



NATIONAL ASSOCIATION OF REGIONAL COUNCILS

TRANSPORTATION THURSDAYS



CONGRESS BRIEF

Gas Tax, Tolling, and ATC in Washington

Raising the federal gas tax, removing the restriction on tolling interstates, and privatizing air traffic control (ATC) are three key transportation issues to watch in the coming months. The new administration has been difficult to read on the likelihood of a gas tax increase, but White House Infrastructure Adviser Richard LeFrak said yesterday that he is in favor of raising it to adjust for inflation. We know the president himself is not opposed to the idea, but Treasury Secretary Steve Mnuchin has clearly stated that he does not plan to include anything related to infrastructure in the administration's tax overhaul plan. Mixed messages on this issue, so we are left waiting to see what they do.

The president has also expressed interest in interstate tolling. The administration is **drafting plans** to lift the current federal restriction on tolling existing Interstate lanes as a way to cover costs for restoring infrastructure. This has been a fairly unpopular subject in Congress and the proposal would have to win approval from both the tax and transportation panels. Organizations such as AASHTO and the International Bridge, Tunnel, and Turnpike Association (IBTTA) support this method of funding, but the trucking industry does not. That leaves the administration in the middle of an old debate.

Actions continue on the Hill concerning the FAA reauthorization, which expires September 30, 2017. Secretary Chao will testify on Monday before the Senate Commerce Committee, offering members a chance to ask her about ATC privatization. Bill Shuster (R-PA) also has plans to meet with President Trump next week to talk about overhauling FAA.

ADMINISTRATION BRIEF

Asset Recycling

There is a new term floating around Washington these days: asset recycling. This term is contained in the president's outline for his infrastructure package, so it is an idea gaining at least some level of traction here in the U.S. It is part of the administration's "self-help" approach to infrastructure, under which federal dollars are used primarily to incentivize states and localities to

raise their own funds for infrastructure investments and maintenance. Most prominently, the concept of asset recycling has been implemented by our friends Down Under. The Australian Federal Government passed legislation that encourages local governments – which, like in the U.S., control much of the country’s infrastructure – to lease, on a long-term basis, infrastructure assets with reliable revenue streams (think toll roads, airports, etc.). The proceeds from these leases are then used to invest in new projects such as transit systems and schools. The federal incentive comes in the form of a contribution (in Australia’s case, 15%) to the cost of the new project, funded with proceeds from a recycled asset. This idea is complicated in the U.S. by the current tax treatment of P3 projects, which would need to be amended to allow tax-exempt debt on these long-term leases. Many states lack the proper legislation for these types of long-term concessions (something that could change quickly with a healthy federal incentive). There is skepticism about the idea of “self-help” and many local leaders see it as a way for the federal government to back out of its commitments to infrastructure investment. But asset recycling is an idea we certainly plan to track carefully in the coming weeks, and we’ll let you know as we learn more about what the administration plans to propose on this topic.

Federal Positive Trains Control Grants Awarded

FTA and FRA announced \$197 million in positive train control (PTC) grants to 17 awardees in 13 states this week. The grants will assist commuter and intercity passenger railroads to meet the December 31, 2018 deadline to implement PTC systems. In total, 27 applications requested \$455 million, more than double the amount authorized by Congress in the FAST Act. PTC systems are designed to prevent certain train-to-train collisions, over-speed derailments, incursions into established work zones, and trains routed to the wrong tracks because a switch was left in the wrong position. The grants under this program were awarded to state DOTs and regional transportation entities.

Mid-America Regional Council Scenario Planning Workshop

The Mid-America Regional Council hosted an FHWA scenario planning workshop at the end of January with the Delaware Valley Regional Planning Commission, Maricopa Association of Governments, and Wasatch Front Regional Council. The report summarizes the best practices and recommendations that were shared during the peer exchange.

REGIONS BRIEF

Recognition of DETCOG

Representatives Kevin Brady (R-TX), Brian Babin (R-TX), and Louie Gohmert (R-TX) recognized the 50th Anniversary of the Deep East Texas Council Governments and Economic Development District, better known as "DETCOG" last week on the House floor. Congratulations on 50 years of regionalism!

