August 29 now appears to be the "drop dead date" for Congressional action to avert a shortfall in the Highway Trust Fund, the U.S. Department of Transportation said this week. Meanwhile, U.S. Transportation Secretary Anthony Foxx hit the road to make the case for infrastructure investment as state officials from around the country continued to talk about the impact of federal uncertainty on their projects. I also have my usual roundup of items on state activity on transportation revenues, public-private partnerships and tolling and state multi-modal strategies.

**USDOT Updates Trust Fund Ticker**

The U.S. Department of Transportation this week updated its online Highway Trust Fund ticker that tracks when the fund is expected to run out of cash. On March 28, the fund’s highway account contained $8.4 billion. It’s expected to remain relatively stable through May but then see a rapid decline as spending accelerates with the summer construction season. In July, the balance could drop below $4 billion, the minimum amount USDOT prefers to keep in the highway account to properly manage day-to-day financial operations. Moreover, an expected $300 million shortfall by the end of August will widen to $700 million by the end of the fiscal year in September, projections show. The fund’s transit account is expected to finish the fiscal year with a $1 billion balance.

Senate Budget Committee Chair Patty Murray Tuesday called on Congress to act to avert a crisis that would impact transportation projects around the country.

“Today’s update from the Department of Transportation should be a wake-up call to Congress,” she said in a statement. “The Highway Trust Fund is heading toward an avoidable crisis as early as July, and if we don’t act, it could lead to a construction shutdown on our nation’s roads and bridges. Every day that Congress waits to address this looming crisis, states will be forced to make difficult planning decisions, as many already have, to delay projects that improve roads and bridges in their communities.”

Murray said she hopes Congress will take advantage of seemingly bipartisan agreement on corporate tax reform as a potential vehicle for producing the revenues needed to shore up the fund. But she also used the occasion to criticize the House Republican budget, which would virtually shut down the federal transportation program for FY 2015.

“We should give states the certainty they need to avoid a construction shutdown this summer by making sure the Highway Trust Fund can continue to support projects that create jobs and spur economic growth,” Murray said.

**Foxx Hits the Road**

U.S. Secretary of Transportation Anthony Foxx took off on an eight-state bus tour this week to rally
support for the Obama administration’s proposed four-year, $302 billion transportation funding plan, which would rely on tax code changes to produce needed revenues.

The secretary has been blogging all week from stops along the way. In Louisville Tuesday, he visited the Ohio River Bridges project, one of the nation’s largest highway construction projects.

“As a result of this project, the routes between Louisville and southern Indiana will now be able to handle twice the amount of traffic that they used to, improving capacity and traffic safety,” Foxx writes. “More than that, building these bridges will support more than 4,000 construction and engineering jobs. But that’s just the start—over 15,000 additional jobs will be created over the next thirty years thanks to the economic growth this project generates.”

Foxx went on to note that the project has taken advantage of $1 billion in federal funding and loans. But he warned that investments like that may be harder to come by in the future.

Meanwhile, the Congressional Budget Office said this week that under President Obama’s proposed 2015 budget, the Highway Trust Fund would still have insufficient revenues to meet obligations in FY 2015, The Hill reported.

Federal Uncertainty Impacting States’ Plans

In a letter to Congressional leaders this week Vermont Gov. Peter Shumlin urged them to replenish the Highway Trust Fund so his state can move forward with road and bridge projects critical to job growth, public safety and the overall health of Vermont, the Associated Press reported.

“Without a resolution to this fiscal dilemma, Vermont will not be able to fund much-needed road, bridge, rail and transit programs that are critical every year but especially this year following a particularly harsh winter,” Shumlin wrote. “At a time when we’re working hard to create jobs and grow economic opportunity, prompt congressional action is critical.”

Vermont officials are about to issue contracts for work on transportation projects but they don’t yet know if money from the federal government will be there.

A number of others states have the same concerns, according to an article this week from Governing magazine’s new transportation writer Dan Vock.

