



Obama Administration Reauthorization Proposal Summary

Investment Highlights March 2011

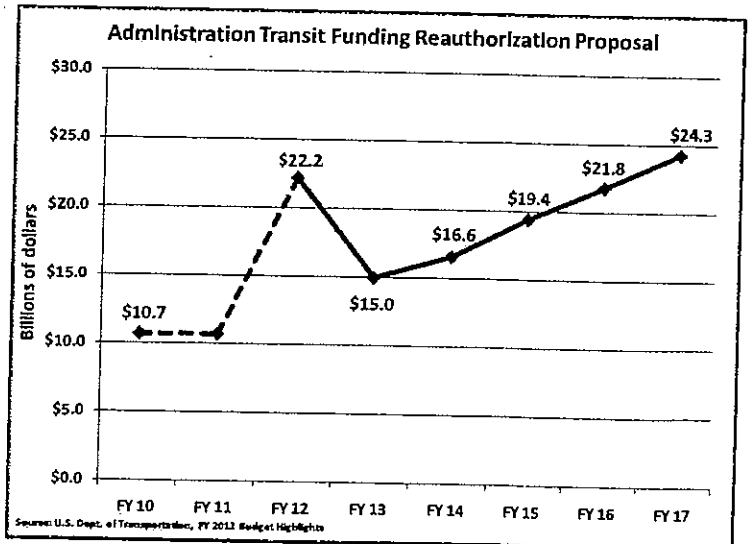
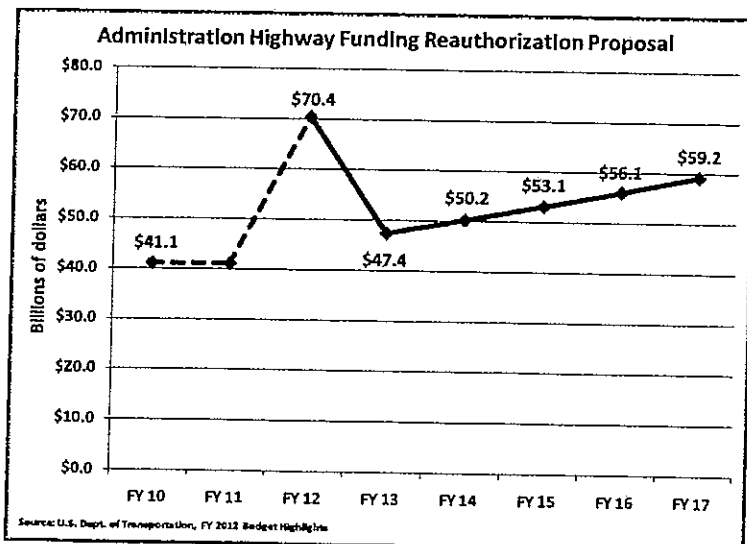
Total Surface Transportation Investment: \$551 billion (FY 2012-17)

- \$336 billion for highway activities (\$109 billion increase from SAFETEA-LU)
- \$119 billion for public transportation (\$66.4 billion increase from SAFETEA-LU)
- \$4.8 billion for truck safety (\$1.9 billion increase from SAFETEA-LU)
- \$7.4 billion for behavioral/vehicular safety (\$4 billion increase from SAFETEA-LU)
- \$52.6 billion for passenger rail (not included in SAFETEA-LU)
- \$30 billion for National Infrastructure Bank (not included in SAFETEA-LU)

“Up-Front” Economic Boost: \$50 billion (FY 2012 supplemental investments)

- \$27.7 billion for highway activities (included in six-year totals above)
- \$11.5 billion for public transportation (included in six-year totals above)
- \$3 billion for high speed rail (included in six year totals above)
- \$2.5 billion for Amtrak (included in six-year totals above)
- \$3.1 billion for AIP
- \$250 million for FAA facilities and equipment
- \$2 billion for intermodal grants

New revenues needed to support proposal: \$231 billion



Policy Reform Highlights

New Trust Fund—Create a new “Transportation Trust Fund,” replacing the Highway Trust Fund, and establish four accounts—one for highways, one for transit, one for high-speed rail, and one for the National Infrastructure Bank. Revenues from existing user fees remain dedicated to support current programs (e.g., existing gas tax revenues for highways/transit not redirected to passenger rail).

Off-Budget—The transportation programs would be moved “off-budget” and become “mandatory spending” with spending strictly aligned with revenues into the new trust fund.

