THE EMERGING CONSENSUS ON SURFACE TRANSPORTATION

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This article discusses the issues confronting Congress as it prepares to authorize the federal surface transportation program in 2003. Unlike the last reauthorization cycle, there is a large degree of consensus among the stakeholders on what the reauthorization should accomplish.

We enter this surface transportation reauthorization cycle with fewer issues that might divide the transportation community and with a larger measure of a consensus among major stakeholders than at any other time in recent history. Unlike the last reauthorization cycle, when interest groups jockeyed for position and floated a number of competing proposals, this time around I find near-universal sentiment that we ought to build on the combined legacy of Intermodal Surface Transportation Efficiency Act and the Transportation Equity Act for the 21st Century rather than engage in a bruising fight to reinvent the federal surface transportation program. To be sure, there will be some proposals for changes, but these are likely to be refinements to program delivery rather than radical changes in the program structure itself.

There is a large degree of consensus within the transportation industry and among major stakeholder groups on several policy directions.

1. Protecting the Highway Trust Fund

There is unanimous agreement that the budgetary “firewall” protections and the principle of guaranteed minimum levels of annual spending should be preserved. At the same time, everyone recognizes that some refinements in the Revenue Aligned Budge Authority formula will be necessary to prevent dramatic year-to-year swings in highway funding, such as occurred this year.

2. Increasing Program Flexibility

Similarly, there appears to be much support for greater program flexibility, that is, giving federal aid recipients greater freedom to transfer funds between major programs and between subcategories within programs. Although a good deal of flexibility already exists, there is support for clarifying and enhancing this flexibility, perhaps by reducing the number of existing set-asides and suballocations.
3. Congestion Mitigation

Traffic congestion is viewed by all as a serious national problem that requires a national response. There appears to be a large measure of consensus within the transportation community that the response should include both capacity expansion and improvements in the operation of existing facilities—although opinions among stakeholders differ as to the proper balance to be accorded to these two major traffic mitigation strategies. Although operational strategies can help to some extent to reduce congestion due to accidents and vehicle breakdowns (the so-called nonrecurrent congestion), only additional highway capacity, in the form of new lanes and design changes, can decrease or eliminate recurrent bottlenecks caused by too many vehicles trying to squeeze into too few highway lanes. Proponents of the “you can’t build your way out of traffic congestion” school of thought seem to ignore the fact that additional highway lanes, even if eventually they do fill up with traffic, help to accommodate increased population growth and economic development. Schools and hospitals in areas of rapid growth also eventually fill up with students and patients, yet this never has stopped us from building more schools and more hospitals to fill growing demand.

A comprehensive federal attack on the problem of traffic congestion might take the form of a specific bottleneck reduction program, supplemented by a program of operational improvements designed to squeeze more capacity out of existing facilities. Bottleneck reduction can often be achieved without major new construction by eliminating the sources of traffic flow instability, such as inadequate acceleration and deceleration lanes and lane constriction (e.g., three lanes of traffic funneling into two lanes). Operational improvements would rely heavily on the application of advanced intelligent transportation system (ITS) technologies to strengthen emergency response, improve detection and clearance of accidents (incident management), promote wider dissemination of real-time weather and traffic information to the traveling public, improve work zone management, and establish more regional traffic management centers.

4. Environmental Streamlining

Simplifying and accelerating the process of highway project review and approval is viewed as a critical priority by large segments of the transportation community. Although current efforts of the Federal Highway Administration to streamline procedures through administrative action are commendable, the transportation community is looking to Congress to provide more explicit legislative directions to reduce the delays that have plagued the project implementation process. Issues that call for congressional resolution include establishing uniform ground rules and timelines for dispute resolution, further reducing or eliminating the federal review process for minor projects, setting maximum time limits for federally required reviews for major projects, clarifying responsibilities and requirements under NEPA in Section 4(f), and giving states and localities greater authority to sign off on environmental reviews through self-certification.

5. ITS Program

Continued federal support of the ITS program remains a high priority for large segments of the transportation community. Specific objectives advocated by the ITS community include initiatives to encourage regional partnerships for coordinated ITS operations, deployment of ITS technology to enhance highway operations and to increase the efficiency and security of intermodal freight movement, and programs to expand freeway and arterial monitoring instrumentation in metropolitan areas (currently, only 22% of the urban freeway network and virtually no arterials are instrumented). Another frequently mentioned idea is the creation of a national infrastructure network, capable of collecting and sharing transportation system condition and performance information covering the entire national highway system. Such a national communication network could become an integral and vital part of a homeland security infrastructure, available in times of national emergency for evacuation and mobilization purposes.
6. Transit Issues: Bus Rapid Transit (BRT)

Increased funding, especially for New Starts, is likely to dominate the transit industry’s reauthorization agenda. According to the latest Annual Report on New Starts published by the Federal Transit Administration, there are some 50 rail projects in preliminary engineering or final design. These projects represent a potential demand of $30 to $35 billion. Another several dozen projects, worth $70 to $75 billion, are in the alternatives analysis stage. Although the transit industry is not expected to seek funding for all these projects, this begins to define the level of future demand for new starts projects in the eyes of the transit community.

