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Community Transportation Association of America Releases
“A New Surface Mobility Vision for America”

Washington, D.C. – February 3, 2009. The Community Transportation Association of America – representing more than 4,000 members nationwide – has developed a bold and innovative approach to our nation’s future transportation policy with the publication of “A New Surface Mobility Vision for America.” With the arrival of a new Presidential administration and a new Congress – along with the forthcoming reauthorization of federal transportation legislation – now marks the ideal opportunity to re-envision the role of community and public transportation.

Our new vision is rooted in the recognition of mobility as a cornerstone of our nation’s prosperity, and that a fundamental restructuring of transportation priorities, investment and policy is needed to more fully reflect the important work done by mobility providers. Moreover, since the most vital issues of national concern – economic development, health care, energy, environmental protection – are all significantly influenced by transportation decision-making, national priorities must be realigned match these growing trends. To achieve this bold, new approach to mobility, our vision is based upon the following priorities:

• Streamlining the transit program and its administration
• Increasing investment in all forms of surface mobility
• Diversifying mobility investment sources
• Building on the past to produce a world-class mobility network
• Developing a new approach to connecting urban and rural transit, including intercity rail and bus
• Trusting transit operators at the local level to serve all Americans
• Providing greater flexibility for local transit operators to decide how best to meet mobility needs
• Inspiring opportunities for job growth, economic development, and environmental improvements
• Expanding the mobility of all Americans
• Tapping the energy and skill of the American workforce

To view the full content of “A New Surface Mobility Vision for America,” please visit our website at www.ctaa.org.
The Community Transportation Association of America’s national Surface Transportation Mobility plan asserts the vital role of public and community transportation in helping the nation through some of the most vexing and critical issues it has ever faced. Crafted in concert with our Board of Directors, State Delegates and members, our new vision for surface mobility is a bold departure from business-as-usual policies and seeks true reform, innovation and partnerships in mobility for all Americans.

Presented here in its entirety, we offer not only the Association’s New Surface Mobility Vision for America, but also a series of Priorities in Practice — selected Community Transportation articles and columns that highlight the Association’s reauthorization priorities in action.

The role of moving Americans effectively and efficiently has never been more directly tied to our collective success and prosperity than it is today. The American way of life is, in fact, made possible by the freedom of movement we have always enjoyed. This New Surface Mobility Vision proposes the foundation for the next great American transportation era — one where all forms of public and community transportation are more significantly invested in and more seamlessly connected together.
As the landmark SAFETEA-LU federal transportation legislation comes to an end, with a new Administration and new Congress, and most importantly with a renewed interest in cost-effective, efficient mobility on the part of the public, the Community Transportation Association of America and its more than 4,000 members offer a New Surface Mobility Vision for America. The past 40 years of national transportation policy have built to this moment; we have reached a point where we’re done conceptualizing and testing various transportation and public transit strategies. Every single one of today’s key national issues — energy independence, environmental safeguarding, congestion mitigation, economic development and health care — is impacted by public transportation policy. It is time to take what we’ve learned, incorporate the lessons from the rest of the world, and build the premier public and community transportation network the nation needs. We need action! An infusion of targeted resources will bring this vision into reality and move the nation forward.

Public and community transportation finds itself at the crossroads of a successful past and a swiftly emerging future. The events of the past two years have placed transit at the forefront of the local news, in policy discussions and in the very lives of Americans. The need for energy independence, congestion mitigation, preserving our natural environment and aiding an aging society have all combined to drive record numbers of people to the doors of public and community transit’s buses and trains. In cities and towns, suburbs and rural areas, transit ridership is eclipsing all-time highs, and transit systems are scrambling to react. Lacking the capital and operating investment to meet these increased demands, too many transit operations are left with no choice but to raise fares and reduce service. Within this climate it becomes increasingly clear; A time of great opportunity and challenge for transit is upon us.

