



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

November 17, 2015

Curtis Bramble
Senate President Pro Tempore
Utah
President, NCSL

Karl Aro
Director of Administration
Department of Legislative Services
Maryland
Staff Chair, NCSL

William T. Pound
Executive Director

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
United States Capitol, S-230
Washington, D.C. 20510

The Honorable Paul Ryan
Speaker of the House
United States House of Representatives
United States Capitol, H-232,
Washington D.C. 20515

The Honorable Harry Reid
Minority Leader
U.S. Senate
United States Capitol, S-221
Washington, D.C. 20510

The Honorable Nancy Pelosi
Democratic Leader
United States House of Representatives
United States Capitol, H-204
Washington, D.C. 20515

Dear Majority Leader McConnell, Speaker Ryan, Leader Reid and Leader Pelosi:

On behalf of the National Conference of State Legislatures (NCSL), the bipartisan organization that represents all the legislatures of our nation's states, territories and commonwealths, we thank you for making the approval of a surface transportation reauthorization bill a priority in each of your chambers. We urge you to now build on the momentum created by passage of the DRIVE Act and STRR Act, by approving a fully funded, long-term surface transportation reauthorization conference report.

The key to any long-term vision for a national surface transportation system is the certainty provided by sustained and continued levels of federal funding. By authorizing and fully funding federal surface transportation programs for six-years, Congress could end the numerous short-term extensions and the resulting uncertainty, cancelled projects and lost jobs they have caused over the past half-decade.

As you move forward in conferencing the House and Senate bills NCSL urges you to consider the following:

Maintain the Creation of a State Pilot Program to Explore Funding Alternative to the Fuel Tax

NCSL is very appreciative of your support for creating a new program for states to explore

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transportation system funding alternatives (Sec. 6015 and Sec. 12004, respectively). As revenues for our transportation system continues to decline as a result of vehicles becoming ever more fuel efficient and the changing travel patterns nationwide, we must begin to explore transportation funding alternatives to fuel taxes. NCSL has long urged Congress to support the creation of such a program and we urge you to ensure that this program is included in a final conference report.

Maintain Current 50/50 Split in the Surface Transportation Program

NCSL continues to strongly oppose the expansion of federal-local funding streams, such as those included within the Surface Transportation Program, without appropriate coordination with state legislatures as these complicate state-local relationships, financial arrangements, and state match expectations for transportation programs. We urge you to maintain the current equitable 50/50 split but consider language included in the STRR Act to be more preferable to states than the DRIVE Act. Similarly, we support the STRR Act's provisions that relate to the Transportation Alternatives Program, which would retain the current 50/50 split.

Continue Efforts to Streamline Regulatory Reviews

NCSL believes that efforts to streamline regulatory review processes must continue so that construction projects can again be realized on-time and on-budget, and we support incentives to states to achieve environmental quality standards. Therefore we support provisions in the DRIVE Act that would require such benefits be extended to rail projects.

Maintain State Flexibility in Highway Safety Programs

NCSL agrees with the changes to the State and Community Highway Safety Grant Program and the National Priority Safety Program grants that aim to allow more states to qualify for federal funds. However, we are concerned with provisions in both the DRIVE Act and STRR Act that would reduce state flexibility within the Highway Safety Improvement Program (HSIP) by narrowing the definition of a highway safety improvement project. These changes would negatively impact current state efforts to improve highway safety and request that current policy be maintained.

Authorize a National Freight Program

NCSL supports the \$1.9 billion authorized in the DRIVE Act that would allow states to best provide for the effective and efficient movement of freight. Ensuring the safe and timely movement of goods across the nation by developing a national freight program is a key component of both the DRIVE and STRR Acts.

Support TIFIA While Ensuring Access to All Funding and Financing Options

NCSL opposes the reduction in annual TIFIA funding from its current allocation of \$1 billion. A decrease would reduce the ability of states to attract private sector partners at a time when overall funding for transportation is significantly constrained. We urge you to maintain current funding levels for TIFIA while expanding credit-based and loan guarantee programs to incentivize private sector investment in projects sponsored by the public sector. State infrastructure banks are another example of innovative financing methods, and NCSL supports the provisions in both the DRIVE Act and STRR Act that would improve their capitalization and provide more attractive financing opportunities. Additionally, all funding and financing options must be available to state legislatures for state and federal-aid programs. Current federal restrictions on states' authorities to toll should be

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removed so that states can optimize resources for capacity expansion, operations and maintenance while ensuring free flow of goods and people.

Strike Provisions to Rescind Contact Authority

NCSL urges you not to include the rescission of \$6 billion of unobligated contract authority on July 1, 2018, from the Federal-aid Highway Program, as outlined in Sec. 1415 or the STRR Act in the conference report. States rely on their unobligated balance levels in programming federal funds and such a rescission would hamper state funding flexibility.

Over the past two and a half years, states have invested billions of dollars to repair and upgrade our nation's surface transportation assets to ensure their continued safety and viability. However, states cannot do this alone. We respectfully request that the conference committee address the concerns of state legislatures as you work quickly to pass a fully funded, long-term surface transportation reauthorization bill. NCSL looks forward to working with you as the conference committee begins its work.

Please contact Ben Husch (202-624-7779 and ben.husch@ncsl.org) or Melanie Condon (202-624-3597 and melanie.condon@ncsl.org) for any additional information.

Sincerely,



Senator Curt Bramble
President Pro Tem, Utah Senate
NCSL President



Senator Mike Gronstal, Iowa
Majority Leader, Iowa Senate
NCSL President-elect