We do not represent a particular industry or special interest view. Instead, we strive to present a united position that serves to benefit the broad interests of the motoring public.
About The Highway Users and Our Recommendations to Congress

The American Highway Users Alliance is a 76-year-old nonprofit advocacy organization charged by its diverse members to represent the shared interests of all who use our nation’s system of roads and bridges and pay the federal user fees intended to keep the system operating safely and efficiently. Like many stakeholders, we have strong views about the direction of our national transportation programs. Unlike most groups, however, we do not represent a particular industry or special interest view. Instead, we strive to present a united position that serves to benefit the broad interests of the motoring public.

Our recommendations to Congress lay a clear roadmap for developing legislative priorities that will dramatically improve the performance of our highways and provide the mobility needed to strengthen the American economy and provide a better quality of life for future generations.

With thoughtful reform and a substantial departure from current policies, Congress can offer true leadership to solve the transportation infrastructure deficiencies that cloud our nation’s future. We have inherited and benefited from a great, but aging, national highway system – planned and built by previous generations. It is time to reinvest in ground-breaking improvements that will be the proud legacy of this generation: a gift to our children and grandchildren to ensure economic growth and the high quality of life afforded by personal mobility.

To surmount serious financial and political challenges, Congress has to do more than provide additional funding for the current programs. It must reconnect with the American public and create support for a new plan of highway investments one person at a time. It is not enough to promise to address vaguely defined “needs.” Rather, the public must feel a new sense of trust that the federally-funded highway program is being used to achieve important outcomes – visible and tangible improvements to safety and mobility that will benefit each person in every corner of the nation.

As the National Surface Transportation Policy and Revenue Commission concluded in its recent report to Congress, the next highway bill must be “performance-based” and “outcome-driven”. The Highway Users notes that these goals require that the federal government prioritize achievable transportation objectives that serve the national interest cost-effectively. Core priorities are lacking in today’s federal programs, and these must be defined in the next highway bill to create public support for funding the needed investments.

The American Highway Users Alliance recommends that Congress enact legislation that will serve the public interest and bring about improved outcomes that address the following core national transportation challenges:

- Growing threats to reliable freight delivery and the impact on American competitiveness,
- The tragically preventable national highway death and injury epidemic,
- Congestion that clogs our nation’s highway arteries and diminishes quality of life, and
- Deteriorating major bridges and pavements that are obsolete and potentially dangerous.

To address these issues, along with funding requirements, environmental considerations, and other important factors, we are pleased to present the following recommendations for the 2009 surface transportation authorization bill.
Executive Summary

The American Highway Users Alliance proposes this plan to serve as an easy-to-read roadmap and reference for elected and appointed officials as they grapple with the major policy and funding issues that must be addressed in the upcoming surface transportation authorization bill.

This document does not attempt to provide an all-encompassing legislative proposal that satisfies every need of every individual member of the alliance. Rather, The Highway Users presents a united perspective from the pro-mobility, pro-highway community that clearly describes key priorities that define the core national values that need to be addressed in the 2009 surface transportation bill.

Since the authorization of SAFETEA-LU in 2005, there has been a growing concern among transportation advocates that the national program has lost its focus and that public support for increased revenue for “TEA” programs may not be assured. While our research shows strong public support for highway programs, if this support drops it could not happen at a worse time: The Highway Trust Fund is nearing insolvency and, without additional revenue, the federal government may not be able to financially support critically-needed national highway investments.

The Highway Users presents a united perspective from the pro-mobility, pro-highway community.

To address criticism in the press of the 2005 surface transportation bill, stakeholders and policymakers have grappled with difficult, fundamental questions to improve the federal program for the next decade and beyond. These questions include:

- What is the appropriate purpose and scope for federal surface transportation programs?
- How should the federal program priorities be different than state and local priorities?
- How can the federal transportation program be reformed to attract significant public support for increased investments?
- What specific performance measures can be used to assure the public that federal-aid funds are being properly used to advance national transportation priorities cost-effectively?
Executive Summary

Our proposal calls for federal programs that are national in focus and measured to achieve results.

We answer these difficult questions by proposing a simple list of critical national transportation priorities that our research has shown attracts broad public support. Our proposal calls for federal programs that are national in focus and measured to achieve results.

The Highway Users’ plan is supported by four program pillars addressing the following critical national needs:

- Congestion Relief
- Economic Growth
- Improving Safety
- Improving Bridges and Pavement Conditions

All four of these pillars stand on a stable base represented by our proposals for (1) Sustainable Funding and (2) Environmental Stewardship and Streamlining.

