

ITS AMERICA

Transpo2010

Transportation Funding Issues



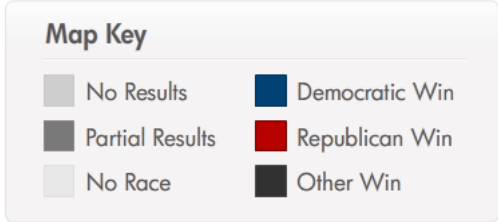
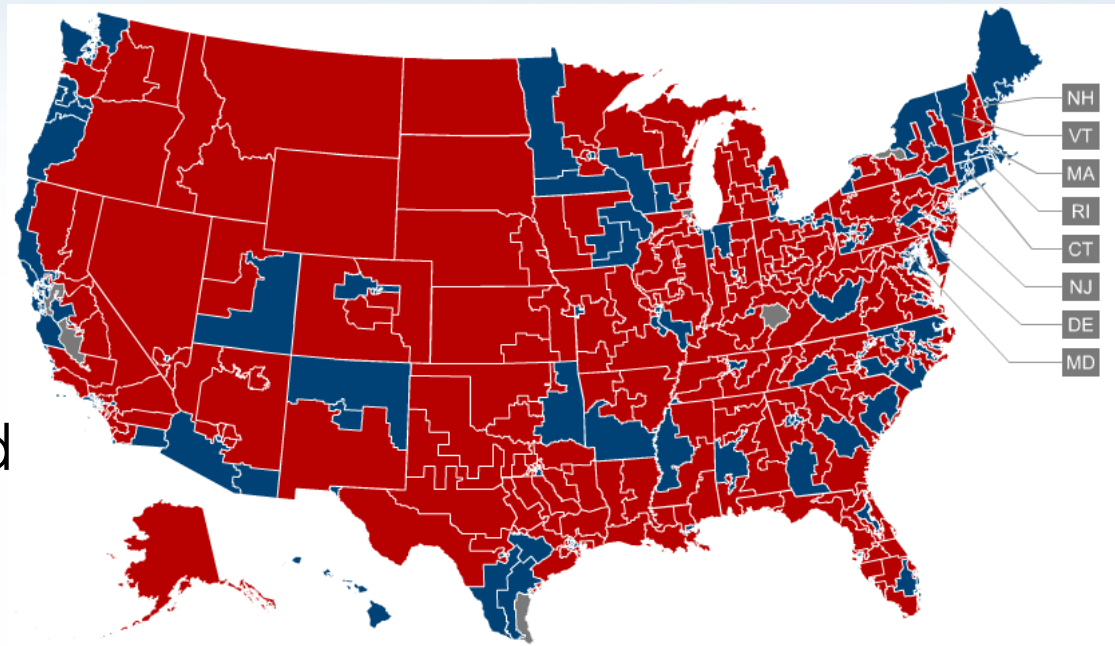
Intelligent Transportation Society of America





U.S. House Results

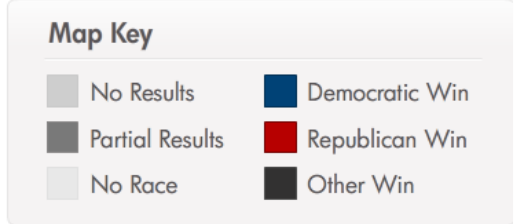
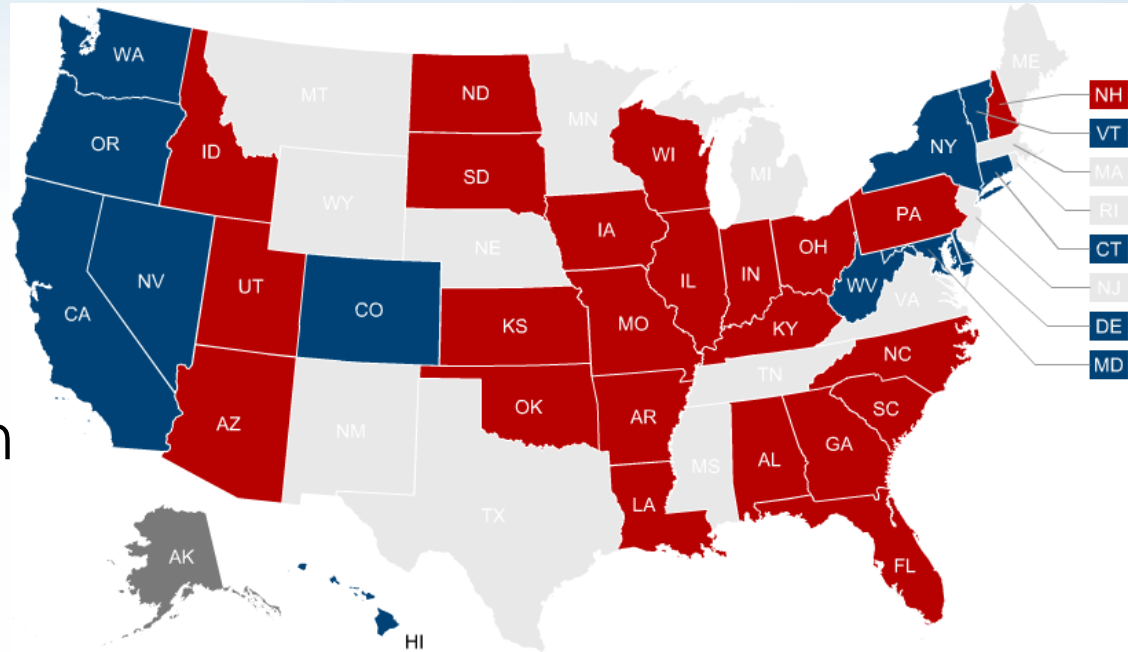
- Republicans Capture 60+ House Seats, Reclaim Majority
- Highest turnover since 1948
- John Boehner tapped as House Speaker
- Nancy Pelosi to become Minority Leader despite intra-party challenge





