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OA/ID Number: 13761
Folder ID Number: 13761-009

Folder Title:
State Highway Officials 6/21/91 [OA 7564] [2]

Stack:	Row:	Section:	Shelf:	Position:
G	26	21	4	7

Transportation Speech Outline

4/1/91

- Introduction
 - Importance of transportation to US competitiveness in a global economy
 - Why transportation policy is a critical component in the President's economic and domestic agenda
 - The new Highway bill reflects the President's commitment to build a transportation infrastructure to carry us into the 21st century
- Transportation plays critical role in US economy and life
 - ~~17.2% of GNP~~
 - \$232 billion moved/year, eight times greater than 1960.
 - Average American travels 8,000 miles/year, up from 3350 in 1950 and 1300 in 1929.
 - US growth linked to improvements in transportation
 - Railroads and navigatable waters lead to national expansion
 - Roads lead to suburbs, growth of auto industry, and today's mobile society
- Transportation is critical link for US international competitiveness and globalization of economy
 - Forces contributing to globalization
 - Technology
 - Lowering of barriers between countries
 - Improvements in movement
 - Information - Telecommunications
 - People and goods
 - Containerization - double in goods in last 10 years. 56% of traffic to/from US containerized in 1980, 77% in 1989. Amount of commerce moved % of all international goods
 - Growth in international airline miles since 1970
 - Growth in # of visitors to/from US, last 30 years
 - Trends underscore importance of GATT round, Fast track, and US - Mexico to economic growth
- US has developed most advanced transportation infrastructure in the world
 - Soviet Union losses 40% of fruits and vegetables largely due to transportation problems
 - US has 66% more roads/person than France, almost 3 times as many as Japan
 - US has completed an Interstate Highway System that is the envy of the world.
 - US system also very safe:
 - Highway deaths only 2.2 per 100 million

- vehicle miles. Down from 7.2 in 1950. US number is 35% lower than Germany and Japan and 79% lower than France
 - Air traffic accident rate per hour flown has decreased by a factor of three in the last 20 years.
 - Success due to two factors
 - Investment in transportation in last 35 years of x amount
 - Deregulation
 - Airlines - since 1978
 - Average airfares decreased 16% since deregulation
 - # of flights increased by 54%
 - Railroads - since 1980
 - 21.7% decrease in cost/ton
 - Trucking - since 1977
 - Brookings Institute study found decreases between 2% and 17% decrease in prices following deregulation
- Transportation critical for each of the President's three policy principles
 - Enhance economic growth
 - Banking reform
 - Capital gains
 - GATT negotiations
 - Mexico free trade
 - Maintain leading infrastructure for global economy. Negotiating international air treaties to bring benefits of deregulation internationally.
 - Investment in the future
 - Increase R&D spending
 - Strengthening education
 - Reducing energy vulnerability, opposing CAFE standards
 - Increased expenditures to air traffic and highway systems.
 - Greater opportunity for individuals and communities - Key concept: choice.
 - Child care bill
 - Enhancing good health through prevention
 - Educational choice
 - Goal is maintain mobile society to allow individuals to choose where they want to live. Guiding force behind highway bill and deregulation - bring choice through the power of the marketplace.
- Key component of domestic agenda - Surface transportation reauthorization
 - Five year authorizations provide time for reflection.
 - Discuss CETA example.

- Allow time for reflection
 - Eisenhower original intent - Build national system for national commerce.
 - System now 99.2% complete.
 - Current concerns different
 - How to maintain system.
 - Not just potholes, which is state and local responsibility
 - x bridges in need of rehabilitation
 - 40 years old structure in need of repair
 - How to solve problems of congestions - estimated to cost of \$35 billion/year
 - How to insure mobility at local level, competitiveness and efficiency at national level
 - Strategy - Refinement, mid-course correction as we enter phase II of Federal Highway program
- Principles of Administration policy, NTP reflected in Administration's Surface Transportation proposal
 - 1) Increase infrastructure investment
 - \$104 (?) billion over 5 years
 - 39% increase in highway spending by 1996
 - 2) Push decision making down to local and State level where possible
 - Flexibility for selecting projects at State level
 - Can use Urban and Rural funds for either highways or transit
 - Selection of NHS in partnership with States
 - 3) Rely on market forces and user fees
 - First ever matching on tolls roads
 - Peak hour pricing to relieve congestion
 - Allows greater use of private funds
 - Matching shares on urban/rural
 - Gives States and local greater stake in decision
 - Encourages user fees
 - 4) Focus Federal funds on national needs
 - NHP and need to keep at 150,000
 - Different matching shares for NHP
- Conclusion
 - Transportation infrastructure critical to our economic success, importance will grow as globalization of world economy continues.
 - Our experience of the last 40 years has demonstrated the success of strong investment and reliance on market forces
 - President is committed to ensuring US has #1 transportation system going into the 21st century
 - The new Highway bill is a critical part of President's domestic agenda. The bill will improve our highway system, better focus Federal spending, and build strong partnership with State and local

governments and the private sector.

91 JUN 18 All: 49 (Lange/Simon)
June 18, 1991
11:00 A.M.
[AASHTO.DOC]

BRIEF REMARKS:

STAFFED
AMERICAN ASSOCIATION OF STATE HIGHWAY AND
TRANSPORTATION OFFICIALS
ROOM 450, OEOB
FRIDAY, JUNE 21, 1991
10:00 am

[[Secretary Skinner... (acknowledgements) ... fellow
travellers: \\

Welcome to the private screening of Road Warrior II. \\

Sorry if I'm a little late. Not that my commute is all
that long... but I do get a little steamed by the gridlock in
Congress. \\]]

You all understand the importance of mobility in our
society. Our economic growth, our international competitiveness,
even our cultural vitality -- all depend on the transportation
lifelines that span this nation, that let people get to work,
home, to entertainment, to see family and friends.

We are the most mobile society in history -- economically,
and, of course, literally. Over the course of this century,
we've developed the world's most advanced transportation system.
We've done it through strong commitment and equally strong
investment. We have tried to harness the power of market forces,
and we'll continue to do so. But we also believe in the absolute
importance of solid partnerships between the private sector and
government at all levels.

National Trans.
Policy
p. 13

When President Eisenhower first proposed a major national highway network back in 1956, he laid the groundwork for unprecedented movement, unprecedented access, all across America: to products, to services, to prosperity.

Now, as the world seems to shrink while the competitive pace quickens, we must make certain American business has the mobility to compete, and to get its goods to market.

That's why our Surface Transportation Proposal called for significant investment in the future. We propose increasing Federal highway spending by 39 percent over the next five years.

We're committed to building better partnerships at every level -- giving new flexibility to the States. We want to give people the power to use local funds to meet local needs -- and to focus federal spending on national needs.

I'm very pleased the Senate included a National Highway System in its version of the Surface Transportation Reauthorization. The Senate's bill includes some good features - efficiency and flexibility among them -- that we advanced originally.

But at times the stretch of Pennsylvania Avenue between Congress and the White House seems like the longest street in America.

We sought legislation for greater investment at the Federal level, for our overall highway system --, to meet an important national need. We asked for a higher matching share from the

Rob
Chess
talking points
2-5-91

States -- because we believe greater investment in infrastructure should be a priority at all levels.

As State transportation officials, you can appreciate the value of changing the State match. We want to leave a legacy of greater commitment to transportation at every level of government. A higher Federal matching requirement will help you win greater levels of State funding -- greater levels of accountability -- and greater levels of public confidence.

Unfortunately, the Senate version of our legislation wants to pave roads with pork. It doesn't focus Federal funds sufficiently on national needs. It allows for no differential match between the National Highway System and other programs. It shortchanges the National Highway System.

It calls for excessive Federal spending on priorities that aren't national -- on projects that could eat up funds necessary for other important transportation programs: from FAA modernization and safety improvement, to... [more examples?]

And, finally, the Senate version doesn't make new transit starts more cost-effective -- or provide adequate incentives for efficient local transit and rail systems.

As you all know, I challenged the Congress to pass a comprehensive crime bill and a transportation ^{bill} in a hundred days -- by June 14th.

Now it looks like sound transportation legislation is on the road to nowhere. Congress is taking its time, and the delays are taking their toll.

Speech to
Congress

3-6-91

[[Things have gotten bad. So bad, I'm told, that the potholes in some States are so big that tourists are coming in for mule tours. \\]]

What the American people heard as a 100-day challenge, the Congress used as an excuse to complain. A challenge of hundred days became an occasion for a hundred delays -- and a hundred and one excuses for inaction.

So I say to the Congress: Don't stop, don't pass "go," don't collect any more dollars -- just pass our transportation bill. //

We need a surface transportation program that makes sense for America now, and in the future.

Rather than simply trying to preserve the well-worn paths of the past, we've got to move ahead. We've got to create a new generation of transportation systems and solutions. Let's review and reinvigorate the partnership between State and Federal interests that's kept America on the move through the 20th century. Let's stop talking, and get the job done.//

With the right tools, the right investment, and the right incentives, I believe we'll move this nation into the next American century. And I look forward to working with you, every step of the way.

Thank you all very much.

#



Chapter I

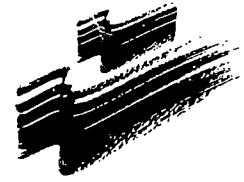
Challenges and Opportunities

The Nation's vitality has always been linked to mobility—from immigrants coming to our shores to wagons moving West, rail lines spanning the continent to ships and planes fanning out across the oceans, and now vehicles racing into space. Transportation is an engine for economic growth, and a link between the regions and the businesses and the people of the Nation and the world. Americans have moved farther, gone faster, and made more progress as a nation than in any other society in history. As we enter the 21st century, our transportation system, the symbol of that movement, will drive our growth, foster our freedom, and signal our success in forging solutions to the social and economic challenges we face. America's success in building and developing transportation is a proud accomplishment. Through our combined talents and resources, imagination and innovation, transportation will be tomorrow—as it has always been in the past—integral not only to the way we live but also to building a better America for the future.

What We Have Achieved

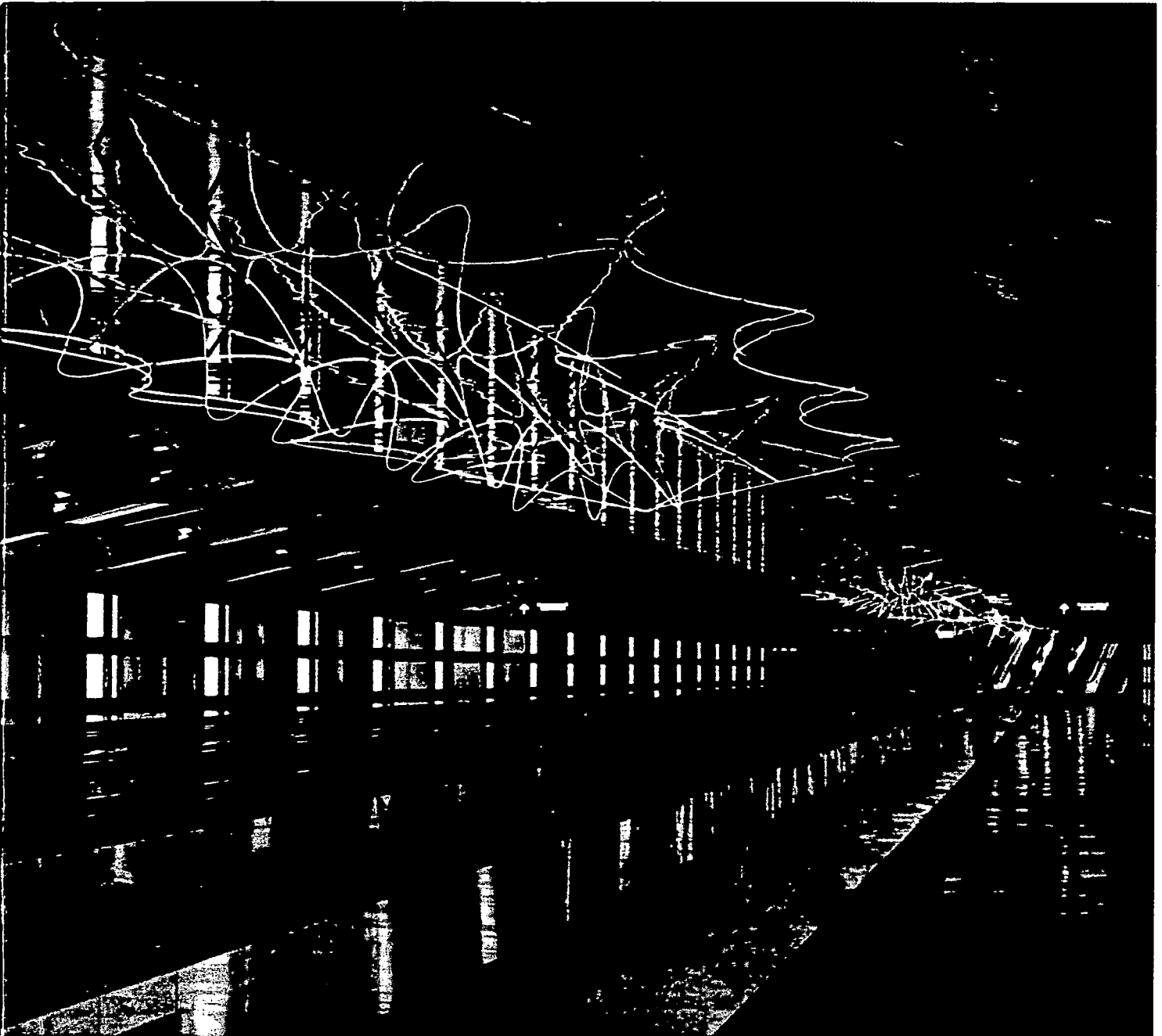
After more than 100 years of industrial and technological development, the United States has a mature transportation industry. The basic technologies for railroads, shipping, highway vehicles, and mass transit were developed decades ago, and those systems are well established today. The array of airports that began in the early days of commercial aviation in the 1930's served 90 million flights in 1988. In 1956, President Dwight D. Eisenhower initiated the National System of Interstate and Defense Highways—our "Interstates"—for the first time creating a unified network of roadways designed for high-speed, efficient, safe motor vehicle travel across the country. Today, that system is virtually complete.

Now the focus must shift from building the Nation's basic transportation systems to adapting and modernizing transportation facilities and services to support economic growth, meet the competitive demands of the international marketplace, contribute to our national security, and improve the quality of life for all Americans.



Moving America

New Directions, New Opportunities



*A Statement of National Transportation Policy
Strategies for Action
Feb. 90*

Highway and Mass Transit Program Talking Points
2-5-91

- o The Administration proposed a program that significantly increases Highway spending, restructures the Federal highway system, and provides greater flexibility to the States to allocate funds.
- o Funding for highway construction and rehabilitation will increase from \$14.6 billion in 1991 to \$16.0 billion in 1992 and to \$20.3 billion in 1996. This represents a 39% increase over a five year period.
- o The present highway program will be restructured into three components:
 - o A new National Highway System consisting of 150,000 miles of roads. The National Highway System will include the present Interstate Highway System plus other roads of national significance such as major arteries and roads critical for national defense.
 - o An Urban and Rural program that will have 700,000 miles of non-local roads.
 - o A Bridge program to provide funds for rehabilitating existing bridges.
- o The new National Highway System will:
 - o Focus Federal funds on roads of national significance.
 - o Reflect major demographic and economic changes that have occurred since the Interstate System was originally planned.
 - o Allow State participation in designating which roads and highways to include.
- o The Urban and Rural program will use block grants to provide States maximum flexibility in selecting projects. States will also have the freedom to use these funds for mass transit capital programs.
- o Federal matching shares for the Highway program will be:
 - o 75% for the National Highway System. Completion of the remaining portion of the Interstate System will be funded at 90%.
 - o 60% for the Urban and Rural program.
 - o 75% for Bridges.

- o Funding for mass transit capital improvements will increase from \$2.4 billion in 1991 to \$2.9 billion in 1992. Total funding for the mass transit programs will be \$3.3 billion, a 2% increase over 1991 levels. Financing for almost all Federal mass transit programs will come from the Highway Trust Fund (only 43% of current funding is from the Trust Fund).

- o The Administration is requesting a five-year authorization for Highway and Mass Transit Trust Fund expenditures.

*copy approved
speculate copy del
Mark Lange
06/3
SB
Done
SB
5/21*

AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS

HAL RIVES, President
Commissioner
Georgia Department
of Transportation



FRANCIS B. FRANCOIS
Executive Director

Attention: Tony Benedi
Room 182, OEOB

May 23, 1991

The President
The White House
Washington, DC 20500

Dear Mr. President:

On behalf of President Hal Rives and the members of AASHTO, I am pleased to extend to you an invitation to address a meeting of our Policy Committee, to be held on Friday, June 21, 1991, at the Ritz-Carlton Hotel, Pentagon City, Arlington, Virginia. We are reserving the morning of June 21 to accommodate your schedule, and ideally would like to have you address the Policy Committee at 10:00 am.