Redirected Highway Program (61 percent of proposal’s six-year investments)—More than four dozen current highway program categories condensed into six areas:

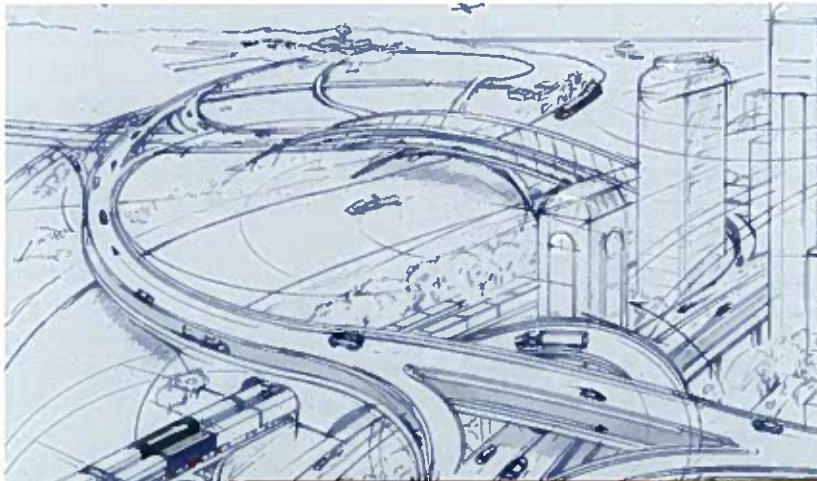
- \$257 billion would be directed to a new National Highway Program. Funds would be distributed by formula with nearly half for a “fix-it-first” program to rehab existing National Highway System road surfaces and bridges, and the remainder for a “flexible” program for projects on any eligible federal-aid road, including new capacity;
- \$27.5 billion to a “livable communities” program (CMAQ, enhancements, etc.);
- \$17.5 billion directed to infrastructure safety;
- \$17 billion would be available for a new “Transportation Leadership Award” for USDOT discretionary grants;
- \$9 billion for federal lands, tribal roads, emergency relief and workforce development;
- \$4.5 billion for research.

The proposal calls for development of performance management for the areas of maintenance and safety.

Transit Investments (22 percent of proposal’s six-year investment):

- \$46 billion for the core transit formula program;
- \$35.5 billion for a new “Bus & Rail State of Good Repair Program” to repair and purchase buses, rail cars and rail transit stations;
- \$20.6 billion would be provided to a new “Transportation Expansion” Program that consists of: New Starts; Livable Communities; and Planning;
- \$14.7 billion for a new “Transportation Leadership Award” program for USDOT discretionary grants; and
- \$2.3 billion for transit research, operations and safety programs.

National “I-Bank”—The Administration proposes to create a “National Infrastructure Bank” operating under the umbrella of the U.S. DOT to provide grants and loans (or a combination thereof) for national/regionally significant transportation infrastructure projects of all modes (highway, transit, rail, aviation, ports and maritime). It would receive \$5 billion annually in federal funds to leverage resources from state and local governments and the private sector over the six-year authorization. The bank’s investment decisions would be determined through a competition amongst applicants. As such, there would be no geographic formula or specific modal allocation of awards.



Freight Tsunami + Traffic Gridlock = Economic Disaster

America Needs the Critical Commerce Corridors Program

Movement of goods and services. So fundamental to our economy. **A disaster waiting to happen.**

We are already in gridlock. Key transportation corridors are choked. Our transportation network is reaching its breaking point. And freight traffic is expected to double in the next 25 years. To keep the economy growing and remain globally competitive, America needs new intermodal capacity.

Wasted time, wasted fuel, wasted opportunity. Business as usual just won't cut it anymore. America needs the "Critical Commerce Corridors" program.

Learn more about the solution:
www.criticalcommercecorridors.com.



MILLION JOBS

DEPEND ON THE U.S. TRANSPORTATION NETWORK

The transportation infrastructure network is the backbone of our economy.

Nearly 80 million American jobs in tourism, manufacturing, transportation and warehousing, agriculture and forestry, general construction, mining, retailing and wholesaling rely on highways, bridges and rail systems every day.

That's one big payroll. These industries provide a total payroll of \$2.8 trillion and

their employees contribute more than \$233 billion annually in state and federal payroll taxes.

So it makes sense to get working on passage of the overdue highway/transit investment bill. A lot of working Americans are depending on it.

*PASS A NEW MULTI-YEAR
HIGHWAY/TRANSIT BILL ASAP!*

www.transportationconstructioncoalition.org

American Road & Transportation Builders Association (co-chair) • Associated General Contractors of America (co-chair) • American Coal Ash Association
American Concrete Pavement Association • American Concrete Pipe Association • American Council of Engineering Companies • American Iron and Steel Institute
American Society of Civil Engineers • American Subcontractors Association • American Traffic Safety Services Association • Asphalt Emulsion Manufacturers Association
Asphalt Recycling & Reclaiming Association • Associated Equipment Distributors • Association of Equipment Manufacturers • Concrete Reinforcing Steel Institute
International Slurry Surfacing Association • International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers
International Union of Operating Engineers • Laborers-Employers Cooperation and Education Trust • Laborers' International Union of North America
National Asphalt Pavement Association • National Association of Surety Bond Producers • National Ready Mixed Concrete Association
National Stone, Sand and Gravel Association • National Utility Contractors Association • Portland Cement Association • Precast/Prestressed Concrete Institute
The Road Information Program • United Brotherhood of Carpenters and Joiners of America

A New Vision for America's Federal Surface Transportation Program

ARTBA's Recommendations for the 2009 Highway & Transit Investment Bill

The American Road & Transportation Builders Association (ARTBA) is calling on Congress to "reform, refocus, restructure and refinance" the federal surface transportation program when it is up for reauthorization in 2009.

