

CSG National Leadership Conference

La Quinta, California

May 17-20, 2012

Transportation Policy Task Force Meeting
Friday, May 18, 2012
Meeting Summary & Minutes

Presiding: Rep. Alice Hausman (DFL-MN), Co-Chair
Sen. Kevin Van Tassell (R-UT), Co-Chair

CSG Staff: Sean Slone, Senior Transportation Policy Analyst

Attending: Gordon Fry (Global Automakers), Christiane Berube (National Assembly of Quebec), Ross Good (Chrysler), Renee Wadsworth (Alliance of Auto Manufacturers), George Cook (Toyota), Brydon Ross (CSG), Less Miller (Google), David Bauer (Global Automakers), Assemblyman John Amodeo (New Jersey), Jackie Clark (Ash Grove Cement Co.), Rep. Mary Liz Holberg (Minnesota), Bruce MacRae (UPS), Rep. Elizabeth Cascado (Puerto Rico), Rep. Maria Vega Pagan (Puerto Rico), Rep. Angel Pena Ramirez (Puerto Rico), Rep. Maria de Lourdes Ramos (Puerto Rico), Rep. Helene Keeley (Delaware).

Speakers:

- **Brian D. Taylor, Ph.D., UCLA** – Professor of Urban Planning & Director, Institute of Transportation Studies
- **Bert Sandman, Transportation California** – Executive Director
- **Michael Gillam, Parsons Brinckerhoff** – Vice President & Deputy Program Director-Southern California, California High Speed Train Project
- **Pat Thomas, UPS** – Vice President of Public Affairs
- **Michael Rouse, Toyota Motor Sales, USA** – Vice President – Diversity, Philanthropy & Community Affairs

Talking Points

Brian D. Taylor, UCLA

- The century-long federal/state transportation partnership is crumbling.
- There are bitter partisan disagreements over the benefits of taxing to build, operate and maintain transportation infrastructure and further disagreements over the appropriate level of government to do those things.
Taylor: “While partisan disagreements are not new, there is a long history of bipartisan action on things related to transportation bills and development from much of the 20th Century and these kinds of disagreements are in many ways new.”
- There are philosophical disagreements about promoting mobility or promoting alternatives to driving.

- A century ago the roles for federal, state and local governments in transportation were distinct and not integrated. The federal role was in respect to postal roads but it was relatively minor. The state role was rural roads and states were struggling with a growing level of bonded indebtedness. Cities collected property taxes for streets and public transit was privately owned and operated. The question of who should build, maintain and pay for needed road upgrades was up in the air, as it is today.
- Transportation policy over the last century can be divided among four distinct periods:
 - 1920-45 – Establishing roles and commitments – It was during this era that the model of the federal/state partnership was established along with a system of user finance based on the motor fuels tax. Federal matching funds to motivate states to invest in highways were also established. Bond finance was all but abandoned because roads at the time weren't seen as a generalized public benefit.
 - 1945-70 – Mass production of highways – During this period, there was broad support for increased taxes/fees targeted to highway development. Unlike today, transportation taxes and fees were increased at regular intervals to keep pace with increasing costs. The user fee concept was codified by moving transportation finance into trust funds. Private urban transit systems experienced wholesale bankruptcies and there was a gradual shift to public ownership and subsidy.
 - 1970-90 – Fiscal Retrenchment / Rise of Multimodalism – During this period, there was an unraveling of support for the highway program. Motor fuels taxes did not increase for 20 years.

Taylor: "Motor fuel taxes for the most part ... are levied on a cents per gallon (basis) and because of that, if there is inflation or there is increasing fuel efficiency, you must increase that levy to actually keep pace. Politically that's a nightmare. You don't ever want an instrument that requires you to go through the politically symbolic act of raising the levy in order to keep in the same place. And unfortunately that's a quality that has killed the motor fuel tax. If it were indexed in some other way—and there have been efforts to index it but they have been politically difficult rows to hoe. Because of that, if you don't do anything ... to a motor fuels tax, it starts to erode over time."