The AASHTO Policy Committee is comprised of the chief administrative officers of the departments of highways and transportation in the 50 States, the District of Columbia and Puerto Rico, the men and women who have the leadership responsibility for transportation in the States, in all modes including highways and public transportation. Secretary Samuel Skinner of the U.S. Department of Transportation is an Ex Officio member of the Policy Committee, and the U.S. DOT is usually represented at our Policy Committee meetings by the Administrators of the Federal Highway Administration, the Urban Mass Transportation and other top officials of U.S. DOT.

This is the summer meeting of our Policy Committee, which is convened three times a year. Of utmost concern to our member departments this year is Congressional reauthorization of our surface transportation programs.

We are very pleased that among all the issues facing you and our nation, you have chosen to give your personal attention to this reauthorization effort. We regard your leadership as very important to obtaining a reauthorization bill, a bill that as you recognize is in turn very important to the future of our nation. We would very much like to have you address our Policy Committee on the reauthorization bill, to help build the united effort that will lead to timely enactment of a new Federal surface transportation program.

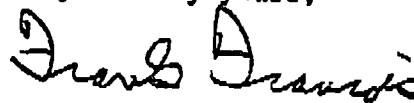
The President
May 23, 1991
Page 2

We anticipate that nearly all of our member departments will attend this Policy Committee meeting, together with several persons from U.S. DOT. With regard to the States, we believe that a number of our Policy Committee members will be accompanied by top staff members from their agencies. In all, we would anticipate a group of about 75 persons to be in attendance on June 21, all of whom will be high level persons with direct public sector responsibilities for America's transportation system, in all transportation modes.

We hope that it will be possible for you to respond to this invitation, and we look forward to your reply. The person on my staff responsible for all arrangements for our June 21 Policy Committee meeting is Mariann Humphreys, and she will be pleased to work with White House staff regarding details of the meeting.

Mr. President, we thank you for considering this invitation, and especially for your strong leadership to reauthorize our Federal surface transportation programs.

Respectfully yours,



Francis B. Francois
Executive Director

FBF:mIm

cc: Hal Rives
Sec. Samuel Skinner

Porter

**Association of State Transportation Highway Officials
Speech Outline
June 17, 1991**

I. Importance of Transportation

- Americans traveling more than ever. Average American travels 8,000 miles/year, up from 3,350 in 1950 and 1,300 in 1929.
- Transportation system vital link for international competitiveness in a global economy.
 - \$232 billion in goods moved last year, eight times greater than in 1960.

II. U.S. has developed the most advanced transportation infrastructure in the world through: strong investment; partnership with State and local governments, and private sector; and reliance on market forces.

- U.S. has 66 percent more roads/person than France, almost 3 times as many as Japan.
- U.S. has virtually completed Interstate Highway System.
- U.S. has invested heavily in transportation infrastructure. Since 1977 Federal, State, and local governments have spent over \$1 trillion (in 1990 dollars) on our highway, transit, and air traffic systems. That is approximately \$4,000 per person.
- Success of deregulation in airlines, trucking, and railroads has given us a more efficient transportation system.

III. Key principles of U.S. transportation policy are reflected in the Administration's Surface Transportation Proposal

- Investing for the future
 - Increases Federal highway spending by 39 percent during next five years.
- Building partnership with State, local, and private sector
 - Innovative measures to encourage private investment and toll roads including first ever Federal match on toll roads.
 - Provides new flexibility to States to best

decide how to use funds. For example, provides choice to use money for highway or transit needs.

- Focusing Federal funds on national needs
 - National Highways System for roads critical to interstate commerce
 - Urban and rural program for other roads
 - Bridge program to maintain critical infrastructure component

small highway sys.

IV. Administration has challenged Congress to pass the bill by June 14.

- Senate at least is debating the bill, but we have serious concerns about it:
 - Matching share inadequate to meet infrastructure needs (note: this will not be a popular issue with this group). All groups -- Federal, State, Local, and private sector -- must increase infrastructure investment.
 - Does not focus Federal funds sufficiently on national needs. Was glad to see Senate leaders agree on need for National Highway System (NHS), but there is no differential match between NHS and other programs. In addition, dedicated funding for NHS should be increased.
 - Spending level higher than proposed by the Administration. Increase over Administration proposal could cause reductions in other important transportation programs.
 - Does not provide any methods to make new transit starts more cost effective or provide adequate incentives to increase the efficiency of local transit and rail systems.
- House has not taken any action yet.

comment support for 180K mi NHS

We wanted higher funding from Fed. Govt for NHS

we wanted Fed 75/25 state 60/40

and proper state matching share

while more total \$ more state money less federal

*Andy Sieg # 2814 #2705
Rob Gen (Vice)*

V. Conclusion

*We wanted higher matching share for Nat'l Highway Sys.
- build in incentives to states than NHS sys
- they divided same %age*

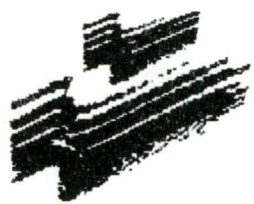


Federal Highway Administration
400 Seventh Street S.W.
Washington, D.C. 20590

91 JUN 20 A 8:02



TELEFAX COVER SHEET



*Moving America
Into the 21st Century*

DATE 6/19 TIME 7:45pm

TO BOB SIMON

FROM KELLY JOHNSTON
BY DAVE FREDERICKSON

TELEPHONE (202) 366-0660

FAX (202) 366-7239

6 Pages (including this page)

COMMENTS As Promised By Kelly,

BOB... SUGGESTED CHANGES

TO AASHTO SPEECH

####

BRIEF REMARKS: AMERICAN ASSOCIATION OF STATE HIGHWAY AND
TRANSPORTATION OFFICIALS
ROOM 450, OEOB
FRIDAY, JUNE 21, 1991

DRAFT

Secretary Skinner... (acknowledgments) ... fellow
travellers:\\

Welcome to the private screening of Road Warrior II. \\

Sorry if I'm a little late. Not that my commute is all that
long... but I do get a little steamed by the gridlock in
Congress. \\

You all understand the importance of mobility in our society,
Our economic growth, our international competitiveness, even our
cultural vitality -- all depend on the transportation lifelines
that span this nation, that let people get to work, to home, to
entertainment, to see family and friends.

We are the most mobile society in history -- economically,
and, of course, literally. Over the course of this century, we've
developed the world's most advanced transportation system. We've
done it through strong commitment and equally strong investment.
We have tried to harness the power of market forces, and we'll
continue to do so. But we also believe in the absolute importance
of solid partnerships between the private sector and government at
all levels.

And, of course, no partnership has been stronger or more
effective than the partnership enjoyed between the Federal
Government and all of you in AASHTO... This has been a continuing
relationship that spans some 75 years, since 1916, when the
framework for our joint effort was fashioned and legislated. It
has, by all counts, been a truly dynamic, cooperative enterprise.

-2-

Together, we have been able to provide this Nation with a successful, efficient, effective system of high performance roads and highways assuring that great degree of mobility and productivity to which we have all become so accustomed.

Thirty-five years ago, we took a great leap forward together, when President Eisenhower first proposed a major national highway network back in 1956. That bold step forward laid the groundwork for unprecedented movement, unprecedented access, all across America: to products, to services, to prosperity.

Now, as the world seems to shrink while the competitive pace quickens, we must make certain American business continues to have the mobility to compete, and to get its goods to market.

That's why our Surface Transportation Proposal called for significant investment in the future. We propose increasing Federal highway spending by 39 percent over the next five years.

We're committed to building better partnerships at every level -- giving new flexibility to the States. We want to give people the power to use local funds to meet local needs -- and to focus federal spending on national needs.

-3-

I'm very pleased the Senate included a National Highway System in its version of the Surface Transportation Reauthorization. The Senate's bill includes some good features -- efficiency and flexibility among them -- that we advanced originally. We need to loosen the Federal apron strings on the states' highway programs.

But at times the stretch of Pennsylvania Avenue between Congress and the White House seem like the longest street in America.

We sought legislation for greater investment at the Federal level, for our overall highway system -- to meet an important national need. We asked for a higher matching share from the States -- because we believe greater investment in infrastructure should be a priority at all levels.

As State transportation officials, you can appreciate the value of changing the State match. We want to leave a legacy of greater commitment to transportation at every level of government. A higher Federal matching requirement will help you win greater levels of State funding -- greater levels of accountability -- and greater levels of public confidence.

Unfortunately, the Senate version of our legislation doesn't focus Federal funds sufficiently on national needs. It allows for no differential match between the National Highway System and other programs. It shortchanges the National Highway System. This is a system of national significance. It is based on a concept developed through your own Transportation 2020 Initiative, so you know, as we do, how important such a focused investment is to our citizens. We need a bill that assures its success.

-4-

The Senate bill calls for excessive federal spending which puts at risk other important Federal Programs -- including programs you care about: aviation safety and modernization for example -- or Coast Guard Search and Rescue activities.

And finally, the Senate version doesn't make new transit starts more cost-effective -- or provide adequate incentives for efficient local transit and rail systems.

We need a surface transportation program that makes sense for America now, and in the future. Some have suggested that our approach favors highways over mass transit, but that's wrong. Our legislation is both a highway bill and a transit bill. Traditional forms of mass transit -- trains and buses -- are important. The real issue, however, is increasing ridership, through use of carpool lanes, ride-sharing, and new, advanced communications systems; utilizing both highways and mass transit as partners, not as competing interests. This approach will unclog congestion and ensure efficient movement of people and goods.

As you all know, I challenged the Congress to pass a comprehensive crime bill and a transportation bill in a hundred days -- by June 14th.

What the American people heard as a 100-day challenge, the Congress used as an excuse to complain. A challenge of a hundred days became an occasion for a hundred delays -- and a hundred and one excuses for inaction.

So I say to Congress: Don't stop, don't pass "go," don't collect any more dollars -- just pass our transportation bill. //

-5-

We're at a crossroads in transportation, By any standard, the way we -- the Federal government -- and you -- the states -- do business is going to change. For proof, just look at the Senate bill, our bill and reports of what is likely to come out of the House. We must take full advantage of this opportunity to shape a surface transportation program that makes sense for America -- not simply try to preserve the way the program has been done in the past. This require a willingness to move ahead, to move America swiftly and smoothly into a new generation of transportation systems and solutions.

Rather than simply trying to preserve the well-worn paths of the past, we've got to move ahead. We've got to create a new generation of transportation systems and solutions. Let's review and reinvigorate the partnership between State and Federal interests that's kept America on the move through the 20th century. Let's stop talking, and get the job done.//

With the right tools, the right investment, and the right incentives, I believe we'll move this nation into the next American century. And I look forward to working with you, every step of the way.

Thank you all very much.

###



U.S. Department of Transportation
Office of the Secretary of Transportation

Assistant Secretary

400 Seventh St., S.W.
Washington, D.C. 20590

91 JUN 19 11:06

OFFICE OF THE ASSISTANT SECRETARY FOR PUBLIC AFFAIRS
TELECOPIER INFORMATION SHEET

6-19-91
DATE

THE FOLLOWING 6 PAGES (INCLUDING COVER SHEET) ARE FOR:
Bob Simon NAME OF INDIVIDUAL
The White House COMPANY NAME
456-6218 DESTINATION

THE FOLLOWING PAGES ARE FROM: Kelly Johnston for John Laughon

COMMENTS:

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL Linda Covill
AT 202/366-4531 PROMPTLY.

THANK YOU

June 19, 1991

MEMORANDUM FOR: HOLLY WILLIAMSON
CABINET AFFAIRS

FROM: KELLY JOHNSTON *KJ*
DEPUTY ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

SUBJECT: SUGGESTED CHANGES TO THE PRESIDENT'S
AASHTO TALKING POINTS

Changes are as follows:

Page 2, after paragraph 5:

"We need to loosen the Federal apron strings on the states highway programs."

Page 3, second paragraph:

Unfortunately, the Senate version doesn't focus Federal funds sufficiently on national needs. (rest of paragraph stays the same) NOTE: it is inaccurate to say "the Senate version... (would) pave roads with pork."

Page 3, third paragraph:

It calls for excessive Federal spending, putting at risk other important federal programs -- including programs you care about: aviation safety and modernization, for example -- or Coast Guard search and rescue activities.

Page 3, sixth paragraph:

Delete.

Page 4, first paragraph:

Delete.

91 JUN 18 AM 11:48

(Lange/Simon)
June 18, 1991
11:00 A.M.
[AASHTO.DOC]

BRIEF REMARKS:

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TRANSPORTATION OFFICIALS
ROOM 450, OEOB
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that long... but I do get a little steamed by the gridlock in
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You all understand the importance of mobility in our
society. Our economic growth, our international competitiveness,
even our cultural vitality -- all depend on the transportation
lifelines that span this nation, that let people get to work,
home, to entertainment, to see family and friends.

We are the most mobile society in history -- economically,
and, of course, literally. Over the course of this century,
we've developed the world's most advanced transportation system.
We've done it through strong commitment and equally strong
investment. We have tried to harness the power of market forces,
and we'll continue to do so. But we also believe in the absolute
importance of solid partnerships between the private sector and
government at all levels.

When President Eisenhower first proposed a major national highway network back in 1956, he laid the groundwork for unprecedented movement, unprecedented access, all across America: to products, to services, to prosperity.

Now, as the world seems to shrink while the competitive pace quickens, we must make certain American business has the mobility to compete, and to get its goods to market.

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But at times the stretch of Pennsylvania Avenue between Congress and the White House seems like the longest street in America.

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asked for

States -- because we believe greater investment in infrastructure should be a priority at all levels.

As State transportation officials, you can appreciate the value of changing the State match. We want to leave a legacy of greater commitment to transportation at every level of government. A higher Federal matching requirement will help you win greater levels of State funding -- greater levels of accountability -- and greater levels of public confidence.

Unfortunately, the Senate version of our legislation wants ~~to pave roads with pork,~~ it doesn't focus Federal funds sufficiently on national needs. It allows for no differential match between the National Highway System and other programs. It shortchanges the National Highway System.

DELETE.
Not a pole
ball!

It calls for excessive Federal spending, ^{putting at risk other important} on priorities that ~~aren't national~~ ^{aviation safety and modernization,} ~~on projects that could eat up funds necessary~~ ^{for example -- or Coast Guard search and rescue activities.} ~~for other important transportation programs; from FAA~~ ~~modernization and safety improvement, to...~~ [more examples?]

And, finally, the Senate version doesn't make new transit starts more cost-effective -- or provide adequate incentives for efficient local transit and rail systems.

As you all know, I challenged the Congress to pass a comprehensive crime bill and a transportation in a hundred days -- by June 14th.

Now it looks like sound transportation legislation is on the road to nowhere. Congress is taking its time, and the delays are taking their toll.

DELETE
PRESIDENT
HAS BEEN
QUIT

investment, and the right incentives, I believe we'll move this nation into the next American century. And I look forward to working with you, every step of the way.

Thank you all very much.

DATE

4
[[Things have gotten bad. So bad, I'm told, that the potholes in some states are so big that tourists are coming in for mule tours.]]]

What the American people heard as a 100-day challenge, the Congress used as an excuse to complain. A challenge of hundred days became an occasion for a hundred delays -- and a hundred and one excuses for inaction.

So I say to the Congress: Don't stop, don't pass "go," don't collect any more dollars -- just pass our transportation bill. //

We need a surface transportation program that makes sense for America now, and in the future.

Rather than simply trying to preserve the well-worn paths of the past, we've got to move ahead. We've got to create a new generation of transportation systems and solutions. Let's review and reinvigorate the partnership between State and Federal interests that's kept America on the move through the 20th century. Let's stop talking, and get the job done.//

With the right tools, the right investment, and the right incentives, I believe we'll move this nation into the next American century. And I look forward to working with you, every step of the way.

Thank you all very much.

AMERICAN ASSOCIATION OF STATE HIGHWAY
AND TRANSPORTATION OFFICIALS

HAL RIVES, President
Commissioner
Georgia Department
of Transportation



FRANCIS B. FRANCOIS
Executive Director

June 17, 1991

Bob Simon
Old Executive Office Building
Room 111
Washington, DC 20500

Enclosed you will find the background information you requested. If you require further information or have questions please feel free to contact me at (202)624-5800.

