Transportation and the Economy

WHEREAS, the U.S. economy is now recovering from an extended recession; and

WHEREAS, the demands of a fierce global economy require ever-greater strategies for competitiveness; and

WHEREAS, under-investment in transportation infrastructure is having an adverse impact on economic performance; and

WHEREAS, McKinsey and Company has identified increased investment in infrastructure (with a new emphasis on productivity) as one of five game changing opportunities for U.S. Gross Domestic Product (GDP) growth and renewal; and

WHEREAS, an efficient freight transportation system is essential to our nation's shippers and carriers to effectively compete in global trade; and

WHEREAS, the Southern Legislative Conference has identified key transportation segments— Ports, Aviation/Aeronautics and the Auto Industry as among the "bright sparks in the regional economy" and specifically that nearly two-thirds of all U.S. exports and imports transits through a port in the South; and

WHEREAS, traffic congestion is estimated to cost Americans \$124 billion in direct and indirect losses in 2013 and rise to \$186 billion in 2030.

NOW, THEREFORE BE IT RESOLVED that the SASHTO states recommend that the federal and state governments, in collaboration with the private sector, expand our efforts to reinvest in transportation infrastructure at levels that will steadily reduce the backlog of infrastructure needs and spur economic growth; and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors urges Congress to allow public-private partnerships and private investments in various ways to expand the overall transportation revenue base; and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors recommends states commit to collaborating with business leaders in our respective states to promote a stronger partnership among all key sectors to promote a stronger economy and the infrastructure investments necessary to realize that goal.

Accelerated Project Delivery and Environmental Streamlining

WHEREAS, Congress in recent years has made accelerated project delivery and environmental streamlining a priority, as most recently evidenced by Subtitle C (Acceleration of Project Delivery) of the Moving Ahead for Progress in the 21st Century Act ("MAP-21"), which includes sections on efficient and accelerated environmental reviews for project decision making, limitations on claims, accelerating completion of complex projects within 4 years, and integration of planning and environmental review; and

WHEREAS, President Barack Obama has also demonstrated leadership related to expediting project delivery by signing, on March 22, 2012, Executive Order 13604 "Improving Performance of Federal Permitting and Review of Infrastructure Projects", which reinforces that Federal permitting and review processes be conducted with maximum efficiency and effectiveness, ensuring the health, safety, and security of communities and the environment while supporting vital economic growth; and

WHEREAS, the Federal Highway Administration has also supported the states in shortening the project delivery process while addressing the challenges of limited budgets through the Every Day Counts initiative and its focus on innovation and better business processes; and

WHEREAS, these efforts on the national level have proven helpful to the states as they try to deliver projects more efficiently and rapidly in an increasingly complex physical and regulatory environment with growing fiscal constraints; and

WHEREAS, states may assume the responsibilities of the Federal Highway Administration under the National Environmental Policy Act of 1969 which could accelerate environmental reviews and decisions, each SASHTO state is encouraged to consider applying for this delegation.

WHEREAS, the States acknowledge that there is still more for the Federal government to do to empower the states to reduce cost and shorten the time it takes to get projects on the ground.

NOW, THEREFORE BE IT RESOLVED that the SASHTO Board of Directors urges the President of the United States and Congress to continue their efforts related to accelerated project delivery and environmental streamlining, and to continue to direct, influence, and manage initiatives and improvements that will further expedite environmental evaluations and decision-making and reduce unproductive regulatory burdens.

Tax Exempt Transportation Financing

WHEREAS, the current method of financing the federal surface transportation program primarily through federal motor fuel taxes is not sustainable and will not address current and future transportation needs; and

WHEREAS, transformation of our transportation program should recast relationships among users and modes into a true transportation system and redefine the roles of the federal, state and local governments and the private sector; and

WHEREAS, states should be encouraged to employ business strategies, increase transportation funding through traditional measures and utilize and develop new innovative finance techniques that help meet national transportation goals. These include tolling, congestion pricing/managed lanes, and the full range of other public private partnerships mechanisms to bring additional resources to solving transportation issues; and

Whereas Section 142 of the Internal Revenue Code permits highway and freight transfer facilities that are privately developed and operated projects to be financed by Private Activity Bonds. Providing private developers and operators with access to tax-exempt interest rates lowers the cost of capital significantly, enhancing investment prospects. Increasing the involvement of private investors in highway and freight projects generates new sources of money, ideas, and efficiency; and

WHEREAS, the Private Activity Bond volume cap of \$15 billion is nearly 75 percent committed and should be increased in any transportation authorization enacted this year; and

WHREAS, the Office of Management and Budget (OMB) has suggested an annual \$4 billion increase and a long-term bill should include an increase of a multiple of that amount.