The Community Transportation Association of America consists of a diverse collection of organizations and individuals, and this detailed proposal is strengthened by a confluence of their ideas and vision. From transit operators to state officials, investors and manufacturers, riders and advocates, the Association believes that the mobility future of all Americans will be best served by pursuing a broad-based transportation policy in the next two years that includes — but is not limited to — reauthorization of SAFETEA-LU. Private investment must be brought into the industry in a substantive manner and the other interests transit serves — health care, energy, labor and the environment — must invest in transit at a level commensurate to the benefits they receive. This is not a time to merely reauthorize what’s been a good bill and move on; it’s a time to take bold action, to break away from the industry’s dependence on a dwindling gas tax revenue source and find a new way forward for transit’s future.

Before covering the particulars of the Association’s plan, it is vitally important to reiterate our basic organizational principles and mission. These principles imbue the entirety of this policy document and though often taken for granted, must be clearly communicated as the foundation from which the transit field will move forward. In the legislative battle sure to be waged in the next year or two over transportation reauthorization and the future of public and community transportation, we consider the following very good ground from which to operate.

• We believe that every American must be assured accessible, affordable, convenient, reliable and safe transportation to the local destinations of their choice, without regard for disability, age, or economic status.

• We believe investment in public and community transportation is a sound investment and that it can have a resoundingly positive impact on the national economy.

• We believe that the federal government must be a guarantor of mobility for all Americans, because freedom in our modern society is defined by mobility.
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- We believe that the federal government must be a guarantor of mobility for all Americans, because freedom in our modern society is defined by mobility.

These central tenets in our Surface Mobility Vision were developed in concert with the Association’s Board of Directors, State Delegates and general membership in various forums in the past year. From these core beliefs, the rest of this proposal springs. In addition to forging a central set of beliefs, the Association also created a more specific set of objectives for the SAFETEA-LU reauthorization process, one that encompasses goals beyond reauthorization.

**OUR REAUTHORIZATION PRIORITIES**

- **Streamlining the transit program and its administration.** Time and again, our members professed strong interest in a simplified approach that more effectively delivers the transit program and encourages local decision-making and leadership. This streamlining will offer a more rational framework for financing, planning and developing mobility investment.

- **Increasing investment in all forms of surface mobility** is clearly necessary in order to build upon the lessons we’ve learned thus far. And this increased funding is a clear investment in local economies by boosting capital expenditures and developing new employment opportunities.

- **Diversifying mobility investment sources.** The Surface Mobility vision enunciated in this plan absolutely depends upon investment from sources beyond the traditional gas tax revenue stream.

- **Building on the past.** We’ve spent the better part of the past 40 years developing the prototype. Now it’s time to build the world-class mobility network we need.

- **Developing a new approach to connecting urban and rural transit.** It is not enough to build successful, stand-alone public transportation operations in urban and rural areas. We must reliably and cost-effectively connect these two service modes regionally if public transportation is to respond to the real mobility needs of the American public. Linking mobility is the future path for consumers, regardless of the origin of the trip.

- **Trusting transit operators at the local level to serve all Americans.** As President Kennedy said, “we can only have faith in the future if we have faith in ourselves.” Quite fundamentally, this legislative proposal is predicated upon the underlying premise that given the resources and freedom, the nation’s public transportation leadership will ably and conscientiously serve the greater good.

- **Providing greater flexibility for local transit operators** and the communities they serve to decide how best to meet their mobility needs. Stimulating innovative new partnerships between the mobility community and various levels of government to achieve higher levels of service and service quality.

- **Inspiring new opportunities** for job growth, economic development, environmental improvements and an end to isolation with increased surface transportation investment and integration.

- **Expanding the mobility of all Americans** — including seniors and people with disabilities — through all forms of public and community transportation. Expand our nation’s commitment to passengers with disabilities with a revamped New Freedom program.

- **Tapping the energy and skill of the American workforce.** Public and community transportation is a $44 billion industry that employs nearly 400,000 people.
What does our plan look like? Here is a graphical representation of how we see these programs working in concert in a state like New Hampshire.

To meet the growing demand for transit in communities of all sizes, our proposal brings this purpose back into sharp focus.