Sincerely,

Sunny Schust
Director of Communications

Surface Transportation Reauthorization Legislation

(December 9, 1990)

PR-9-90 WHEREAS, the Surface Transportation and Uniform Relocation Assistance Act of 1987 will expire on September 30, 1991, and federal support for highway and public transportation programs vital to the economic future and overall goals of the United States and its people will terminate unless appropriate action is taken by the 102nd Congress and the Administration; and

WHEREAS, the 101st Congress in its closing session took an important, highly commendable step toward providing more adequate support for America's highways when it increased the highway obligation ceiling to \$14.5 billion for fiscal year 1991, resulting in an overall Federal-aid highway program funding level of \$16.2 billion; and

WHEREAS, in a sense of Congress resolution accompanying the 1990 budget reconciliation Act the members of the 101st Congress commendably stated that all highway user taxes should be dedicated to meeting the federal share of our country's vital transportation needs, and that "adequate funding of transportation is a key component of a national strategy for economic growth;" and

WHEREAS, the Secretary of Transportation has taken the leadership to prepare a draft measure, and is working with the Administration to produce Surface Transportation Legislation for submittal to the 102nd Congress,

NOW, THEREFORE, the Board of Directors/Policy Committee of the American Association of State Highway and Transportation Officials, meeting in Phoenix, Arizona on December 9, 1990, does hereby:

1. Call upon the leadership of the 102nd Congress that will convene in January, 1991 to make passage of a Surface Transportation Reauthorization Act of at least four years duration a topmost priority during its first session, as an Act vitally necessary to help meet the nation's transportation needs and as a "key component of a national strategy for economic growth."
2. Advise the Congress and the Administration that two primary concerns of states in surface transportation reauthorization legislation are increasing Federal funding to each state and providing for not less than an 85% Federal share payable for highway projects eligible for Federal aid.
3. Request that the 102nd Congress and the Administration take into consideration the recommendations of the AASHTO Report *New Transportation Concepts for a New Century* as they develop and enact a Surface Transportation Reauthorization Act in 1991, and in particular that the Act be at least four years in duration, and reach the level of federal funding for highways and public transportation identified and fully supported in the *New Transportation Concepts* report, those levels being as follows:

Federal Highway Funding
(Billions of Dollars)

FY 1992 - 17.6
FY 1993 - 19.6
FY 1994 - 22.7
FY 1995 - 25.9

Federal Transit Capital Funding*
(Billions of Dollars)

FY 1992 - 3.5
FY 1993 - 4.0
FY 1994 - 4.5
FY 1995 - 5.0

These levels should be funded by fully utilizing the resources in the Highway Trust Fund and the Transit Capital Funding from the General Fund, including utilizing those provisions spelled out in Resolve 5. With these provisions fully utilized no new taxes would be required to achieve these levels. Funding for transit will require continuation of at least the present level of funding from the General Fund.

* It is noted that necessary operating assistance funds of approximately \$0.8 billion per year are not included in this table.

4. Request the Administration to complete and transmit to the 102nd Congress, in conjunction with the President's fiscal year 1992 budget, its proposed Surface Transportation Reauthorization legislation.
5. Request that the 102nd Congress act to fund the program set forth in Resolve 3 by fully utilizing the resources in the Highway Trust Fund for America's surface transportation system, and that it implement the four provisions of the sense of Congress resolution included in the 1990 budget reconciliation Act by:
 - Enacting legislation providing that any increase in motor fuel excise taxes that are deposited in the Highway Trust Fund shall be available for surface transportation purposes;
 - Enacting budget authority and outlays attributable to the increase in deposits into the Highway Trust Fund as a result of any increases in motor fuels taxes through implementation of the 1990 budget reconciliation Act;
 - Enacting legislation reaffirming the principle that highway motor fuel taxes should be deposited in the Highway Trust Fund, and placing revenue from the 2.5 cent highway motor fuel tax now going to the General Fund into the Highway Trust Fund; and
 - Enacting legislation providing that to the extent the highway motor fuel taxes are used for deficit reduction during the 5-year period beginning with fiscal year 1991, the Congress should return to the dedicated user fee principle as soon as possible but no later than the end of fiscal year 1995.

BE IT FURTHER RESOLVED, that the Association's Executive Director be requested to provide copies of this policy resolution to the members of Congress and the Administration, on behalf of the departments of highways and transportation in the 50 states, the District of Columbia and Puerto Rico that comprise AASHTO.

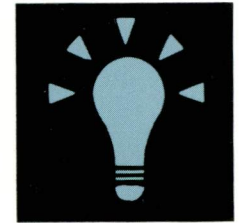
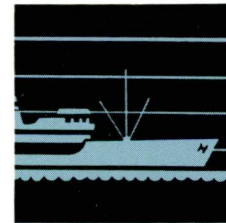
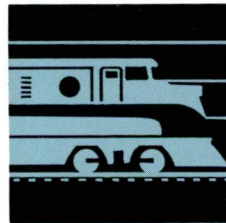
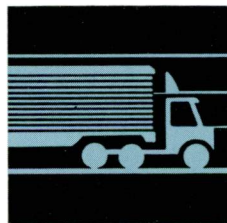
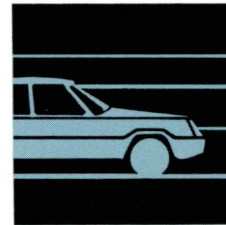
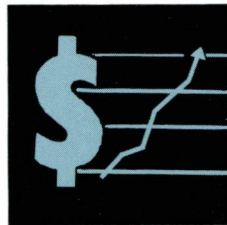


NEW TRANSPORTATION CONCEPTS FOR A NEW CENTURY

*AASHTO Recommendations on the Direction of the
Future Federal Surface Transportation Program and for a
National Transportation Policy*

*Prepared by the American Association of State Highway and
Transportation Officials*

EXECUTIVE SUMMARY



TRANSPORTATION 
America's Future Depends on it **2020**

Keeping America Moving

October, 1989 Final Edition

Published by

AMERICAN ASSOCIATION OF STATE HIGHWAY
AND TRANSPORTATION OFFICIALS, INC.
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Telephone 202-624-5800

Prepared Under Direction of the

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Standing Committee on Planning Task Force on a Consensus Transportation Program:

Robert Royer, Oregon, Chairman

New Transportation Concepts for a New Century is available from the AASHTO office at no cost for single copies. Multiple copies are \$2.00 each. The Executive Summary of *New Transportation Concepts for a New Century* is available at no cost for single copies. Multiple copies are \$1.00 each.

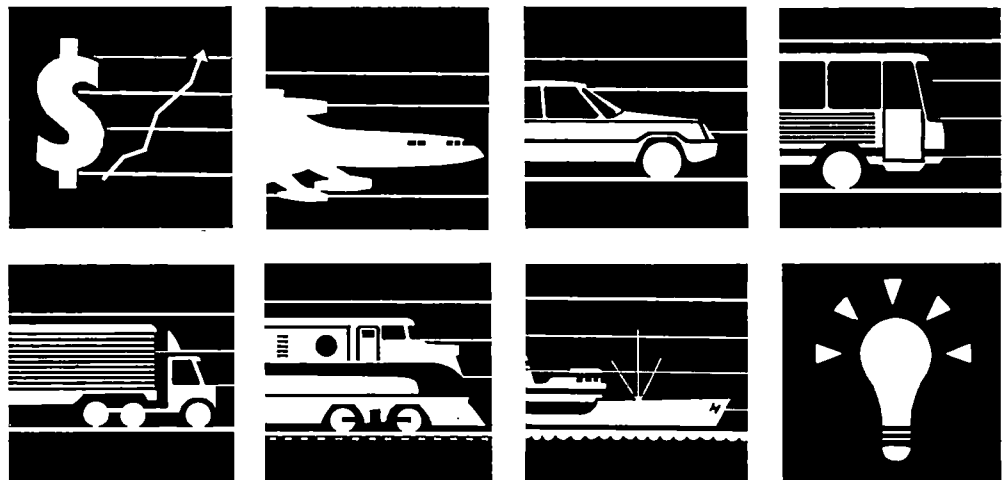


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Preamble to Final Edition

This AASHTO Report was prepared under the guidance of the AASHTO Task Force on a Consensus Transportation Program. Three earlier editions were published, the first in December, 1988, the second in February, 1989, and the third in July 1989, all of which are replaced by this Final Edition.

As is required under the Association's procedure for publication of an AASHTO Report with recommendations, through actions taken in 1988 and 1989 the content of the Final Edition was considered and approved by more than the necessary two-thirds majority of the Board of Directors/Policy Committee of the Association.

While this AASHTO Report contains recommendations, it is to be understood that such do not constitute official policy for the Association. AASHTO official policy can only be adopted by separate action, which has not yet occurred.

One purpose of this AASHTO Report is to make recommendations on national transportation programs for consideration by other participants in the AASHTO-initiated Transportation 2020 program, including the Transportation Alternatives Group, and for the use of Congress and the states in developing new transportation legislation. In addition, the goals and recommendations contained herein have been provided to the U.S. Department of Transportation, for consideration in the Department's development of a National Transportation Policy.

Underlying the findings and recommendations made in this AASHTO Report are several background documents published or in final preparation by the Association. A list of those documents will be found in the Appendix of the full report, and can be obtained from the Association's office in Washington. The Appendix also includes a description of the process by which this Final Edition and the supporting background documents were developed and approved.

The Task Force and the Association's member departments want to acknowledge the cooperation of the Federal Highway Administration and other agencies of the U.S. Department of Transportation who provided assistance with preparation of this AASHTO Report, and also the many other organizations and people outside government who provided counsel and information.

Francis B. Francois
Executive Director
October, 1989

Executive Summary: Part I

*"The true history
of the United States
is the history
of transportation. . ."
Philip Guedalla*

Today the citizens of America enjoy the convenience and economic benefits of a transportation system second to none. This system was made possible largely through a long standing cooperative federal, state, and local government partnership.

Unfortunately, we are currently disinvesting in our future transportation needs just by maintaining current spending levels. Because of the aging of the system, inflation, and continued national growth, the policy and spending decisions made--or not made--in this century will determine the America of tomorrow.

Metaphorically, American transportation now stands at the crossroads. With some effort and planning, we can establish the needed road signs to guide us successfully into the future. But we must prepare today to meet the new challenge of tomorrow.

The New Challenge

The world today is still shrinking. Telecommunications and transportation are advancing rapidly toward the creation of Marshall McLuhan's "global village."

America is now part of a global economy. What happens overnight on Japan's Nikkei affects Wall Street at the opening bell. Economically, America is adjusting to compete in this rapidly changing world economy.

The new economic world is, in a word, vastly more competitive than it has ever been before. And among the things that are needed for a highly competitive America is a high quality, highly efficient transportation network to give the American people their mobility and on which to ship American materials and products. Good transportation alone is not the only answer; but there can be a competitive America only with good transportation.

Efficiency in All of Transportation

Efficient transportation helps America compete. The intermodal approach to transportation promotes efficiency and will help America meet its transportation challenge. It is AASHTO's belief that each transportation system, each mode, must become more and more efficient for the nation to reach its competitiveness goals.

A Bigger Investment in Transportation

It will cost money to give America the transportation network needed to meet the challenges of the 21st Century. It will cost money, it will require increased research, and it will take planning. Among the myriad ideas about what ought to be the nation's transportation future, there is one constant: the nation invests much less in transportation than it did a decade or two ago; the nation continues to invest less than is needed even to maintain current services, let alone improve the quality of transportation; but the nation must invest more in transportation, much more, if it is to keep pace with a growing America and if it is to help America regain its competitive edge in a dynamic world economy.

Without More Money for Transportation, the Economy Will Suffer

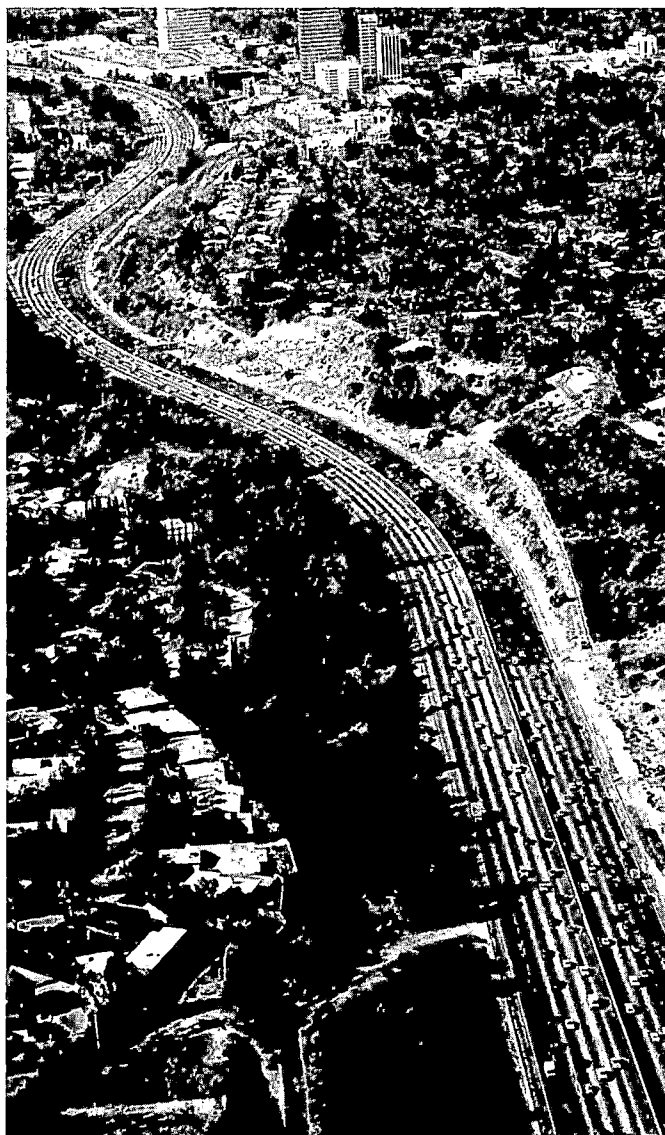
It should be patently clear that, if America is to regain its leadership in the world economy, the nation must commit financially to preserve and improve its transportation infrastructure.

The Need is Now

The nation's transportation system is a complex, dynamic network of physical facilities, operations, and management practices. This system for moving people and goods is essential to domestic productivity, international competitiveness, and quality of life. Transportation accounts for 15 percent of national employment and a substantial portion of the cost of consumer goods. Investments in the transportation system are enormous; it consumes in all its aspects more than \$800 billion annually--nearly 20 percent of the gross national product. This system must be maintained.

The individual chapters of this report detail AASHTO's transportation program recommendations for aviation; highways and public transportation; railroads; water; and research, development, and technology transfer. Implementation of these programs is vital if we are to give America the multimodal transportation network needed to match the challenge of the 21st Century. The need is for new transportation concepts for a new century. The need is now.

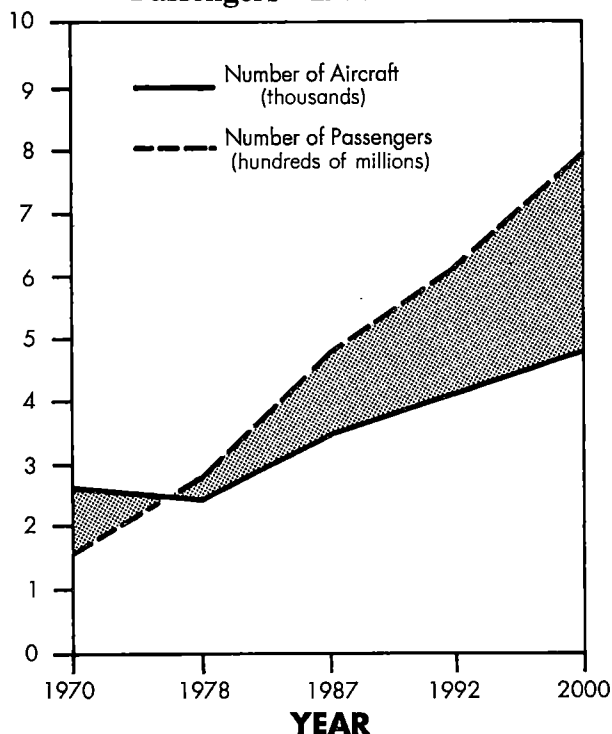
Photo by the California Department of Transportation



AVIATION (Chapter 2)

The long range future of the national air transportation system as we know it today is in doubt. Projected aviation growth is outpaced only by projected aviation shortfalls.

FAA Projections Aircraft and Passengers 1970-2000



Growth

In 1987, air carriers enplaned 448,913,726 passengers. This total is almost twice the number of enplaned passengers prior to deregulation.

The FAA forecasts an annual growth rate of 4.5 percent in passengers over the coming decade. From the current (1987) nearly 449 million enplanements, the air transportation system is expected to enplane over 789 million in the year 2000.

If traffic forecast levels are realized and if airport capacity is not increased, it is projected that 58 of the nation's primary airports will become severely congested by the year 2000.

Air cargo has grown from a low of slightly less than three million tons of enplaned cargo in 1982 to slightly over five million tons in 1987, a 70 percent increase in five years. Technology's advances in miniaturization and business's insistence on speedy delivery assure a continued increase in air cargo into the next century.

TABLE A-1
Investment Needs By Category
(Uninflated—\$ Millions)

Year	Air Traffic Control and Facilities	Airports	Administration	Total
1990	\$2750.0	\$3834.2	\$3100.0	\$ 9,684.2
1995	4520.0	5078.0	3100.0	12,698.0
2000	4520.0	6070.1	3100.0	13,690.1
2005	5520.0	6802.1	3100.0	15,422.1
2010	5520.0	7794.2	3100.0	16,414.2
2015	7950.0	8901.2	3100.0	19,951.2
2020	7950.0	9893.2	3100.0	20,943.2

Source: AASHTO Aviation Needs Task Force, from federal agency reports

Dollars

Future needs exceed reasonable revenue expectations by a factor exceeding two.