National polling data conducted by Fabrizio McLaughlin & Associates Research in April 2008, shows strong public support for these concepts across all demographic lines, party affiliations, and regions of the country. For example:

- 72 percent of Americans believe that the federal government should lead the funding of major highways and bridges. For all other modes, most Americans believe state and local governments should have the lead funding role.
- 88 percent of Americans are concerned about congestion on our nation’s major highways and bridges.
- 80 percent of Americans believe that safety improvements are needed.
- Strong majorities support highway investments to address their concerns about America competing in the global economy (62 percent) and the poor condition of major bridges (77 percent).
- Although many transportation advocates worry about the level of public support for the federal highway program, our research shows nearly three-quarters of Americans support increased investments in infrastructure, and 57 percent would support an increase in gasoline user fees if the funds were dedicated only to transportation.
- Finally, 14 out of 15 Americans believe it is important for federal elected officials to support the position that fuel taxes and other highway fees be dedicated only for highway and bridge improvements.

The members of the American Highway Users Alliance and its staff look forward to working with Congress and the Executive Branch to devise a ground-breaking new highway bill in 2009 that reforms and strengthens our national investment in surface transportation. We are enthusiastic about continuing our tradition of close cooperation with the key decisionmakers and look forward to overcoming any obstacles along the road to the 2009 highway bill. To contact The Highway Users, please call 202.857.1200 or email info@highways.org.

72 percent of Americans believe that the federal government should lead the funding of major highways and bridges.
The Highway Users proposes that Congress enact a new, performance-based, outcome-driven Strategic Congestion Abatement Program (S-CAP). This $3 billion dollar per year core program would reduce congestion on the National Highway System (NHS) and would incorporate the following key principles:

- The need for systemic improvements
- Support of a strong federal role
- Establishment of a national minimum performance standard
- The importance of data-driven strategic planning
- Flexibility in the strategies and eligible activities
- Dedicated funding
- Accountability.

**Systemic Improvements — National Highway System**

Rather than attempting to fix congestion on every road in the United States, the S-CAP proposal focuses resources to reduce congestion on the National Highway System (NHS). The NHS not only represents the most strategic roads today, but roads that are likely to remain strategic throughout the 21st century. It comprises only 4 percent of our nation’s roadways, roughly 160,000 miles. The NHS, however, includes the Interstate Highway System and other roads “important to the nation’s economy, defense, and mobility.” It carries more than 40 percent of all highway traffic, 75 percent of heavy truck traffic, and 90 percent of tourist traffic. About 90 percent of America’s population lives within five miles of an NHS road. All urban areas with a population of more than 50,000 and 93 percent with a population of between 5,000 and 50,000 are within five miles of an NHS road. Counties that contain NHS highways also host 99 percent of all jobs in the nation, including 99 percent of manufacturing jobs, 97 percent of mining jobs, and 93 percent of agricultural jobs.

**Strong Federal Role**

The National Highway System is exactly that – a national system. It comprises the nation’s primary economic and national defense transportation routes. As such, it is our contention that Congress
Under the S-CAP proposal, each state’s Secretary of Transportation would be directed to submit a strategic congestion abatement plan.

and the Federal Highway Administration should play a significant role in ensuring the NHS is capable of performing its vital economic and security roles.

National Minimum Performance Standard

Consistency and reliability are key components if our “just-in-time” economy is to remain competitive in the 21st century. Those who utilize the NHS should have an expectation that its routes will operate at certain minimum performance levels. We propose that Congress establish a national goal that every segment of our National Highway System achieves an 80 percent level of service (LOS) of “C” or better by the year 2020. Once achieved, this would ensure that no segment on the NHS would operate below a “C” level of service for more than 4.8 hours daily, on a typical weekday. While 80 percent at a level “C” LOS is certainly not optimum, we suggest that, at the very least, it is achievable.

Data Driven Strategic Plan

Under the S-CAP proposal, each state’s Secretary of Transportation would be directed to develop and submit to the U.S. Secretary of Transportation a strategic congestion abatement plan containing the following:

- Real-time traffic data analysis, submitted annually, to determine non-performing NHS segments.
- Description of engineering, management, operations, education, enforcement and accident factors that contribute to the current congestion on non-complying segments.
- An analysis of state, regional, or local planning processes that negatively impact congestion as it relates to pertinent NHS segments.
- A program that outlines projects and strategies designed to achieve minimum performance benchmarks by 2020.

Cost estimates, certified by the state, for improvements needed to implement the plan.

The strategic plan, patterned after the Federal Highway Safety Improvement Program’s (HSIP) Strategic Highway Safety Planning process, would be developed in consultation with:

Consistency and reliability are key components if our “just-in-time” economy is to remain competitive in the 21st century.
States certified as meeting performance standards would receive a yearly funding bonus.