During the period, there was also a shift in legislative attention from highways to public transit in large metropolitan areas. Long-standing bi-partisan support for transportation investment as an economic development tool started to erode and shift into partisan rifts over tax increases.

Taylor: "Republicans have never liked redistributive programs but there was a long coalition of what might be called the Chamber of Commerce wing of the Republican Party that was always more supportive of levies that had clear investments in infrastructure to promote economic development and that has sort of gone by the wayside, at least for right now. And so in a sense we have arguments more about should there be taxation at all and it operates at many levels of government."

- 1990-? – Era of Ad Hoc Projects and Finance – This period has seen the unraveling of the long-standing commitment to user fees dedicated to transportation. The state role in transportation has declined relative to metropolitan planning organizations due to an unwillingness to increase user fees. The use of bonds and general taxes to fund transportation—two mechanisms once thought inefficient and inequitable—have

returned to the forefront. This era also saw the rise of project earmarks in transportation bills.

Taylor: "You do focus groups and you ask people ... 'would you rather have a nickel increase in the gas tax or would you rather pay a penny more on the sales tax?' About 80 to 85 percent of the people say 'I'd rather have a penny on the sales tax.' When asked why they say 'well, because a penny is so much less than a nickel.' If there's a follow-up question that says 'Do you realize the average household will pay about twice as much in a given year on a one-cent sales tax than they would on a nickel increase in the gas tax' and then you re-ask the question, about 85 percent say they would prefer the gas tax (increase)."

- 2012 looks eerily similar to 1912 in terms of the waxing roles of states and cities/regions and waning role of the federal government in addressing surface transportation problems.
- The broader logic of public finance is in crisis with debates over transportation taxes becoming increasingly abstract. It has become difficult to link taxes and prices to solving particular problems. But local sales taxes linked to specific projects have proven relatively popular.
- There is no longer any consensus on the benefits of transportation and whether increases in vehicle travel should be accommodated or punished.
- Federal and many state transportation programs are disintegrating with a trend toward local projects and away from big, multi-modal programs.
- There is widespread belief in the inelasticity of travel demand. Supporters and opponents of taxes and fees view them as punitive. Big capital projects are what make news and not projects needed to manage congestion with intelligent transportation system technologies or other means. The nation faces an operations and maintenance funding crisis.
- The ultimate objectives of transportation systems are poorly understood and articulated. The links to economic productivity and quality of life are not systematically analyzed and costs and benefits are often confused. Such analysis is usually not part of the decision-making process.
- States have essentially four options to finance transportation:
 - **Raising fuel taxes** – The pros of this option include that fuel taxes are an established revenue raising method, dire needs provide political motivation to increase them, an increase would be administratively simple and could be implemented almost overnight, raising the gas tax will help increase fuel economy, the need for frequent hikes could be eliminated through indexing and fuel taxes are considered fair by some. Cons include voter resentment of fuel taxes, the fact that the current political situation is unfavorable to an increase, fuel tax revenues drop as fuel efficiency increases, higher taxes will probably not reduce demand much, fuel tax increases are one-time fixes if they are not indexed to a measure of inflation, indexing can be politically difficult to maintain and fuel taxes are considered unfair by some.
 - **Increasing subsidies (especially local option sales taxes)** – Pros include they are fairly popular and feasible revenue-generating devices, they're imposed by direct democracy (referenda), they keep the revenue at home, they fund the programs voters value most, they aren't difficult to administer, they're dedicated to transportation and they can raise revenue quickly. Cons include that they are an unstable funding source depending on economic conditions, they are relatively inflexible (often voters are asked to approve a slate of projects and if circumstances change, officials are often

