

# **TRANSPORTATION REAUTHORIZATION PROPOSAL**

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# INTRODUCTION

The American people want the federal government to ensure their hard-earned tax dollars are wisely and effectively invested in improvements for the nation's infrastructure. They want investments in transportation systems to create jobs and a stronger economy.

The American people also want an end to bureaucracy, red tape, and wasteful programs. They want Washington to live within its means and make the difficult but necessary spending decisions that all Americans are forced to make for their own households. They want reform.

This fiscally responsible, multi-year proposal follows these clear mandates from the American people and creates long-term jobs by:

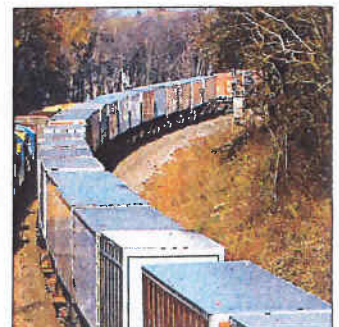
- Better leveraging and maximizing the value of limited federal resources,
- Streamlining the project approval process,
- Reforming our federal transportation programs,
- Reducing the federal bureaucracy,
- Improving programs that don't work while building upon programs that work well, and
- Providing flexibility to states to address their own unique, critical infrastructure needs.

This proposal reauthorizes the federal highway, transit, and highway safety programs and ensures that the revenues deposited into the Highway Trust Fund are used for their intended purposes. Long-term funding for these programs is essential for states to plan major infrastructure improvements. By reducing the federal bureaucracy, eliminating waste, and cutting red tape to make infrastructure programs work better, we can do more with less.

Transportation safety is a key component of this proposal, which ensures that as we seek to streamline federal programs and processes, safety also is improved.

This comprehensive proposal also makes significant reforms and improvements to federal policies and programs relating to freight and passenger rail transportation, hazardous material transportation, and maritime and waterborne transportation. More than ever, the nation's transportation systems must work together as a seamless network in order to ensure the flow of commerce and provide a sound basis for economic growth.

This is a fiscally responsible proposal that maximizes the value of our precious resources, reforms transportation programs, speeds up the completion of projects, and reduces the size of government in order to more effectively build our infrastructure and create jobs for America.



## STABILIZING THE HIGHWAY TRUST FUND

As the national debt increases, the American people are becoming more frustrated with the federal government spending money it does not have. Congress must align its spending with the amount of revenue collected.

The foundation of the nation's system for funding highway and transit projects is the Highway Trust Fund. User fees — gas taxes — are deposited into the Trust Fund and distributed to states and transit agencies by formula. The promise of the Trust Fund is that these fees paid by the American people when they use the transportation system will be reinvested in projects that improve their highways, bridges, and transit systems, and not spent on other unrelated federal programs.

The Trust Fund has been essential to the success of our national transportation system because it ensures a reliable source of infrastructure funding for the states and transit agencies that allows them to plan for large multi-year projects and create long-term jobs.

However, if fiscal stability is not restored to the Highway Trust Fund, we risk losing it. In 2010, the Trust Fund brought in \$35 billion in revenue, but \$50 billion in spending was authorized. Over the past three years, Congress has had to transfer approximately \$35 billion from the General Fund into the Highway Trust Fund to keep it solvent. Continued spending at this unsustainable rate will ensure the Trust Fund goes broke in 2013. Driving the Trust Fund into bankruptcy may result in once again having to rely on general federal revenues and the unpredictable annual appropriations process for transportation funding. This will eliminate the necessary stability the Trust Fund provides states and transit agencies.



**This proposal puts the “trust” back into the Trust Fund by ensuring that the nation is not spending money it does not have and aligning transportation expenditures with revenues. It authorizes approximately \$230 billion over six years from the Highway Trust Fund — funding levels consistent with the amount of revenue being collected — and allows the Trust Fund to stay solvent well into the future.**