• Regional transportation planning organizations and metropolitan planning organizations, if any.
• Representatives of freight and passenger users of the National Highway System.
• Local city and county officials, including beneficiaries outside the project area.
• State and local traffic enforcement officials,
• Other officials the state determines to be of assistance in developing the plan.
• The state’s Federal Highway Division Administrator, and
• Private sector stakeholders as determined by the state.

Once the Strategic Congestion Abatement Plan has been developed by the state Secretary of Transportation and approved by the Federal Highway Administration’s Division Administrator, it would then be submitted to the U.S. Secretary of Transportation for review and final approval. Upon receiving final approval, states could begin obligating funds to implement projects on the plan. States that do not receive approval for their Strategic Congestion Abatement Plan within two years would have their next fiscal year’s S-CAP contract authority and an equal level of obligation authority rescinded. The U.S. Secretary of Transportation would distribute any rescinded contract and obligation authority to complying states as additional S-CAP funds.

Eligible Strategies and Projects

Under S-CAP, states would be given wide latitude in the utilization of program funds to achieve the LOS benchmark. The primary focus is not to direct states on how to achieve LOS benchmarks, only that they achieve it with available funds. The state Strategic Plan may call for enhancing roadway capacity, providing greater transit incentives or transit capacity in NHS corridors, installing congestion pricing on new lanes, and/or constructing High-Occupancy Vehicle (HOV) or High-Occupancy Travel (HOT) lanes. In the end, the plan will reflect local solutions designed to achieve a shared national goal. A list of eligible projects and strategies includes but is not limited to:

• Expansion of vital corridors by adding new highway links, interchanges, turn lanes and additional corridor capacity and eliminating bottlenecks
• High-Occupancy Travel (HOT) lanes
• High-Occupancy Vehicle (HOV) lanes
• Intelligent Transportation Systems (ITS)
• Installation of enhanced intersection management technologies (Adaptive Intersections)
• Improved signalization
• Enhanced pavement markings and traffic control devices
• Improved ramp metering
• Reconfiguring of acceleration and deceleration lanes to maximize efficiency
• Reversible, contraflow, special and managed lanes
• Improved incident management
• Improved driver real-time information

The primary focus is not to direct states on how to achieve LOS benchmarks, only that they achieve it with available funds.
• Enacting regional projects to expand transportation access to new communities

• Implementing enhanced highway design metrics by ensuring that new capacity is equipped with the ability to incorporate reversible lanes, managed lanes, special use lanes, contraflow lanes, and ITS capabilities

• Installing moveable medians

• Implementation or expansion of bus rapid transit (BRT) or bus-only lanes (including motorcoaches)

• Implementation of motorist assistance, “move it” and quick clearance laws.

Funding

The Highway Users proposes that Congress fund this new program at $3 billion annually. Funds would be apportioned to the states by formula.

Accountability

Any state that does not require its full apportionment of S-CAP funds to achieve the LOS benchmark on all of its NHS routes may transfer unneeded S-CAP contract authority to other highway programs within the state. However, each state that fully allocates its S-CAP funds for their intended purposes and whose plan is certified by the U.S. Secretary of Transportation as meeting the 2020 NHS minimum performance standards would receive a yearly bonus for other highway programs equal to one-third of its annual S-CAP apportionments. These bonus funds would be distributed annually beginning with the fiscal year following certification and would continue as long as the state’s NHS segments remain in compliance. Bonus funds may be utilized for any project eligible under The Surface Transportation Program (STP). Once the U.S. Secretary of Transportation certifies that all NHS segments within a state have achieved the LOS benchmark, the state will be eligible to transfer any unneeded S-CAP apportionments to any highway program account.
An efficient and reliable freight transportation system is essential to a strong U.S. economy. While all freight modes face capacity shortages, nearly 70 percent of freight tonnage moves exclusively on the highway system, and highways are also critical to the efficient movement of intermodal freight. Therefore, while the next highway authorization bill should consider the challenges facing all freight modes, movement of freight on the highway system must take precedence. Poor highway conditions, lack of capacity and urban traffic congestion are barriers to safe, cost-effective and timely freight transportation and logistics strategies, which enhance U.S. global competitiveness by reducing supply chain costs.

Establish a New Freight Program

Because of the interstate nature of freight transportation, continuation of a strong federal highway program is essential. Enhanced federal leadership is necessary to facilitate improvements to key freight transportation infrastructure and removal of federal, state and local regulatory barriers to reliable and efficient freight mobility.

The Highway Users proposes the establishment of a new federal freight program, to be administered by the U.S. Department of Transportation and funded by a freight fund financed by new revenue from a variety of sources. The goal of the program is to identify national freight needs and target investment where improvements are most cost-effective and most needed.

User fees collected directly from highway freight sources should be dedicated to highway freight projects.

