

**THE COUNCIL OF STATE GOVERNMENTS
RESOLUTION ON TRANSPORTATION FINANCE**

Resolution Summary

With the reauthorization of the current federal transportation program (SAFETEA-LU) fast approaching, the time has come to reassess the current state of transportation in this country. Transportation systems have a direct impact on the vitality and economic well-being of our country. A healthy transportation system provides for seamless movement of the public as well as its products, whether it is within a city, between different cities, or between rural and urban areas of our country.

However, our nation's current transportation system is in serious need of repair. Many state transportation departments face backlogs of needed repairs and infrastructure improvements due to budget constraints. Over 70,000 bridges in this country are rated as "structurally deficient" by the United States Department of Transportation. According to the National Surface Transportation Policy and Revenue Study Commission, it currently takes on average 14 years in order to complete one transportation project from start to finish.

The situation regarding federal transportation funding looks bleak as well. The Office of Management and Budget projects that the Highway Trust Fund will run a negative balance by 2009. Proposals are now being discussed that would temporarily suspend the federal gasoline and diesel fuel tax during the summer of 2008 and thus lessen resources even more. Efforts to suspend the federal gasoline tax will further undermine the federal-state partnership that has provided necessary funding for our nation's transportation system. Revenues from the Highway Trust Fund serve as the primary source for federal funding of highway and transit systems. Despite ever decreasing revenues, a significant increase in public funding will be necessary for America's transportation system to remain competitive.

In order for any future federal transportation program to be effective, solutions that are multi-modal in nature will be necessary. As demand for transportation grows and the population increases, congestion will continue to be a major factor affecting the efficient movement of people and goods. Potential solutions that address congestion will need to incorporate more than one mode of transportation. A multi-modal framework will also help to mitigate the environmental and public health concerns of our current transportation system.

The Council of State Governments calls on the federal government to maintain the federal-state partnership to preserve the transportation system. Decisions regarding transportation should be viewed as intergovernmental issues tackled while keeping in mind the unique issues and concerns of all levels of government. This resolution expresses support for multimodal transportation solutions, preservation of the federal-state transportation partnership and increased intergovernmental collaboration.

Additional Resource Information

Congressional Budget Office: www.cbo.gov

United States Department of Transportation: www.dot.gov

National Academy of Public Administration, Report on Transportation Finance,
http://www.napawash.org/pc_intergov/Financing_Transportation_Surface_Trans_Jan_08.pdf

National Surface Transportation Policy and Revenue Study Commission,
www.transportationfortomorrow.org

Resolution on Transportation Finance Management Directives

Management Directive #1: CSG will support efforts to recommend changes to federal transportation policy that address the needs of all levels of government, seek to find innovative methods of transportation finance, and allow states increased flexibility in carrying out their transportation projects.

Management Directive #2: CSG staff will post approved resolution on CSG's web site and make available through its regular communication venues at the state and local levels to ensure its distribution to the state government and policy community.

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WHEREAS, with the anticipated shortfall in the Highway Trust Fund and in the wake of increasing gas prices, solutions to transportation finance are more important than ever; and

WHEREAS, Congress should take steps to ensure that the Highway Trust Fund does not reach a negative balance in the near future; and

WHEREAS, our country's transportation infrastructure is a critical element of our economy; and

WHEREAS, states are looking to find innovative ways to fund needed transportation projects; and

WHEREAS, surface transportation decisions should be more intergovernmental in nature; and

WHEREAS, a more efficient transportation system is one in which there is integration and coordination across various modes of transportation;

WHEREAS, transportation projects should be completed in a timely and efficient manner. Efforts to reduce project time should be examined; and

WHEREAS, transportation funding decisions should allow for state flexibility so to allow decisions to be made in accordance with each state's priorities;

BE IT THEREFORE RESOLVED, The Council of State Governments supports transportation initiatives that incorporate increased intergovernmental participation; and

BE IT FURTHER RESOLVED, The Council of State Governments supports a multi-modal and regional approach as determined by the affected states when examining issues surrounding transportation and transportation finance; and

BE IT FURTHER RESOLVED, The Council of State Governments supports an approach to transportation and transportation planning that addresses environmental and economic development concerns; and

BE IT FURTHER RESOLVED, The Council of State Governments supports legislation aimed at preserving the federal-state partnership in transportation funding; and

BE IT FURTHER RESOLVED, The Council of State Governments calls on Congress to take immediate steps to ensure that the Highway Trust Fund does not reach a negative balance and to pass legislation establishing a reliable and predictable long-term funding source for transportation.

Adopted this 31st Day of May, 2008 at the
CSG 75th Anniversary Celebration
in Lexington, Kentucky

The image shows two handwritten signatures in black ink. The signature on the left is for Governor M. Jodi Rell, and the signature on the right is for Representative Kim Koppelman. Both signatures are written in a cursive, flowing style.

Governor M. Jodi Rell

Representative Kim Koppelman

2008 CSG President

2008 CSG Chair