Projections indicate that the cumulative backlog of spending needs will approach \$150 billion by the year 2010.

Providing a stable and reliable funding source for aviation development is vital to the future of the nation's air transportation system and the economic well-being of the country.

Other Concerns

Intermodal Transportation Links: improved highway, rail, mass transit, and water access will become increasingly necessary as the level of air travel increases at the nation's airports.

Aviation Safety: The United States' air transportation system is one of the safest and most efficient in the world. But the federal government's central role in aviation safety must be maintained and an improved system of inspection, regulation, and certification is needed. The air traffic control system must also be equipped, staffed, and trained to perform the added requirements of tomorrow's air transportation system.

Aviation Security: The issue of security is of such compelling magnitude that it has become a national public safety concern. The FAA should assume responsibility for ensuring compliance with federal laws and regulations.

Surface Access: Air travel saves time. That is why it is the nation's first travel mode choice. But with recent studies identifying twenty-three of forty-one major airports as experiencing landside congestion and sixteen airports operating at or near airside capacity, the future invokes visions of intolerable delays unless extensive improvements are made. If aviation's future is critical to this nation's economic growth and international vitality, priority must be given to access improvements.

Environment: Attention to airport and aircraft noise is needed. The need to clean up toxic conditions on or near airport properties and to replace leaking fuel tanks is still another concern for the health and safety of the public.

New Technology: Research, both government sponsored and private industry sustained, must continue to be pursued as an important national aviation goal.

Conclusions

At no time in the past has aviation appeared to face a future with so much success and yet so much challenge.

Government and private sector cooperation must occur if our air transportation system is to receive the investments that will assure that aviation demand through the year 2020 will be met.

This report discusses the federal, state, and local roles as system providers. The past federal/state/local relationship in the air transportation system needs strengthening. A more focused federal role and a greater state role appear necessary, and are recommended.

AASHTO's goals and recommendations for aviation are detailed in Part II of this Executive Summary.

HIGHWAYS AND PUBLIC TRANSPORTATION (Chapter 3)

From a citizen's perspective, the nation's highways and public transportation systems are the most important links in the intermodal chain. They certainly play the largest part in the public's daily existence. Most Americans use highways and public transportation in one form or another every day to work or to play--or just to get away since highways and public transit provide the main access to the other transportation modes.

In 1988, Americans traveled two trillion vehicle miles by auto, truck, bus, and public transit, more than triple the travel mileage of 1956, when the Interstate and Defense Highway System was begun. By the year 2020, total travel in the United States is expected to double again.

America's business is dependent on total mobility. This country's vast size, the broad distribution of people and resources, have always placed a premium on the ability to move people and goods long distances with speed, safety, and low cost. Retail items purchased every day probably traveled to the store by truck over the highways from a factory or a port. Mobility is crucial to the nation's economic strength.

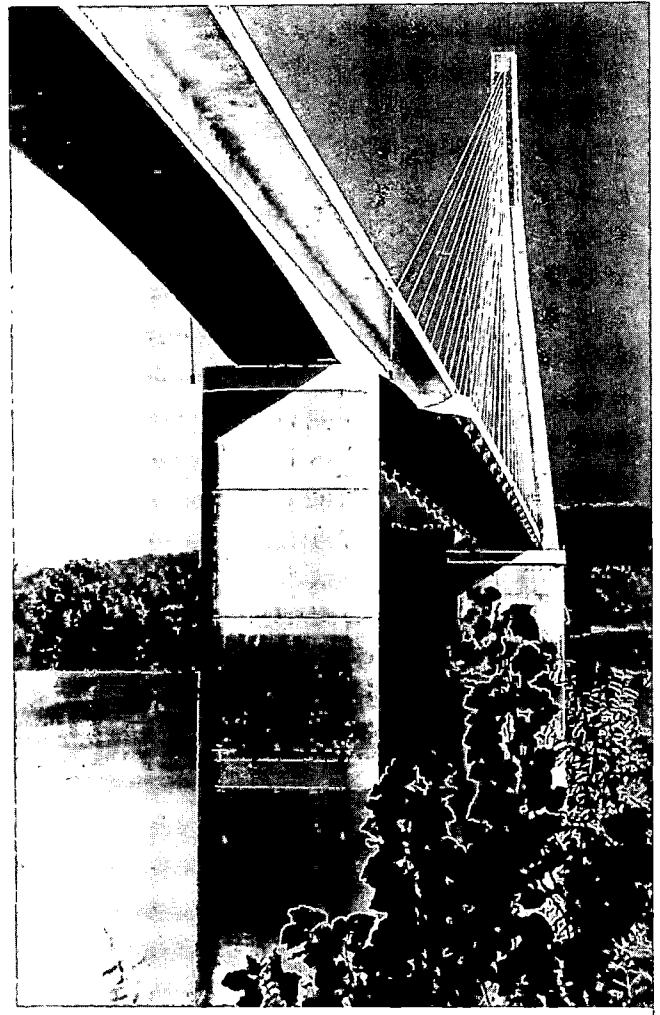


Photo by the West Virginia Department of Transportation

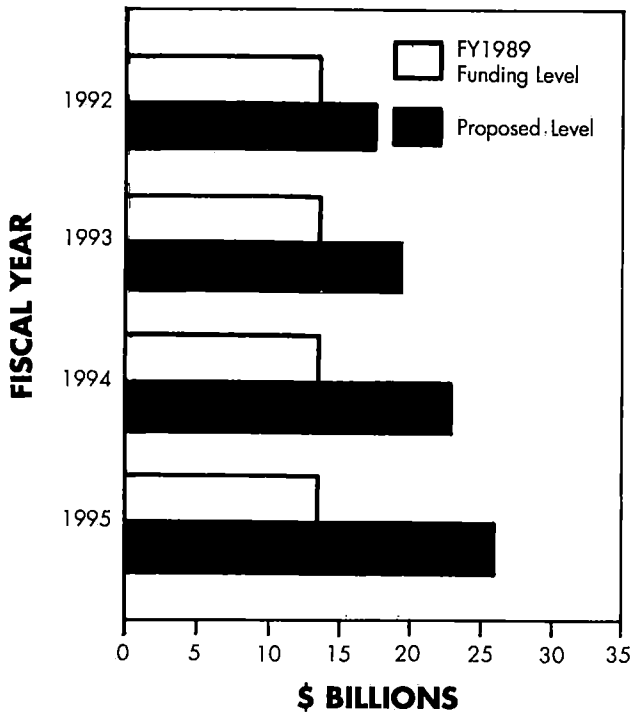
The Problem

Although construction of the Interstate and Defense Highway System is almost complete, tremendous needs still exist to preserve and improve the system. Urban and suburban congestion is increasing, demanding new highway and transit service. Highway fatality rates need to be reduced. The nation's national transportation focus, once strong, has now begun to wander. It is necessary to develop a new focus, a new "National Surface Transportation Policy."

The Solution

State transportation officials have proposed a broad program of recommendations on the direction of the future federal surface transportation program for highways, public transit, and modal interlinks to these modes. These recommendations are to help build a new consensus program. The new consensus surface transportation program for highways and public transportation as envisioned by AASHTO will involve all levels of government.

**AASHTO Proposal for
Federal Highway Funding**



**TABLE H-1
AASHTO Proposal for
Federal Highway Funding**
(Billions of Dollars)

FY1992	17.6
FY1993	19.6
FY1994	22.7
FY1995	25.9

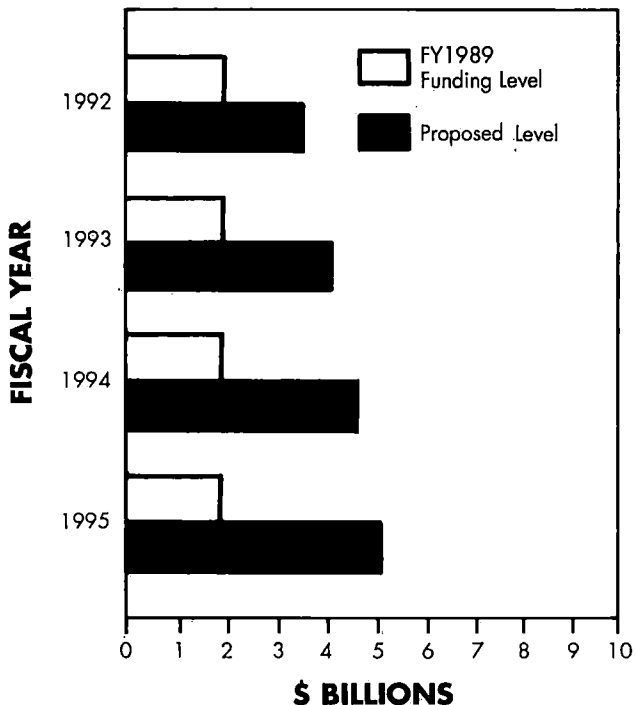
The Consequences

Without a renewed focus on a "National Surface Transportation Policy," the disinvestment in the country's highways and public transportation will continue. The highway and transit systems will further deteriorate, costing users time and money and diminishing safety.

The Facts

America's surface transportation expenditures, at all levels of government, in 1987 equaled about \$81 billion. Of this total, about \$66 billion was for highways and \$14.5 billion for public transportation systems.

**AASHTO Proposal for
Federal Transit Capital Funding**



**TABLE H-2
AASHTO Proposal for
Federal Transit Capital Funding**
(Billions of Dollars)

FY1992	3.5
FY1993	4.0
FY1994	4.5
FY1995	5.0

In constant dollars, in order to just maintain the physical characteristics of the nation's public sector surface transportation infrastructure and sustain "most" of the level of service provided today through the year 2020, an annualized investment of nearly \$95 billion is required. Of this total, approximately \$80 billion is needed for highways and \$15 billion for financing public transportation. And further, without increased funds for highway safety, fatality rates cannot be reduced.

Surface travel demand is expected to at least double by 2020. If this nation is to attempt to keep up with this



Photo by Michigan Department of Transportation

anticipated growth then an investment of approximately \$117 billion per year in constant dollars would be required. Of this total, about \$100 billion would be for highways and the remainder for transit.

An additional \$1 billion per year in constant dollars in highways and public transportation through 2020 would be required to adequately link surface transportation with airports, ports and waterways, and rail terminals.

TABLE H-3
**Surface Transportation
 Annual Expenditure Requirements
 1988-2020**
 (Billions of Dollars)

Surface Transportation Area	Current	1988-2020 Investment Range	
		Low	High
Highways, Roads and Bridges	66.0*	80.0	100.5
Transit	14.5**	15.1	15.8
Linkage to Other Modes	NA	1.0	1.0
Total	NA	96.1	117.3

* Estimated total expenditure for 1987

** Estimated total expenditure for 1988

Conclusions

If America is to maintain its economic leadership in the world economy and avoid the negative and costly effects of inaction, the nation must commit the required funds to improve its surface transportation system.

AASHTO recommends a two-pronged approach for both highways and transit: (1) a Categorical Program focused on systems of national importance; and (2) a Flexible Program designed to solve state and local transportation problems within a set of national issues of concern established by Congress.

The Categorical Programs would include a new National Highway System consisting of the Interstate Highway System and a portion of the redefined Principal Arterial System, and major transit systems.

The Flexible State and Local Program addresses such national issues as urban mobility, suburban congestion, rural access, and links between transportation

AASHTO Report: *The Bottom Line*

TABLE H-4
Linkage To Other Modes
Annualized Investment
Requirements 1987-2020
 (Billions of Dollars)

Modal Linkage	Annual Costs
Air	.7
Rail	.2
Water	.1
Total	1.0

AASHTO Report: The Bottom Line

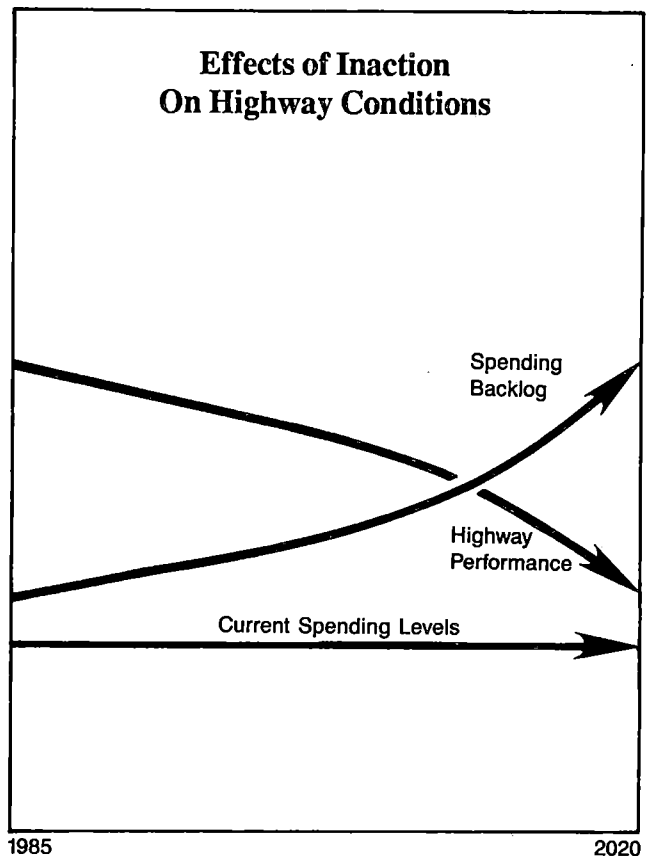
modes. It is designed to grant funds to the states for rural and urban highway needs beyond the National Highway System and to states and transit agencies to meet public transportation needs.

AASHTO's goals and recommendations for highways and public transportation are detailed in Part II of this Executive Summary.



Photo by the Delaware Department of Transportation

Effects of Inaction On Highway Conditions



If current spending levels are continued, highway performance will decline while the backlog of needs will escalate.

AASHTO Report: The Bottom Line

RAILROADS (Chapter 4)

America's railroads must have a renaissance because they are essential to the nation's economic growth and well-being.

Railroads helped make America what it is today. If the United States is to move strongly into the 21st Century, rail service must be given adequate consideration in transportation planning.

The Problem

Railroads are grossly under utilized in part because they are hampered by federally mandated policies. The railroad industry is also severely burdened by railroad specific federal legislation which places considerable unnecessary costs on the industry, hindering its competitiveness with other modes.

The Solution

Changes in government policies to eliminate inequities and repeal restrictive legislation would allow the railroad industry to utilize more adequately its transportation capacity.

The Consequences

Failure to make these changes and to promote railroad profitability is to court disaster.

The Facts

Unless these changes are made the railroads will undergo severe line reductions. Operations will be limited to a core system designed to carry bulk commodities long distances. Ultimately this will hinder

Photo Courtesy the American Association of Railroads



the Strategic Rail Corridor Network for National Defense, cause additional public exposure risk and added expense for the disposal of spent nuclear fuel, and very likely necessitate the cancellation of a number of Amtrak's principal routes. While Amtrak has increased revenues 59 percent in the last seven years, it will still need an annual operating subsidy of about \$580 million for the foreseeable future.

Line reductions will also require additional funding for highways due to increased truck traffic and ensuing maintenance.

America's freight rail service must be preserved. Railroads are the principal mode of transportation for most bulk commodities and the primary mode for many manufactured products. Railroads are essential to the defense, health, and wealth of the country. Government interferences should be eliminated thereby permitting all transportation modes to be controlled equally by economic forces.

America's passenger rail service must be preserved in order to prevent rural isolation and reduce growing highway traffic congestion. Amtrak operations must be improved and the service encouraged to become self sufficient.

Conclusions

If Congress takes the necessary corrective actions to allow railroads to maintain a fair and equitable market share, the railroad industry will be able to provide competitive profitable service for the enhancement of the nation's economy.

To repeat: rail service must be given adequate consideration in transportation planning for the 21st Century. There is no acceptable alternative.

AASHTO's goals and recommendations for railroads are detailed in Part II of this Executive Summary.