Our programmatic priorities are to provide a more rational frame of reference for financing, planning and developing the mobility investments that make up the public transit network. We will bring all major federal investment in surface transportation together in a more commonsense approach to foster the easier integration and coordination of mobility programs at the state and local level, making the most out of increased transit investment. This linking of mobility programs together at the local level is clearly the easiest for transit consumers.

In our plan, all federal surface transit investment would be brought together into one of three programs: Rural Transit, Urban Transit or Intercity Bus and Rail Service. This significantly simplified approach to federal transit programs will end the proliferation of standard rules and regulations.
alone programs, each with its own set of often conflicting guidance, regulations and intentions. We propose to develop within each of these programs a set of assurances that current populations being served by Section 5310, JARC, New Freedom programs will continue to be served.

In each of the three categories — rural, urban and intercity — we will include new definitions of operating and capital assistance; definitions that provide the flexibility needed by all types and sizes of transit and intercity operators to best serve their communities and their customers.

In rural areas (those with populations under 50,000) operating investment in transit will be based on the current program as defined in the Section 5311 statutes, but adding all items currently listed as administrative as allowable operating costs. For rural operating costs, all local share allocations will change from 50/50 to 80/20. At least 5 percent of operating allocations are to assist in the provision of transportation services that assure mobility for seniors and persons with disabilities. Capital costs in rural areas will, as with operating charges, continue to be based on definitions in the 5311 statutes. However, all local share for rural transit operators will be waived for purchases that meet three categories: (1) those for alternative-fueled vehicles; (2) those for meeting or exceeding ADA compliance; and (3) those incurred meeting clean air act standards. All other rural capital costs will remain at 80/20 except where current rules offer additional local share relief due to federal lands. Local community-based organizations will receive at least 5 percent of capital assistance allocations for the purposes of addressing the capital investment needs in providing transportation services for seniors and persons with disabilities. Finally, we propose a formula-based allocation of 5 percent of rural funds for tribal transit programs.

For urban transit systems (populations greater than 50,000) operating costs will be based on the definitions in the existing Section 5311 statutes, which include cost categories added from the “Administration” included in the rural program, and paratransit costs, as well. All local share allocations will change from 50/50 to 80/20. As with the rural program, all local share for urban transit operators will be waived for purchases that meet three categories: (1) those for alternative-fueled vehicles; (2) those for meeting or exceeding ADA compliance; and (3) those incurred meeting clean air act standards. Also, as with the rural program, urban operators will set aside least 5 percent of operating and capital allocations to assist community-based organizations in the provision of transportation services that ensure mobility for seniors and persons with disabilities.

Our plan is committed to the fundamental principle that the time has come to allow local transit agencies — those who know best, both rural and urban operators — to decide when and where to use operating and capital investment. We know that these local operators

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**OPERATING SUPPORT IN YEAR ONE**

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
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*We need investment into the transit program that acknowledges and rewards such activities as keeping people healthy and avoiding emergencies, helping seniors stay out of institutions and remaining independent, connecting employers with employees, lowering harmful carbon emissions, mitigating congestion and more.*
best understand the needs of their customers and service areas, and will make informed, sound decisions. They are governed by local boards and subject to planning processes.

Within the intercity bus and rail area, operating assistance for bus service will be based on the current program as defined by the Section 5311 statutes, adding items currently listed as administrative as allowable operating costs. All local share allocations will change from 50/50 to 80/20. Operating investment for rail service will be consistent with the current operational definitions used by Amtrak. Capital costs for intercity bus services will be based on the current definitions in the Section 5311 statute. As with rural and urban, all local share will be waived for purchases that meet three categories: (1) those for alternative-fueled vehicles; (2) those for meeting or exceeding ADA compliance; and (3) those incurred meeting clean air act standards. All other capital expenditures will be matched at 80/20. Capital costs for intercity rail service will be consistent with the current definitions used by Amtrak.

