

National Association of Regional Councils

Illinois DOT Fall Planning Conference

Moline, IL

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Overview

- About NARC
- What Just Happened?
 - 110th Congressional Wrap-up
- What's Next?
 - Elections
 - Transportation Authorization



About NARC

- National voice for regionalism
- Represents multi-jurisdictional governments –large and small, urban and rural
- Advocates for regional cooperation with Congress, Federal officials, etc.
- Provides technical assistance to members through research on key national policy issues, and best practices
- Conducts training sessions, conferences, workshops and webinars



110th Congressional Wrap-Up

- **H.R. 2638**, Continuing Resolution
 - Funds at FY08 levels until March 6, 2009
 - Signed by President 9/30/08
- **H.R. 6532**, restore the Highway Trust Fund (HTF) balance
 - \$8 billion transfer from General Fund to HTF
 - Signed by President 9/15/08



110th Congressional Wrap-Up

- 2nd Economic Stimulus
 - **H.R. 7110** passed the House by 264-158
 - **S. 3604** blocked in the Senate
 - President had promised a veto
- Amtrak
 - **H.R. 2095** passes House and Senate
 - Cleared for the President's signature
- **H.R. 6707**, TRACS Act
 - Failed to pass House by 2/3 vote necessary





What's Next?

2008-2009 Key Players

President?



Sen. Obama (D-IL)

“Barack Obama and Joe Biden will make strengthening our transportation systems, including our roads and bridges, a top priority. As part of this effort, Obama and Biden will create a National Infrastructure Reinvestment Bank to expand and enhance, not supplant, existing federal transportation investments.”

www.barackobama.com

National Infrastructure Reinvestment Bank

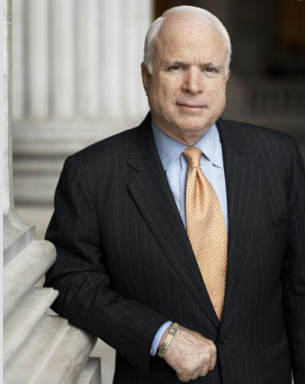
- \$60 billion over 10 years
- meant to help leverage private funding





2008-2009 Key Players



President?



Sen. McCain (R-AZ)

- Former Chairman of the U.S. Senate Committee on Commerce, Science and Transportation
- Tends to talk about infrastructure generally as an example of his goal to eliminate earmarks
- Expect more market mechanisms – tolling, airline slot auctioning, privatization

Issue Positions

- 
- Advocates for the elimination of nationwide passenger rail service/Amtrak
 - Supported a Federal gas tax holiday from Memorial Day to Labor Day, 2008
- 

2008-2009 Key Players

- US Senate



Reid (D-NV)



Durbin (D-IL)



Byrd (D-WV)



Boxer (D-CA)



Baucus (D-MT)



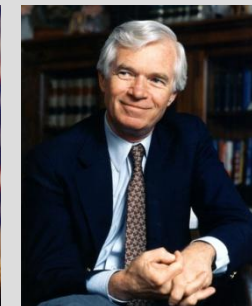
Inhofe (R-OK)



Inouye (D-HI)



Clinton (D-NY)



Cochran (D-MS)



Lieberman (I-CT)



Hutchison (R-TX)



McConnell (R-KY)

2008-2009 Key Players continued

U.S. House of Representatives



Pelosi (D-CA)



Oberstar (D-MN)



Mica (R-FL)



Obey (D-WI)



Lewis (R-CA)



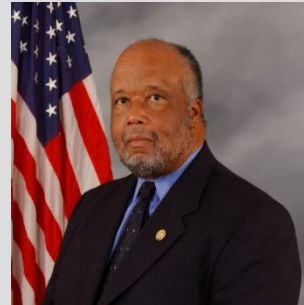
Dingell (D-MI)



DeFazio (D-OR)



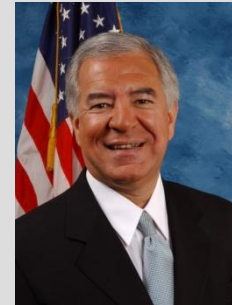
Markey (D-MA)



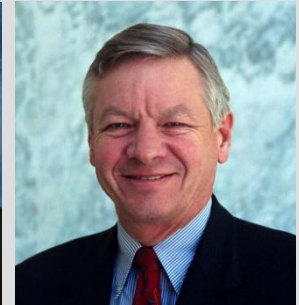
Thompson (D-MS)



