

The Route to Reauthorization

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Reauthorization of the Transportation Equity Act for the 21st Century (TEA-21) is slated to begin in the U.S. Congress in 2003 — but the work to develop the needed federal investment in America's public and community transportation program is already underway. This process of reauthorization is an opportunity for everyone connected with the public and community transportation industry to forge our vision of the future of mobility for all Americans.

The following series of articles examines several stops along the Route to Reauthorization. At EXPO 2001 in Salt Lake City, the Community Transportation Association of America will work with its Board of Directors, State Delegate Council, general membership, friends and associates to shape the association's reauthorization strategy to build the transportation system of the 21st century.

Our Vision

Our vision of America's public and community transportation future — the cause which we serve — is based upon fundamental values that are as old as the nation itself. Freedom, independence, dignity and choice are as much at the heart of the debate for building an accessible society as they have been in building a free society. There is never an end to the work to create a free society, and there will never be an end to our work to build a more mobile society. Both of these noble pursuits remain great works in progress.

Americans have been trying to build their mobile society for many years. Part of this mobility can be seen in the mass production of automobiles and highways that surround our nation, our cities and our neighborhoods. It can be seen in the proliferation of airports, regional air carriers and growing congestion in our skies. And although our values never grow old — our approach and technology do become outdated, as well as our thinking. A society that now includes a growing population of seniors needs new and expanded community transportation alternatives. Communities with staggering air quality problems and ground congestion need improved public and community transportation alternatives. Areas and communities that have been abandoned or which are in decline need public and community transportation options as part of their renewal efforts.

Public investment is always required for the advance of freedom and the advance of mobility in any society. To further advance the cause of freedom, a free society needs educational opportunities, which often are the largest governmental investment at all levels. We provide educational programs and schools undreamed of in other societies in places as small as Newell, S.D., and as large as Los Angeles, Calif. Our schools are the envy of those living in many parts of the globe. That's the same kind of commitment and investment we need in public and community transportation throughout this nation.

Every so many years, major legislation appears on the horizon in Washington that affects this issue, as it does in the state house or at city hall. People with a vision for the future are found in these places — fighting for these causes.

Fighting for our cause and vision is the role of not only the Community Transportation Association of America, but of the men and women who provide service, plan for it or pay for it every day in thousands of communities throughout the nation.

We must continue that fight until everyone — regardless of their location — has the ability to go about their way in a free society based upon not only their need, but choice. We must build the public and community transportation infrastructure that makes that choice an option as opposed to a mere possibility.

Another opportunity to advance our cause is coming: The reauthorization of highway and transit programs approaches at the national level. We must move forward into that fight carrying with us our knowledge — and our values.

The Story So Far...

America's commitment to public and community transportation was codified in 1998 with the passage of the Transportation Equity Act for the 21st Century (TEA-21). In the ensuing years, investment in public and community transportation at the federal, state and local levels has reached new records, as has ridership.

We've been listening, talking, reading and writing about transit's future in recent months and here's our version of what we've heard, distilled into four major themes.

- **Investment: Greater federal investment for all community and public transportation programs.**

Currently, less than one-half of one percent of the entire federal budget goes to transit programs, which is currently, less than one-half of one percent of the entire federal budget goes to transit programs, which is altogether inadequate. For the nation's community and public transportation programs to continue to grow and adequately serve the American people, these programs need additional federal investment. And not merely a one or two percent increase. We estimate that it will take several billion additional dollars going into the transit program to create a seamless national network of public and community transportation. The association currently envisions the creation of a truly national program with significant increases in investment in rural and small urban communities as well as in more traditional transit areas. Our objective in reauthorization is a continuing series of significant, guaranteed funding increases over the life of the next reauthorization that will bring community and public transportation the equity of federal investment it has earned.

- **Innovation: New and innovative investment strategies for community and public transportation.**

To achieve the federal investment discussed above, we acknowledge that innovative funding strategies are necessary; strategies heretofore untapped by the transit program. Gas tax revenues alone can only get the transit program so far. We urge the introduction of new investment tax credits and bond programs similar to those recently enacted for the New Markets Tax Program or those sought by Amtrak. These tax credits and bonds will create new and innovative ways for the private sector to invest in all forms of public transportation.

- **Security: Maintenance of the fiscal protections and guaranteed funding levels of TEA 21.**

The most noteworthy victory in the passage of TEA-21 was the guaranteed, record funding levels for transit. Essential in the next reauthorization is continuing these so-called firewalls of guaranteed federal investment levels that provide transit, as well as highways and airports, the reliable, scheduled growth that is necessary to effectively serve the American people. In addition, this stability is essential for assuring the success of innovative transit program financing and the development of private sector investment in community and public transportation.