Vock reports that Tennessee has already scaled back its plans for the summer and stopped engineering work on all new construction. Arkansas has canceled 10 projects for this summer citing the federal uncertainty. South Dakota Transportation Secretary Darin Bergquist said his state must decide soon whether to shorten the list of projects it bids out in 2014. And while Oregon has not put off projects yet for this year, transportation planners are keeping a close eye on Washington, Vock notes.

“We are absolutely worried,” said Oregon DOT spokesman Dave Thompson. “How can we plan six years ahead if we don’t even know how much money we will be getting six months from now?”

The impact on states was also on the mind of Secretary Foxx this week, who told a Politico reporter: “The urgency ... cannot be overstated. I've talked to governors across the country who are as soon as July going to be letting contracts, and they don't know what the future holds, so they're going to not do as much infrastructure work as they could have. So I'll let Congress work through their own ideas on timing.”

MAP-21 Reauthorization & the Future of the Highway Trust Fund
Congressmen John Delaney of Maryland and Mike Fitzpatrick of Pennsylvania have proposed using one-time revenues from repatriated earnings as a temporary means of funding the Highway Trust Fund while Congress negotiates a more long-term solution, *The Hill* reported this week. Repatriated revenue comes from transferring foreign earnings or returns on foreign investments. The Congressmen have also proposed an infrastructure fund as a potential long-term solution.

**State Activity on Transportation Revenues**

**Arizona:** The Chairman of the Arizona State Transportation Board takes the legislature to task for diverting money from the state’s Highway User Revenue Fund to other budget purposes in a recent op-ed for the *Arizona Daily Star*.

**California:** Senate President Pro Tem Darrell Steinberg, who in the past supported an unpopular carbon tax on consumer fuels, now says he wants to dedicate billions of dollars generated by the state’s greenhouse gas reduction law to affordable housing, mass transit and high-speed rail, *the Associated Press* reported.

**Iowa:** A proposed fuel tax increase that stalled in the state Senate resurfaced in the House this week, *The Gazette* reported. House Transportation Committee Chairman Josh Byrnes filed an amendment to House File 2444, calling for a reduction in the state’s per gallon fuel tax but tacking a 5 percent excise tax onto the wholesale price of gasoline. The net result would be a 10-cents-a-gallon increase that could help the state DOT fund a $215 million backlog of repair projects.

**Missouri:** A Senate committee hearing this week on a proposed constitutional amendment to increase the state sales tax to provide $800 million annually for transportation brought into sharp focus the hurdles the measure faces, *The St. Louis Post-Dispatch* reported. Sen. John Lamping, who helped kill a similar proposal last year, said his opposition had not changed. Lamping agrees additional funding is needed but he says a better way to fund transportation would be to dedicate a stream of funding from current revenue or to consider a more targeted use tax such as tolls or a gas tax increase (see also this op-ed from Joseph Miller of the Show-Me Institute).

Others at the hearing countered that there are already too many dedicated revenue streams in the state budget and that voters are more likely to support a sales tax than a gas tax increase. If approved, the proposed constitutional amendment would go before the voters in November.

**Virginia:** *In a recent column* *Richmond Times Dispatch* columnist Jeff Schapiro argues Gov. Terry McAuliffe is “dismantling the transportation legacy” of former Gov. Bob McDonnell.

**Public-Private Partnerships & Tolling**

**Florida:** A recent *Sun Sentinel* editorial questioned where Gov. Rick Scott comes down on the issue of recent toll hikes imposed by state and local highway managers.

**Kentucky:** Gov. Steve Beshear vetoed legislation that would have allowed public-private partnerships for the construction of infrastructure projects but would have also banned tolls on the Ohio River-spanning Brent Spence Bridge and its replacement, *The Cincinnati Enquirer* reported. “It is imprudent to eliminate any potential means of financing construction of such a vital piece of infrastructure that serves not only the Commonwealth and the state of Ohio but also the eastern United States,” the governor said. Kentucky Auditor Adam Edelen also made the case for tolls in a speech Tuesday to the Northern Kentucky Chamber of Commerce, *The Enquirer* also reported. “When you are trying to do a large infrastructure project and you look around the country, every single one of these similar projects have involved a tolling component,” Edelen said. “It is very short sighted to eliminate any of your options. … Difficult truths are sometimes difficult to hear. But to have political leadership in place that tells people that they can have something without having to pay for it is disingenuous.”