Johnson (D-TX)



Rahall (D-WV)



Petri (R-WI)



Brown (D-FL)



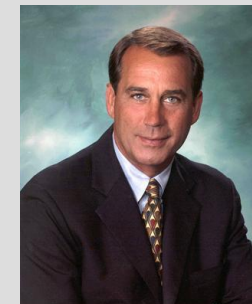
Rangel (D-NY)



Blumenauer
(D-OR)



Hoyer
(D-MD)



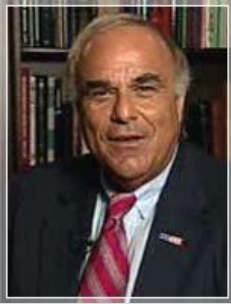
Boehner
(R-OH)



Mollohan
(D-WV)

Key Players continued

U.S. Governors



Rendell (D-PA)



Corzine (D-NJ)



Schwarzenegger (R-CA)



Crist (R-FL)



Culver (D-IA)



Granholm (D-MI)



Kaine (D-VA)



Pawlenty (R-MN)



Perry (R-TX)



Sebelius (D-KS)



Patrick (D-MA)



Strickland (D-OH)



2009 Legislative Focus



National Snapshot



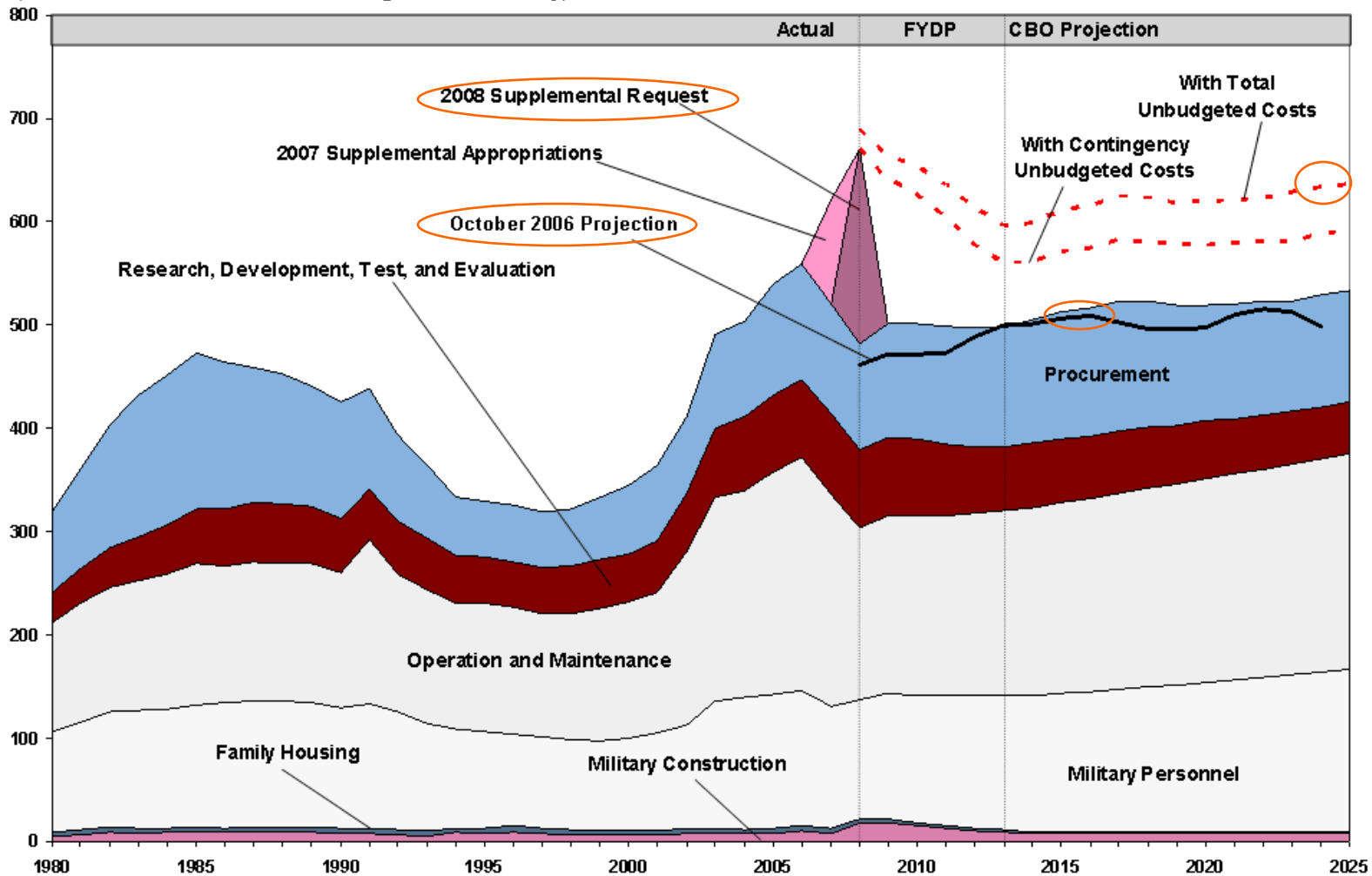
- H.R. 1424, \$700 billion bailout package set for vote in House, already passed the Senate