- **Deregulation: All regulatory burdens placed on the community and public transportation field must be examined to ensure necessity and efficiency.**

Reauthorization is the time to investigate the current series of often costly and burdensome regulations that impact transit operations and to question their need to be maintained, or set aside. Across numerous other industries, the government is actively involved in deregulation efforts, the same should hold for community and public transit. Therefore we think that the current accumulated transit regulations should be discussed as part of any reauthorization and that the opinion of public and community transportation operators must be taken into account before Congress concludes the next reauthorization.

Deregulation Designs

At the past several Community Transportation EXPOs, Community Transportation Association of America members and staff have identified numerous regulations which warrant closer scrutiny if the nation is to have the public and community transportation network to satisfy the 21st century's mobility needs. Reauthorization of the public and community transportation program is an ideal time to rectify these regulatory concerns. The following list spotlights these regulations and offers possible solutions.

School Bus Transportation. The DOT's federal transit regulations all but prohibit any expense of FTA funds by an agency that may want to provide occasional transportation of children to and from school or school activities. Such separation of school and transit bus operations in all conditions is far too inflexible in today's environment, when many communities are struggling to achieve sustainable efficiencies in both their education and transit systems.

Charter Service Restrictions. Entities ought not to use their federal assistance to compete unfairly in the transportation marketplace. Some activities, though, simply are not a part of the potential market for traditional charter bus operations; these include taking seniors to congregate meal sites, transporting new workers to job training programs or moving groups of disabled persons to their vocational rehabilitation services.

Federal School Bus Safety Standards. There is a need for agreement within the Department of Transportation on questions of "What's a school bus?" and, "When does an entity have to purchase a school bus?"

Applicability of Federal Motor Carrier Safety Regulations. Dozens of local transit systems unwittingly find themselves regulated by Federal Motor Carrier Safety Regulations for no other reason than they are private nonprofit agencies trying to provide public transportation in rural areas. It should be easy for the Department of Transportation and motor carrier administrators to issue a determination that these few entities should enjoy the same exemptions from motor carrier regulations as do all other federally funded public and community transportation providers.

Common sense and consistency in federal drug- and alcohol-testing programs. Safety is the top concern of every public transportation provider in the country. In addition to their own concerns about safety, public transit entities are accountable to their insurance carriers, and often to their state regulatory agencies, for their success in keeping drugs and alcohol out of the transit environment. In addition, local transit providers face the anti-drug regulations of not one, but two DOT agencies — FTA and FMCSA. Common sense could prevail in this arena by ensuring that every transit provider is accountable to only one voice of regulation for its prevention of alcohol and drug abuse.

Uniform exemption from motor fuel tax liability. The tax code rebates the fuel taxes paid by for-profit transportation providers. But, if you happen to be a private nonprofit entity, and if you happen to use smaller transit vehicles, or if you provide demand-response service, the IRS doesn't really think you're a public transit provider, and holds you fully liable for these federal fuel taxes.

Reasonable application of rules to Job Access grantees. In its aim to help move families out of welfare and into the workforce, the Job Access and Reverse Commute grant program has drawn many nonprofits, churches, volunteer programs and other non-traditional entities into the federal transit program. Does it really make sense for these small, community-based activities to face the same paperwork burdens and regulatory hurdles as the New York City Transit Authority?

Resolve questions of participation in the National Transit Database. A healthy dialogue between the federal government, state departments of transportation and local community and public

transportation providers must be maintained to ensure that efforts to collect data do not burden local transit operations with unnecessary reporting requirements.

Clarify the applicability of federal Buy America requirements. We encourage the Department of Transportation to build on the successes of 30 years of Buy America with streamlined rules and procedures.

Simplify and clarify matching fund requirements for federal transit grants. There should be reasoned guidelines from the DOT that alleviate any question about the acceptability of funds offered by applicants to match their requested federal transit grants. Questions that arise should be resolved in clear, equitable and consistent terms, and this information should be researched and communicated to all federal and state transit funding agencies.

Consistency in Transportation Fringe Benefits. There is no good reason why the Internal Revenue Code allows up to \$175 per month of employer-provided parking to be treated as a non-taxable fringe benefit, but only allows \$65 per month to be provided as a non-taxable transit or vanpool fringe benefit.