New Freight Fund

In order to fund improvements at those sites identified through the USDOT-led evaluation process, Congress should create a new freight transportation fund that is firewalled from the Highway Trust Fund. Money from the freight fund would be distributed by USDOT based on the ability of the proposed projects to effectively address the problems identified during the evaluation process. Sources of freight fund revenue should be closely tied to the beneficiaries of an improved freight transportation system and could include new, direct user fees, as well as increases in existing highway user fees. While multimodal improvements should be eligible for freight fund grants, user fees collected directly from highway freight sources should be dedicated to highway freight projects. Highway investments could include physical improvements – such as capacity expansion – and operational enhancements, such as traveler information systems. During its evaluation, the USDOT should identify federal, state and local regulatory barriers to efficient, cost-effective freight transportation, and recommend reforms to those regulations.

The Highway Users proposes the establishment of a new federal freight program, to be funded by a freight fund financed by new revenue from a variety of sources.
The death toll on our highways is a national epidemic that must be aggressively combated. The Highway Users proposes a plan to save more than 200,000 lives over the next twenty years.

Last year, over 42,000 Americans died on our nation’s roads, and more than 3 million were injured. That is just over 115 deaths every day — an enormous tragedy for family members and loved ones left behind, and a significant loss to their communities. In addition to the significant human toll, motor vehicle crashes account for an estimated $230 billion in direct economic loss each year. Simply put, these numbers are unacceptable for a road system that should be the envy of the world.

Because crashes happen for a variety of reasons ranging from driver inattention or error to road or vehicle conditions, reducing the number and severity of crashes requires a comprehensive and system-wide approach that encompasses drivers, vehicles, and environmental factors, such as road conditions. Reducing traffic deaths and injuries is a significant public health challenge requiring an aggressive response from the government, industry and the driving public. As with any public health challenge, it is essential to base policy and improvement initiatives on sound science and a robust understanding of crash and injury causation and effective countermeasures. It is also critical to identify and prioritize specific opportunities for improvement, in order to maximize available public and private resources.

Accordingly, the American Highway Users Alliance urges Congress to adopt the following principles as it prepares the next authorization of our surface programs:

- The Highway Users supports establishing a performance-based program to encourage states to do their part to cut national highway deaths by 1,000 per year. With effective incentives, this program would cut the total number of lost lives in half over 20 years and cumulatively save over 200,000 lives. To ensure that the objective is met and to instill greater accountability in the federal safety programs, the U.S. Secretary of Transportation should be directed to ensure that each state is meeting its proportionate share of annual fatality reductions. Any state that has not met its proportionate share of annual fatality reductions on average over a four-year period should be required to obligate an additional five percent of its Highway Safety Improvement
The Highway Users proposes a plan to save more than 200,000 lives over the next twenty years.

Program (HSIP) apportionment — relative to the average annual percentage of that state’s HSIP apportionment obligated in the preceding four years — during each subsequent year in which the state fails to achieve its proportionate share of annual fatality reductions.

• Given that the number of deaths on the nation’s highways reached a low in 1998 and has been higher in every subsequent year, it is critical for the nation to invest more in roadway safety programs including physical and operational improvements. Therefore, ten percent of federal highway funding should be reserved for the Highway Safety Improvement Program (HSIP).

• To encourage effective long-term safety investment planning, funding levels should be increased for each safety program over the course of the authorization period. Federal Highway Administration (FHWA), National Highway Traffic Safety Administration (NHTSA), and Federal Motor Carrier Safety Administration (FMCSA) safety programs must be separately funded so that predictable funding is guaranteed for each type of program in every state.

Congress should protect both infrastructure and non-infrastructure safety programs from raids so that the funds dedicated for roadway, vehicle, and behavioral safety investments are not to be transferred or used for unintended purposes.

• The data-intensive, performance-driven aspects of the HSIP and the state Strategic Highway Safety Plans should be continued and enhanced. This program and the plans should be clarified, however, to ensure that systemic approaches to improving roadway safety, including design and operating performance standards — in addition to location-specific improvements — are eligible for funding and encouraged.

• Federal safety funding and programs should be available and focused on all roadways where the data indicate that significant safety problems exist. Given that over one-half of traffic fatalities nationwide occur on two-lane roads, Congress should also take steps to ensure that standardized crash data is collected and reported on all public roads so that data gaps do not prevent federal funds from reaching the areas with the greatest safety needs.

• Approximately 5,000 of the 42,000 annual highway deaths involve a commercial vehicle. Even though numerous studies have shown that commercial drivers are not usually at fault in these crashes, safety technology in commercial vehicles can save many lives. According to FMCSA, the estimated societal cost of each fatal crash involving a heavy duty vehicle is $3,604,518. It is cost-effective for Congress to take action to reduce these deaths by promoting federal policies that create financial incentives for the purchase of advanced safety technologies for commercial vehicles. These technologies include brake sensors, lane departure warning systems, collision avoidance systems, and vehicle stability control devices.

