safe operation of our transit systems in new technologies and maintenance techniques. We therefore urge the inclusion of funding for career ladder and job skills programs in reauthorization, which are designed to prepare workers for the transportation industry of the future.

In addition, investment in programs for workers who face dangerous conditions on the job, such as highway construction crews and toll collectors, is crucial. We are pleased that the Senate bill has authorized a Toll Facilities Workplace Study. To protect the safety of rail workers, we support House funding levels for the construction of protective devices at rail-highway grade crossings, which provide a larger investment than the Senate bill. Finally, we oppose any discrimination against workers based on perceived safety risk – such as prohibiting individuals with insulin-treated mellitus from operating a commercial motor vehicle in interstate commerce – and are heartened that Congress has removed this misguided provision.

Workers involved in the transport of hazardous materials face heightened danger, yet a hazmat reauthorization bill has not been passed in 10 years, making many training programs inadequate. We therefore support provisions in the Senate bill that increase funding to train hazmat instructors as well as for firefighters and other emergency responders. Yet many workers who may be called to the scene of a hazmat accident, such as maintenance of way employees and railroad signalmen, do not yet receive basic hazmat training, an omission that must be corrected in reauthorization. We will also work to ensure that the Occupational Safety and Health Administration retains shared jurisdiction with DOT over hazmat workers, and that the National Institute of Environmental Sciences continues to help develop training curriculums. In addition, we urge that any proposals to remove placards from hazmat shipments be rejected.

Congress must also resolve three outstanding issues in this reauthorization regarding Mexican-domiciled motor carriers entering the U.S. These issues are particularly vital to the safety of all Americans as President Bush appears intent on opening the U.S.-Mexico border to vehicle traffic, over our objections. First, we applaud the Senate bill for including a provision to require criminal background checks of Mexican drivers hauling hazmat, at last holding them to the same standards as U.S. workers and ensuring one level of security. We also support provisions that would direct the National Highway Traffic Safety Administration to apply U.S. vehicle standards to trucks and buses entering from Mexico. Finally, we will urge Congress to ensure enforcement of registration requirements, as inspection facilities in many states still do not have authority to place out of service foreign carriers that travel illegally north of the commercial border zones.

Transportation unions remain concerned about safety on America's roads, and will continue to push for glaring loopholes to be closed. Thousands of unsafe wheeled trailers, or chassis, travel on our highways each day because global shipping companies and steamship lines who own these pieces of intermodal equipment are not required to inspect and maintain them before passing them on to truckers. And even if a safety violation is discovered during a roadside inspection, equipment owners and controllers are not held responsible, with penalties instead levied against motor carriers and drivers. Unfortunately, the Senate did not act on this important issue, but we continue to urge the House to do so. In addition, TTD has always believed that federal motor carrier safety regulations must apply to all 15-passenger vans, and that van operators must be required to hold a commercial driver's license and submit to drug and alcohol testing. We support a provision in the Senate bill that would subject more vans to regulations, by eliminating a provision that exempts vans based on distance traveled, yet loopholes remain. We urge the House to improve on the Senate's work and to apply standards more broadly. Moreover, we support provisions to strengthen current law and to prevent school districts from using these unsafe vans to transport students.

Finally, a reauthorization bill must expand on the intermodal principles established under previous surface transportation bills, such as the Ferry Boat Discretionary Program. Transportation labors supports increased funding provided in both the House and Senate bills for the construction of ferries and ferry terminal facilities. We specifically raise the need for states with growing ferry systems – including California and Massachusetts – to receive funding set asides and to have maximum flexibility in the application of funds to expand ferry transport. We further support the Intermodal Facilities Program developed by both chambers that would allow states and communities to tie together all public transportation modes in convenient locations. And we urge for the inclusion of proposals such as the Tradeway Project, a truck-only tunnel through an existing rail tunnel between Windsor, Ontario and Detroit, Michigan that will expand commercial transportation opportunities.

The reauthorization of TEA-21 provides an historic opportunity and challenge for lawmakers. Congress can pursue a bill that builds on the successes of every other major surface transportation legislation and make an investment that will ensure our nation moves safely and reliably into the future. Conversely, some may use this bill to advance a political agenda at the expense of workers and communities and to shortchange the funding needs of our transportation system. This legislation is too important to be bogged down with ideological fights and we hope that Congress will work with transportation labor to pass a fully funded, strongly supported bill.

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