Our plan brings Amtrak and any future rail efforts into a unified surface mobility program and makes it a viable component and partner in moving Americans between cities and in interfacing effectively with local urban and rural transit operations, as well as with intercity bus providers. When more properly deployed, Amtrak will greatly enhance the traveling public’s connectivity and in regional and small- to medium-distance trips makes vastly more sense than air travel. Long-distance rail service is really long-haul intercity rail service and must be maintained and made part of our intermodal system. Like the overall public transportation program, the age of experimentation with intercity rail and with Amtrak must now draw to a close. It’s time to take the lessons we’ve learned during the past four decades and make Amtrak into a viable intermodal surface transportation link.

FINANCING

Our new Surface Mobility Vision includes, as stated in the previous section, ongoing operating and capital assistance, with new local-share ratios designed to increase local flexibility and decision-making and to jump-start the impact of this investment on the economy. Because an increasing number of states and cities are experiencing significant shortfalls in local tax generation and other revenues traditionally used as local share, our proposal calls for flexibility in match ratios to ensure that this investment reaches its targets as soon as possible. In this section, we propose investment levels in both operating and capital over the six-year life of our program. (Please note that all figures are in billions of dollars).

The increased investment in our plan is more a direct result of diversifying the base of transit investment than simply increasing or indexing the federal fuel tax. The gas tax has proven over time to be a reliable source of investment for public transit, but recent events have highlighted how fuel prices can spike, increasing the demand for public transit alternatives to driving while at the same time diminishing fuel tax returns. The result: less investment available at a time of great transit interest. What’s more, relying solely on the fuel tax ignores much of what having good, effective transit does for the communities it serves. We need investment into the transit program that acknowledges and rewards such activities as keeping people healthy and avoiding emergencies, helping...
## OPERATING SUPPORT

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## CAPITAL INVESTMENT

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*note: All figures are in billions of dollars*
Like the overall public transportation program, the age of experimentation with intercity rail and with Amtrak must now draw to a close. It's time to take the lessons we've learned during the past four decades and make Amtrak into a viable intermodal surface transportation link.

Seniors stay out of institutions and remaining independent, connecting employers with employees, lowering harmful carbon emissions, mitigating congestion and more.

We propose to effectively double the investment in surface mobility at the outset of the new program and to hold that investment level steady for the first three years and then add to both the rural and intercity sections for the final three years of the proposal. In effect, we break down the plan into two separate three-year programs, with time to evaluate and study the effectiveness and impact of the first three years before moving forward with the second.

To pay for the operating portion of the program, we propose to utilize $7 billion in fuel tax revenues, $2 billion in general revenue — recall that Amtrak currently receives $1.5 billion in investment from general revenue sources (see box on p. 24 – ed) — and some $3 billion in transfers from other federal programs, most significantly from both Medicaid and Medicare (see box on p. 27 – ed). This transfer from Medicaid and Medicare would be directed into our streamlined urban/rural/intercity programs and is designed to guarantee access to these clients but not be tied to specific Medicaid or Medicare patients.

For capital investment, our Surface Transportation vision is split into two three-year sections. In the first section, capital investment totals $9 billion, while the second phase sees that number rise to $12 billion.

Capital expenditures in public transit have never been more vital than today. Our proposed increases in capital funding will not only help America rebuild its deteriorating transit infrastructure, but will have a direct, positive impact on the national economy. Our plan proposes to increase purchasing of vehicles from American automobile companies, which will obviously have a positive impact on their supplier networks, as well. Transit capital investment will also affect jobs, as many such investments include major construction projects like new rail lines and intermodal stations.

Revenue for our capital investment program would emanate from a combination of fuel taxes, bonding, a tax on oil company profits and user/ticket fees. We take our bonding concepts directly from those promulgated by Senator Max Baucus of Montana during the run-up to SAFETEA-LU. Tax credit bonds, we believe, would be both marketable and cost-effective, particularly when deployed in high-profile, large capital infrastructure and building projects. These bonding ideas made sense as part of an overall transit finance strategy five years ago, and they still make sense today.