National Snapshot

Figure 1-1 Updated

Past and Projected Funding for Defense

(Billions of 2008 Dollars of Total Obligational Authority)

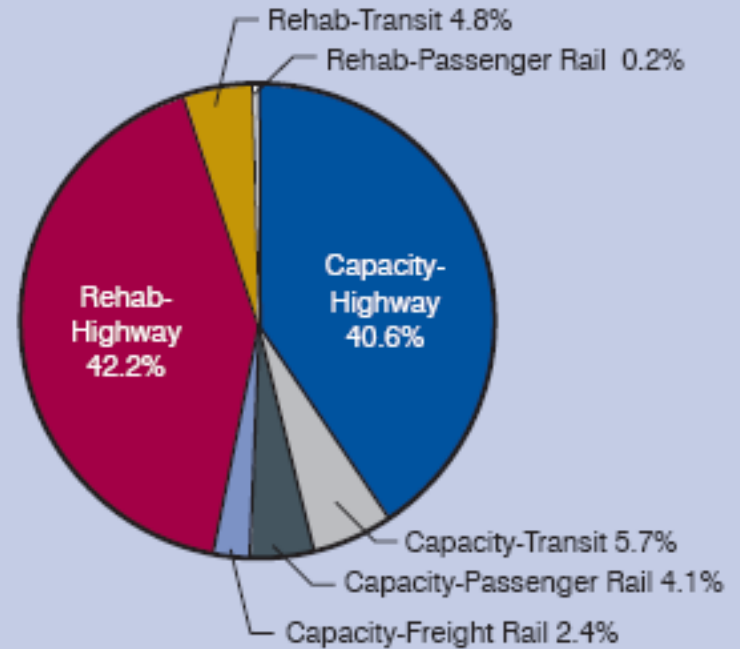


National Snapshot cont'd.

•The National Surface Transportation Policy and Revenue Study Commission calculated that it will take **\$220 billion** in annual capital investment 2035 across all modes.

•**\$220 billion/yr** is **\$134 billion/yr** higher than the **\$86 billion/yr** currently available.

Exhibit 4-23. Capital improvement type distribution for \$220 billion of average annual investments through 2035



This chart identifies the distribution by mode and improvement type of the \$220 billion representing the lower end of the range of investment levels through 2035 identified in Exhibit 4-22. Amounts shown for system rehabilitation include some improvements that are primarily oriented to safety and other enhancements to the existing system. No amount is shown for freight rail rehabilitation, as the freight rail needs analysis presented in this chapter only includes capacity expansion needs.

Source: Commission staff analysis.

National Snapshot cont'd

2005 Report Card for America's Infrastructure

Aviation	D+
Bridges	C
Dams	D
Drinking Water	D-
Energy	D
Hazardous Waste	D
Navigable Waterways	D-
Public Parks & Recreation	C-
Rail	C-
Roads	D
Schools	D
Security	I
Solid Waste	C+
Transit	D+
Wastewater	D-

America's Infrastructure G.P.A. = **D**

Total Investment Needs = \$1.6 Trillion
(estimated 5 year need)

- The American Society for Civil Engineering (ASCE) has given America's infrastructure a *D*, estimating that it will cost *\$1.6 trillion* over the next five years just to repair the infrastructure we currently have.
- The Illinois share of that cost is \$9 billion to maintain and expand the State's highway and mass transit system.