SEMCOG Invests \$9.2 Million to Improve Walking and Bicycling Safety and Accessibility

The Southeast Michigan Council of Governments (SEMCOG) awarded over \$9.2 million in **Transportation Alternatives Program** (TAP) funding for fiscal year 2018. TAP offers funding opportunities for a number of transportation improvements, including pedestrian and bicycle infrastructure and safety programs, historic preservation and rehabilitation of transportation facilities, and safe routes to school programs. The **22 awarded projects** span all seven counties in Southeast Michigan and demonstrate the diversity of high-impact projects these funds support.

Managing the Transition to Driverless Road Freight Transportation

This report, from the International Transport Forum (ITF) at the Organisation for Economic Cooperation and Development (OECD), addresses the coming shifts in transportation technology and the potential impact on road freight employees. Driverless trucks will be a regular presence on many highways within the next ten years, and planning for this inevitability now will reduce disruption to the industry when the future arrives. Reduced reliance on humans to move road freight will offer many benefits in cost savings and capacity expansion, but it will threaten the livelihood of millions of truckers employed by the industry. The ITF recommends both industry and economy wide active management to ease this transition and support the 3.4-4.4 million freight drivers likely to be displaced by driverless technology.

The industry specific advice includes establishing a temporary transition advisory board with representatives from unions, businesses, vehicle manufactures, and government officials in the trucking industry to “advise on labor issues associated with the introduction of driverless trucks,” and implementing a permitting system for driverless freight vehicles in order to fund job training and relocation services for displaced drivers. On a broader scale, the ITF report recognizes that automatization of the road freight transportation industry is a microcosm of global economic shifts and that broad government public policy devoted to decreasing inequality and supporting displaced low-skill workers will be necessary for long term economic health.

JOBS

[View full list of jobs!](#)

Transportation Planner – System Performance

Association of Central Oklahoma Governments, Oklahoma City, OK

Principal Transportation Planner

Delaware Valley Regional Planning Commission, Philadelphia, PA

OPPORTUNITIES

[View full list of grants and events!](#)

BATIC Institute Webinar: State Legislative Initiatives in Transportation Infrastructure Funding and Financing

June 6, 2:00 – 3:00 PM ET

This webinar will cover common themes in transportation infrastructure funding and financing from recent state legislative sessions and highlight some of the revenue packages that have been enacted, focusing on the states that passed major legislation during their 2017 sessions. Speakers from the National Conference of State Legislatures will be joined by state department of transportation officials and legislators who will highlight key features of the revenue packages in selected states, discuss their monetary impact, and offer insight into the process of successfully enacting additional funding for transportation infrastructure.

How to Engage Your Community with Health Data: Hosting a 500 Cities Event

June 13, 1:00 – 2:00 PM ET

Join the Urban Institute to learn how you can mobilize community action on health through hosting a local event centered on the new 500 Cities neighborhood-level health data. In December 2016, the Robert Wood Johnson Foundation, the Centers for Disease Control and Prevention (CDC) and the CDC Foundation released the 500 Cities dataset - estimates of adult chronic disease, unhealthy behaviors, and preventive care for census tracts in 500 of the largest American cities. Hosting local events that introduce the 500 Cities data and engage diverse partners beyond the usual suspects can generate new ideas to advance health. A new guide discusses how to set goals, select an event format, engage a diverse group of participants, and highlight the 500 Cities data and other complementary data and community action resources to advance cross-sector partnerships on health.

A Digital Event: Responding to Modern Emergencies

June 20, 2:30 PM ET

The challenges our first responders face in an emergency are daunting--and the landscape is rapidly changing. Decades of increased urban density, mobility, and technology are all fundamentally changing disaster response. Pair this with external factors like climate change, as well as political and cultural factors like increasing gun violence and threats of terrorism, and you have a profession that looks entirely different than it did just a decade ago. Join Route Fifty for a digital event, where they will explore the people, policies, tools, and technology that are fundamentally changing how our nation responds to disasters--and what they see happening next.

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