STATE OF CALIFORNIA

CORRESPONDENCE NO. 1 Page 1 of 6

DALE E. BONNER

Secretary

Office of the Patient Advocate Department of Real Estate Office of Real Estate Appraisers Office of Traffic Safety Department of Transportation

California Film Commission California Office of Tourism Infrastructure and Economic Development Bank



Department of Corporations Department of Financial Institutions California Highway Patrol California Housing Finance Agency Department of Housing & Community Development Department of Managed Health Care Department of Motor Vehicles

Governor



BUSINESS, TRANSPORTATION AND HOUSING AGENCY

January 5, 2009

Mr. Thomas W. Mayfield District 2 County Supervisor Stanislaus County Board of Supervisors 1010 10th Street, Suite 6500 Modesto, CA 95354

Dear Supervisor Mayfield:

I am writing to request your endorsement of the attached California Consensus Principles on Federal Transportation Authorization for 2009.

On September 30, 2009, the current federal transportation funding authorization bill, the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA – LU) will expire. This six-year bill is the instrument by which California annually receives approximately \$5 billion in federal funding for transit, highways, local streets and roads, and bicycle and pedestrian facilities. It is expected that shortly after January 2009 the new Congress and Administration will start working on the next authorization bill.

Replacing SAFETEA – LU will be a challenging process for several reasons. The current state of the economy has, among other things, negatively impacted transportation revenues and brought the Highway Trust Fund to the brink of insolvency for the first time in its history. Changes in Congress and the Administration will require a significant effort to educate new staff on the issues and gravity of the situation. Congress will likely use a "clean sheet of paper" approach to this authorization, which will involve close scrutiny of existing programs and policies with an eye toward overhauling them to increase mobility, efficiency, and accountability. There are many viewpoints on options for the next authorization bill and multiple advocacy groups working at the national level.

Therefore, it will be extremely important that California speaks with one voice on the major issues that will affect its share of federal transportation funding. To achieve this objective, the California Department of Transportation has been working with a statewide stakeholder group for the past year Mr. Thomas W. Mayfield January 5, 2009 Page 2

to develop a consensus on seven principles that should underpin the next transportation authorization (see attached). In short, these principles are as follows:

- 1. Ensure the financial integrity of the Highway and Transit Trust Funds.
- 2. Rebuild and maintain transportation infrastructure in a good state of repair.
- 3. Establish goods movement as a national economic priority.
- 4. Enhance mobility through congestion relief within and between metropolitan areas.
- 5. Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access.
- 6. Strengthen comprehensive environmental stewardship.
- 7. Streamline project delivery.

This document was developed with the active participation of stakeholders representing State and local governments, the private sector, transportation providers and system users, and other organizations actively involved in transportation issues. It is a statewide document, recognizing that each organization and locality will have its own specific emphasis and intentions for the next authorization, but overall, the framework described above represents the California Consensus on the starting point for the national discussion. The document is intended to provide guidance to California's large and diverse congressional delegation and to be shared with other national organizations to influence their platforms.

I am seeking your support to increase the strength behind this message we are sending to Congress and to help broaden its dissemination at the local, State, and national level. As of this writing, we have received the endorsement of over 25 organizations, including the Automobile Club of Southern California, California Association of Councils of Governments, California State Association of Counties, League of California Cities, Regional Council of Rural Counties, and several Metropolitan Planning Organizations and Regional Transportation Planning Agencies. Adding your organization's endorsement to this list will strengthen the message and ensure that California's transportation agenda is heard with a clarity that has never before occurred at the national level. Please call me at (916) 323-5400 if you need my assistance in the endorsement process or if you have any questions.

Sincerely,

DALE E. BONNER

Secretary

cc: Eric Swedlund, Deputy Director, Office of Governor Arnold Schwarzenegger,

Washington, D.C.