Ten percent of federal highway funding should be reserved for the Highway Safety Improvement Program.
The Road to Quality Bridges and Pavements

Following the tragic collapse in 2007 of the I-35W bridge in Minneapolis, the public has demanded a national action plan to modernize our bridges and pavements. Congress has an obligation to restore confidence that our National Highway System (NHS) infrastructure is safe and in good condition. The NHS, which includes the Interstate Highway System, is our nation’s primary circulatory system and its condition and performance should be one of the highest priorities of the federal government. It is important to improve the quality, durability and serviceability of the nation’s major highway corridors and bridges through uniform measurement systems that incorporate safety and life cycle costing as base elements. The Highway Users Network Health” by Larry Galehouse, Director, National Center for Pavement Preservation and Jim Sorenson, Team Leader, FHWA Office of Asset Management.

Upon completion of this PMS, each state would then benchmark its NHS components against the PMS and submit an annual report to FHWA. FHWA would then develop a NHS Pavement Inventory (NPI), similar to the existing National Bridge Inventory, which would provide a single source for assessing the overall status of the NHS pavements’ quality. The NPI would set the minimum standard for the NHS pavements to continue to operate effectively and efficiently. A state should not be permitted to transfer its NHS apportionments to any other highway program unless the U.S. Secretary of Transportation certifies that the state has met the FHWA minimum performance standard for quality pavements on the NHS.

A state should not be permitted to transfer its NHS apportionments to any other highway program unless the Secretary certifies that the state has met the FHWA minimum performance standard for quality pavements on the NHS.

The Federal Highway Administration (FHWA) should define a minimum performance standard for the National Highway System through the development and implementation of a pavement management system (PMS) that is based on network analysis using the FHWA document entitled “A Quick Check of Your Highway Network Health” by Larry Galehouse, Director, National Center for Pavement Preservation and Jim Sorenson, Team Leader, FHWA Office of Asset Management.

Congress proposes the following steps for addressing U.S. infrastructure:

**Pavement Management System:**

The Federal Highway Administration (FHWA) should define a minimum performance standard for the National Highway System through the development and implementation of a pavement management system (PMS) that is based on network analysis using the FHWA document entitled “A Quick Check of Your Highway Network Health” by Larry Galehouse, Director, National Center for Pavement Preservation and Jim Sorenson, Team Leader, FHWA Office of Asset Management.

National Bridge Evaluation System:

As with pavements, it is essential that states utilize accurate safety and performance standards for bridges. Maintenance and improvement projects should be selected based on balancing both asset management principles for cost-effectiveness and the need to invest in projects with the greatest needs and greatest potential benefits in terms of safety, mobility and life cycle costs. Bridge inspection practices must continue to be supported by rigorous training, certification, and
quality assurance and supplemented with testing techniques to obtain quantitative data and ensure reliable results. For NHS bridge inspections, program managers and inspection team leaders should be licensed professional engineers qualified to practice structural engineering. Frequency of bridge inspections should be dictated by bridge parameters and risk, not routine calendar inspections, and should be determined by such factors as type of bridge, design method and specifications, materials, physical condition, years in service, usage, criticality to transportation network and environment. The classification criterion of the National Bridge Inventory (NBI) serves very well as the collective mechanism for quantifying the condition of the nation’s major bridges.

The results of bridge inspections, and the identified “sufficiency rating” should be linked to the costs of repair. Under the current process a bridge sufficiency rating is used to determine eligibility for funding. However, in order for the public, and decision makers, to understand how a bridge can be returned to a satisfactory sufficiency rating, cost estimates need to be a formal part of the process. A National Bridge Evaluation System can create a more specific link between individual bridge inspections and ratings and elements of the National Bridge Inventory Analysis System (NBIAS) and the Pontis bridge management software tool. A basic framework for a National Bridge Evaluation System would include:

1. All of the results of the inspection process
2. The sufficiency rating (0.0 to 100.0)
3. Estimates of the costs of repair for bridges below 80.0 (including replacement for bridges below 50.0) necessary to return the bridge to an 80.0 or better rating

Changing to a sufficiency rating scoring system would allow practitioners, politicians and the general public a better idea of what the bridge condition is. This should allow for a better advocacy position on the part of the state DOT and FHWA. In fact, within 2 years, the U.S. should have an aggregated national cost estimate for bridge repair. This process would also enable States to determine levels of funding necessary for returning our national infrastructure to a state of good condition. The data would enable flexibility for States in using their allocated federal-aid bridge funds, in a verified, data-driven manner. By affixing cost estimates to inspections, all decision-makers will know the level of funding needed to reduce the number of structurally deficient and functionally obsolete bridges. The emphasis should be placed on those bridges that are part of critical highway networks as determined by both the states and FHWA. This would allow for priority consideration for bridge maintenance and repair based on safety, serviceability, cost-effectiveness, and the impact on regional and national freight and passenger mobility.

