



A bold voice for transportation workers

February 13, 2012

Defeat H.R. 7, Bring a Bipartisan Surface Transportation Bill to the House Floor

Dear Representative:

On behalf of the Transportation Trades Department, AFL-CIO (TTD), I write to express our opposition to the American Energy and Infrastructure Jobs Act (H.R. 7) and urge you to vote against it in its current form.

We do not take this position lightly and instead do so with great regret that H.R. 7 has been crafted as a political messaging bill that promises bitter partisan fighting and delay. We believe that a surface transportation reauthorization bill that puts Americans to work and modernizes and rebuilds our decaying transportation system is among the most critical initiatives Congress must complete this year. Across the country, transit systems are in dire need of more and flexible federal funding, highways and bridges stand in severe disrepair, and multi-modal rail, port and maritime projects remain sidelined. At the same time, millions of Americans are on the unemployment line wanting to go to work as our foreign competitors are investing billions more in all modes and types of transportation. If there were ever a time for a multi-year commitment to our own surface transportation system, that time would be now.

TTD and our affiliated unions have historically worked with Republicans and Democrats to pass surface transportation bills based on political consensus, spending equity and an overall balanced approach to important policy questions. While we have not always agreed with every provision in every bill, we have been able to work through our differences and secure bipartisan support for reauthorization efforts from ISTEA to TEA-21 to SAFETEA-LU. In fact, up until now, we have refrained from opposing H.R. 7 and instead worked to improve this legislation.

But H.R. 7, as reported out by the various committees, would simply do more harm than good. While we support efforts to expedite vitally important investments, H.R. 7 would slash jobs, undermine transportation investments and eliminate or roll-back longstanding worker and public safety protections. Finally, the bill's attack on federal workers is simply a crass political maneuver to pit one segment of our society against another and has no place in a surface transportation reauthorization bill.

The bill decimates public transit investment by eliminating the Mass Transit Account from the Highway Trust Fund and subjecting mass transit systems to the vagaries of the annual appropriations process. Since 1983, public transportation has received a certain percentage of motor fuel tax revenues based on the understanding that a balanced approach to surface transportation serves all users of our vast and varied urban, suburban and rural network. Majorities in the House and Senate, led by both parties, have always embraced this balance. By breaking this historic compromise, agreed to during President Ronald Reagan's first term, uncertain and ever-lower funding levels for transit would be the inevitable result. Long-term projects would be harder to undertake and bond financing that relies on predictable federal investment would become more expensive and difficult to obtain.

Transportation Trades Department, AFL-CIO

888 16th Street NW / Suite 650 / Washington DC 20006

Tel:202.628.9262 / Fax:202.628.0391 / www.ttd.org

Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer



While cutting overall funding for transit, the bill also fails to provide local agencies with needed flexibility to use federal funds to prevent layoffs, service cuts and fare increases. During times of economic distress, we see no reason why transit agencies should be barred by law from using federal money for certain operating expenses. This is a view held by Democrats and Republicans alike.

We are also strongly opposed to provisions in the bill that impose heavy-handed federal privatization mandates that would only serve to undermine our transportation system and the people that rely on it for both employment and mobility. Through successive reauthorization bills, the federal government has remained neutral on privatizing services performed by public transit agencies and state departments of transportation. This bill dramatically reverses these long-standing positions and seeks to enrich private companies, many of which are foreign-owned, at the expense of taxpayers, workers and public transportation users. H.R. 7 requires privatization of at least 20 percent of all fixed-route bus service, but would likely lead to higher percentages in many areas. It also establishes federal contracting out mandates for engineering, design, and mapping activities in state transportation departments, which would be imposed over the objections of many state and local policy makers.

H.R. 7 would lead to the firing of up to 2,000 workers at Amtrak. Food and beverage services would be bid-out to low-wage companies and to add insult to injury, federal funds would be used to cover any losses these companies sustain. Other services would also be subject to rigged bidding practices and the carrier itself would see a 25 percent cut to its authorized funding level for operations. At a time when we should be investing and supporting expansion of passenger rail, this bill takes us in the exact opposite direction.

The bill rolls back important transportation and worker safety protections. Health and safety rules and oversight for the transport and handling of hazardous materials would be eliminated. Limits would be imposed on the inspection of the transportation of radioactive materials, worker training programs would be curtailed and current case-by-case exemptions to DOT hazmat rules would be made permanent via a congressional edict.

Implementation of Positive Train Control (PTC) requirements, technology designed to automatically prevent train collisions and derailments, would be arbitrarily delayed. When the PTC mandate was passed into law in October of 2008, railroads were given seven years to implement PTC requirements on less than 40% of main track. The 5-year delay proposed in H.R. 7 would needlessly hold up this important safety improvement with almost four years to go until the original deadline, and when every railroad has already submitted an implementation plan with the Federal Railroad Administration.

H.R. 7 also attacks overtime and minimum wage protections for several thousand workers at businesses that transport railroad employees between worksites. It would exempt these companies from the Fair Labor Standards Act, which has protected workers from wage abuses for almost 75 years.

Multi-year investments in our nation's transportation infrastructure should be important economic drivers which grow and sustain domestic manufacturing and the millions of jobs the sector supports. However, without strong Buy America requirements there is no guarantee that federal investments in transportation do not create jobs abroad instead of here at home. H.R. 7 does not do enough to improve the myriad of existing Buy America laws, which are inconsistently applied to various modes of transportation, lack accountability, and include broadly applied waiver provisions.

Additionally, a comprehensive surface transportation reauthorization must also recognize the importance of maritime transportation to our nation's overall system. Yet H.R. 7 ignores this fact and fails to seize an opportunity to address the needs of America's waterborne transportation system. The bill omits tax provisions that would strengthen the U.S. maritime industry, including a common-sense reform that would ensure that the funds collected under the Harbor Maintenance Tax (HMT) are in fact used for their intended purpose of maintaining America's harbors and coastal waterways. In FY 2011, nearly half of the funds collected by the HMT were used for purposes other than harbor maintenance, creating a backlog of critical maintenance projects in our nation's harbors and waterways. The Army Corps of Engineers estimates that almost 30 percent of vessels traveling through U.S. ports are constrained due to the inadequate conditions of our navigation channels, resulting in billions of dollars in lost economic activity.

Finally, and perhaps most telling in terms of whether this bill is a serious attempt at legislating or politicking, H.R. 7 would seek to fund \$45 billion of transportation spending through increased costs imposed on federal employees. This attack on the pensions and pay of federal workers is simply unacceptable and must be rejected. We remind lawmakers that federal workers, our fellow citizens, keep our skies safe, staff our homeland security agencies, transport and deliver our mail, and help implement the investments that should be the focus of this legislation. Dramatically delinking transportation investments from the user fee system is a mistake that we and others have advised against. But it is especially appalling that federal workers would be forced to fill a funding gap they had nothing to do with because some want to appeal to the extreme views found within their political base.

The controversial and partisan approach taken in H.R. 7 is all the more frustrating when one realizes that there is another path forward. As the House engages in contentious mark-ups and party-line votes, the Senate is poised to move forward on a bipartisan surface transportation bill that ensures stable surface transportation investments and avoids the funding and policy fights that have come to define H.R. 7.

We urge House leaders to choose another path in completing this critical legislation. We support a number of amendments and other improvements that will make this a much stronger bill that serves our national interests. We urge you to advance a bill that reflects the values of smart investments in our economy, public service and bipartisanship. Until that occurs, we will work against the legislation as proposed and urge you to oppose H.R. 7.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edward Wytkind', with a stylized, looping flourish at the end.

Edward Wytkind
President