NOW, THEREFORE BE IT RESOLVED that the Southern Association of State Highway and Transportation Officials (SASHTO) supports providing access to tax-exempt transportation financing, by increasing the federal volume cap on Private Activity Bonds, that creates a win-win environment for private investment in much needed transportation infrastructure improvements in the United States; and

Transportation Infrastructure Financing and Innovation Act (TIFIA)

WHEREAS, the Transportation Infrastructure Financing and Innovation Act (TIFIA) program, enacted in 1998 as part of the Transportation Equity Act for the 21st Century (MAP-21) and expanded in 2005 and 2012, provides credit assistance for major transportation investments in the form of direct loans, loan guarantees, and lines of credit and is designed to fill market gaps and leverage private co-investment by providing supplemental and subordinate capital to projects; and

WHEREAS, TIFIA credit assistance provides improved access to capital markets, flexible repayment terms, and potentially more favorable interest rates than can be found in private capital markets for similar instruments which can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues; and

WHEREAS, TIFIA may cover up to 49 percent of eligible project costs and the program is targeted to large-scale transportation projects with specifically dedicated revenue streams; and

NOW, THEREFORE BE IT RESOLVED that the Southern Association of State Highway and Transportation Officials (SASHTO) believes that the TIFIA program is an essential element in meeting the nation's transportation needs and should be sustained at current levels to support and accelerate the efforts to improve the nation's surface transportation infrastructure and programs.

Leading Transportation Change and Innovation

WHEREAS, it has been widely acknowledged that states are the *laboratories for innovation* because State DOTs are in a better position than the federal government to creatively solve problems, lead change, and seize opportunities. Examples of SASHTO state innovation are included in the SASHTO Annual Report; and

WHEREAS, SASHTO states have acted responsibly to preserve their transportation assets and modernize their infrastructure in the absence of adequate federal assistance or a coherent national transportation finance strategy.

NOW, THEREFORE BE IT RESOLVED that the SASHTO states will continue to be innovation leaders creating, implementing and sharing more solutions to meet the transportation challenges of today and the future; and

BE IT FURTHER RESOLVED that SASHTO will partner with all levels of government along with other stakeholder organizations fostering an innovative problem solving climate that focuses on results, performance and achieving new and needed funding mechanisms to address America's freight and passenger transportation needs.

MAP-21 Reauthorization

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") was enacted (Public Law No:112-141) on July 6, 2012 advancing several significant policy directions, but only extending federal highway and transit funding through federal fiscal year 2014; and

WHEREAS, MAP-21 consolidates the number of federal funding programs by two-thirds and increases state flexibility; and

WHEREAS, MAP-21 places a much needed policy emphasis on accelerating project delivery; and

WHEREAS, MAP-21 focuses on key performance outcomes, such as reducing fatalities, improving road and bridge conditions, reducing congestion, increasing system reliability, and improving freight movement and economic vitality; and

WHEREAS, significant federal rulemaking is underway to be followed by performance target setting by the states and metropolitan planning organizations and initial performance reporting.

NOW, THEREFORE BE IT RESOLVED that the SASHTO states recommend that the MAP-21 program structure and performance-based approach to decision-making be given sufficient time to achieve an effective implementation of MAP-21.

BE IT FURTHER RESOLVED that the SASHTO Board of Directors urges Congress to reauthorize MAP-21 for at least four years with increased funding while ensuring that states have maximum flexibility to effectively address their unique mobility and access needs.

New Partnerships

WHEREAS, in recent years, the South has become the dominant economic region in the country — a region characterized by innovation, growth and opportunity; and

WHEREAS, founded in 1934, the Southern Governors' Association (SGA) is the oldest and historically the largest of the regional governors' associations. Since its inception, SGA has represented the common interests of Southern states' chief executives and provided a vehicle for promoting these interests; and

WHEREAS, founded in 1947, the Southern Legislative Conference (SLC) is the largest of four regional legislative groups operating under The Council of State Governments. The SLC's mission is to foster and encourage intergovernmental cooperation among its 15-member states; and

WHEREAS, founded in 1941, the purpose for which the Southeastern Association of State Highway and Transportation Officials (SASHTO) is organized and for which it shall be perpetuated includes encouraging a balanced transportation system within member states and supporting legislation for the purpose of protecting capital investments in current transportation systems and for improving transportation programs; and

WHEREAS, new partnerships are needed to find solutions to the impending transportation funding crisis.