- bound by that slate), they keep the revenue at home (so you can't move the money around to where it's needed), they are regressive, they tie the hands of planners and policymakers, they are unconnected to transportation system use, and the most popular programs may not be the best ones.
- **Bond finance** – While not a revenue source, bond finance is a tactic used to fund transportation in many states. Pros include they may make solid financial sense, they allow construction of needed projects to be accelerated and building sooner might be worthwhile, they are politically viable, they can literally save lives (for example by replacing a crumbling bridge in danger of collapsing), repayment can be put off for the future which is only fair since future users will benefit, they guarantee revenues will be spent on transportation, and they make sense when expenditures are lumpy. Cons include there's no such thing as a free lunch, bonds don't allow us to build more—just more quickly, they have a high price tag, the politically expedient path may not be the best one, excessive bond issues may exhaust the state's borrowing capacity, the markets may demand a high risk premium, future tax revenues are difficult to forecast, bonds may relax fiscal discipline and they don't make sense when expenditures are constant from year to year.
 - **User fees & tolls** – Pros include user fees are an important principle, privacy concerns can be addressed, user fees increase effective capacity, even small changes in driver behavior make a big difference, user fees are considered fair by some, the toll burden will actually fall most heavily on the wealthy, while they may be regressive so are our current forms of finance, user fees can benefit the poor as well, the value of time is extremely high for everyone sometimes, motorist opposition tends to fade once pricing is in place, tolling is easier to implement than ever before thanks to new technology, and it may help the environment. Cons include that fees might invade privacy, they don't necessarily dedicate funds for transportation, the demand for travel may not always be easy to manage, user fees are an unfamiliar form of finance, user fees are considered unfair by some, tolling is regressive, user fees are politically difficult to enact, just because other finance methods are unfair doesn't make tolls any fairer, user fees are considered double-taxation by some, instituting electronic tolling is still quite difficult compared to other methods, tolling may actually hurt the environment.
 - Doing nothing may be the worst option of all.

Bert Sandman, Transportation California

- According to a 2011 Statewide Transportation Needs Assessment by the California Transportation Commission, California's unfunded needs are \$295 billion through 2021. The shortfall is about 50 percent.
- **Maintenance Needs are Growing:** 58 percent of California roadways require rehabilitation or pavement maintenance. 20 percent of bridges require major maintenance or preventive work while 6 percent require complete replacement. California has six of the nation's 10 worst urban area pavement conditions and 14 of the nation's 20 most congested transportation corridors. 66 percent of the state's major urban highways are congested.
- Poor road conditions cost Californians \$13.9 billion annually (\$586 per motorist) and contribute to more than half of U.S. highway fatalities.

- California's population will grow by 15 percent from 38 million to 44 million by 2020. Number of vehicle miles traveled in the state is growing 10 times faster than lane miles. Truck freight is expected to increase 75 percent by 2035.
- State bond funds from 2006's Proposition 1B will run out and funding for transportation will collapse from a high of \$13 billion in 2008-09 to just over \$6 billion in 2013.
- **Jobs:** Each \$1 billion invested in transportation creates approximately 30,000 jobs. The construction industry nationally is reporting 20 to 40 percent unemployment.
- **Commerce is at Risk:** 84 percent of the U.S. economy is dependent on transportation infrastructure. Fully funding transportation needs would increase California's gross state product by 5 to 7 percent.
- The looming end of Proposition 1B resources has driven Transportation California to focus on developing a suitable and significant new transportation funding source. Transportation California spent two years analyzing a series of potential funding solutions that could help the state meet its unmet transportation needs:
 - **Encouraging Public-Private Transportation Investment** – Transportation California recommends adopting legislation necessary to attract \$1 billion in private transportation investment annually.
 - **Reinstating a Vehicle License Fee** – Transportation California recommends increasing the Vehicle License Fee to the pre-2006 rate schedule of 2 percent of vehicle value (it's currently .64 percent). That would raise approximately \$3.7 billion annually.
 - **Increasing Fuel User Fees Annually** (raising the gas tax) – Transportation California believes a fuel user fee increase would promote innovation, decrease dependency on foreign oil, improve air quality, fund a modern transportation system and create jobs. The organization believes it is the most practical funding solution, is simple and fair, is easily administered, is in concert with sound energy policy, and would be surprisingly inexpensive. At 55 cents per gallon, the fees cover only 50 percent of road maintenance and operations. In Canada and Europe, such fees average \$4.43 per gallon. Each 1 cent increase in the fuel user fee costs the average driver \$5.54 annually and raises \$200 million. Transportation California recommends a regular annual fuel user fee increase of 8 cents per gallon, which would raise approximately \$1.6 billion annually.
 - **Harvesting Cap & Trade Fees** – California will begin collecting fees associated with fossil fuel-related air pollution this year. Transportation California believes re-investing these cap-and-trade fees in the state's transportation system would improve air quality, reduce emissions and serve the goals of cap and trade policy. Transportation California recommends that cap and trade fees be directed to the maintenance of the state's transportation system. The fees could raise \$2 billion annually.
 - **Instituting a Tire User Fee** – California consumes approximately 35 million tires annually. Transportation California recommends the assessment of a \$10 per tire user fee, which could raise approximately \$350 million annually.
 - **Instituting a Vehicle Miles Traveled (VMT) Fee** – Californians travel approximately 350 billion miles annually. Transportation California recommends a 1 cent per mile VMT fee that could raise \$3.5 billion annually.