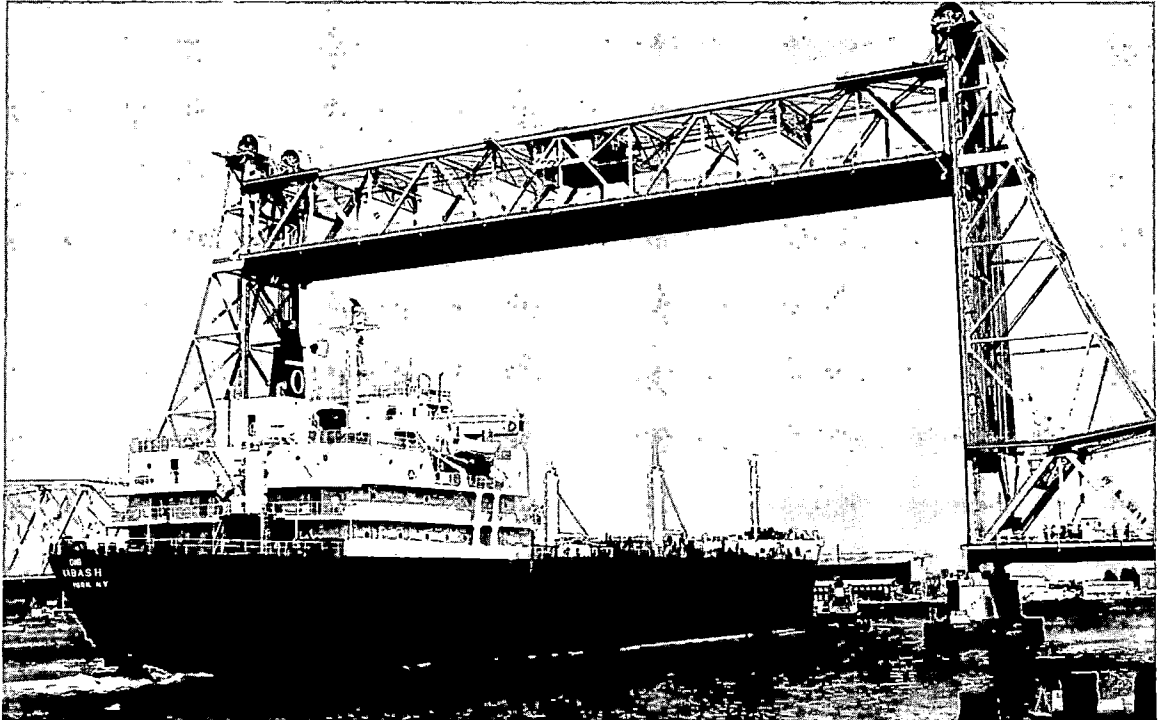


Photo by the New Hampshire Department of Transportation

WATER TRANSPORTATION (Chapter 5)

Water transportation impacts many aspects of the nation's economic well-being. Waterways have served as major transportation facilities since the first settlement of this country. Most of our cities are located on navigable waterways, and industrial expansion has traditionally followed the waterways of the nation. But today, the physical condition of our ports and water transit is deteriorating, truck and rail access to waterways is poor, and funding for improvements is uncertain at best.

The Problem

There are several areas of critical concern for the water transportation industry:

- *Productivity and use of the existing water transportation system must be improved.
- *The nation's existing water transportation infrastructure must be maintained and new facilities must be built where needed. Public investments must be found and targeted to meet these needs.
- *Public safety must be improved.
- *The environment must be protected.
- *Water transportation must be painted back into the intermodal transportation picture.

The Solution

All levels of government, including the Federal Government and the states, need to reevaluate their roles in the light of enactment of the Water Resources Development Act of 1986. Adequate sources of funding for maintenance and improvement must be found and agreed upon.

The Consequences

If reevaluation and coordination of government roles do not take place, the nation's water transportation system will continue its precipitous decline.

The Facts

About 1.8 billion tons of cargo are handled annually by the nation's port facilities. Two-thirds of the total U.S. waterborne commerce is handled by deep-draft ports. The remaining one-third is handled by the inland waterway system. By moving large volumes of commodities at a low unit cost per ton, the nation's waterway system helps make our exports price competitive. It also contributes to the economies of many individual states and to the nation as a whole by providing jobs, income, and production.

Conclusions

The far reaching effect of the transportation benefits of our nation's waterway system cannot be overemphasized. The nation's waterways are not only vital to trade, economic development, and national defense, but also provide flood control, irrigation, fire protection, fishing, and other recreational activities. The Federal Government must continue its partnership with local and state governments to maintain water as a viable means of transportation.

AASHTO's goals and recommendations for water transportation are detailed in Part II of this Executive Summary.

RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER (Chapter 6)

It is increasingly clear that many of the challenges presented by our transportation system can only be met by innovation based on research. In the years ahead, it may be technology that exerts the greatest influence on the health of our transportation systems.

The Problem

Technology currently used in many parts of the transportation system does not represent the state of the art. Significant contributions to transportation innovations are often available yet barriers often deter their immediate implementation.

The Solution

Transportation research and development needs to be more adequately funded. This will insure that the necessary organizational framework and coordination exist for each transportation research program to function efficiently. Adequate funding will further insure that the total research, development, and technology transfer effort is fully effective for all modes of transportation.

Highway Indicators
1967-1987

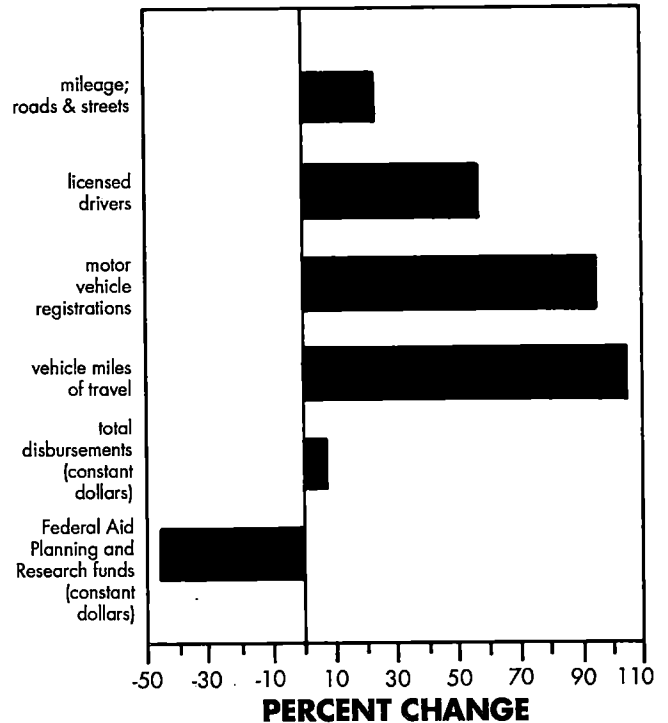
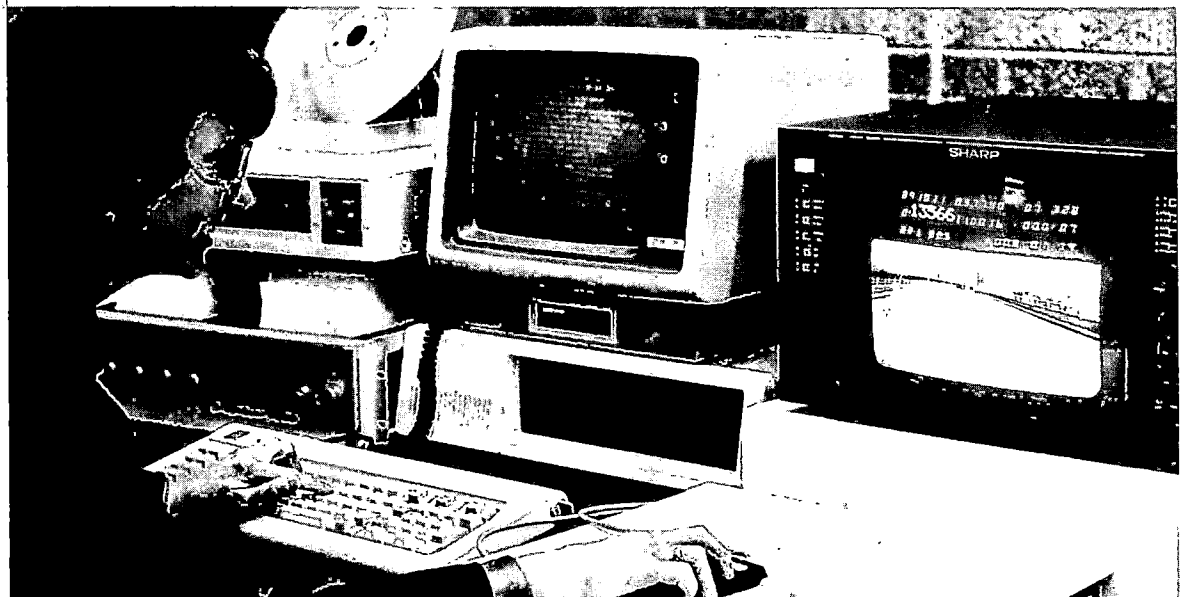


Photo by the Connecticut Department of Transportation



The Consequences

Without adequate funding and coordination, the research, development, and technology transfer needed to rescue the transportation system from its increasing problems will not happen.

The Facts

There is need for a vigorous transportation RD&TT program to lead the nation into the 21st Century. Funding for research has not kept pace with the growing needs and opportunities for technological innovation in the transportation industry. Highway research spending, for example, as a share of total highway program expenditures is currently about 0.20 percent--far less than adequate. Furthermore, in comparison to highways, research spending in the other modes (aviation, railroad, transit, and water) is extremely low.

Conclusions

Given today's crowded, deteriorating facilities, transportation professionals must reverse the decline in the nation's mobility using research, development, and technology transfer to find innovative ways to provide safe and efficient movement of people and goods under more difficult conditions in the years to come.

AASHTO's goals and recommendations for research, development, and technology are detailed in Part II of this Executive Summary.

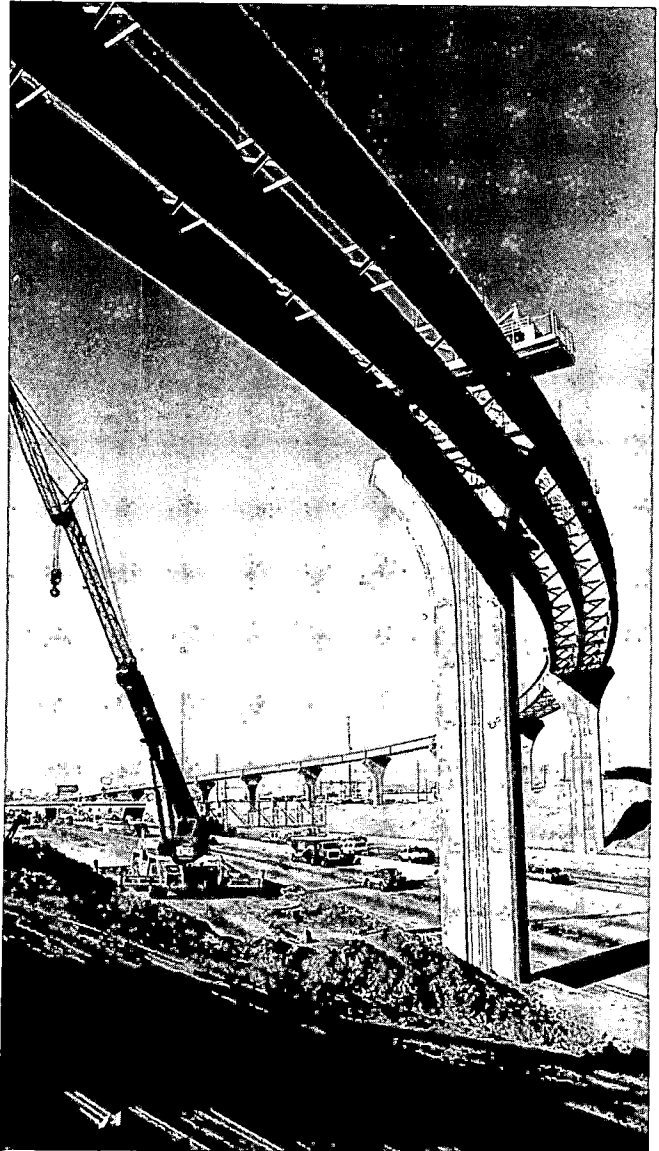


Photo by the Arizona Department of Transportation

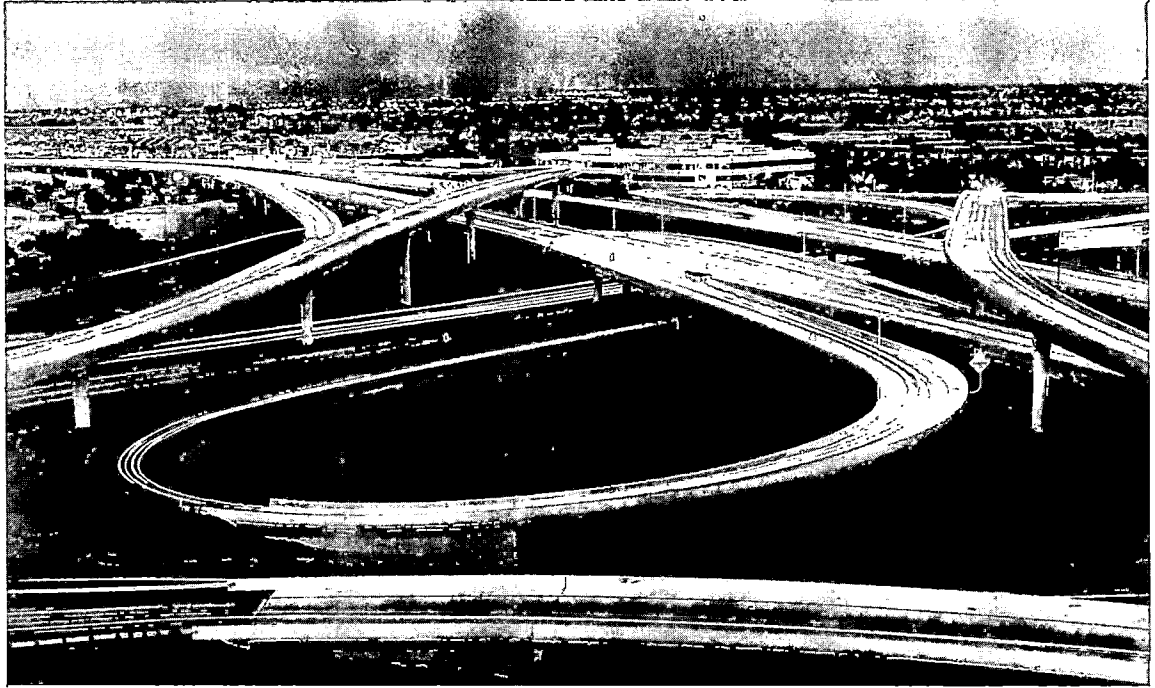


Photo by the California Department of Transportation

A Foundation for the Future

America has one of the finest transportation systems in the world. When it is working smoothly, as it is most of the time, it is taken for granted. But the nation can not afford to take it for granted much longer.

Many national challenges lie ahead. Over the next two years, many people will put forth many ideas as to the direction national transportation policy should take. This report, prepared by state transportation officials, is a foundation on which to build the strong national programs necessary to preserve and improve America's transportation system. New transportation concepts are needed and must be found to keep America moving in a new century.

Executive Summary: Part II



Aviation

Goals and Policy Recommendations

The following goals and policy recommendations reflect the major recommendations of AASHTO for any future transportation program for aviation and related surface access developed under the Transportation 2020 consensus process. They are presented in priority order from AASHTO's perspective, beginning with national goals for aviation.

Aviation Goals

Safety

Through new and improved equipment, procedures, and aircraft maintenance practices, ensure the safety of airline passengers and crews and enhance consumer confidence in the nation's air transportation system.

Security

At the national and international level, establish adequate security procedures and enforce the surveillance and monitoring of airport terminals, appurtenances and baggage areas to ensure passenger safety.

Airport Capacity

Provide adequate capacity to meet current and projected air travel demands through the expansion or conversion of existing airport facilities, where feasible, or the construction of new airport facilities.

Airport/Airway Systems

Define national and state airport/airway systems which will meet forecasted demand and provide continued support for the nation's economic health and international vitality.

Airport Ground Access

Through coordinated, multi-modal planning, determine current and future modal access needs and implement improvements in a timely manner consistent with and in recognition of planned airport capacity improvements.

Environment

Develop and promulgate adequate and uniform standards for environmental quality at airports and airport environs.

Federal/State Roles

Clearly establish the federal role in the definition and funding of a national airport system with appropriate input at the state level as to airport location and compatibility with state goals.

Revenue and Funding

Maximize utilization of existing funding reserves, and develop additional funding at all levels of government, through user and other appropriate fees, to properly ensure the efficient and safe operation of existing airports and the nation's airspace system and the development of an airport system of national and state significance.

Economic Development

Direct and indirect economic benefits from aviation are quite significant, thus, greater flexibility should be given to state and local governments to consider economic development as a factor in the administration of air transportation improvement programs.

New Technology

Give major emphasis to new technology, research and development, and the expedient application of innovations that improve security and safety, increase efficiency, and ameliorate environmental impacts.

Air Cargo

Movement of freight by air is an important and growing part of our national economy, and as such, its needs must be considered in the planning, design and operation of airports with special emphasis on ground access requirements.

Aviation Policy Recommendations

Safety

- AASHTO believes that safety should be the prime consideration of all aviation programs. The following areas of concern should be closely monitored by the federal government and under standards established at the federal level, to ensure the safety of crews, passengers and people on the ground: aging aircraft fleet; aircraft maintenance; increased air operations; constrained airspace; military/civilian airspace conflicts; severe weather information; communications and navigation aids; and pilot training.