NOW, THEREFORE BE IT RESOLVED that the SASHTO states will continue to partner with SGA and SLC as a coalition in developing and advocating common policies to achieve meaningful transportation infrastructure solutions at the national level; and

BE IT FURTHER RERESOLVED that this SASHTO commitment to expanded partnerships will also extend to the private sector, and other stakeholder organizations that have aligned interests.

National Highway System

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") was enacted (Public Law No: 112-141) on July 6, 2012; and

WHEREAS, MAP-21 amended Section 103 of Title 23, United States Code (23 U.S.C.103) to include all principal arterials, vastly expanding the National Highway System (NHS) from approximately 160,000 miles to approximately 220,000 miles; and

WHEREAS, The description as defined in 23 U.S.C 103(b)(1) states, "The National Highway System consists of the highway routes and connections to transportation facilities that shall— (A) serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations; (B) meet national defense requirements; and (C) serve interstate and interregional travel and commerce; and

WHEREAS, many of the NHS routes added as a result of MAP-21 do not meet the description of the NHS nor provide any significant regional, state or national role(s) and while classified as principal arterials, typically only serve urban commercial areas and business districts; and

WHEREAS, the system in place for making appropriate reclassifications to the expanded NHS is a time consuming, detailed process for each highway segment and prohibits the states from making timely progress; and

WHEREAS, by incorporating routes into the NHS which do not satisfy the description, MAP-21 places undue additional requirements on state transportation departments, requirements such as national performance measure data collection requirements, outdoor advertisement and junkyard control regulations and more stringent design standards; and

WHEREAS, these are unfunded mandates placed upon state transportation departments that are already operating under budgetary constraints.

NOW, THEREFORE BE IT RESOLVED that the SASHTO Board of Directors urges Congress to provide a process to give States an opportunity to re-define the National Highway System and to revise the modification process to allow States, in consultation with responsible local officials, to selectively remove and add any and all mileage from the NHS that does not meet the criteria as specified in 23 U.S.C. 103(b)(1); and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors urges Congress to allow States a ten year period in which to phase in the additional enforcement requirements of the additions to the NHS by MAP-21.

National Performance Measures

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") was enacted on July 6, 2012 and amended Section 150 of Title 23, United States Code to focus the Federal-Aid Highway program on seven national goals; and

WHEREAS, Section 150, National Goals and Performance Management Measures, sets deadlines and requirements for the establishment of a limited number of performance measures by federal agencies, the establishment of performance targets by State DOTs and MPOs and reporting on performance targets; and

WHEREAS, state performance reports to the USDOT are required every two years following the initial performance report; and

WHEREAS, these initial state performance reports will provide very disparate data;

WHEREAS, MAP-21 funding authorizations expire on October 29, 2015; and

WHEREAS, states vary widely in the extent and current condition of their highway systems, their dependency on federal funding and other factors that impact the performance of the highway system in each state; and

WHEREAS, all states are committed to improving their highway systems to meet the mobility and access needs of millions of individual and business users.

NOW, THEREFORE BE IT RESOLVED that the SASHTO states remain steadfast in their opposition to using performance measures as the basis for apportioning or allocating federal funds among the states; and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors urges Congress to continue to limit the performance measures to be established under MAP-21 until at least 2020, which will cover three performance reporting cycles by states prior to making any changes to performance measure requirements. SASHTO also encourages the USDOT to allow maximum flexibility in target setting among the state DOTs and MPOs. In the interim, SASHTO states will continue to advance the application of performance management and performance measurement tools to further improve delivery of transportation facilities and services.

Approved by the SASHTO Board of Directors on August 26, 2014 in New Orleans, Louisiana

Updated on August 4, 2015 to reflect minor changes

Toll Interoperability and Interstate Enforcement

WHEREAS, in a period of declining and unpredictable federal support for future surface transportation maintenance and improvement, there is a growing interest among all the states to explore toll financing as a potential method to address current and future needs; and

WHEREAS, many states of the SASHTO membership currently operate or have tolled facilities within their borders; and

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") (Public Law No: 112-141) enacted on July 6, 2012, calls for the existence of a nationally interoperable electronic toll collection system by October 2016; and

WHEREAS, many states of the SASHTO membership are working to achieve regional and, ultimately, national interoperability; and

WHEREAS, it is recognized that reciprocity across the states for processing and collection of tolls, and for enforcement of toll violations is needed to support a nationally interoperable electronic toll collection system and that each state must examine its laws and regulations to ensure that reciprocity is achievable.