Sandman: "If you add up ... these six possibilities that I mentioned, it generates about \$12.15 billion. That's assuming you could get all this passed, which politically is virtually impossible. We'd still be \$5 billion short of the (\$17 billion annual need the state faces)."

- **Proposed New Transportation Funding Concept:** Following a two-year analysis of alternative concepts to increase transportation funding, the Transportation California board has determined to pursue a new Transportation System User Fee modeled on the Vehicle License Fee.

Sandman: "We've discovered that this one polls the best. Close to 60 percent of the people feel that reinstating the Vehicle License Fee is a solution that will work politically."

- **Status of the Effort:** A constitutional amendment has been drafted that Transportation California plans to introduce after the political issues are settled that surround the competing tax initiatives to be included on the November 2012 ballot. A committee sponsor in the legislature has been identified. Phase 1 political research including a series of four focus groups has been completed. Additional political research including an aggressive, campaign-like phone survey is the next step.

Sandman: "We feel it has some possibility (of success) in the next couple of years."

- **What the Bill/Constitutional Amendment Would Do:** It would authorize a new user charge/fee (tax) on vehicles, structured to mirror the tax collection process utilized historically for the Vehicle License Fee. It would add a new article to the state constitution, providing the level of protection necessary for voter approval and for transportation agencies to plan and execute their programs. The amount of the charge would be 1 percent of the value of a vehicle and follow the Vehicle License Fund statutory depreciation schedule. Distribution of revenues will follow the formula created in 2003's Proposition 42 for revenues from state sales and use taxes on the sale of motor vehicle fuel: 40 percent to State Highway Account, 40 percent to cities and counties for local roadways, and 20 percent for transit (15 percent of this for operations related to new investment).
- **Expected Impact:** The new user charge is expected to raise \$2.7 billion to \$3 billion annually (equivalent to a 17 to 18 cent per gallon gas tax increase). 27 million vehicles would be subject to the charge. The potential for revenue growth exists as vehicle sales are beginning to increase. But the plan does not address the known overall funding shortfall. Transportation California is also exploring other alternatives, including a rudimentary mileage fee.

Michael Gillam, Parsons Brinckerhoff

- The California High-Speed Rail Project is the state's largest infrastructure project.
- Phase 1 of the project will extend 520 miles between San Francisco and Anaheim.
- Phase 2 would include extensions to Sacramento and San Diego (creating an 800 mile-long system)
- Trains would operate at speeds up to 220 mph, 110-125 mph in urban areas.
- They would operate on 100 percent clean electric power.
- California's population is expected to grow from 38 million today to 60 million by 2050.
- **Comparison to Other Investments:** Creating transportation capacity equivalent to Phase 1 of the high-speed rail project would require construction of 4,300 new highway

lane miles, 115 additional airport gates, four new airport runways, and an estimated \$158 billion for road and airport expansions. An additional \$132.8 billion in operation and maintenance costs would be required for the additional highway infrastructure over 50 years.

Gillam: "The cost comparison to other transportation investments does not suggest or imply that that the equivalent capacity in highways or aviation would be needed and built in the same time frame; it is just a comparison of the cost of doing so ... The analysis does not calculate or imply a direct correlation between investment in one mode of transportation and avoidance of investment in the other."

