

Congressman Mark Kennedy (R - MN 6th) **Freeing Alternatives to Speedy Transportation (HR 1767)**

We are spending too much time in traffic and away from our families. Traffic congestion costs the United States more than \$67 billion annually. We waste almost 6 billion gallons of fuel, and 3.6 billion hours idling in traffic jams. For the average person, this means \$1,160 and 62 hours wasted annually by congestion. If you break that number down further, that means each person spends almost \$4 per workday in lost fuel. That's bad for our families, our economy, and our environment. According to the Progressive Policy Institute, "...between 1987 and 1997, the share of federal highway funds going to new construction fell from 34 percent to 27 percent." At the same time, while Vehicle Miles Traveled increased by 42%, new road capacity only increased by 9%.

Congestion is getting worse nationwide. The most recent Urban Mobility Study conducted by the Texas Transportation Institute found that: "The amount of traffic experiencing congested conditions in the peak travel periods (three hours in the morning and three hours in the afternoon) has doubled in 20 years of the study from 33 percent in 1982 to 67 percent in 2001. This meant that two of every three cars experience congestion in their morning or evening trip." Additionally, congestion levels have increased in every area since 1982.

In my own home state of Minnesota, our problems are getting worse by the day. According to the 2000 Census, Minnesota, and the Minneapolis/St. Cloud Mega-Corridor in my own sixth congressional district, are experiencing one of the highest traffic congestion increases in the country.

The latest 10-year plan out of the Minnesota Department of Transportation does not offer much room for hope that we will be able to wake-up from our traffic jam nightmare any time soon. Approved road construction does not come anywhere near to meeting demand. Minnesota is not alone in this battle. Across the nation, states are not able to put up the resources necessary for new roads.

The problem is one of resources: there is simply not enough money available to build the roads we need. Even the most ambitious calls for a gas tax increase will not provide the money we need. We need new ideas.

That's why I introduced the bipartisan Freeing Alternatives to Speedy Transportation - FAST Act (H.R. 1767) in the House of Representatives: To relieve congestion on the nation's interstate highway system. The FAST Act allows for the construction of new lanes, a voluntary option where users pay to use the new lanes if they decide it is worth it to them to get where they are going FASTER. The bill would repeal an outdated law from the 1950s that prevents innovation. Senator Wayne Allard (R-CO) has introduced a companion bill in the Senate.

The legislation includes three important conditions to promote fiscal responsibility and driver confidence. First, fees will only be collected using non-cash electronic

technology--No tolls, and no tollbooths. Second, the voluntary fee is charged on new lanes only, and is dedicated to those new FAST lanes. This leads to the third point, when the revenues collected from FAST lane users have repaid the costs of the FAST lanes, the fees go away.

The FAST Act will provide states and users many benefits. The FAST Act empowers states with a new revenue stream they can use to solve their own problems so that they do not have to come to Washington D.C. every time they need to build a road. FAST lanes also will free up critical dollars for other state priorities, so that high-dollar projects on congested metropolitan roads do not absorb all of a state's resources. Projects get completed faster using FAST lanes; and when roads get built quicker, they cost less and get people moving sooner.

Every driver will benefit when FAST lanes are constructed. Drivers will have the choice to determine if FAST lanes make sense for them. Those who choose to use them will be able to get where they are going a little quicker for a small fee. Those who choose not to use the FAST lanes will benefit from having fewer cars in the existing lanes at no additional expense.

Sometimes, getting your child to the doctor, or getting to work on time may be worth paying a small fee. One of the benefits of these lanes is you can move in and out of them at 50-60 miles per hour.

While some people would criticize these lanes as "Lexus lanes," I prefer to call them "Lumina lanes" as studies have shown people across different socio-economic backgrounds use them. Lee Munich, a Senior Fellow at the Humphrey Institute of Public Affairs at the University of Minnesota argues that FAST lanes are fair. He has said: "...studies show thousands [of low-income and middle-income Southern California users] definitely do use the lanes when needs arise. In fact, the highest level of support for San Diego's 4-year-old Express Lane comes from the lowest income users (80 percent support), not wealthy users."

I think we are all familiar with the poll numbers that show as much as 81% percent of the population supports significant investment in our transportation infrastructure. The majorities in these polls reflect an awareness of the looming system capacity crisis, as well as what this means to our economic development and sustained prosperity.