Federal Investment

- Before the late 1980s, infrastructure spending regularly accounted for at least 10% or more of spending from 1959 through 1966.
- Since the late 1980s, federal spending on infrastructure has constituted around 3 percent of all federal spending.



Federal Investment

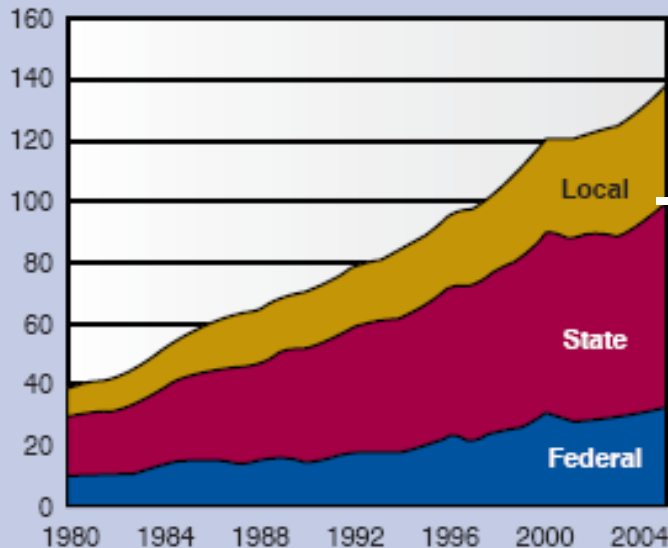
- Over the past 3 decades the federal government has spent around $\frac{1}{4}$ of its infrastructure spending to operation and maintenance.
- The corresponding proportion for state and local governments has risen from 41% in 1956 to 63% in 2004.



Federal Investment

Exhibit 5-6. Federal, State, local highway revenue, 1980-2005

Billions of Dollars



This exhibit shows growth in the Federal, State, and local highway revenues between 1980 and 2005.

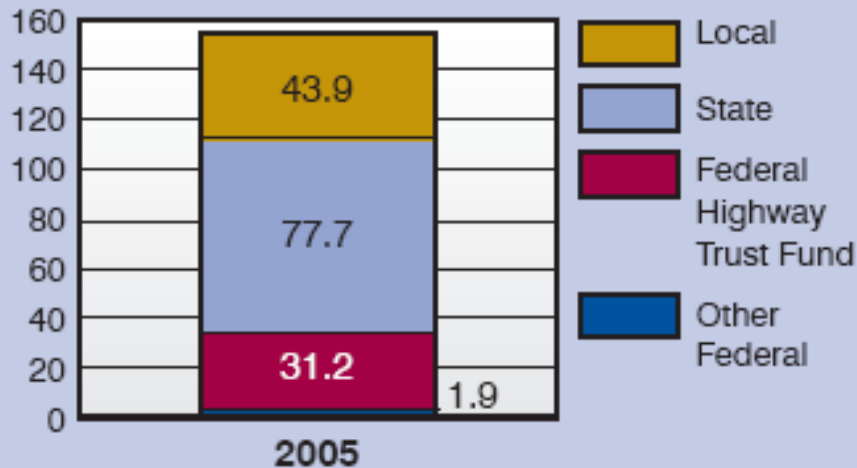
Source: Highway statistics (various years), Table HF-10.

- Federal revenues were between 21-27 percent of total revenues during this period, State revenues between 47-53 percent of the total, and local revenues between 24-29 percent of the total.