In a 72-page report delivered to Congress and the Executive Branch in late 2007, ARTBA identified what it believes—in addition to improving safety—should be the two priorities driving future federal involvement in transportation:

- Ensuring that past mega-billion dollar investments in transportation infrastructure are protected and not allowed to fall into serious disrepair; and
- Building the new, multi-modal infrastructure capacity that is needed to facilitate continued U.S. economic growth and competitiveness.



Immediate Challenges

There are at least six transportation-related threats facing America that demand immediate attention:

Health & Highway Safety: The more than 43,000 lives lost and \$230 billion in lost productivity, insurance and property costs annually due to motor vehicle crashes;

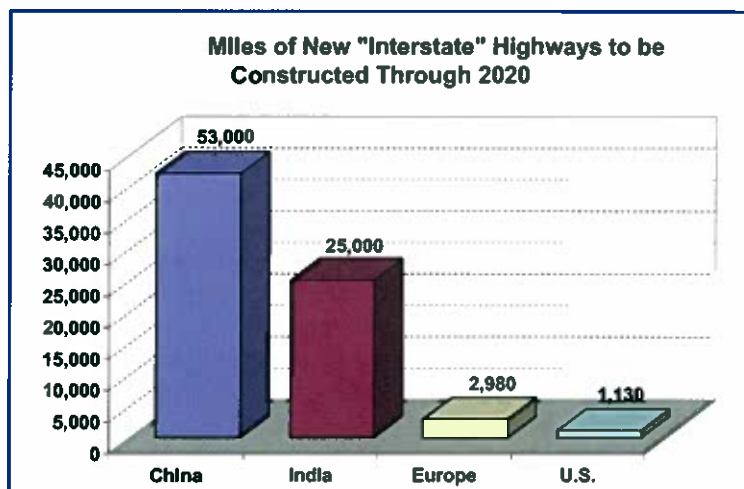
Congestion: Ever-worsening traffic gridlock that is now costing the U.S. economy \$78 billion a year and growing in lost productivity and wasted motor fuel;

Freight "Tsunami": A projected doubling of U.S. truck traffic in the next 25 years with just modest U.S. economic growth;

Global Competition: Massive, on-going investments in new transportation infrastructure capacity being made by China, India and the European Union to facilitate their quest to be global economic superpowers;

Crumbling Infrastructure: The current \$19 billion annual shortfall at the federal level in meeting the level of capital investments necessary just to maintain current highway physical conditions and performance; and

Transportation Financing at "Cliff's Edge": The expected insolvency of the federal Highway Trust Fund's highway account—the source of nearly half of all capital investments in transportation each year—beginning in 2009.



ARTBA's Vision

ARTBA is recommending that the existing federal surface transportation program be refocused and restructured, with two major components:

1. One would be an expanded and more efficient "core" highway and transit program aimed at improving regional mobility, and protecting past infrastructure investments, particularly on Interstate highways and bridges. ARTBA is advocating a minimum 10-cents-per-gallon increase in the federal motor fuels user fee and indexing it to inflation to help finance new transportation improvements. Public-private partnerships, innovative financing, tolling and new user fees are also part of the solution.

2. The second is creation of a 25-year "Critical Commerce Corridors" (3C) construction program—financed by new freight-related user fees—that would be focused on adding multi-modal capacity across the nation to help facilitate the safe and efficient movement of freight.



The U.S. Department of Transportation (U.S. DOT) would be charged with coordinating states' development of the 3C strategic business plan, identifying projects for development on a regional basis, setting completion priorities, and establishing cost estimates. ARTBA recommends the "3C" program be kicked off by tackling the nearly 200 traffic choke points on the Interstate Highway System that have already been identified by the U.S. DOT.

ARTBA's 3C initiative has been endorsed by the: **National Asphalt Pavement Association...** **American Concrete Pavement Association...** **National Stone, Sand and Gravel Association...** **Portland Cement Association...** and the **Association of Equipment Manufacturers**.

The 3C proposal was included as a "Top 10" recommendation in a July 2007 report, "A New Vision for the 21st Century," published by the **American Association of State Highway & Transportation Officials (AASHTO)**.

In January 2008, the congressionally-chartered National Surface Transportation Policy & Revenue Study Commission called for a well-funded, restructured federal program topped by two priorities: "Rebuilding America: A National Asset Management Program" and "Freight Transportation: A Program to enhance U.S. Global Competitiveness." The commission report echoes most of ARTBA's recommendations for developing and financing these priorities.

In April 2008, the Americans for Transportation Mobility (ATM) coalition and the National Chamber Foundation of the U.S. Chamber of Commerce recognized the 3C proposal as a potential solution to the national freight movement challenge in their report, "The Transportation Challenge: Moving the U.S. Economy."

Visit the "Transportation Makes America Work!" campaign website at www.tmaw.com to access the full 72-page ARTBA report and watch a unique, futuristic, 7-minute video outlining ARTBA's proposals.