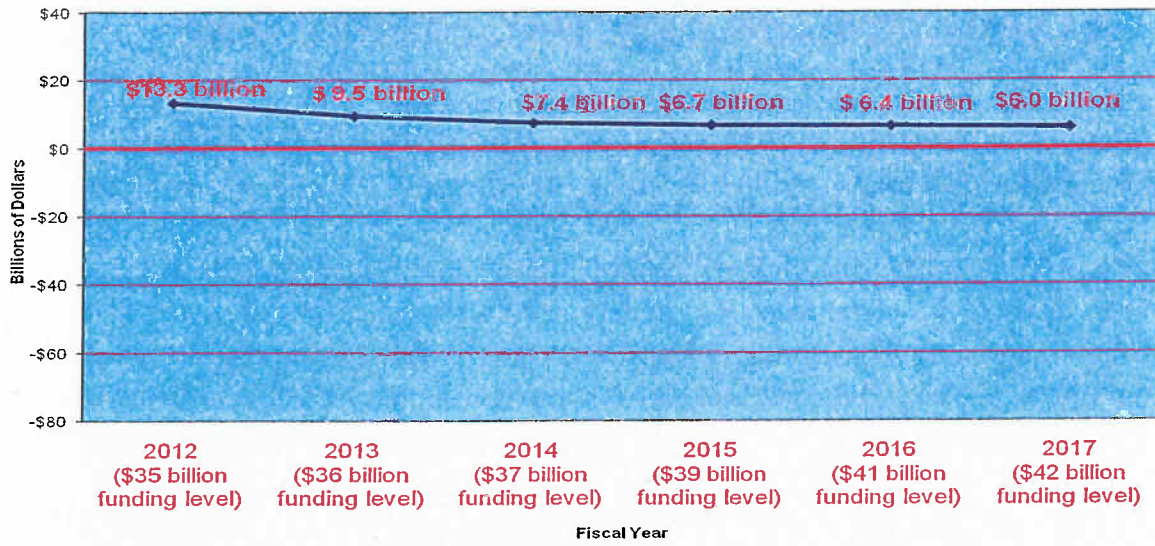
Other options simply are not fiscally responsible or realistic. Neither Congress nor the Administration will support an increase in the gas tax. The Trust Fund cannot support a two-year bill at current spending levels, as some have proposed. Even extending funding for one year at current levels would require a 50% cut in 2013 to keep the Trust Fund solvent.

We must maintain the long-term viability of the Highway Trust Fund and ensure that the federal government stops spending money it does not have.

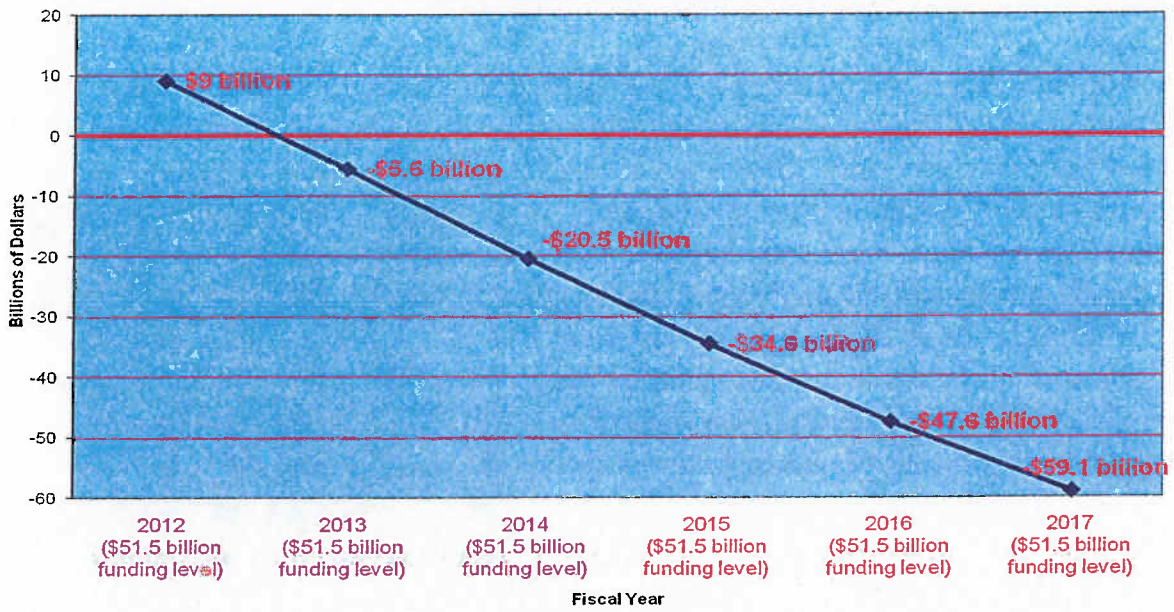
*See charts on the following page for a comparison of Trust Fund solvency under various proposals.*



**Highway Trust Fund Balance  
Under the House Transportation Reauthorization Proposal**



**Highway Trust Fund Balance  
If Current Funding Levels are Maintained**



**Highway Trust Fund Balance  
Under the Administration's Proposal**