**New York:** The heads of the state’s three largest transportation providers said last month that public-private partnerships will likely play an increasingly large role in transportation projects as
state and federal dollars continue to dwindle, Newsday reported.

- **North Carolina:** The state DOT has announced the successful bidder for its first P3 contract to improve traffic flow along I-77 in the Charlotte area. Cintra Infrastructures, which manages numerous managed lane projects around the country, will construct the project in a joint venture with three other firms.

- **Pennsylvania:** The state DOT’s Office of Public-Private Partnerships is accepting unsolicited P3 proposals for transportation projects from the private sector through the end of the month. Another submission period will take place in October.

- The Eno Center for Transportation will issue a report later this month identifying barriers to the increased use of P3s in the United States and outlining approaches to overcoming these barriers.

**State Multi-Modal Strategies**

**Active Transport**

- The Alliance for Biking and Walking has released its biannual benchmarking report, which measures the scope, status and benefits of biking and walking across the country. Streetsblog USA looked at the report’s findings in a series of posts including one entitled “5 Things You Should Know About the State of Walking and Biking in the U.S.” And the Star Tribune reports that “Minneapolis gets high marks in biker and walker safety.”

- The Better Cities & Towns blog had a post this week on “Avoiding mistakes in bike-ped infrastructure.”

- Illinois: The state now has a long-range bicycle plan outlining policies, best practices and a strategic direction for the state DOT in implementing bike-related projects.

- **Washington:** The Seattle City Council will overhaul its bicycle master plan to provide separated bike lanes as well as calm backstreet routes called greenways, McClatchy News reported this week.

**Transit**

- **District of Columbia:** The New York Times this week looked at the potential economic impact of a streetcar line on Washington’s H Street corridor.

- **Oregon:** Portland-area transit provider TriMet this week unveiled the name selected for the new Portland-Milwaukie light-rail bridge, which legislators attending the CSG Transportation Policy Academy had the opportunity to see under construction last year. The name: Tilikum Crossing, Bridge of the People. It’s the first new bridge to be built over the Willamette River in Portland in more than 40 years, will be the first cable-stayed bridge in the region, and will be the first multi-modal bridge in the United States to carry light-rail and streetcar trains, buses, bikes and pedestrians but no private vehicles, according to Progressive Railroading.

- **Tennessee:** The Atlantic Cities blog examines the debate over Amp, Nashville’s proposed bus rapid transit system.

- **Virginia:** The Silver Line Metro extension, already late and over budget, faces more problems and may have claimed a couple of notable resignations this week, according to The Washington Post. Elsewhere, an anti-streetcar Arlington County Board member who won a special election just last week tried to get the long-planned Columbia Pike streetcar project defunded this week, the Post reported.

- **Washington:** King County voters will vote by mail Tuesday on whether to increase their sales taxes and car tabs to fund Metro Transit and fix roads. The Seattle Times laid out the arguments being made for and against.

- Forbes has an excerpt this week from a new eBook by contributor Micheline Maynard that looks at the battle between highway advocates and those who want more public transportation.
Transportation Safety

- *The Washington Post* looks at “The case for almost never turning left while driving.” [42]

Cargo/Freight

- **Missouri**: MoDOT is engaging business and local leaders and freight industry stakeholders in a discussion regarding funding the state’s freight infrastructure, *the department reported*. [43]
- After a recent delegation to see the Panama Canal expansion project, leaders of the American Trucking Associations said they are more convinced than ever of the need to fund U.S. infrastructure improvements in order to handle the freight volume increases expected at the nation’s ports in the coming years as a result of the expansion, *Transport Topics reported*. [44]

By: Friday, April 18, 2014 at 04:08 PM

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