

TRANSITION PRESENTATION

Facts of Life

- NSTPRSC documented substantial underinvestment and looming transportation crisis
- Continued loss of purchasing power will speed up and worsen coming crisis
- Previous Administration seen as not effectively addressing these issues
- Transportation programs expire in 2009 and must be reauthorized
- Without new revenues, federal investment must be cut 25 to 35 percent

Options

- Existing Revenues.....Reduced Program
- Revenues Up Modestly.....Status Quo
- Revenues Up Significantly.....Bold Initiative

NSTPRSC Recommendations

- Reform
 - National Vision
 - Strong Federal Role in Partnership with State and Local Governments and Private Sector
 - Performance-Based Programs (State of Good Repair, Freight, Metropolitan Mobility, Connecting America, Safety, Intercity Passenger Rail, Environmental Stewardship, Energy Security, Research and Development, Federal Lands.)
 - Multimodal Seamless Network
 - Accountability
 - Project Delivery
- Increased Investment
 - Increase total investment from \$87 billion/year to at least \$225 billion/year

NSTPRSC Financing

- Motor Fuel Tax (25 to 40 cent increase over 5 years, then indexed)
 - VMT (long term once privacy, evasion and cost of collection issues addressed)
- Freight Fee (container, bill of lading or similar fee) and portion of Customs Fees
- Ticket Tax on Transit and Intercity Passenger Rail
- Cap and Trade Revenue (transportation-related) (?)
- Investment Tax Credit
- Tolling / Pricing / PPPs

Benefits of Modernizing Transportation Network To Meet Challenges of 21st Century

- Would Be A Stimulus on Steroids
 - Would Create Jobs, Jobs, Jobs
 - Would Rejuvenate Economy
- Would Increase Long-Term U.S. International Competitiveness
- Would Foster A Healthy and Robust Economy For The Long Term
- Would Reduce Dependency on Foreign Oil
- Would Reduce Greenhouse Gas Emissions
- Would Reduce Fatalities and Injuries
- Would Improve Quality of Life For Virtually Every American
- Would Be Paid For By Users
- Would Be A Big First-Year Bipartisan Success
- Would Be A Tremendous Opportunity For Strong Presidential Leadership