Security

- AASHTO believes that aviation security is an issue of compelling national significance, and that it is a proper federal role to ensure that airport and in-flight operations are as secure as possible from terrorist threats. This would entail the following:
 - a) Security personnel are qualified and well trained.
 - b) Adequate and reasonable security procedures are established and properly monitored for the nation's commercial airport system.
 - c) All cargo and baggage are adequately monitored.
 - d) New technology is brought to bear on security problems as soon as possible.
 - e) Security features are incorporated into airport design.

Airport Capacity

- AASHTO believes that Congress should establish a national aviation policy which would ensure that needed capacity improvements at airports of national significance will be made irrespective of airport ownership. These improvements should be made in a timely manner and at a level which will satisfy forecasted demand.

Airport/Airway Systems

- AASHTO believes that a redefinition of the system of airports of national and state significance should be completed by the federal and state governments. This system should receive funding from a federal aviation trust fund supported by federal users' taxes.
- AASHTO further believes that each state should identify a system of airports of state significance and unless otherwise limited by state law, establish, collect and distribute state aviation fees along with eligible federal aviation funding, to assist in development and maintenance of this system.

Airport Ground Access

- AASHTO believes a major constraint on meeting of future air travel demand will be ground access, both on and off airport.
- AASHTO also believes that land side access should be a component of all airport master plans and all comprehensive transportation plans.
- AASHTO further believes that airport ground access should be eligible for funding as appropriate from the Highway, Mass Transit and Airport and Airway Trust Fund Programs, with assistance from the General Fund as needed. The funding should be flexible and should contain local and state participation features.

Environment

- AASHTO believes that public concerns over airport noise, air quality and potentially toxic or hazardous materials present at airport sites reflect a serious problem that could adversely affect the future development of the nation's air transportation system.
- AASHTO further believes that Congress, and other levels of government if they so desire, should address this most serious problem and provide guidelines for federal, state and local governments for ensuring environmental quality as an integral component of airport development.

Federal/State Roles

- AASHTO believes that states should play a strong role in locating, developing and expanding airports within their jurisdictions; that states should assume a more direct role in administering federal aviation funds allocations unless otherwise limited by state law; and that states should have greater responsibilities for funding and operating airports within their boundaries.

Airspace System

- AASHTO believes that it is a proper federal role to operate and maintain the nation's airspace system. The FAA should develop and implement the National Airspace System Plan as quickly as possible.

Revenue and Funding

- AASHTO believes that a dedicated trust fund supported by equitable user fees should support the national air transportation system, including airports of both national and state significance. Reasonable consideration for public use and benefit also justify continued general fund support of this system.
- AASHTO also believes that user funded trust funds for transportation should not be included in the federal unified budget.
- AASHTO further believes that a federal-state partnership that also provides an appropriate role for local and private participation, if properly coordinated to establish responsibility, will produce adequate funding resources to ensure needed system capacity.

Economic Development

- AASHTO believes that economic development should be an element for consideration in all state and federal comprehensive transportation planning and development for airports.

New Technology

- AASHTO believes that the many positive gains from research and new development will continue to be of enormous benefit to air transportation. National air transportation system providers, both public and private, should ensure that programs and services they provide are managed such that immediate and maximum benefits of new technology will occur.

Air Cargo

- AASHTO believes air cargo is an emerging major component of aviation economics and should be taken into consideration in all planning and operational studies of airports and airspace.



Highways and Public Transportation

Goals and Policy Recommendations

The following are the major goals and policy recommendations of AASHTO for a new surface transportation program for highways and public transportation, to serve America as it moves toward the year 2020. The goals and policy recommendation statements are presented in hierarchical order from AASHTO's perspective, beginning with national surface transportation goals, and progressing through federal role and program policy recommendations to achieve the goals.

National Surface Transportation Goals - Highways and Public Transportation

Preservation

Preservation of America's existing surface transportation system should be the primary goal of any future national transportation program since it is this system which provides the basic network upon which this nation's economic health and international vitality depend.

Congestion

A balanced approach to increasing capacity and reducing congestion on this nation's surface transportation system should be employed, including an appropriate mix of highways and transit, and a thoughtful application of systems management technologies and demand management techniques.

Funding

User and benefitter fees, set at an appropriate level to cover the economic cost of the surface transportation facilities and services provided, should be dedicated solely to the funding of transportation improvements. General fund commitments to public transportation should continue.

Safety

The safety of Americans, using the surface transportation facilities and services, should be preserved and enhanced through the continued national commitment to safety research, safety applications and safety projects.

Access and Balance

The national surface transportation system should be comprised of a balanced, integrated and coordinated network of multimodal facilities and services which provide an adequate level of access to all of the various regions of this nation.

Planning and Research

This nation should continue to commit sufficient funding to transportation planning and research to ensure that established goals are met, that future options do not get precluded, and that new technologies are developed and applied to transportation infrastructure in a timely manner.

Economic Vitality

The national surface transportation program should preserve and enhance the economic vitality of this nation by providing employment, reducing transport costs, improving freight movement productivity, revitalizing rural America, rejuvenating blighted urban areas, supporting existing land uses, attracting economic development, providing transportation for rapidly growing regions, and improving international competitiveness.

Federal Role and Program Policy Recommendations- Highways and Public Transportation

System of National Significance

- The federal role in surface transportation should focus on a system of facilities and services which are significant to the economic health and international vitality of this nation.
- AASHTO believes that such a system would be comprised of all of the existing Interstate Highway System and an appropriate portion of the principal arterial system as redefined and the associated bridges, as well as the public transportation facilities and services which keep this nation's major cities moving.

Issues of National Significance

- Beyond the focus on the Highway System of National Significance and on the major transit projects, the federal role should be to allow the states and local governments flexibility in identifying and implementing specific surface transportation solutions appropriate to the regional/local need. These solutions should also serve to address transportation issues of national significance.
- AASHTO believes the dominant issues of national significance to be urban mobility, suburban congestion, rural access, and modal interlinks. Tradeoffs among issues like transportation safety, air quality, preservation, balance, public transportation, and rural and urban economic vitality should be determined at the state and local levels.

Other Programs of National Interest

- The federal role in surface transportation should include transportation planning, research, safety, emergency relief, and federal lands access.

AASHTO believes that the basic goal of each federal program should be to assist the nation's surface transportation system to function as safely and efficiently as possible and thereby to preserve and enhance the economic health and international vitality of America.

Federal/State Partnership

The existing federal/state partnership has worked well over the several decades of its existence in producing one of the best national surface transportation systems in the world.

Therefore, AASHTO believes that the existing federal/state partnership should be retained for the programs addressing national surface transportation needs and only slightly modified for programs addressing state and local surface transportation needs.

Fewer Categorical Restrictions

Existing lower-level federal program categories are unduly restrictive and do not permit the states and local governments adequate flexibility to meet their unique transportation needs in the most appropriate and cost-effective manner. Furthermore, existing federal requirements for lower-level programs are unduly restrictive on the states and local governments, which merely serves to increase "red tape" and decrease efficiency without delivering corresponding improvements in levels of safety or service to the users.

Therefore, AASHTO believes that fewer categories, less rigid requirements and more flexible funding should be employed for the lower-level surface transportation needs in order to facilitate the development of regionally appropriate and economically efficient transportation systems.

Federal Role - Highways and Public Transportation

AASHTO believes that the new federal role in transportation should include two levels of program specificity and commitment.

One level would address the concern for "focusing" the federal commitment on a System of National Significance through categorical programs.

The other level would address the concerns of the states and local governments for program "flexibility" in dealing with Issues of National Significance through flexible programs.

Highway Safety

The safety of Americans, using the surface transportation facilities and services, should be preserved and enhanced through the continued national commitment to safety research, safety applications and safety projects.

Federal Procedure Recommendations

Overall Recommendation

Simplicity and straightforwardness should be the hallmark of all federal administrative requirements associated with federal transportation programs.

Allocation of Funds

- Fair, straightforward and simple formulas and equitable discretionary guidelines should be used to allocate revenues collected at the federal level to state and local units of government.
- AASHTO believes that minimum allocations should be developed for any program addressing needs on the national highway system, but that prorata shares based on percentage of total highway user contributions attributable to each state should be used for programs addressing state and local highway needs.
- AASHTO believes that allocations for the major transit projects and for those projects whose costs cannot be accommodated from regular transit formula funds should remain discretionary in nature, and that transit formulas should be used for other transit programs.

Highway Trust Fund

- The Federal Highway Trust Fund should be made permanent, removed from the unified budget process and released from obligation limitations. All interest earned, along with existing balances beyond those providing an adequate cash flow cushion, should be released to the states and local governments to fund needed surface transportation improvements. Increased federal revenues are necessary to carry out the needs of the future Federal Surface Transportation Program.

Certification of Projects

- The states and/or transit funding recipients should continue to be responsible for the certification of all surface transportation projects receiving federal assistance.

Matching Ratios

- For highways, AASHTO believes that an 85 percent federal share is appropriate for the programs that address national needs. AASHTO believes that matching ratios for highway programs addressing state and local highway needs should be determined at the state level.
- For transit, AASHTO believes that the current federal matching shares should remain unchanged. However, for new starts and system extensions, funding priority should be given to projects providing a non-federal share higher than the minimum 25 percent. For the new Mass Transit Account formula funds, the federal share should be 80 percent, the same as it is for other capital formula funds.

Summary Comments

These recommendations, having been approved by at least two-thirds of the member departments, comprise the major policy recommendations of AASHTO for the direction of the future national surface transportation program. Four major themes are represented therein:

- Preservation - Preservation of the existing system should be the primary goal as this is key to the economic health and vitality of this nation.
- Congestion - An appropriate mix of modes and technologies should be used to increase capacity and reduce congestion on this nation's surface transportation system.

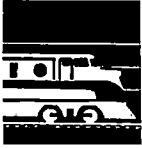
- **Funding - User and benefitter fees should be dedicated solely to transportation improvements.**
- **Safety - Commitment should be continued to improve the safety of this nation's surface transportation system.**

These major recommendations are to be read and considered with others made in this document for the highway and public transportation programs. The recommendations made herein do not include all programmatic details, either of the federal program itself or the intergovernmental processes at the state and local government level that would be needed to support the new concepts included in the recommendations. Further effort to develop these details will be necessary.

The following matrices (Figures A and B) show the major surface transportation programs for highways and public transportation recommended by AASHTO. Shown for each program are the corresponding administrative recommendations of AASHTO.

AASHTO'S PROPOSED FEDERAL PROGRAMS AND RECOMMENDED POLICIES FOR HIGHWAYS AND TRANSIT	HIGHWAY PROGRAMS \$18 B (FY-92) - \$26 B (FY-95)	
	CATEGORICAL HIGHWAY PROGRAM	FLEXIBLE HIGHWAY PROGRAM
ELIGIBLE FACILITIES AND SERVICES	EXISTING INTERSTATE HIGHWAYS AND A PORTION OF A REDEFINED PRINCIPAL ARTERIAL SYSTEM	OTHER PRIMARY, RURAL SECONDARY, URBAN ROUTES, OTHER FUNCTIONALLY CLASSIFIED ROADWAYS AND PUBLIC TRANSIT
ELIGIBLE PROJECT TYPES	<ul style="list-style-type: none"> 0 Reconstruction & Rehabilitation 0 Additional Urban Capacity 0 Pavement Preservation 0 Additional Mileage Needs 0 Bridge Needs 	<ul style="list-style-type: none"> 0 Urban Mobility 0 Suburban Congestion 0 Rural Access 0 Modal Interlinks 0 Construction/Reconstruction 0 Rehabilitation/Preservation 0 Bridge Needs
ASSOCIATED PROGRAMS ALLOCATIONS	<ul style="list-style-type: none"> 0 Highway Planning & Research 0 Highway Safety Programs 0 Highway Emergency Relief 0 Highways to and on Federal Lands 0 2% Discretionary Bridge Program 	<ul style="list-style-type: none"> 0 2% Discretionary Bridge Program 0 Urban Element Hold Harmless 0 Rural Element Hold Harmless 0 Bridge Element Hold Harmless
FUNDING SOURCE	0 Highway Trust Fund Revenues	0 Highway Trust Fund Revenues
FUNDING ALLOCATION PROCEDURE(S)	<ul style="list-style-type: none"> 0 Factors: Statewide Lane Miles, VMT, Etc. 0 FY 91 Hold Harmless & Equitable Growth 0 Formula Allocation With 85% Minimum 0 Set Donor/Donee Relationship 0 1/2% Minimums 0 Some Transferability 	<ul style="list-style-type: none"> 0 Prorata Share Of User Funds 0 No Donor/Donee Relationship 0 Some Transferability
MATCHING RATIO PROVISIONS	0 Around 85 Percent Federal	0 Determined By Individual States
PROJECT CERTIFICATION PROCESS	0 Simplified Process	0 Annual Statewide Project List
BASIC INTERGOVERNMENTAL RELATIONS	0 Federal/State	0 State/Local

AASHTO'S PROPOSED FEDERAL PROGRAMS AND RECOMMENDED POLICIES FOR HIGHWAYS AND TRANSIT	TRANSIT PROGRAMS \$3.5B (FY 92) - \$5.0B (FY 95)	
	CATEGORICAL TRANSIT PROGRAM	FLEXIBLE TRANSIT PROGRAMS
ELIGIBLE FACILITIES AND SERVICES	MAJOR PROJECTS ON EXISTING AND FUTURE TRANSIT SYSTEMS	PROJECTS ON EXISTING AND FUTURE TRANSIT SYSTEMS
ELIGIBLE PROJECT TYPES	<ul style="list-style-type: none"> <input type="radio"/> Major Rehabilitation Needs <input type="radio"/> New Transit Systems <input type="radio"/> New Transit Services 	<ul style="list-style-type: none"> <input type="radio"/> On-going Operating Assistance <input type="radio"/> Rehabilitation Needs <input type="radio"/> New Bus Service Needs <input type="radio"/> Small Urban & Rural Transit <input type="radio"/> Broadened Type of Public Transportation Projects
ASSOCIATED PROGRAM ALLOCATIONS	<ul style="list-style-type: none"> <input type="radio"/> Transit Planning & Research <input type="radio"/> Elderly & Handicapped 	No Associated Program Allocations
FUNDING SOURCE (S)	<ul style="list-style-type: none"> <input type="radio"/> Current Federal Fuel Tax Proportions Up to Current Funding Levels 	<ul style="list-style-type: none"> <input type="radio"/> General Funds For Transit <input type="radio"/> Additional Amounts of The Federal Fuel Tax Over Current Funding Levels
FUNDING ALLOCATION PROCEDURES (S)	<ul style="list-style-type: none"> <input type="radio"/> Discretionary Allocations 	<ul style="list-style-type: none"> <input type="radio"/> Current Transit Formulas For General Funds <input type="radio"/> New Transit Formula For Additional Amounts of Federal Fuel Taxes For Transit
MATCHING RATIO PROVISIONS	<ul style="list-style-type: none"> <input type="radio"/> Same as Current Section 3 <input type="radio"/> For New Starts and Extensions: Priority to Project with Higher Local Share 	<ul style="list-style-type: none"> <input type="radio"/> Same as Current Section 9 and Section 18
PROJECT CERTIFICATION PROCESS	<ul style="list-style-type: none"> <input type="radio"/> Simplified Process 	<ul style="list-style-type: none"> <input type="radio"/> Annual Project List
BASIC INTERGOVERNMENTAL RELATIONS	<ul style="list-style-type: none"> <input type="radio"/> Federal\State <input type="radio"/> Federal\Local 	<ul style="list-style-type: none"> <input type="radio"/> Federal\State <input type="radio"/> Federal\Local



Railroads

Goals and Policy Recommendations

The following are AASHTO's proposed goals to guide for the development of a healthy rail industry and integrated surface transportation program to the year 2020, and its rail-related policy recommendations for any future comprehensive federal surface transportation program.

The policy recommendations are not presented in any order of significance; rather, each recommendation addresses a unique area of need within the rail industry. All are essential to the health and viability of the railroad industry to the year 2020.

Railroad Goals

Preservation

To preserve rail service where it is in the public interest.

Impact and Benefit Assessment

To develop the ability to anticipate the economic, social and national defense impacts of railroad abandonments on shippers, communities and highways. Also, to assess the relative benefits of rail and highway system improvements.

Cost-Effective Investments

To implement programs that invest in railroad projects which are justified on their own merit and/or as cost-effective alternatives to other improvements.

Rail Policy Recommendations

Provide for Access, Efficient Freight Movement and Congestion Relief

- AASHTO believes that there is an appropriate federal role in funding rail related projects. Any comprehensive national surface transportation program should include federal and state funding for track rehabilitation and acquisition, construction of rail/truck transfer facilities, new rail connections and industry relocation. This proposal meets the objectives of the Transportation 2020 process to preserve rural access, provide modal interlinks and reduce urban and suburban congestion.

Review Federal Railroad Laws

- AASHTO believes that Congress should review the body of law governing the rail industry in the same manner it addressed economic deregulation through the Staggers Act. Laws which should be reviewed include the Railway Labor Act, the Railroad Retirement Act, the Railroad Unemployment Insurance Act,

and the Federal Employers' Liability Act. A redrafting of these laws is essential to allow the rail industry to remain a viable part of the transportation system through the year 2020.

