» Federal Uncertainty
Last summer, Congress approved an extension of 2012’s MAP-21 surface transportation authorization legislation and patched up the depleted federal Highway Trust Fund with a $10.8 billion infusion from the general fund. That extension is expected to allow states to reimburse contractors for work on projects only through May, just as the road construction season begins in many states. While MAP-21 was a two-year bill, the federal transportation program has seen numerous temporary extensions in recent years, many of a much shorter duration. Many believe this approach, which makes it difficult for state officials to do long-term planning, is doing damage to the nation’s transportation system. It will be up to Congress—including the new Republican Senate—to decide whether the practice continues, whether long-term certainty can once again be a hallmark of the federal program or whether the federal government will scale back its role in transportation and leave it up to states to determine a path forward.

» State Funding Efforts
Following the deluge of major transportation funding packages passed by states in 2013, elections and other factors combined to make 2014 a somewhat quieter year. But a large number of states appear poised to tackle transportation funding during their 2015 legislative sessions. Among the policy ideas that could be in play: gas tax increases and indexing, mileage-based fees, vehicle registration fees, sales taxes, bonding and tolling.

» Public-Private Partnerships & Tolling
2014 was a transitional year for public-private partnerships, also known as P3s, and tolling that could have ramifications for 2015 and beyond. The private entity running the Indiana Toll Road went through bankruptcy. Virginia revised its procurement guidelines in the wake of a canceled P3 project. A controversial widening project prompted Colorado to rethink the issues of transparency and public input in P3 projects. An anti-toll backlash emerged in Texas, where toll roads have proliferated in recent years. Maryland voters elected a Republican governor who has expressed concerns about two innovative P3 light rail projects. These events all took place during a year in which both Congress and the Obama administration weighed in with encouragement for P3s and expanded tolling.

» Project Selection
With additional revenues for transportation hard to come by in the years ahead, planners and policymakers will have to be more selective about the projects in which they choose to invest. Those decisions likely will be influenced by a growing number of new metrics and methods, technological, demographic and lifestyle changes, and other factors.

» State Pathways to Prosperity: Infrastructure & the Economy
The Council of Economic Advisers estimates every $1 billion in federal highway and transit investment would support as many as 13,000 jobs for one year. A 2014 Duke University study found that underinvestment in infrastructure has cost America more than 900,000 jobs, including 97,000 in manufacturing. Much of that underinvestment has taken place over the past few years as the United States struggled to recover from a devastating recession and as Congress struggled repeatedly to scrape together the dollars to prop up a $50 billion federal surface transportation program. But America’s economic competitors are not following suit with conservative investment levels. China, for example, approved $113 billion worth of infrastructure projects in late 2014 in an effort to bolster its own slowing economic growth. A growing number of states also are recognizing the potential economic benefits of infrastructure investment, and those benefits appear likely to play a big role in making the case for future investment at the federal and state levels in 2015 and beyond.

For more information on these topics and for additional resources on transportation policy, see » www.csg.org/top5in2015.
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SEAN SLONE

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Before joining the CSG staff in 2006, Slone spent 10 years as a producer for C-SPAN in Washington, D.C., and five years as a producer/reporter for Kentucky Educational Television, where he covered the Kentucky General Assembly. Slone has a bachelor’s degree in television production from Emerson College and a master’s degree in journalism from Northwestern University’s Medill School of Journalism.

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CSG provides state leaders a variety of regional and national opportunities to actively engage on issues of importance to their jurisdictions and constituents. CSG’s regional and national committees and task forces are designed to encourage multi-state problem solving, the sharing of best practices, and networking among state officials and between the public and private sectors.

CSG’s Transportation Public Policy Committee is chaired this year by Sen. Mike Vehle of South Dakota, and the vice chair is Tennessee Transportation Commissioner John Schroer. The committee focuses on such issues as America’s infrastructure needs and federal and state transportation funding.

The committee will hold its next meeting at the 2015 CSG Annual Conference, Dec. 10-13 in Nashville, Tenn. CSG also hosts invitation-only Transportation Policy Academies for regionally selected state legislators serving on transportation committees at various times during the year.

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