U.S. Senate Results

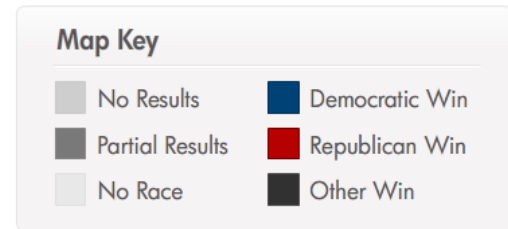
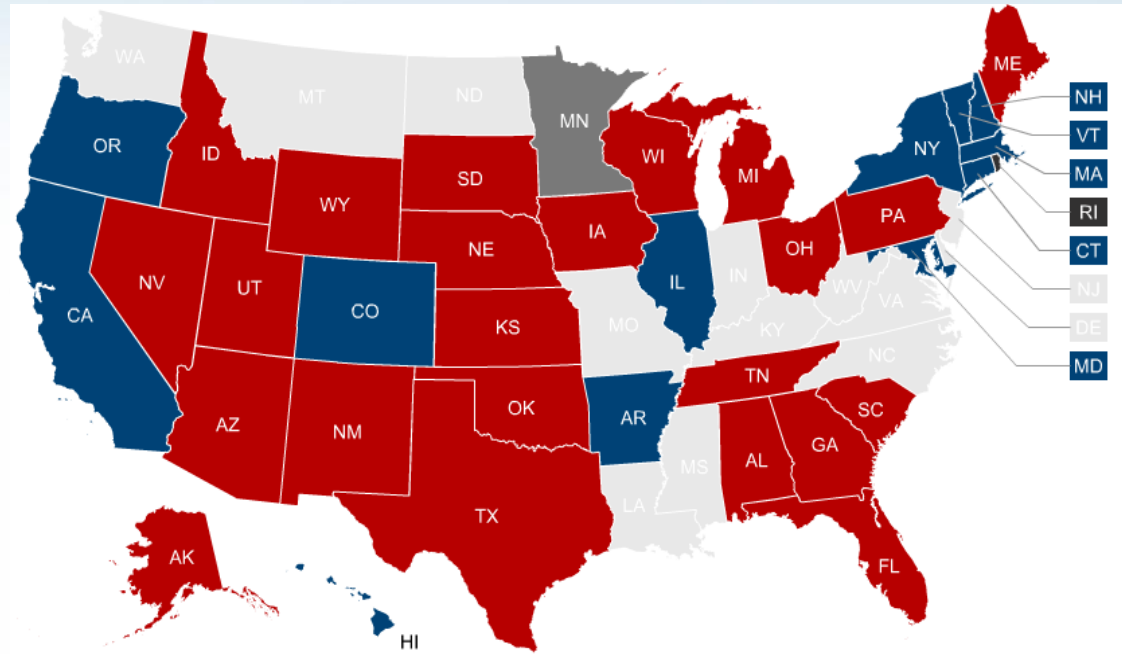
- Republicans reclaim 6 U.S. Senate seats
- Democrats retain 53 – 47 seat majority
- GOP poised to win majority in 2012 when 23 of 33 seats are held by Democrats
- Harry Reid fends off election challenge, remains Majority Leader; Mitch McConnell to remain Minority Leader





Govs and State Legislative Races

- Republicans elects 10 new Governors, hold 29-19-1 edge
- GOP wins 675+ state races, controls 25 state legislatures (up from 14) with 7 split
- Key for redistricting after 2010 Census





States in the Red

- Budget realities will impact transportation priorities and funding decisions at state level



Tough Choices | States with budget gaps of more than \$1 billion

Enacted/proposed L layoffs F furloughs	Shortfall before budget adopted	Additional shortfall since July 1	Total in billions
L F California			\$45.5
L F New York		20.0	
L F Illinois*	13.2		
F New Jersey	8.8		
Florida	5.9		
Massachusetts	5.0		
L Pennsylvania	4.8		
L North Carolina	4.6		
Connecticut	4.2		
L Oregon†	4.2		
F Georgia	4.1		
L F Arizona	4.0		
L Washington	3.6		
Texas	3.5		
L F Ohio	3.3		
L Virginia	3.3		
Minnesota	3.2		
L F Wisconsin	3.2		
L F Michigan	2.8		
L F Maryland	2.6		
L Louisiana	1.8		
Kansas	1.6		
F Colorado	1.4		
Alaska	1.3		
F Alabama	1.2		
F Nevada	1.2		
Indiana	1.1		
Kentucky	1.1		

Some 210,000 state workers are affected by furloughs the first three Fridays of each month through June 2010.