NOW, THEREFORE BE IT RESOLVED that the SASHTO Board of Directors recommends that all member states promote the achievement of electronic toll collection interoperability as practical; and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors recommends that all member states promote the development of enforceable reciprocity rules through examination, and modification if necessary, of existing state laws and/or regulations.

Transportation Alternatives Program Projects

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") was enacted on July 6, 2012 and amended Title 23 U.S.C. 213, establishing the Transportations Alternatives Program (TAP); and

WHEREAS, TAP funds must be used for eligible projects that are submitted by eligible entities and chosen through a competitive process as required by 23 U.S.C. 213(c)(4)(A); and

WHEREAS, State DOT's are not eligible entities as defined under 23 U.S.C. 213(c)(4)(B) and therefore are not eligible project sponsors for TAP funds; and

WHEREAS, under present law, if a State DOT wishes to use TAP funds on a project, it must either identify a willing partner which is eligible to sponsor the project or elect the option to transfer up to 50 percent of TAP funds to the National Highway Performance Program (NHPP), Surface Transportation Program (STP), Highway Safety Improvement Program (HSIP), or the Congestion Mitigation and Air Quality (CMAQ) Program for use anywhere in the State; and

WHEREAS, the TAP is the only FHWA program created by MAP-21 which prohibits state sponsorship of projects; and

WHEREAS, previous law did not prohibit state sponsorship of similar activities; and

WHEREAS, certain scenarios do arise when sponsorship by State DOT's of TAP funded projects is an appropriate and more efficient manner to facilitate such projects; and

WHEREAS, present law does not allow TAP funds to be used for administrative costs other than in the Recreational Trails Program (RTP) and Safe Routes to School (SRTS) programs under TAP; and

WHEREAS, it would greatly benefit the States if TAP funds could be used to administer all programs under TAP.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Southern Association of State Highway and Transportation Officials urges the United States Congress to amend existing law to modify the TAP to remove the prohibitions on sponsorship of TAP projects by State DOT's.

BE IT FURTHER RESOLVED, that the SASHTO Board of Directors urges the United States Congress to provide eligibility of administrative costs for the TAP at a federal share of 80 percent.

Transportation Funding

WHEREAS, Article I, Section 8 of the United States Constitution states the duty of the federal government to provide support for a national transportation system; and

WHEREAS, the Moving Ahead for Progress in the 21st Century Act ("MAP-21") enacted in July 2012 provided a general fund transfer of \$18.8 billion to preserve Highway Trust Fund solvency only into Fiscal Year 2014, and general fund transfers amounting to \$72.2 billion have been necessary to support federal highway and transit program levels between 2008 and 2015; and

WHEREAS, the motor fuel taxes, which comprise about 90 percent of Highway Trust Fund receipts, are facing challenges to their long-term sustainability due to gradual loss of purchasing power resulting from inflation, stagnation in vehicle miles traveled, improved average vehicle fuel economy, and introduction of alternative-fuel vehicle fleets; and

WHEREAS, the Highway Trust Fund is currently experiencing a deficit between receipts and outlays averaging \$17 billion per year; and

WHEREAS, recent action by Congress only provides funding from the Highway Trust Fund through October 29, 2015.

NOW, THEREFORE BE IT RESOLVED, the federal government must continue to play a vibrant and stable funding role in an integrated and multi-modal national surface transportation system; and

BE IT FURTHER RESOLVED, Congress should consider a sustainable investment level that would be required to equal and maintain—in real terms—the revenue levels that were achieved in 1993 from federal motor fuel taxes and other Highway Trust Fund revenue sources. This would be an average of \$73.3 billion per year between 2015 and 2020. This investment level will enable the nation's transportation infrastructure to once again help enhance America's global competitiveness.