FHWA should propose a metric for the states to use that would define the minimum standard for a quality bridge system and would allow a mechanism to quantify improvements to that system. For NHS bridges, no more than 5 percent should be functionally obsolete and no more than 2 percent should be structurally deficient by 2020. Thereafter, the national goal should be to ensure that no NHS bridges are functionally obsolete or structurally deficient. A state that achieves or exceeds the FHWA proposed targets should be eligible to transfer up to 25 percent of its federal-aid bridge funds to other highway program accounts. However, states that do not meet the targets should not be permitted to transfer bridge funds.
The Road to Sustainable Highway Funding

The Highway Users supports a significant increase in federal funding for the national programs proposed throughout this document. Congress must ensure that state and local governments also dramatically increase funding to match federal investment to $143 billion annually, just to maintain current physical conditions and make slight operational improvements on U.S. highways and bridges. To truly improve both conditions and performance, the commission has recommended an annual investment in our surface transportation system of at least $225 billion annually. Yet current government funding is a paltry $68 billion per year. It is important to note that over 95 percent of all surface miles traveled in the U.S. take place on our roads and highways via cars, SUVs, motorcycles, trucks, buses and recreational vehicles. Over 90 percent of travel to and from work takes place on roads, which includes the use of public transportation in the form of intercity and transit buses. Roadway and bridge conditions have deteriorated to such an extent that public safety and the damage to our economy has become

In order to gain wide public support for the funding increases needed, Congress must take steps to reduce the diversion of highway user fees to non-highway and non-transportation uses.

Our quality of life depend on returning to basic principles of using the federal program to address national needs and re-establishing public trust in the Highway Trust Fund.

The National Surface Transportation Policy and Revenue Study Commission found that, in the short-term (through 2010), all levels of government would need to double their capital investment to $143 billion annually, just to maintain current physical conditions and make slight operational improvements on U.S. highways and bridges. To truly improve both conditions and performance, the commission has recommended an annual investment in our surface transportation system of at least $225 billion annually. Yet current government funding is a paltry $68 billion per year. It is important to note that over 95 percent of all surface miles traveled in the U.S. take place on our roads and highways via cars, SUVs, motorcycles, trucks, buses and recreational vehicles. Over 90 percent of travel to and from work takes place on roads, which includes the use of public transportation in the form of intercity and transit buses. Roadway and bridge conditions have deteriorated to such an extent that public safety and the damage to our economy has become

It is imperative that the United States federal government have a lead role in the future maintenance, development, and expansion of our transportation network.
are provided. This misdirection of resources, along with a failure to adequately prioritize infrastructure as a national need, exacerbates the congestion problem, contributes to unsafe conditions, and made our country less competitive in the global marketplace.

The Solutions

1) Federal Role
First and foremost, there is, and will remain, a distinct federal role in highway funding for the foreseeable future. In the global marketplace, other countries are spending billions upon billions of dollars to upgrade and expand their infrastructure in anticipation of growth in the global economy. Similarly, it is imperative that the United States federal government have a lead role in the future maintenance, development, and expansion of our transportation network.

2) Return to Basics
We’ve lost our way and our focus. It is time for a “Return to Basics,” to the principles whereby the federal fees paid by highway users are properly and responsibly directed to address interstate mobility, highway safety, congestion relief, and nationally-significant pavement and bridge problems. A “Return to Basics” includes:

• Ensuring federal highway user fees paid by motorists are fully utilized for their intended purposes and not diverted.
• Preventing the further expansion of non-highway uses of the Highway Trust Fund.
• Reinforcing the integrity of the budgetary firewalls that ensure highway user fees are deposited in the Highway Trust Fund and used for highway funding.

Set at the appropriate rate and collected for both traditional and alternate fuels, the user fee on fuel can serve as a viable source of revenue for decades into the future.

• Guaranteeing that any additional user fees on fuel, tolls, or other sources imposed on highway users are tied to a promise that the new funding will be used for projects that are truly needed to improve the current infrastructure, improve system performance, enhance safety, and provide added capacity.

• Balancing elected officials’ prerogative to direct funds to needed projects in areas they represent with the public’s strong belief that projects funded from their federal highway user fees meet a “Nationally Significant” threshold.

3) Capturing Lost Revenue

• Restoring transferred funds:
Throughout the history of the Highway Trust Fund, highway user fees have been transferred from the Highway Trust Fund to the General Fund of the U.S. Treasury. These funds should be restored (with interest), now that funding shortages threaten the solvency of the Highway Trust Fund.