The enacted budget requires 10 unpaid furlough days for state workers.

The state has implemented employee furloughs of one or two days per month, depending on salary.

The governor has ordered up to six unpaid furlough days for about 38,000 state employees. (State police aren't subject to the furloughs.)

Lawmakers have approved a plan requiring state workers to take one furlough day per month. Teachers and higher-education employees won't have to take furlough days, but instead are subject to a 4% pay cut.

Note: All figures are for fiscal 2010, which started July 1 for most states; some or all of the pre-budget shortfalls have already been addressed. Pennsylvania, Arizona and Michigan haven't yet adopted 2010 budgets. *At least \$3.2 billion of the \$13.2 billion gap has not been closed †State has a two-year budget; the size of the projected shortfall is shown Sources: Center on Budget and Policy Priorities (budget gaps); National Conference of State Legislatures (layoffs/furloughs)



Changes in Congress



James Oberstar, D-MN



John Mica, R-FL



Nick Rahall, D-WV



Barbara Boxer, D-CA



James Inhofe, R-OK



Reauthorization Status

- Federal transportation programs currently operating under a temporary extension of the SAFETEA-LU authorization bill, expires on December 31, 2010
- Congress working to extend the current authorization into next year to keep programs operating
- Key hurdle is lack of revenue from the gas tax, General Fund transfers needed to keep Highway Trust Fund solvent
- Incoming House T&I Committee Chairman John Mica is working to rewrite last year's Oberstar bill
- Senate has not yet offered a comprehensive proposal
- U.S. DOT to offer Administration's plan with 2012 budget
- Prospects for a full reauthorization bill get bleaker after 2011 due to Presidential election year politics



New Priorities in the House

- Oberstar bill had proposed \$500 billion over 6 years
- Mica supports a robust bill, but must be paid for
- Republicans opposed to a gas tax increase
- Currently spending \$50B per year, only bringing in \$35B
 - Smaller bill must focus on doing more with less
- Mica's key priorities include:
 - Stabilizing the Highway Trust Fund
 - Better leveraging existing resources
 - Streamlining project delivery
- Mica also supports performance measures and innovative financing including P3s, tolling of new capacity, and laying the groundwork for a potential future VMT-based user fee



ITS Impacts and Opportunities

- Less money to go around – programs need to help solve key transportation challenges, provide return on investment
- Additional focus on ensuring federal funds are targeted to areas of national interest – Interstate commerce and travel
- ITS technologies are critical for improving system operations and efficiency, optimizing capacity, reducing costs
- ITS needed to measure and improve system performance
- Innovative financing depends on ITS
- R&D typically seen as Federal role
 - Federal leadership needed for IntelliDrive, VMT user fees, other “Next-Gen” solutions
- Investment in ITS creates good jobs, economic competitiveness





Smart Technologies for Communities Act

- Will be re-introduced early next year by ITS Caucus co-chairs Mike Rogers and Russ Carnahan
- Part 1: Competition to select 4-6 large-scale, multimodal ITS projects to serve as models of how to integrate technology to improve transportation operations and system performance
 - Would also serve as real-world test beds to research “next-gen” solutions: IntelliDrive, VMT-based user fees, NG911, multimodal integration, real-time performance management



Smart Technologies for Communities Act

- Part 2: Dedicated funding for system operations including ITS deployment to reduce congestion, improve safety, enhance mobility and environmental sustainability
 - Funding would enable agencies to collect real-time information for performance measurement, actively manage their systems to improve safety and efficiency, enhance access to transportation alternatives, and make better use of existing capacity



Campaign for Intelligent Transportation Solutions

- Working to advance *Smart Technologies for Communities Act* and advocate other legislative priorities:
 - Transition to a truly performance-based transportation system
 - Integrate ITS into the state and metropolitan planning process
 - Continue to integrate ITS across all sections of the reauthorization bill
 - Include funding eligibility for ITS in clean energy legislation



Campaign for Intelligent Transportation Solutions

- Funding enhanced advocacy and outreach including *Smart Solution Spotlight* initiative, media events, strategic partnerships
- Continuing to promote ITS agenda through Congressional Roundtable, ITS Caucus, meetings with key Congressional staff
- Need to better leverage ITS America members and state chapters
- The next 6 months is key for advancing ITS in reauthorization
- **Your support is critical for making our voice heard and influencing the reauthorization process!**



Questions?