Carving out a bigger role for BRT, which is now undergoing a series of demonstrations, could significantly reduce the need for transit capital funding. According to the General Accounting Office, BRT shows promise of offering a level of service comparable to that of light rail transit (LRT) at a fraction of their cost (an average of $9 million/mile for BRT vs. $34.8 million/mile for LRT) (Government Accounting Office, 2001). Many transit experts believe that BRT could lead to a new generation of more flexible, less expensive New Starts.

7. High Occupancy/Toll (HOT) Lane Networks

However, for BRT to offer service quality comparable to that of rail (and to make it eligible for New Starts funding), the buses must be able to run in reserved lanes that are congestion free even in peak periods. This has led to proposals to convert and expand existing stretches of high-occupancy vehicle lanes into seamless networks of HOT lanes in major metropolitan areas. The HOT lanes would be open to buses and carpools without charge and to single-occupant cars for a fee. By varying the fee according to demand with the help of electronic transponders (as is already being done on the I-15 HOT lanes in San Diego), the number of single-occupant cars seeking entry to the HOT lanes could be restrained to maintain free-flowing traffic conditions at all times, thus ensuring the integrity of the BRT concept. Funds to develop and operate the HOT lane networks could come from a combination of existing federal aid highway funds, a New Starts BRT set-aside, and tolls collected from single-occupant vehicles using the reserved lanes.

Surveys of motorists on the SR 91 Express Lanes in Orange County show that people of all income levels choose to use the toll lanes when saving time is really important to them. Indeed, a utility van or a pickup truck is a far common sight on California’s HOT lanes than a Lexus. A recent study of the HOT lanes on I-15 north of San Diego indicates that public opinion strongly favors priced lanes that offer the option of a faster and more reliable trip. As existing urban freeways become more and more congested and as travel on them becomes increasingly slower and less reliable, there are likely to be plenty of people and businesses willing to pay for the privilege of traveling in congestion-free lanes. Such HOT networks would benefit not only individual travelers, freight movers, and goods deliverers who need a fast and reliable way to reach their destination but also users of general purpose lanes, which would become less congested as some traffic switched to the toll lanes. In sum, a congressionally authorized program of HOT Lane networks—built as enabling infrastructure for BRT but also available as a paying option to individual drivers who seek a faster and more reliable trip—would be an eloquent expression of the increasingly intermodal nature of our federal surface transportation program.

8. “Essential Intercity Bus Services”

The restructuring of Amtrak and the potential abandonment of some of its unprofitable intercity rail corridors may create serious mobility deficiencies in many communities across America. One solution might be to establish a network of intercity buses to take the place of the discontinued train services. The bus network would connect small towns and rural communities to regional airports and to transportation hubs in larger cities. The bus services could be run by private carriers and, where necessary, supported by federal subsidy payments modeled after the
congressionally authorized Essential Air Services Program (PLS PROVIDE YEAR). Essential air services have been maintained with federal subsidy support at approximately 100 communities affected by airline deregulation. I believe a similar approach could restore mobility to hundreds of communities threatened by possible cutbacks in intercity rail service.

9. Long Term Viability of the Trust Fund

Finally, there is a growing concern within the transportation community about the long-term capacity of the Highway Trust Fund to finance the nation’s future transportation needs. The preponderance of opinion is that the growth in gasoline tax revenue will not keep pace with the rising demand and cost of highway preservation, reconstruction, and rehabilitation. A growing use of ethanol-based fuels (its use jumped 28% in 2001) and the long-range impact of hybrid and fuel cell vehicles is expected to further diminish the prospects for gas tax revenue sufficiency. In the short run, shifting ethanol tax receipts from the general fund to the Highway Trust Fund might ease the situation somewhat. But looking beyond the next reauthorization cycle, we may have to consider entirely new approaches to federal transportation program financing. Hence, there is much to be said in favor of a congressionally mandated study to explore alternative financing mechanisms that would offer a stable and adequate long-term source of transportation financing.

References


Essential Air Services Program, 49 U.S.C. 41731 (PLS PROVIDE YEAR).