How do we reconcile this support for investment in our transportation system with the fact that when given the opportunity to prove that support, in the countless referenda that have been brought to the voting booths, they are consistently defeated? For example, in 2002 there was a major push at the polling place where voters were given the chance to prove their support for transportation investment with increases in sales or gas taxes. In Missouri, voters were given the chance with Proposition B, which would have increased the sales tax one-half cent along with a 4 cent increase in the per gallon motor fuel tax. Combined, these increases would have reaped almost \$500 million per year for

transportation improvements. It was defeated with only 27.5% voting in favor of the package. And there were countless other referenda that were defeated.

What are the lessons behind these failures? What should interested parties, and responsible policy makers and elected leaders learn from this pattern of failures? All these efforts had in common concerted, and very carefully planned, public education efforts, with broad group support well organized behind a common message to sell the voters on the need to support the packages in front of them in the voting booth. Even with the textbook lobbying campaigns, the measures were defeated. Why? Again and again, when impartial analysis of the defeats was rendered, the answer was the same: the voters had little confidence that the money would be spent properly. A common chorus was “you aren’t responsible with the money I am already giving you, why should I give you more?”

And even if the voters would have supported these increases, or other increases, for example the House Transportation and Infrastructure Committee plan to spend \$375 billion over the next six years, it is not enough. The American Association of State Highway and Transportation Officials (AASHTO) suggests that beyond merely maintaining the existing system, to begin actually making an investment in improving the system could require as much as \$93 billion a year. So, even the most radical calls for a gas tax increase will not provide the money we need. We need new ideas.

We do not have to look far to find them. In this country, our laboratories of democracy, the states, have been highly innovative about solving traffic problems. Many states like California, Colorado, Virginia, Florida and Texas are already using lanes similar to FAST lanes.

An excellent example of the kind of project I believe moves transportation in the right direction is the E-470 project in Colorado. According to the E-470 Public Highway Authority, this planned 48-mile toll-way will form the eastern half of a beltway encircling the Denver metropolitan area. This is a critical project for this fast-growing area. But in an age of rising demand, and insufficient resources, it is one that very easily could have been left on the drawing board. Instead, because Colorado took the initiative to create both the opportunity to harness the user-fee revenue stream, and to create an environment and atmosphere that was friendly and inviting to public-private partnerships, the E-470 stands as an example of what is possible. Because the state harnessed the energies, resources, and know-how of the private sector, people and goods will move more efficiently through Colorado. This \$722 million project is being entirely financed with an escrow bond-financing package using future toll revenues. Colorado will benefit from projects like E-470 because, by building this project entirely with private sector financing, they will not be put into a situation where they must choose between needs. They get a new beltway around Denver, and they still receive their federal highway trust fund apportionment to spend as needed. In other words, Colorado gets to have its cake, and eat it too.

Regrettably, the federal government has only taken baby steps in the direction of bringing 21st century transportation policy innovations from the states to the federal road system. In Texas, the Katy freeway will be widened from 11 lanes to 18, with four toll express lanes being added in the middle, according to information available from the Harris County Toll Road Authority. These four lanes will provide \$500 to \$600 million of the project's overall \$1.2 billion price tag. This I-10 widening could be completed in 4 years because of such FAST lanes, rather than the 15 originally projected. The user fee will also help reduce the amount of federal funding required for the project, which is largely responsible for expediting the delivery of the project, but it also helps Texas by, as in Colorado, keeping the state from having to choose between priorities. The Lonestar state, and the city of Houston, will get Katy, and still have money for other priorities.

The FAST Act is not a new idea, but it is a new application of a time honored and technology modernized concept. The Heritage Foundation has said "the FAST Act promises one of the most significant improvements in the federal highway program since it was created in 1956." The Wall Street Journal, in an editorial on June 18, 2003 said the following about the FAST Act: "Most important, FAST would return control over highway projects to local officials, who are better placed than Washington to know which roads need upgrading...we hope more Republicans rediscover their free-market principles and join Mr. Kennedy's street-smart revolt."

As we reauthorize the six-year road bill, I hope to have this proposal included in that legislation. Thus far, both Chairman Young and the House leadership have been supportive of this idea. Prominent national organizations are also supportive of the legislation: Americans for Tax Reform (ATR), American Highway Users Alliance, Associated General Contractors of America (AGC), American Association of State and Highway Transportation Officials (AASHTO), National Taxpayers Union (NTU), Association for Commuter Transportation (ACT) as well as the state Departments of Transportation from Minnesota, Colorado and Washington.

I don't list these organizations supporting the FAST Act merely to toot my own horn. I do so because these groups comprise two sides in the battle that has been fought in the public policy debates on transportation investment. Whether they have been chiefly concerned with responsible spending, or with increasing the resources available to transportation, they all agree that it is time to get America moving FAST again.