Reauthorization: The Players

As we look down the road to transit reauthorization, it's helpful to sort out the major players...and to begin identifying who most likely will play the leading roles in 2003, when the curtains rise on TEA-21's successor.

It will be interesting to see what sort of transportation legislation is proposed by President Bush's administration. After all, Norm Mineta, the current Secretary of Transportation, was the House's principal author of the Intermodal Surface Transportation Efficiency Act of 1991, the landmark highway and transit legislation that paved the way to TEA-21. There is little doubt that Mr. Mineta thoroughly understands the policy issues surrounding transportation legislation, and any reauthorization proposals from his offices are likely to receive some serious attention within Congress.

Nonetheless, the last time a President's administration exerted much influence in the crafting of transportation legislation was in 1956, when President Eisenhower advanced the establishment of an interstate highway system financed through a federal tax on motor fuels (coincidentally, the Eisenhower years also were the last time that the Republican party simultaneously held the White House and majorities in both chambers of Congress).

Congress has taken the lead in drafting all of the more recent highway and transit authorizations. These bills are very popular, as they give Senators and Representatives ample opportunity to resolve local mobility issues, show off the projects they deliver to the folks back home, etc. They also are a testament to the strength of the Congressional committee structure.

Who Wrote TEA-21, and Who's Writing the Next Bill?

If any one member of Congress was identified with TEA-21, it was Bud Shuster (R-Pa.), who succeeded Norm Mineta as chair of the House Transportation Committee. As part of his strategy for ensuring the passage of TEA-21, Mr. Shuster expanded the committee to become the largest committee in the history of Congress; this committee then went to great lengths to ensure the transportation bill had something for just about every state and Congressional district, even going so far as to include nearly two thousand high priority highway projects scattered around the country. Other House leaders in the TEA-21 campaign were James Oberstar (D-Minn.), Tom Petri (R-Wisc.), Nick Rahall (D-W.V.) and Robert Borski (D-Pa.), all of whom were high-ranking members of the House Transportation and Infrastructure Committee.

Mr. Shuster no longer is in Congress, having stepped down in January 2001. His successor as chairman, Don Young (R-Alaska), was not much in the limelight during the promotion of TEA-21, and has not yet staked out much of an agenda for its reauthorization. The other leaders of the transportation committee — Congressmen Oberstar, Petri, Rahall and Borski — all remain in senior positions. But, none of these gentlemen (all of whom are expected to be in office in 2003) have yet staked out the kind of transportation leadership that Shuster demonstrated.

Public transit continues to enjoy more favorable attention in the Senate than the House. In part, that is because the Senate's organization places transit under the jurisdiction of the Senate Banking, Housing and Urban Affairs Committee, far away from the rest of the transportation program. More significantly, though, it reflects the Senate's character as a chamber dominated by the central interests of its members...and there have been several Senators for whom public transportation was always a major issue, including Alfonse D'Amato (R-N.Y.), Daniel Patrick Moynihan (D-N.Y.), Paul Sarbanes (D-Md.), John Chafee (R-R.I.), Christopher Dodd (D-Conn.) and Frank Lautenberg (D-N.J.).

Of these transit champions in the Senate, only Sen.'s Sarbanes and Dodd remain in office. Sen. D'Amato was defeated in his reelection bid, Sen. Chafee died in office, and Sen.'s Moynihan and Lautenberg both retired. Under the chairmanship of Senator Phil Gramm (R-Texas), the Senate banking committee already has changed to one dominated by members from rural and Sunbelt states of the South, West and Midwest, such as Richard Shelby (R-Ala.), Robert Bennett (R-Utah), Wayne Allard (R-Colo.) and Tim Johnson (D-S.D.), although Senators Sarbanes and Dodd do occupy the two most senior Democratic seats on the committee.

Who'll Be Around in the Senate?

At this point, the 2002 Senatorial elections will have 34 races, of which two to four seats are expected to be open (i.e., races in which an incumbent is not seeking reelection). Incumbents generally are favored to win reelection, although recent Senatorial campaigns have had defeats (for example, in 2000, Senatorial incumbents were defeated in the states of Delaware, Michigan, Minnesota, Missouri, Virginia and Washington), but several close contests already are expected.

At this incredibly early stage of the 2002 campaign season, here's where the Senate races now stand:

Alabama - Jeff Sessions (R) is expected to seek reelection for a second term. No strong Democratic opponent has yet emerged.

Alaska - Ted Stevens (R), Chairman of the Senate Appropriations Committee, is expected to seek reelection to his sixth term of office, and is fairly certain to win.