- **Revised Business Plan:** The revised 2012 business plan for the high-speed rail project is better integrated with existing systems in Los Angeles and the Bay Area. Californians will realize benefits from investments in the high-speed rail system faster under the plan. Costs are one-third cheaper compared to the November 2011 draft business plan (\$65.4 billion vs. \$98 billion).
- **Phasing Approach:** The 2012 plan includes a new phasing approach that draws on international experience in building HSR systems and is tailored to address California's unique circumstances through collaboration with state, regional, local and private transportation partners. Each step builds toward a statewide HSR system and each resulting section has independent utility, meaning it is usable on its own and provides benefits without additional improvements. Early investments in the Bay Area and Los Angeles area "bookends" using \$950 million in Prop. 1A connectivity funding (Prop. 1A was the 2008 ballot measure approved by voters that provided funding for high-speed rail to leverage the \$3.3 billion in committed federal funding), Prop. 1A HSR funds, future federal funds and other sources will help set the stage for providing statewide HSR passenger service by 2029. "Blending" systems and operations with Caltrain and Metrolink minimizes community impacts and reduces construction costs.
- Construction of dedicated high-speed rail infrastructure will begin with the first segment of the Initial Operating Section between Merced and the San Fernando Valley, which is expected to be operational by 2022 (construction could begin next year). Current San Joaquin service will use the first segment as early as 2018 to reduce rail travel time.
- The first high-speed rail service to connect the San Francisco Bay area with the Los Angeles Basin will be launched in 2027.
- By 2029, passengers will be able to take a one-seat high-speed train ride from Los Angeles to San Francisco at a cost of \$81 in today's dollars, roughly 83 percent of average air fare.
- Specific timing for Phase 2 extensions to Sacramento and San Diego not yet determined.
- Estimated cost for completion of Phase 1: \$68.4 billion (compared to \$78.2 billion in draft business plan). The \$9.8 billion reduction is made possible by a change in the project's scope, acceleration of the project timetable and a change in the early inflation rates.
- **Funding:** State, federal, private and local funding resources are required. The new plan assumes no additional federal funding before 2015. Six billion dollars in funding has been identified for the first segment of the Initial Operating Section including \$3.3 billion in federal funds and \$2.7 billion from California Proposition 1A. New funding will be identified before additional construction would begin. Once passenger service begins, ridership and revenue will facilitate private investment. State cap-and-trade funds would

be available as needed for appropriation if federal and other funds prove inadequate to complete the Initial Operating Section. \$6.3 billion is available for the initial construction from federal grants awarded under the American Recovery and Reinvestment Act and the High-Speed Intercity Passenger Rail Program and state matching funds made possible by Prop. 1A.

- It is estimated that no operating subsidy would be required even with low ridership.
- **Jobs:** The high-speed rail project would create an average 20,000 jobs annually for five years of initial construction (100,000 job years), an average of 66,000 jobs annually over 15 years for Phase 1 Blended construction, and 2,900 permanent operations jobs for Phase 1.
- **Advantages of High-Speed Rail:** Developing high-speed rail will cost less than half what it would cost to expand freeways and airports to provide the same capacity. Environmental and social benefits would include: 320 billion fewer vehicle miles traveled over 40 years, 146 million hours saved each year, an annual 3 million ton CO₂ emission reduction, a 237 million gallon reduction in auto fuel use, and a 35 million gallon reduction in aviation fuel use.
- **Next Step:** The California legislature is considering a request for appropriation of \$2.7 billion of Proposition 1A General Obligation bonds through the 2012-13 budget process.

Gillam: "We're very, very optimistic about the project ... We believe that this project if it goes forth as we currently plan will be the first high-speed rail system in the United States but we don't expect that it's going to be the last. Earlier this week, there was a multi-state compact that met ... in Los Angeles ... and every Western state has representatives within this compact and they are looking at how to connect their individual high-speed system to the California high-speed system and to do that in a logical way ... Then we have the larger discussion of how to connect a regional high-speed rail system to an overall nationwide high-speed rail system. The Federal Railroad Administration has put forth their vision for how a high-speed rail system could begin to be developed nationwide."