Will Kempton, Director, California Department of Transportation

Attachment

California Alliance for Leadership in Mobility



California Consensus on Federal Transportation Authorization for 2009

In 2009, Congress will have an opportunity to pass legislation that can meaningfully affect the concerns Americans care about most: economy and jobs, national security, energy policy, gas prices, environmental stewardship, and climate change. That opportunity is Congressional action on new transportation legislation.

Under the leadership of California Governor Arnold Schwarzenegger, the Business, Transportation and Housing Agency and the California Department of Transportation, transportation officials from across California have united on a basic set of principles that we ask the California delegation in Washington, D.C. to consider in the upcoming debate on the future of this nation's transportation policies.

Above all, we urge California's Congressional Delegation to be bold and set forth a new and comprehensive agenda to meet the needs of everyday Americans on the issues that affect their daily lives.

Five decades ago, Congress created an age of prosperity while also meeting the national defense and security interest when it approved the Interstate Highway System, which became the largest and most effective public works project in the history of the world. With the Interstate system now substantially completed, and with new challenges facing America, it is time

again for bold action to create a new era in America.

California urges Congress to pass comprehensive legislation that reinforces the strong federal role and outlines a clear strategic vision to guide transportation policy making at the national level that focuses on these major themes:

- Restoring our neglected infrastructure to a good state of repair.
- Ensuring efficient goods movement, particularly at global gateways, as a national economic priority.

- Establishing reliable mobility within and between congested metropolitan areas.
- Encouraging appropriate pricing of certain transportation facilities.
- Ensuring all citizens have efficient travel options from cities to small towns to rural areas.
- Establishing a balanced national system of roads, rails and public transit as a national priority.
- Assuring safety by reducing highway injuries and fatalities, and providing appropriate security on our nation's public transit systems.
- Creating national transportation policy that integrates climate change and renewed environmental stewardship.
- Ensuring rational and streamlined regulatory policies.

California has invested heavily at the state and local level in a transportation system that is responsible for benefits that ripple throughout the economies of every other state in the nation. More than 40 percent of containers moving into and out of America use California's highways, railroads, ports, and airports. With 12 percent of the nation's population, California is responsible for almost 14 percent of the nation's Gross Domestic Product.



However, California cannot do it alone. We urge Congress to enact visionary legislation, with a bold funding plan that meets today's challenges. The federal Highway Trust Fund is barely solvent enough to fund currently authorized funding levels. In addition, the National Surface Transportation Policy and Revenue Study Commission has reported that the nation faces a \$140 billion annual investment shortfall with regard to maintaining existing transportation assets and expanding our road and transit systems to handle future growth. If we want a better transportation system, we are going to have to pay for it. That's what our grandparents and parents did for us in building the Interstate system. We owe our children and grandchildren no less.

CORRESPONDENCE NO. 1
Page 3 of 6



Under the leadership of California Governor Arnold Schwarzenegger, the Business, Transportation and Housing Agency, and the California Department of Transportation, stakeholders from across California have united on a basic set of principles that we ask our California's delegation in Washington, D.C. to adopt in the upcoming debate on the future of this nation's transportation policies.

1. Ensure the financial integrity of the Highway and Transit Trust Funds.

The financial integrity of the transportation trust fund is at a crossroads. Current user fees are not keeping pace with needs or even the authorized levels in current law. In the long term, the per-gallon fees now charged on current fuels will not provide the revenue or stability needed, especially as new fuels enter the marketplace. This authorization will need to stabilize the existing revenue system and prepare the way for the transition to new methods of funding the nation's transportation infrastructure.

- Maintain the basic principle of a user-based, pay-asyou-go system.
- Continue the budgetary protections for the Highway Trust Fund and General Fund supplementation of the Mass Transportation Account.
- Assure a federal funding commitment that supports a program size based on an objective analysis of national needs, which will likely require additional revenue.
- Diversify and augment trust fund resources, authorize states to implement innovative funding mechanisms such as tolling, variable pricing, carbon offset banks, freight user fees, and alternatives to the per-gallon gasoline tax that are accepted by the public and fully dedicated to transportation.
- Minimize the number and the dollar amount of earmarks, reserving them only for those projects in approved transportation plans and programs.