• Restoring interest on the trust fund balance:
From 1956-1998, trust fund balances were invested in treasury bills and earned interest for the fund. Since then, this interest revenue was diverted to the U.S. Treasury’s General Fund, resulting in a loss of several billion dollars. These interest payments should be restored and future interest should be collected for the fund.

• Cracking down on motor fuel tax evasion:
Continue to aggressively address the problem of fuel tax evasion. Although it is difficult to estimate how much revenue the Highway Trust Fund loses annually due to fuel tax evasion, that revenue loss could be significant.
A significant percentage of government vehicles do not pay state and/or federal user fees for fuel. The effect is that pavement damage, infrastructure maintenance costs, and related revenue shortfalls caused by government fleet exemptions are borne by private sector users. If Congress chooses to retain this exemption, payment of the subsidy should be shifted to the General Fund. The value to the Highway Trust Fund exceeds $500 million per year.

4) Funding Options for Additional Highway Trust Fund Revenue

The fuel tax is the highway user fee that remains the bedrock of highway funding. Set at the appropriate rate and collected for both traditional and alternate fuels, the user fee on fuel can serve as a viable source of revenue for decades into the future. Highway users are willing to pay a significant increase in the fuel user fee, provided that the increased revenue is fairly directed to benefit those paying the fees, while addressing the true national needs identified throughout this document. In addition, public support from highway users to increased user fees most include a strong Congressional commitment to reform and elimination of waste within the current program. Options for raising revenue include:

- **A one-time increase in the federal fuel user fees:** Each one-cent-per-gallon increase in the federal user fee on motor fuels would generate approximately $1.7 billion a year of revenue to the Highway Trust Fund.

- **Indexing federal fuel user fees:** The cost of building, maintaining and operating highways has continued to escalate without a commensurate increase in revenues. Indexing the user fees on federal motor fuels, considering the construction producer price index (PPI) and rising fuel economy standards would help grow revenues to meet rising improvement costs.

- **Innovative financing:** Innovative financing and bonding solutions for highways are a potential attractive supple-

Highway projects that reduce carbon should be eligible to receive these funds.
• **General funds:**
  In 1956, the Highway Trust Fund eliminated the need for highway funding from the General Fund of the Treasury. Today, for the first time since 1956, the Highway Trust Fund is facing insolvency. While the Highway Users supports raising the user fees needed to meet highway needs, if Congress is politically unable to do so, we would support the use of general funds for the surface transportation program to meet those needs. The Highway Users also supports the continued guarantee of general funds to support the mass transit program.

• **Cap-And-Trade funds:**
  Highway projects that reduce congestion by fixing bottlenecks and improving operations have the potential to reduce carbon dioxide and other greenhouse gas emissions. If Congress enacts a cap-and-trade program that distributes funds for carbon-reducing programs, highway projects that reduce carbon should be eligible to receive these funds. For example, a traffic light synchronization project may provide a more cost-effective solution to reduce carbon dioxide than many alternative transportation or non-transportation projects.

5) **Highway Revenue Sources for Non-Federal Programs**

A variety of highway funding options have been proposed that do not provide revenue for federal programs. Although these revenue sources cannot be directed to federal programs, Congress can allow or prevent their use on roads that have received federal-aid or carry interstate commerce. Highway users have diverse views on these funding tools but agree that transparency and consumer protections are critical and that none of these options reduce the need for a strong federal program.

• **Converting Underutilized HOV lanes to High Occupancy Toll (HOT) Lanes:**
  A variation on the standard High Occupancy Vehicle (HOV) lanes, HOT lanes charge single occupant vehicles a toll while allowing carpoolers to use the lanes for free. Converting underused HOV lanes to HOT lanes, and therefore allowing certain drivers to pay for the faster route, can help reduce congestion on the parallel, free routes. Revenues gained from tolls must be dedicated to improving the facility.

• **Toll Financing:**
  The Highway Users believes that toll financing can play a limited, but important role in funding highway capacity expansion. Tolling must be limited to new capacity. Any expansion of Interstate highways through toll financing should require strict federal oversight and consumer protections. To the maximum extent possible, toll revenue collected on Interstate highways should fund only costs associated with the tolled facility’s construction, maintenance, operation, bond indebtedness and reasonable return on investment. Any excess revenue should be invested in state highway projects in the corridor. Finally, any exceptions under current law, which allow tolling of existing Interstate highway lanes, other than HOV lanes, should be eliminated.