Pat Thomas, UPS

- **Why UPS cares about transportation infrastructure and how it gets funded:** The company has more than 73,000 vehicles on the road delivering 15.5 million packages per day. Its 400,000 employees travel 2.9 billion annually and consume 530 million gallons of diesel, gas and alternative fuels each year. The company has an integrated multimodal transportation network, is one of the biggest customers of the class five railroads and operates the 9th largest airline with more than 220 planes.
- **Congestion Has a Significant Cost:** In 2010, congestion caused urban Americans to travel 4.8 billion hours more and to purchase an extra 1.9 billion gallons of fuel for a congestion cost of \$101 billion. A five-minute delay for the fleet can cost UPS \$103 million annually.
- **Challenges Transportation Faces:** Gridlock in Washington and the insolvency of the Highway Trust Fund have made it difficult to get a long-term surface transportation bill. *Thomas: "We had one of our members of the industry serve on a blue ribbon panel the administration put together several years ago to take a look at some of the possible solutions to the transportation infrastructure problem and their recommendation was that the U.S. invest about \$250 billion a year for the next 50 years in order to meet the*

needs of the highway system for all the infrastructure that needs to be done ... Congress is (currently) debating a bill that's a two-year bill for \$109 billion."

Freight traffic is forecasted to double by the year 2025. Passenger vehicle miles are projected to increase by 20 percent from 3 trillion in 2008 to 3.6 trillion in 2018. Lane miles are not increasing. Only 26 states have constitutional or statutory dedication of transportation revenues to transportation. A lack of a holistic approach to transportation (including freight) has meant that parochialism rules.

Thomas: "Solutions need to be bigger than local solutions."

Freight doesn't vote.

- **Potential solutions:** Solutions may include increased fuel taxes and tolls and alternative funding mechanisms like a system based on vehicle miles traveled. Some wonder whether meeting freight needs should be part of a national strategy or be the responsibility of state governments.

Thomas: "I think we all agree that we need more money in the highway system and the infrastructure. And for the first time in a very long time, the trucking industry now says 'yes, we need to raise our fuel taxes.' We have been on record for years and years and years saying no. We've had the same federal fuel tax since 1993. Forget the increased amount of freight and travel on the highways today, just the cost of inflation over that period of time has eaten up any ability to do anything with the system ..."

Thomas: "Tolls (are) a very popular idea in the states today. The trucking industry has long opposed tolls and the main reason is the cost ... The fuel tax system is by far the cheapest and most efficient way to collect a user fee or a tax for use of the highway system. It is less than 1 percent for every dollar of revenue. Tolls ... it is somewhere in excess of 20 percent. So you can collect a dollar of fuel tax and spend less than a penny or you can collect a dollar of toll and spend 20 or 25 cents collecting that revenue. So we continue to favor an increase in the fuel tax both at the state level and the federal level and in addition we have been on the side of proposing to index it so that it will keep up with inflation and the cost of things in the future."

Thomas: "Alternative funding mechanisms – vehicle miles traveled. We're getting a lot of talk around the country about that but it's not widely accepted. It has a couple of problems. Number one (is) the cost, similar to the tolls versus fuel tax issue. Most people think it's probably about a 20 percent overhead for that sort of a system ... In addition to that, there are real privacy concerns having to do with the VMT. So we have not been supportive of that but are willing to listen."

Thomas: "We understand that for a variety of reasons the fuel tax system isn't as efficient or as good as it used to be based upon the efficiency of the vehicles including trucks which have gotten more efficient as well as alternative fuels that people are using today and so there needs to be some change in the funding mechanism. But at this point in time there doesn't seem to be a consensus as to what that would be."

Thomas: "We do like the notion of focusing on freight—a national strategy versus a more local strategy. We have been in lots of talks both at our company and the industry

to try and bring freight into the planning process. I know there are many folks who have a goal of reducing vehicle miles traveled but in our business we already believe we operate at a pretty high level of efficiency and to decrease our vehicle miles traveled means we're doing less business ... We see growth requiring more vehicle miles traveled in the freight industry ... Somewhere between 70 and 80 percent of everything that you buy in a store today came on a truck and so the notion that you could take the trucks out of the picture just isn't viable today. With all due respect to our rail partners, it's pretty hard to drive a rail car up to the 7-11 and make a delivery of candy bars."