Provide for Traditional and High Speed Rail Passenger Service Needs

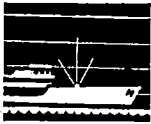
- AASHTO believes that the continuation and further development of Amtrak is an appropriate federal responsibility and in the national interest. In addition, AASHTO believes that the federal government should support and participate in a public-private partnership to develop high-speed rail in those selected corridors in which it will demonstrably relieve highway and airport congestion, and improve inner city travel efficiency. Any comprehensive national transportation program must address rail passenger service needs.

Assess the Competitive Environment

- AASHTO believes that Congress should compare the laws, government policies and user fees impacting the various transportation modes. Where a disparity is found, Congress should strive to create an equitable balance.

Provide for Railroad Safety Improvement and Enforcement

- Any future comprehensive national transportation program must continue to provide funds for separating or otherwise protecting railroad - highway crossings. In addition, a federally funded state/federal partnership of railroad safety inspections is required to assure that the rail industry complies with federal safety standards. Also, federal research and development funding is essential in the areas of improved warning systems (such as radar and sonar systems) and hazardous and nuclear materials transportation.



Water Transportation

Goals and Policy Recommendations

States, local government and the private sector generally bear the cost of port landside facilities. The federal government maintains deep and shallow draft shipping channels and aids to navigation. An effective water transportation network depends upon adequate landside connections to rail and highway facilities to deliver or receive goods to or from areas far removed from the water. To ensure that all parties act to maintain a viable water transportation network for the nation, there must be a comprehensive federal surface transportation program which defines a water transportation network of national significance. The following are AASHTO's goals and policy recommendations for the nation's water transportation system.

Water Transportation Goals

Preservation

Preservation of a water transportation system should be a primary goal of a national transportation program since the water mode is part of the intermodal freight movement of goods which supports the nation's economic strength.

Funding

Established cost sharing programs should be continued. Funds generated by water transportation-related activities from user fees, customs duties, etc. should be returned to the water transportation industry. Federal funding for channel maintenance and for construction of water transportation facilities should be secured to maintain an adequate water transportation system.

Safety

Aids to navigation, vessel inspections, environmental protection, drug interdiction, national defense, and other Coast Guard activities are services to the entire nation. The safety of the public and water transportation industry should be preserved.

Access

Intermodal connections between the water mode and other surface transportation modes should be preserved and enhanced where there is a clear public benefit.

Water Transportation Policy Recommendations

Coordinated Water Transportation Plans

- AASHTO encourages the Federal Government to establish clear priorities for federal investments in ports and waterways. A national maritime policy is needed to guide federal, state, regional and local efforts in a manner that will encourage the development of projects that best serve the interest of the nation based on careful examination of the economic and environmental impacts of alternative actions, while preserving the autonomy of non-federal entities.

National Ports and Waterways System

- AASHTO believes that there is an appropriate federal role in the oversight of the operation, maintenance and development of the nation's water transportation related projects. AASHTO urges the Federal Government to develop a National Port and Waterways System which integrates water transportation with its necessary intermodal connections into a surface transportation program.

Intermodal Connections

- AASHTO urges the Federal Government to recognize the need for landside access improvements to our nation's ports. Existing funding sources are inadequate to meet current and projected highway-port and rail-port connector needs. An integrated surface transportation program must consider port landside access improvements as part of federal funding programmed for highway and rail transportation modes.

Water Resource Development Act

- AASHTO urges the Federal Government to fund 100 percent of the costs of feasibility studies for deep-draft and inland harbor improvement projects. Improvements to the nation's deep-draft and inland harbors generate benefits far beyond the local area, including reduced transportation costs, increased competitiveness of U.S. goods in world markets and increased opportunities for national and regional economic development.

User Fees

- AASHTO believes that Congress should amend Section 208 of WRDA of 1986 which permits the recovery of the non-federal share of the cost of an authorized project. The Act should be amended to provide the ports greater flexibility in determining the method of assessing and allocating the non-federal share of a project among port users.

Disposal of Dredged Material

- AASHTO urges the Army Corps of Engineers, in close cooperation with ports and states, to establish regional scientific criteria for disposal of dredged material. The criteria used must include a reasonable margin of safety and should give consideration to the economics of dredged material disposal. Testing procedures for dredged material disposal permit compliance must be standardized throughout the nation.
- AASHTO also urges that the Federal Government develop a program to educate the public about the economic necessity of dredging. The public's lack of hard information about dredged material increases the likelihood that all dredged material will be lumped with sludge or toxic materials.

Research and Development

- AASHTO believes that Congress should establish and fund an integrated Research and Development Program for water transportation. The Navy, Coast Guard, Corps of Engineers and the Maritime Administration should coordinate their research efforts within this National R&D Program to ensure the most cost effective use of their individual R&D resources.

Waterfront Development Pressures

- AASHTO encourages the Federal Government to investigate methods to increase the efficiency and capacity of existing port terminals and their inland connections. AASHTO also encourages the development of a national recreational boater education/safety program specifically aimed at operations near ports and commercial vessels.



Research, Development, and Technology Transfer (RD&TT)

Goals and Policy Recommendations

The following goals and major policy recommendations reflect AASHTO's strategy for research, development, and technology transfer.

There is no significance to the order in which these goals and policy recommendations are presented. Each addresses a particular portion of AASHTO's strategy for RD&TT, and all are essential to the overall goal - transportation innovation through RD&TT.

RD&TT Goals

Highway Research and Development Programs

Preserve and enhance the current system of highway research and development programs.

Intelligent Vehicle-Highway Systems

Develop and demonstrate intelligent-vehicle highway technology as an effective means of addressing many of the problems on the highway network.

RD&TT - All Modes

Ensure that AASHTO's member departments are able to use RD&TT to develop innovative solutions to problems in all modes of transportation.

RD&TT - Intermodal Issues

Ensure that intermodal issues that need to be researched are not overlooked because they do not fall clearly under the scope of a single mode.

Application of Technology

Accelerate the application of new technology to solve transportation problems.

Coordination of RD&TT

Ensure that the necessary organizational framework and coordination exist for each research program to carry out its role efficiently and for the total transportation RD&TT system to be fully effective.

Funding for RD&TT

Provide an appropriate level and a stable source of funding for transportation research, development, and technology transfer programs, and ensure that resources are distributed for maximum effectiveness.

RD&TT Policy Recommendations

Highway Research and Development Programs

- AASHTO believes that member-department research activities should be expanded to provide for more effective problem solving at the state level.
- AASHTO also believes that the National Cooperative Highway Research Program should be continued and expanded for applied research on problems shared in common by state highway agencies and on other problems of national significance.
- AASHTO also believes that, to derive full benefit from the member departments' investment in the Strategic Highway Research Program's Long Term Pavement Performance program, this component of the SHRP program should be sustained for 15 years beyond 1991.
- AASHTO further believes that the Federal Highway Administration's program of RD&TT should be expanded to enable this program to more fully execute its role in fundamental research and technology transfer.

Intelligent Vehicle-Highway Systems

- AASHTO believes that Congress and the Administration should establish and support an adequately funded national program to develop and demonstrate intelligent vehicle-highway systems.

RD&TT - All Modes

- AASHTO believes that the Federal Highway Administration's research program should be considered as a model for other transportation modes in conducting research requiring longer term, larger funding, and special expertise.
- AASHTO also believes that appropriate federal modal administrations within the U.S. DOT should consider AASHTO's interests in the development of federally funded research programs.
- AASHTO believes that consideration should be given to creation of a cooperatively funded research program in each transportation mode modeled after the NCHRP. In particular, AASHTO should work with the Urban Mass Transportation Administration, the American Public Transit Association, the Transportation Research Board, and others to advance the prospects for a research program that would have federally mandated set-aside funding and that would address AASHTO's research needs as recommended in TRB's Special Report 213, *Research for Public Transit*.
- AASHTO further believes that the Federal Aviation Administration should consider the initiative currently being discussed within the aviation community to establish a National Cooperative Aviation Research Program.

RD&TT - Intermodal Issues

- AASHTO and other transportation organizations and agencies should identify intermodal problems that might benefit from research. AASHTO believes that if an intermodal problem includes a substantial highway component, it should be considered for submittal as a candidate for NCHRP funding.
- AASHTO believes that when interest in an intermodal research need is shared by several member departments, it should be evaluated as a candidate for pooled funding using a system modeled after the relevant parts of AASHTO's Joint Development process and other pooled fund efforts.

Application of Technology

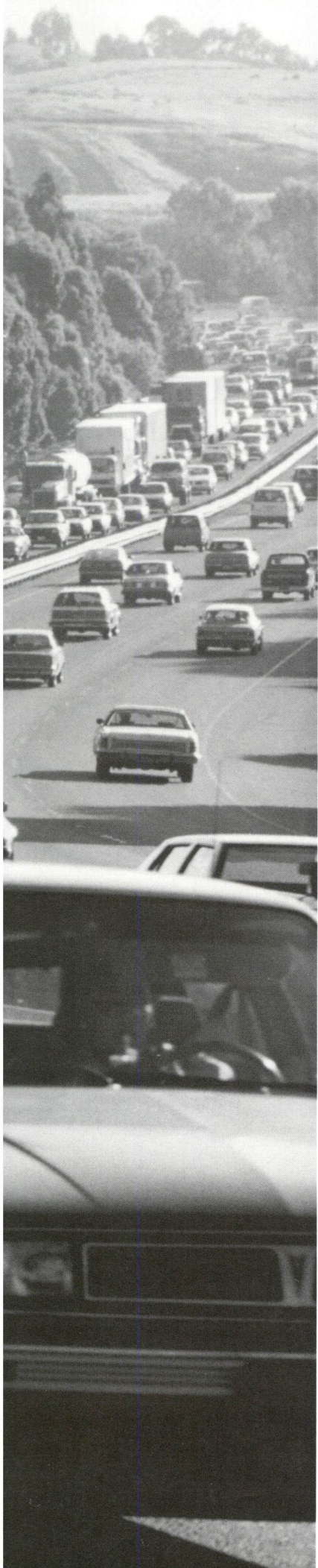
- AASHTO believes that the FHWA and other modal administrations of the U.S. Department of Transportation should increase their implementation activities for the purpose of moving thoroughly evaluated technology into practice. Technology assistance programs, training, demonstration and experimental projects, and related activities should be continued and expanded.
- AASHTO further believes that obstacles to the private sector's introduction of innovations into the highway market place should be eliminated, and that recent initiatives by Regional Associations of State Highway and Transportation Officials and the FHWA need to be extended to explore more effective mechanisms for testing, evaluating, and reporting on new highway products and materials for the purpose of reducing the time and cost of technology introduction and to encourage industry to invest in R&D for highway markets.

Coordination of RD&TT

- AASHTO should expand its activities aimed at identifying new research opportunities and ensuring that member departments' interests are reflected in research priorities for national-level programs.
- AASHTO believes that the member departments should have a strong voice in setting the nation's transportation research agenda. The states through AASHTO should continue to provide the vision and guidance that will permit transportation research programs to address future needs and opportunities as well as current problems. The states should be responsible for setting research goals and priorities.
- AASHTO believes that improvements in computerized information systems will continue to be needed to minimize the possibility of undesirable duplication of research. AASHTO should take a lead role in working with the Federal Highway Administration, the Transportation Research Board, and other appropriate organizations to develop a database of domestic publicly funded research project information--for proposed, in-progress, and completed studies.
- AASHTO further believes that activities of the newly formed Highway Research Coordinating Council should be continued to ensure that major sponsors of highway research are aware of each other's programs and will work together for a more coordinated system.

Funding for RD&TT

- AASHTO believes that the recent decline in transportation RD&TT spending should be reversed to reflect current needs and opportunities, and to bring the scale into line with research spending in other industries, with transportation RD&TT spending in other developed countries, and with past levels of transportation RD&TT spending in the U.S.
- AASHTO believes that funding of transportation research of national significance is a basic responsibility of the federal government in its leadership role in advancing new technologies to serve the public and in its fiduciary role in utilizing national resources efficiently. Federal funding, through federal user taxes, should continue to be a principal source of funding for research to permit needed technological advancements to occur.
- AASHTO believes that allocation of federal-aid funds for support of transportation RD&TT should be based on specified formulas applied to annual apportionments.
- AASHTO also believes that specific amounts should be allocated annually, and matched equally by private-sector and other participants, for a coordinated public/private program to develop and demonstrate intelligent vehicle-highway systems.
- AASHTO further believes that funding for the Highway Planning and Research program, FHWA's RD&TT activities, and the IVHS program should be derived from federal-aid highway allocations before the split into the categorical and flexible programs recommended by AASHTO.



Going and Growing

An Overview of the Relationship Between
Transportation and Growth in America

American Association of State
Highway and Transportation Officials
December, 1990



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Introduction

What makes a nation's economy grow?

That is a question that once interested only economists. But in the 1990s, as evidence continues to mount that growth in the United States is not keeping pace with that of other leading nations, it is a question that is beginning to occupy the thoughts of concerned citizens everywhere.

One does not have to be an expert to appreciate some of the key factors involved. A nation's supply of natural resources, the availability of capital for investment, the skills and educational achievements of its people, the amount of freedom allowed in its markets, its

marketing skill, the size and growth of its population, its technological achievements—all these factors come readily to mind and doubtless have set much of our national course.

Yet increasingly there is a growing body of evidence that suggests that another factor of great importance has also played, and is playing, a major role and has the ability to greatly aid, or seriously hamper, America's future growth.

That factor is transportation.

The American Association of State Highway and Transportation Officials (AASHTO) is vitally concerned about this issue.

AASHTO's concern arises from the fact that, as representatives of the people who bear the major responsibility for keeping people and goods moving in America, it has witnessed a serious slowdown in transportation investment in the last two decades that it believes is also slowing down overall American growth.

AASHTO has naturally followed all studies that have been made in this area, as well as conducting some of its own. It has come to the conclusion that unless the linkage between transportation and economic growth receives more attention and spurs appropriate public action, a major opportunity to infuse new vitality into our nation's economy will be lost.

This overview summary is intended to show that this contention is justified. It draws on a number of sources including studies by independent experts, government findings, conclusions drawn from 65 public forums conducted in 1987-88, discussions with corporate leaders, and the daily experiences of its members, the chief builders and guardians of America's transportation system.



Transportation and economic expansion have gone hand-in-hand in America.

In early years, this was an obvious and highly visible fact. From the time the first settlers on the Eastern seaboard began to wear tracks between neighboring settlements and to push westward through the Appalachians, the trend was clear. As tracks and trails became roads, as canals expanded to link various waterways, as ports grew to handle trade with other nations, and finally, as railroads and then interstate highways came to link coast to coast and border to border, the nation grew.

And grew. And grew. And the importance of the relationship between going and growing was never in doubt.

In today's America, that linkage is less obvious, overlaid as our country is with so many complex systems of many kinds. Yet, despite the fact the relationship is harder to see, it is probably no less important today, on the frontier of the 21st Century, than it was earlier.

While today's Americans reach each other in many ways—through the telephone and other communications devices—the need to “be there”

remains as great as ever for both people and goods.

The common-sense truth of this fact is evident in everyone's daily experience—and has major ramifications not just for individuals, but for the economy of every community and the entire nation.

Driving is the mode of transportation that accounts for more than 80 percent of all travel by Americans, and it is on the road where examples of transportation's critical importance are most visible. When major traffic jams occur, they can have immense consequences.

The Daily Evidence

They delay people by the hundreds or thousands from getting to their work or to their home, resulting in a loss of both personal and business productivity.

They waste immense quantities of fuel. They put extra wear and tear on both vehicles and the people they carry. They contribute mightily to air pollution. And they can set off a chain reaction of other adverse and uneconomic effects.

A delayed delivery of goods to a supermarket can impair sales and increase spoilage of perishable goods.

A spare part needed for an airplane can get there too late to effect a repair in timely fashion and keep 150 people from their business in a far-off city.

A mail truck delayed in getting to that airport may mean missed connections and thousands of checks that get to payees a day late.

And that same delay can hold back newspapers, magazines and other essential information sources in our highly information-sensitive society.

It can mean less timely and even life-threatening runs by ambulances, rescue squads, police and other emergency vehicles.

It can, in short, mean that everyone and everything is late, that opportunities of all kinds are missed or deferred, and that sand has been poured on the wheels of commerce.

No measurement system can capture fully all the waste involved in such occurrences. But the immensity of the loss is suggested by some partial estimates.

For example, federal authorities estimate that delays on urban highways alone total more than 2

billion hours a year and that in a recent year (1988) they wasted 1.4 billion gallons of fuel and caused over \$9 billion in user costs.

And they say that delays to trucks—which are our major movers of consumer goods—may tack on as much as \$7.6 billion a year on to the price of almost everything we buy.

These estimates hint at the total price America pays for highways and roads that do not fully meet their needs. They do not, however, begin to touch the total loss that

results from deficiencies in other transportation modes as well, involving air, water and rail traffic.