Federal Investment

Exhibit 5-1. Highway revenue by level of government

Billions of Dollars



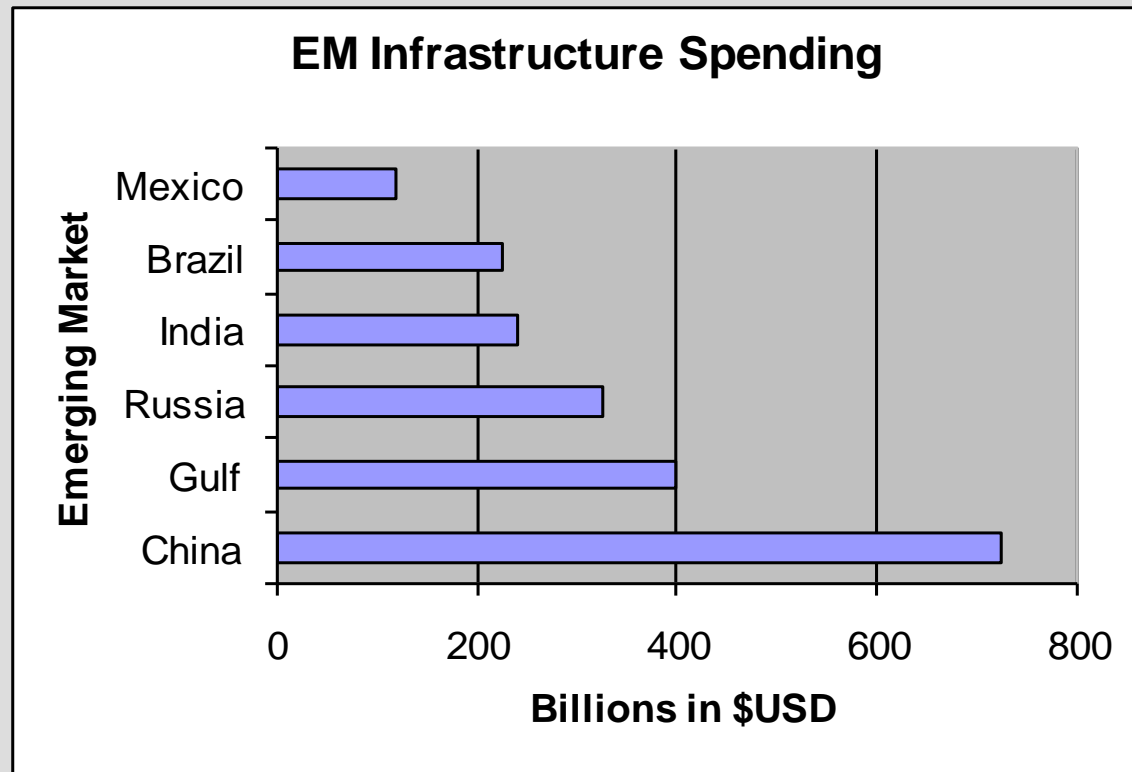
This exhibit shows 2005 revenues for highway purposes by level of government.

Source: 2005 Highway Statistics, Table HF-10

• Infrastructure spending by states and localities has accounted for more than three-fourths of total spending.

Federal Investment

- Annual infrastructure spending in emerging markets (EM) - Middle East, Latin America, Eastern Europe and Asia - is expected to jump +80% over the next 3 years, according to Merrill Lynch.



Where Does IL Stand?

- Nation's 3rd largest interstate highway system, with 6 Interstates running through the State; only State served by all 7 Class 1 railroads; and ORD is the 2nd largest airport in the U.S. by enplanements.
- More than 347 million person-miles of travel take place on an average weekday in Illinois. 88% by automobile, 2.3% by public transit, 6.3% by air, and 3.3 percent by other modes
- Illinois was among the ten-fastest growing states in the U.S. Between 2001-2005, Illinois ranked eleventh among the states with a population *growth* of 323,633.
- Reflecting the state's predominantly urban population, 58.1 percent of the 347 million person-miles of travel occur in the state's 14 metropolitan areas which encompass 23 of the state's 102 counties.
- Much of the population growth since 1980 has occurred in five of the state's major metropolitan areas: Metro East St. Louis, Springfield, Bloomington, Urbana-Champaign, and northeastern Illinois.



What does this mean?

- State and local costs are up, for capacity expansion and M&O
- The Federal commitment is decreasing
- External pressures are making an expensive situation more expensive
 - Financial Market volatility
 - International Construction boom



What Does This Mean?

- NARC is advocating that as the Federal governments role is decreasing, regions need to be empowered to a greater degree
- Programs need to be streamlined
- New regionally-focused funding mechanisms need to be explored



What Does This Mean?

- SAFETEA-LU expires 9/30/09
- \$8 billion transfer from the General Fund to Highway Trust Fund *may* last that long
- A bankrupt system will force Congress' hand
- No one wants the multi-year delays that happened under SAFETEA-LU, but we are all preparing for that reality



What Can You Do?

- Develop a relationship with your Member of Congress *and* staff
- Promote and support your local elected officials within your regions
- Leverage your National Associations
 - Information gathering/dissemination
 - networking



Questions?

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