- **UPS commitment to alternative fuel vehicles:** The company is committed to growing its "rolling laboratory" of more than 2,500 alternative fuel vehicles. UPS began using electric vehicles in the 1930s. The company's U.S. and international fleets include varying numbers of hybrid electric, electric, propane, biomethane, compressed natural gas, liquid natural gas and ethanol vehicles.

Thomas: "As anxious as we are to be part of the solution, there is a cost versus benefit equation that you can't avoid. For example, some of our vehicles cost as much as twice as much to use alternative fuel because the technology just doesn't exist and the manufacturers aren't building these things in enough quantities to drive the costs down. New technology costs more. It's very, very expensive for companies like ours and others to enter this arena and try to be part of the solution. And so in states where we have the ability to get some help in the form of a tax credit to offset those costs, we've been very active and California, by the way, is one of them."

Thomas: "There's a problem in the United States with infrastructure for alternative fuels. You can't fuel a CNG vehicle everywhere. You can't fuel an LNG Class 8 tractor-trailer everywhere. We are experimenting with hydrogen vehicles. That's pretty hard to find at the Shell gas station. And so there are some infrastructure problems that we have to deal with and like everything else we talked about today, they cost money and so we have to figure out a plan to make that happen."

Michael Rouse, Toyota Motor Sales

- "100 Cars for Good" program launched in 2011.
- Point of the program is to allow non-profit groups to extend their reach and do their job more effectively by providing reliable transportation.
- As a company that manufactures transportation, Toyota realized it could help organizations by providing reliable wheels for them to accomplish their mission.
- Initial solicitation for participation produced 2,400 applicants last year. The number was narrowed down by outside panel of experts to 500.
- Beginning on May 14th and every day for 100 days, five charities will compete against each other on Facebook. At the end of the day, the one with the most votes gets the vehicle. The four runners-up get a check for \$1,000.
- This year there is a competitor from every state and the District of Columbia.

Rouse: "What we have found from this program is not just the benefit of somebody winning but when you compete in "100 Cars for Good," every one of the 500 finalists

gets a digital video camera from us so they can film their pitch. We also give them a kit that teaches them how to use social media, how to contact the local press, how to generate support ...”

Rouse: “We had a number of great posts on Facebook and on websites thanking Toyota and perhaps the most interesting one last year came from an organization in Phoenix that came in second. And they put a big post on their website that said “what’s so great about coming in second?” And what it did for them and we realized the impact of this program is that certainly they got the check for \$1,000 but what it also helped them do is increase the awareness of their organization because a lot of these organizations are small. They don’t have big budgets. But competing in this program gave them the wherewithal to gain fans around the country. And so they gained additional support, both financial and volunteer. The awareness goes up. And it kind of brought their organization together so that the folks who are part of the organization got mobilized around something. And it also gave them fluency in social media ... which then also helps them publicize their organization.”

Other Task Force Business

- The Transportation Policy Task Force did not consider any policy resolutions.
- Due to the lack of a quorum, the task force did not consider bills for inclusion in the next volume of Suggested State Legislation.
- Sean Slone from the CSG staff provided updates on
 - Transportation-related resources available on the [CSG Knowledge Center](#) website including recent policy briefs on transportation needs of seniors, the findings and recommendations of state transportation funding commissions, and state support for bike and pedestrian infrastructure along with regular blog posts on the debate over surface transportation authorization in Washington, the potential impact for states, and what states are doing to finance transportation on their own.
 - [A conference hosted by InfraAmericas](#) to be held June 19-20 in New York City that will focus on public-private partnerships in transportation, which is open to state legislators (a special public sector rate is available).
 - An invitation-only Transportation Policy Academy for state legislators that will take place in June in Washington, DC.
 - Preliminary planning for transportation-related programming at the CSG National Conference in Austin (November 30-December 3). Those with suggestions for transportation-related speakers or topics they’d like to see in Austin should contact Sean at sslone@csg.org .