Further, focusing on the negative aspect of direct losses produced by the present situation ignores the *positive growth opportunities*—economic and otherwise—that improved transportation can provide. And it is in this area, connecting transportation and productivity, that new evidence has begun to suggest that America has been missing a good bet.





A nation's most valuable asset is its people, and clearly, anything that helps or hinders their ability to grow and be productive as individuals has major bearing on how the nation as a whole performs.

By all available evidence, Americans are slowing down in terms of the time it takes them to get anywhere. Each year more cars, trucks and drivers are added to the roads, more passengers fill aircraft, and as a result, Americans are finding that going the same distance as before now takes longer.

Population growth and geographic shifts have played their part. As more people have moved from cities to suburbs to live, more and more businesses have tended to follow them. The result has been that the dominant form of commuting in America today is suburb-to-suburb and no longer suburb-to-city. This vastly increased traffic now runs largely against the grain of existing hub-and-spoke systems of roads and transit that converge on the city.

In many places, transportation, which is

intended to be the mere means by which people pass from one place to another, has instead become an obstacle. Congestion has become a common occurrence. Its spread in recent years has been so rapid, afflicting outlying areas as well as cities and suburbs, that federal officials have estimated that it could get three to four times worse by the year 2020.

For the individual, this situation has meant a serious loss in personal productivity and a lessened quality of life.

Transportation and Quality of Life

It has meant that people must leave home earlier to get to work, that they generally get home later than they used to, and that along the way they are subjected to the added strain always involved when one pushes against time.

It has meant less time spent with family and children, less leisure, and a decreased opportunity to renew one's energy. On weekends, it often means foregoing the opportunity of a leisurely "Sunday drive" in order to avoid more traffic or to catch up with personal or household activities that can no longer be fit into workweek off-hours. These losses are particularly felt in families where both parents work and where the pressure to get home "on time" to meet waiting youngsters is extremely high.

In a recent U.S. General Accounting Office survey of business leaders in 13 metropolitan areas it was found that about half indicated that traffic conditions affected their businesses in terms of reduced productivity, poor punctuality and morale, as well as increased employee stress.

In many areas, improved public transit could lessen

many of these personal pressures, as well as produce other favorable results. A full bus, for example, can remove as many as 40 cars from the road, lessening not only strain on the individual, but also congestion, gasoline wastage, and air pollution as well. Yet nationwide commuting by public transit declined 28% from 1970 to 1980 and 1990 Census data will likely show the trend continuing downward. Yet in most places, the money to beef up public transportation has been lacking.

The situation that characterizes ground transportation applies also to air travel. While passenger air travel has doubled since airline deregulation in the 1970s,

airport expansion has not kept up. The result has been crowded airports and escalating flight delays. The Federal Aviation Administration reports that 21 primary airports experience more than 20,000 hours of annual flight delay at a cost to airlines and U.S. business of \$5 billion. It further states that this same level of serious delay is expected to spread to 33 airports by 1997.

The picture of the weary, long-distance traveler collapsing at the end of his or her day, often portrayed in commercials and movies, is all too real. We would do well to ask ourselves whether this weariness, so much of it caused by the process of getting there, is also sapping a significant share of our nation's energy.



Between August 1987 and May 1988, in every part of the United States, a group called the Advisory Committee on Highway Policy, established by AASHTO as part of Transportation 2020, conducted a series of 65 public forums. The purpose was to hear firsthand from community leaders about their transportation experiences and expectations.

More than 2,300 persons spoke up. They represented every segment of American life and discussed transportation from every conceivable viewpoint. Dominant throughout all these thousands of hours of dialogue was the theme that community and regional economic health is utterly dependent upon sound ways to get there.

While some speakers studded their talks with statistics, the most dramatic testimony came from people who stated plainly and simply how crucial the linkage was. Here are just a few examples:

Transportation and Business

A spokesman for General Motors in Baltimore said that a key factor in a decision to modernize the plant in Baltimore, rather than relocate, was the quality of highway access.

In Massachusetts, the phone company said its vehicle maintenance costs have increased as street conditions have deteriorated.

In Minnesota, it was said that the state's roads were relied upon to convey 1.5 million truckloads of farm and forest products to market in 1986.

A Colorado representative pointed out that the ski industry is a mainstay of that state's economy and called highways the "lifeline" of that leisure industry.

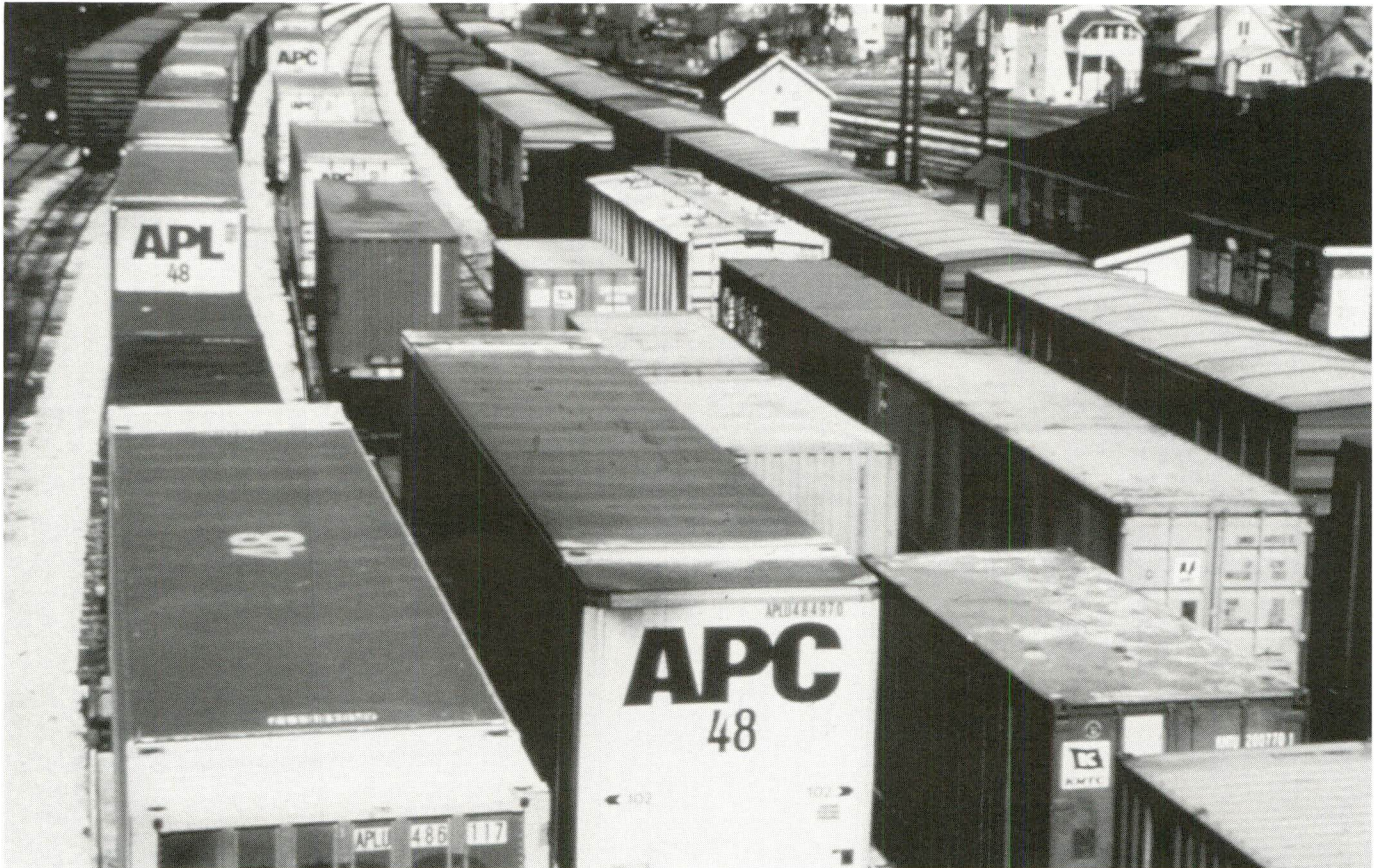
An Alabaman said the southwest portion of his state was economically depressed because of its poorly developed highways.

Finally, in Ohio, Colgate-Palmolive said that a new plant about to be opened would be dependent upon receiving 30 rail cars full of raw materials from out-of-state points each week and that any interruption in service for more than one day would force the plant to close.

These statements—and many, many others like them—make graphically clear the fundamental truth of transportation's indispensability to commerce and industry.

They demonstrate that our nation's economy is an intricate web of interdependencies made whole and strong by the system by which things and people are moved.

President George Bush said in March of 1990, as he unveiled a National Transportation Policy, "No sector is more important to the American economy than transportation."



Now More Than Ever

The President's statement would probably have been true at any stage of our nation's history. But it may have extra validity in the 1990s.

Almost 20 years ago, a number of futurists foresaw things otherwise. As they viewed such technologies as facsimile and satellite communications, increasingly sophisticated use of computers and telecommunications, they predicted that these new instruments of progress would lessen the role of older ones.

They envisioned a decline in newspapers and other print media—a move to a society where most information came via home screens. People, they said, would do most of their shopping through their computers. Banking would be done electronically, and a checkless society would emerge. Electronic transfer of information as well as funds would also occur, and teleconferences would come to eliminate the need for most business travel. More and more people would work at home, using computer and other

electronic linkages to tie them to others.

Such changes would also lessen demand on transportation and perhaps make it less important.

But these predictions have not come to pass. Computers, which were to have eliminated much use of paper, seem instead to have generated more. While some people do now work and shop at home electronically and some business travel has been replaced by teleconferencing, it is clear

that these small changes have produced no revolution and have had no appreciable effect on transportation, where demand rises year after year.

The complexities and requirements of our new Information Age have placed new demands on traditional institutions. One has only to look at the dramatic growth

of Federal Express and the many other entrants in the overnight delivery market to see how the need for efficient transportation has increased, not diminished.

In addition, and more importantly, the pressure on corporate America to become more efficient in the expanding global economy has introduced a major new

element into the production-distribution chain, the requirement for “just-in-time” delivery.

This major innovation in the way American industry does an increasing share of its business was described in a recent report by the U.S. Department of Transportation:

Introduced first in Japan and now in use in U.S. manufacturing, “just-in-time” production means that raw materials, parts, or other inputs do not arrive at a production plant until immediately before they are needed for assembling the final product.

This dramatically reduces the warehouse space and the cost associated with holding inventory; it also places a premium on fast, frequent, and dependable transportation.

The “Big Three” U.S. automakers have been among the leaders in adopting “just-in-time” manufacturing ... the railroads have introduced expedited trains and special equipment [and] trucks, because of their smaller size and greater flexibility in scheduling and routing, have been even more active in “just-in-time” service.

For example, every hour the new Chrysler assembly plant in Sterling Heights, Michigan, electronically notifies a supplier located 60 miles away with an order for the seats the plant will need four hours later. The supplier assembles the seats to fill the order and they are delivered by truck within hours, to be installed in finished vehicles that same working day.

A recent report by Apogee Research of Bethesda, Maryland, prepared for AASHTO, examines in detail how transportation contributes to increased productivity in American industry and provides

numerous other examples of its application.

These examples show that in terms of attracting and holding skilled personnel, improving corporate communications, and

reducing production costs and speeding output, transportation is more than just a single cog in a wheel but more resembles the entire wheel itself.

Global Connections

It has become common knowledge that economic growth in the United States has in recent years been trailing that of other leading nations and that a “competitiveness problem” has emerged. The reasons for this lag have been much debated, but many fingers have been pointed at the fact that the efficiency with which the United States uses its resources—its rate of productivity—has declined in recent decades. From a level of 1.8 percent growth a year in the 1960s, it plummeted to 0.8 percent in the 1970s and in the 1980s tailed off to 0.7 percent.

The decline would be damaging in itself, but when contrasted with the performance of countries with which we compete, it looms as particularly

harmful. Compared to our recent 0.7 percent growth, annual productivity has been leaping upward 2.9 percent in West Germany and 3.1 percent in Japan. Canada, the United Kingdom, and Italy have also forged ahead.

Why has U.S. productivity slipped so?

Different experts have different answers, but Dr. David Aschauer believes that much of the answer lies in the United States’ having neglected its investment in public infrastructure.

While Senior Economist at the Federal Reserve Bank of Chicago, Dr. Aschauer demonstrated a strong and positive link between “public capital” spending and private sector productivity. As the one element rose during the 1950s and 1960s, so did the other—in direct tandem. As one began a sharp decline around 1970, its course was tracked almost exactly by the other—continuously, every year through 1986.

His findings have been bolstered by the studies of Dr. Alicia Munnell of the Federal Reserve Bank of

Boston. Both show that for every dollar invested in better streets, highways, mass transit, airports and other public facilities, a significant portion will be returned in economic growth.

“Quantitatively”, Aschauer says, “as much as 60 percent of the productivity slump in the United States can be attributed to neglect of our core infrastructure.”

Conversely, he states: “By reorienting our public spending priorities so as to upgrade and expand our infrastructure, we can be confident we will heighten the productivity of our workforce and improve our position in the increasingly competitive international marketplace.”

In support of what millions of Americans have concluded based on their own daily experience, Dr. Aschauer notes, “The reduction in productivity caused by underinvestment is easy to understand when one considers that the U.S. Department of Transportation estimates that in 1985 total vehicle delays on the highway were in excess of 72 million hours.”



Another way to view recent transportation history is to consider how usage compares with public investment. By this standard as well, the results are discouraging.

The most complete data is available on highway travel, which, as noted, accounts for more than 80 percent of all American travel. It too lends weight to the Aschauer/Munnell contentions.

It illustrates that, stripped to essentials, the United States has engaged in a policy of *disinvestment* in highways since the late 1960s. Instead of increasing transportation investment to meet increasing demand, it has sold transportation short.

The graph below traces this development. On one line,

it shows the number of miles Americans drive. On the other, it tracks the amount of public money invested in U.S. roads and highways, adjusted for inflation to reflect actual spending.

We see from it that starting in 1950, when the great postwar highway era began, Americans increasingly took to the roads and their investment in these roads kept pace. But as we move along the graph, we see a sharp change taking place about 1967. As miles traveled increases the line representing investment passes its peak and begins a steady, almost broken descent.

The graph shows visually that for the last 20+ year a great gulf has opened between our highway needs and our national investment. The nation is now

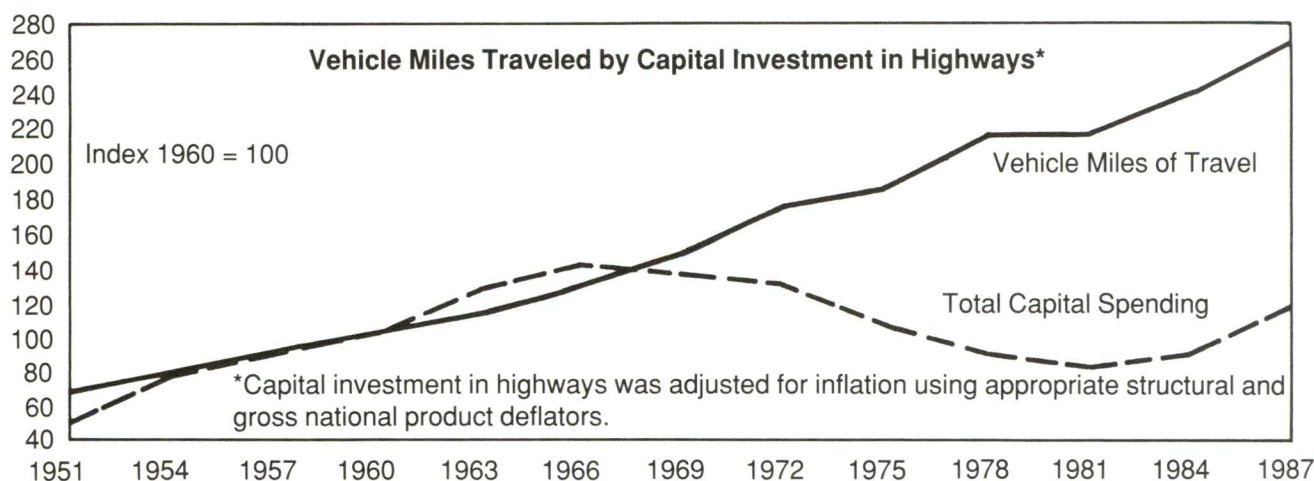
experiencing the effects of more than two decades of accumulated transportation underfunding.

Is it coincidental that while this gulf, which can be similarly plotted for other transportation modes, has opened, American economic growth has declined?

We think not.

With Aschauer, Munnell, and millions of others recognizing how their own personal and business productivity has been impaired by transportation deficiencies, we believe the connection is undeniable. If America is to strengthen its economy, it must strengthen its transportation system—and the sooner the better.

Growth and the Future



Source: National Council on Public Works Improvement, *Fragile Foundations: A Report on America's Public Works* (Washington, D.C., 1988), p. 139. Updated data were obtained from Apogee Research, Bethesda, Maryland