We propose a tax or surcharge on energy company profits to help augment our transit capital plan because, simply, why should the public bear the entire burden of roads, highways, bridges and transit investment through fuel taxes, while the oil companies achieve historic and record-breaking profit margins each quarter? We propose a small tax on these profits to ensure that the oil companies are fully invested in America's transportation future.

A NEW FREEDOM

Our plan calls for the creation of a new position in the U.S. Department of Transportation: an Assistant Secretary for Accessible Transportation, reporting directly to the Secretary. The new Assistant Secretary will coordinate and develop a national mobility strategy to make all of America's mobility programs, including transit-oriented development, smart growth and complete streets, fully accessible.

We propose that the Assistant Secretary be assigned an annual allocation of $50 million for use in the research and development of systematic approaches to mobility technology that can be used to improve mobility devices and securement technology in the United States and support the export of products and services internationally. As well, we support the continuation...
of the national activities previously called the New Freedom grant program to enhance the focus on innovative solutions at the state and local level that move beyond the narrow purview of vehicles and levels of service to make the nation more accessible. We propose that $300 million be assigned for these tasks in each of the next six fiscal years.

Finally, we propose that the research activities created by the Assistant Secretary be developed through negotiated rule making with advocates for accessibility for people with disabilities, representatives of agencies dealing with highways, transit providers, and transit equipment manufacturers.

**Emergency Response**

In light of the events that have occurred since SAFETEA-LU’s passage in the emergency preparedness and response arena, our proposal urges improving transit’s capacity to respond to a natural disaster or a major terrorist attack. A vital part of this improvement will include the establishment of National Reserve Fleet of transit vehicles and rail cars, stockpiled for use in local communities should the need arise. This fleet, kept in a fully operational standby status will be able to respond to emergencies as needed. We also believe that some indigenous fueling capacity for this fleet will be developed as well as a stockpile of common transit fuels provided for not just its use, but for transit’s general use in an emergency. Finally, investment for this emergency response role for transit must not come at the expense of current investment streams.

**Federal Surface Mobility Administration**

To effectively manage this streamlined, simplified federal transit program — one without the “stove-piped” philosophy endemic to the current federal transportation programs — we propose the creation of an all-new Federal Surface Mobility Administration. This new administration, which reflects a partnership dedicated to helping local transit entities serve their customers and communities, will manage the traditional public and community transportation systems through direct grants and grants to states much as the current Federal Transit Administration operates. Significantly, the new program will combine increased attention to intercity bus and rail and Amtrak rail services into a more connected surface transit program.

A key aspect of our envisioned Federal Surface Mobility Administration is engaging its staff more regularly and impactfully with transit operators in the field, to ensure a productive dialogue and better understanding of operational realities. Our plan also calls for increased use of negotiated rulemaking to develop federal rules and guidance — and that these negotiations must include representatives from those operators and grantees most likely to be effected. We envision a collaborative, affirming model where administration and operators consider themselves partners and not adversaries.

We propose dividing the new Federal Surface Mobility Administration into four key areas: (1) administration; (2) planning; (3) operations; and (4) support. In the first year of our plan, we propose the following funding levels — administration, $150 million; planning, $200 million; operations spending will be, as detailed in the Program Package section, $21 billion; and, support $250 million.

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<tr>
<th><strong>FEDERAL SURFACE MOBILITY SUPPORT FINANCING IN YEAR ONE</strong></th>
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<tbody>
<tr>
<td>Administration</td>
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<td>Planning</td>
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Our New Surface Mobility Vision for America includes a commitment to the following:

- Increasing investment in surface mobility, in both rural and urban areas
- Developing a new approach to connecting urban and rural transit to connect the nation
- Diversifying investment
- Strengthening our commitment to mobility by using common-sense rules and regulations that are based on inclusion
- Simplifying the transit program and its administration and
- Trusting transit operators at the local level to serve all Americans.

**Fast Mail**

Urgent Message -- Your Association has introduced a special e-mail newsletter full of information you need. If you are not receiving Fast Mail already, simply send an email to fastmail@ctaa.org and we will start your e-subscription right away.