

ISSUE BRIEF

Federal Investments in Transportation and Infrastructure Needs

Billions of dollars in renewed federal infrastructure spending are badly needed to repair and expand highways, mass transit and passenger rail systems, airports and sewers and to provide hundreds of thousands of jobs to a nation that is in desperate need of economic stimulus. The U.S. Department of Transportation has estimated that more than 40,000 jobs are created for every \$1 billion spent on highways alone. Congress should provide adequate funding for the nation's key transportation and infrastructure programs and, in keeping with history, ensure that these programs include basic labor standards and worker protections, such as full Davis-Bacon prevailing wage protections for construction workers and 13(c) collective bargaining rights for transit workers.

Several major infrastructure statutes will be reauthorized this year, including the Transportation Equity Act for the 21st Century (TEA-21), which provides federal funding for highway, mass transit and motor carrier safety programs. It is currently authorized at more than \$218 billion and expires this year. The Airports Improvement Act (AIR-21) provides multi-year funding of the nation's airport operations, air traffic control system and airport construction. It is currently authorized at more than \$40 billion and also expires this year. Senate legislation last year authorized more than \$40 billion for the Clean Water and Safe Drinking Water Acts, which expired in 1994 and provide funding for water and wastewater infrastructure programs. Congress may also reconsider several other infrastructure bills worth billions more this year—Amtrak and high-speed passenger rail programs, the Water Resources Development Act (WRDA) for Corp of Engineer projects, Superfund, school construction and short-line rail legislation.

The safe and secure movement of goods and people is the economic engine of the nation. One of the fastest ways to boost our economy is to invest in highways and transit systems. These investments improve the mobility of people and commerce, alleviate chronic congestion and enhance the safety and efficiency of truck, transit and bus operations. Transportation investments can also bolster the sagging economy by generating real and sustainable job creation. Highway and transit spending should be included in any stimulus package, and the Bush administration's attempt to slash highway spending below the levels mandated in TEA-21 should be rejected. The federal government should never return to the policies of the 1980s, which were marked by a regrettable failure to properly finance the nation's transportation needs.

The reauthorization of TEA-21 should build on the successes of the current law. The 1998 TEA-21 law (1) unlocked the highway trust fund and mass transit account with guaranteed funding levels; (2) maintained the vitally important balance between highway and transit needs; (3) affirmatively applied federal labor standards, including Davis-Bacon and 13(c) collective bargaining rights to all TEA-21 initiatives, including innovative finance mechanisms such as the state infrastructure banks (SIBs); and (4) addressed highway and transit safety needs. Congress should not depart from these successes.

National aviation policy should advocate adequate resources for both airport improvements and air traffic control needs. Reauthorization of AIR-21 should enhance the capacity, safety and security

of the nation's airports and air transportation network and ensure that the air traffic control system keeps pace with the growing and changing demands of air transportation. Some projections, such as one from a General Accounting Office report, call for the number of passengers flying to nearly double by 2010. Reauthorization should also provide some relief for airports facing slumping revenues and new security requirements. Airports and airlines have been forced to defer construction projects, accelerating job losses. Immediate funds directed at the Airport Improvement Program (AIP) would help airports keep construction goals on track and help create thousands of quality, high-paying jobs across the country. At the same time, our government must not shortchange the financial needs of the air traffic control system and should reject any proposals to privatize or commercialize the system at the expense of safety and Federal Aviation Administration employees.

Amtrak is in need of critical funding for its short-term and long-term stability. Upgrading tracks and trains and improving grade crossings are key to ensuring a safe and efficient national passenger rail system. In the short term, Amtrak should receive the resources it needs to avoid massive service and jobs cuts and eventually a shutdown; in the long term, Congress and the president should provide Amtrak with reliable multi-year funding needed to sustain a truly national passenger rail system. Congress should fund the long-term capital needs of Amtrak—beginning with no less than \$1.2 billion in fiscal year 2003. Billions are also needed to enhance the nation's high speed rail capabilities, to implement much needed security upgrades and to advance critical capital projects such as tunnel and bridge improvements. As the events of Sept. 11, 2001, have shown, Amtrak and all passenger rail services provide a vital alternative to millions of travelers.

The nation's ports and maritime transportation system are critically important. The nation's ports represent a vital and indispensable element of the national economy and domestic security. Investments in ports and navigation channel dredging will help virtually every sector of the economy and will bolster the nation's ability to respond forcefully during times of war and international crises. As Congress moves ahead on major surface and aviation transportation reauthorization bills, the nation's port and maritime needs must also be met through passage of a long overdue SEA-21 bill.