Rebuild and maintain transportation infrastructure in a good state of repair.

Conditions on California's surface transportation systems are deteriorating while demand is increasing. This is adversely affecting the operational efficiency of the State's key transportation assets, hindering mobility, commerce, quality of life, and the environment.

- Give top priority to preservation and maintenance of the existing system of roads, highways, bridges, and transit.
- Continue the historic needs-based nature of the federal transit capital replacement programs.

3. Establish goods movement as a national economic priority.

Interstate commerce is the historic cornerstone defining the federal role in transportation. The efficient movement of goods across state and international boundaries increases the nation's ability to remain globally competitive and generate jobs.

- Create a new federal program and funding sources dedicated to relieving growing congestion at America's global gateways that are now acting as trade barriers and creating environmental hot spots.
- Ensure state and local flexibility in project selection.
- Recognize that some states have made a substantial investment of their own funds in nationally significant goods movement projects and support their investments by granting them priority for federal funding to bridge the gap between needs and local resources.
- Include adequate funding to mitigate the environmental and community impacts associated with goods movement.

CORRESPONDENCE NO. 1
Page 4 of 6

Leadership in Mobility A Company of the Company of

4. Enhance mobility through congestion relief within and between metropolitan areas.

California is home to six of the 25 most congested metropolitan areas in the nation. These mega-regions represent a large majority of the population affected by travel delay and exposure to air pollutants.

- Increase funding for enhanced capacity for all modes aimed at reducing congestion and promoting mobility in and between the most congested areas.
- Provide increased state flexibility to implement performance-based infrastructure projects and publicprivate partnerships, including interstate tolling and innovative finance programs.
- Consolidate federal programs by combining existing programs using needs, performance-based, and air quality criteria.
- Expand project eligibility within programs and increase flexibility among programs.

Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access.

California recognizes that traffic safety involves saving lives, reducing injuries, and optimizing the uninterrupted flow of traffic on the State's roadways. California has completed a comprehensive Strategic Highway Safety Plan.

- Increase funding for safety projects aimed at reducing fatalities, especially on the secondary highway system where fatality rates are the highest.
- Support behavioral safety programs speed, occupant restraint, driving under the influence of alcohol or drugs, and road sharing – through enforcement and education.
- Address licensing, driver improvement, and adjudication issues and their impact on traffic safety.
- Assess and integrate emerging traffic safety technologies, including improved data collection systems.
- Fund a national program to provide security on the nation's transportation systems, including public transit.

6. Strengthen comprehensive environmental stewardship.

Environmental mitigation is part of every transportation project and program. The federal role is to provide the tools that will help mitigate future impacts and to cope with changes to the environment.

- Integrate consideration of climate change and joint land usetransportation linkages into the planning process.
- Provide funding for planning and implementation of measures that have the potential to reduce emissions and improve health such as new vehicle technologies, alternative fuels, clean transit vehicles, transit-oriented development and increased transit usage, ride-sharing, and bicycle and pedestrian travel.
- Provide funding to mitigate the air, water, and other environmental impacts of transportation projects.

7. Streamline project delivery.

Extended processing time for environmental clearances, federal permits, and reviews adds to the cost of projects. Given constrained resources, it is critical that these clearances and reviews be kept to the minimum possible, consistent with good steward-ship of natural resources.

- Increase opportunities for state stewardship through delegation programs for the National Environmental Policy Act, air quality conformity, and transit projects.
- Increase state flexibility for using at-risk design and design-build.
- Ensure that federal project oversight is commensurate to the amount of federal funding.
- Require federal permitting agencies to engage actively and collaboratively in project development and approval.
- Integrate planning, project development, review, permitting, and environmental processes to reduce delay.

California Alliance for Leadership in Mobility



These principles are endorsed by the following members of the California Alliance for Leadership in Mobility

This page is reserved for a listing of endorsing organizations.