Approved by the SASHTO Board of Directors on August 26, 2014 in New Orleans, Louisiana

Updated on August 4, 2015 to reflect minor changes

Wetland Preservation

WHEREAS, wetlands play a vital role in a region's hydrology, water quality, and economy while providing unique fish and wildlife habitat; and

WHEREAS, in 1977, President Jimmy Carter issued Executive Order 11990 which required Federal agencies to include all practicable measures to minimize harm to wetlands; and

WHEREAS, in 1989, President George Bush established "no net loss" of wetlands as a national goal; and

WHEREAS, in 2008, the U.S. Army Corps of Engineers (USACE) and the Environmental Protection Agency (EPA) relied on the "no net loss" goal as the basis for establishing mitigation requirements under Section 404 of the Clean Water Act (33 USCS 1344) through their regulations 33 CFR Parts 325 and 332 and 40 CFR Part 230, respectively; and

WHEREAS, although preservation is allowed under the regulations under certain conditions, the "no net loss" interpretation by the USACE and EPA has effectively removed preservation as a viable means of wetland mitigation as very little credit is given for preservation (33 CFR 332.3(h)(2) and 40 CFR 230.93(f)(2)); and

WHEREAS, the SASHTO region has vast natural wetland areas that are in potential jeopardy due to growth and future development and the public would benefit from preservation of these areas; and

WHEREAS, transportation investments are essential for ensuring mobility and economic competitiveness, and recognizing that these improvements should be accomplished in ways that minimize or prevent impacts to wetlands.

NOW, THEREFORE BE IT RESOLVED that the SASHTO States stand in support of an approach to mitigation that better recognizes the value of preservation as mitigation and recommends consistent application; and

BE IT FURTHER RESOLVED that the SASHTO Board of Directors urges the United States Congress to amend the Clean Water Act to recognize the value of preservation by better considering the preservation of existing natural wetland areas as a suitable means of mitigating infrastructure projects.

Expressing Concern About Congressional Action to Change Truck Size and Weight Laws

WHEREAS, proposals to alter federal truck weight limits and safety standards, including requirements for additional axles, are now being debated in Congress; and

WHEREAS, increased truck weights accelerate damage to highways and adversely impact highway safety; and

WHEREAS, additional axles have little, or no, effect on weight distribution affecting long span bridges; and

WHEREAS, states generally have less than adequate funds for maintaining transportation systems; and

WHEREAS, states have varying levels of available highway funding, making some states more able than others to maintain and upgrade roads and bridges; and

WHEREAS, individual states have extensive knowledge of their specific bridge conditions and their ability to handle weight and size loads; and

WHEREAS, increases in truck weights absent increases in funding can result in an unsustainable highway deterioration rate; and

WHEREAS, the U.S. fatal truck-related accident rate declined by 45% between 2000 and 2010 under current federal standards, and is thus moving in the right direction; and

WHEREAS, increased legal truck weights results in increased posting of bridges due to weight restrictions, thus having a negative impact on mobility for many industries and individuals; and

WHEREAS, a USDOT study of truck size and weight impacts, mandated by MAP-21, is not yet completed.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Southern Association of State Highway and Transportation Officials does hereby recommend that AASHTO oppose any legislation that increases damage to the nation's highways. Increases in truck size and weights will lead to significant damage and a significant number of posted bridges particularly on Interstate and National Highway Systems.

Approved by the SASHTO Board of Directors on August 27, 2013 in Asheville, North Carolina

Commending the Tennessee Department of Transportation

WHEREAS, the Southern Association of State Highway and Transportation Officials (SASHTO) meets annually rotating the conference site among the member states and territory; and

WHEREAS, the 2015 SASHTO Conference has been splendidly hosted in the wonderful city of Nashville by the Tennessee Department of Transportation; and

WHEREAS, your *Tennessee Homeland* made visitors from many other places feel much at home; and

WHEREAS, the 2015 SASHTO meeting has been highly successful for the 14 member departments while providing a rewarding opportunity for the Conference delegates to network and share ideas; and

WHEREAS, Commissioner John Schroer and the employees of the Tennessee Department of Transportation labored enthusiastically to develop the program for the 2015 SASHTO Conference and to graciously provide for the needs of the delegates and guests.

NOW, THEREFORE BE IT RESOLVED with great appreciation, that the Board of Directors commends Commissioner Schroer and his staff from the Tennessee Department of Transportation for a job well done. Further, the Board of Directors offers its heartfelt thanks to everyone involved from the *Volunteer State* who helped make this a memorable conference. You've all certainly lived up to that honorable nickname.