• **Congestion Pricing:**
  The Highway Users believes that congestion pricing has a very limited role to play in highway finance as long as the use of pricing is designed to improve traffic throughput rather than reduce demand. Accordingly, congestion pricing is reasonable under very limited circumstances.
The road to sustainable highway funding

with appropriate consumer protections firmly in place. Like other toll roads, the revenue from congestion-priced roads should be invested in improvements that benefit those paying the tolls. In addition, tolls should be set to maximize traffic flow, rather than maximize revenue or create barriers to mobility. Congress should ensure that roads on the NHS or receiving federal-aid do not enact pricing schemes that create barriers to commerce, unfairly target interstate traffic to boost state and local revenue, create safety problems on parallel routes, fund non-highway programs, contain non-compete clauses, or be used as a social-engineering program to regressively price economically disadvantaged drivers off the road. Congress should prevent the establishment of "cordon-pricing" schemes in the United States. These plans make it unaffordable for many people to drive to entire downtown areas by posting high tolls for entry. These schemes create great financial burdens for low-income and middle-class commuters.

• Public-Private Partnerships (PPPs):
The Highway Users believes there is a role for PPPs to play in funding U.S. transportation needs. Harnessing private sector investment in a responsible manner could provide up to 9 percent of funds needed to maintain and improve our highways and bridges. However, these resources cannot replace the urgent need for federal, state, and local public funds. Privately operated roads, built with private funds, may provide needed additional highway capacity, but the role of the private sector must be monitored to ensure appropriate consumer protections. Project agreements that the government enters into with the private sector must be developed in a transparent manner and involve significant input from highway users. The Highway Users supports language from the National Surface Transportation Policy and Revenue Study Commission January 2008 Report, which provided several important limitations and conditions on PPPs.

Harnessing private sector investment in a responsible manner could provide up to 9 percent of funds needed to maintain and improve our highways and bridges.
The Road to Environmental Stewardship and Streamlining

It is necessary for us to improve our infrastructure while protecting the environment.

The United States must remain competitive in the global marketplace and improve the quality of life for its citizens through sustainable mobility. Therefore, it is necessary for us to improve our highway and transportation infrastructure while protecting the environment. Efficient project delivery can foster environmental improvements by more quickly removing bottlenecks that result in pollution from idling vehicles.

The current process for developing transportation projects takes far too long from conception to completion. These delays do not serve the public interest because they weaken the effectiveness of dollars that are made available for transportation improvements and often prevent improvements that reduce wasted fuel and emissions. Transportation infrastructure investments are not as cost-effective as they could be due to the current burdensome project development process and a host of regulatory inefficiencies that result in delays and increased project costs.

As new climate change laws and environmental regulations are put in place, more concern must be given to how new requirements will affect the timeline for development of future highway projects and transportation infrastructure-related projects. Congress should ensure that new requirements do not slow project delivery or add new, time-consuming transportation and land-use planning mandates.

A continuing impediment to the timely delivery of transportation infrastructure projects is the administrative process that has been developed to implement the National Environmental Policy Act (NEPA). USDOT should take greater responsibility for ensuring this process works effectively and quickly for all concerned. Streamlining the process is not shortcutting it, and it should not result in fewer environmental protections than are established in law.

This process and other environmental requirements can be made more efficient by changes such as the following:

- Firmer, shorter deadlines for project reviews and responses to them must be established and enforced.
- Federal agency coordination needs to be regulated to shorten time in decision making.
• Revision of FHWA’s technical advisory to shorten review periods between all agencies.

• Projects with significant environmental impacts require concurrent review times for all agencies.

• Include all disciplines within one public involvement process for the life of the project.

• Project reviews and approvals should be immune from repeated agency challenges once initial challenges have been satisfied.

• USDOT should be held responsible for the timely advancement of the project development process with regard to coordination with other federal agencies.

• Develop programmatic agreements that are used during planning through project development.

• Establish that, upon expiration of the review deadline, resource agency approval is assumed unless the agency has formally applied to USDOT for an extension which must be justified because of complexity or other project related reasons rather than the convenience of the resource agency.

• Additional Improvements to be Pursued:
  • Only appropriately focused alternatives for projects should be considered in project development.

• Strengthening of the link between the planning and project development process should continue, so that more work done during the planning process can be accepted, and not redone, in the NEPA process.

• Remove duplicative processes. Simplify the categorical exclusion process so that projects can be documented on a simple form.

• Expand pilot streamlining programs so that all States may participate, if they choose.

• Laws and regulations resulting from additional environmental protections should be pursued in such a manner that they do not further lengthen an already long transportation infrastructure project development process.

  The modest conformity changes enacted in SAFETEA-LU were generally positive and should be continued and expanded in subsequent legislation.

• It is important that the consequences to project development of climate change legislation be adequately considered. Further, the proposal to provide the Environmental Protection Agency with new authority to approve the transportation plans to ensure consistency with climate change legislation could complicate the already complex planning process and delay project delivery. USDOT should have sole authority to approve required transportation planning documents.
The American Highway Users Alliance is the broadest-based transportation coalition in Washington, DC focused exclusively on promoting highway system performance, roadway safety improvements and freedom of mobility.

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