

# MARY'S STORY

**She makes more and pays more for almost everything in her life – except the federal gas tax**

Mary expects a safe and reliable transportation system as a basic fact of life. What Mary doesn't realize is that the federal gas tax she is paying to build and maintain that system has remained stagnant since 1993 at 18.4 cents per gallon. Given the increased fuel efficiency of her vehicle, she is actually paying less in federal gas taxes today than she did in 1993. Meanwhile, the cost of maintaining and rebuilding the system on which she relies has increased at a rate that greatly exceeds general inflation. This is a situation that is simply not sustainable.



Mary lives in Prairie du Sac and works in Madison as a Nurse.

## Mary in 1993

Annual Salary: \$36,000  
 Vehicle: Ford Taurus Cost: \$20,000  
 Average Miles per Gallon: 22.8  
 Cost to Mail a First-Class Letter: 29¢  
 Cost of Gas per Gallon: \$1.11  
 Federal Gas Tax Paid per Gallon: 18.4¢  
 Annual Federal Gas Tax Paid: \$96.84

## Mary in 2009

Annual Salary: \$65,000  
 Vehicle: Ford Fusion Hybrid Cost: \$28,000  
 Average Miles per Gallon: 38  
 Cost to Mail a First-Class Letter: 44¢  
 Cost of Gas per Gallon: \$2.55  
 Federal Gas Tax Paid per Gallon: 18.4¢  
 Annual Federal Gas Tax Paid: \$58.11\*

This is the equivalent of paying \$38 in 1993.

## HOW MARY LIVES

Mary loves living in the small-town, rural Wisconsin community of Prairie du Sac. It's where she grew up. It's where she and her husband are raising a family of their own. And it's close enough to larger cities that both she and her husband can commute to their jobs.

Mary works as a nurse in Madison; her husband as an engineer in Dodgeville. Although they both drive more than 30 miles to work each way, they agree it's worth it to be able to raise their kids in Prairie du Sac.

The next surface transportation reauthorization needs to take into account all the Marys – the millions of people who don't live in major urban centers. All of them need sensible, responsible transportation policies that reflect a simple but very important fact: what enhances "livability" in New York does not necessarily work in Wisconsin.



Prairie du Sac



New York



Prairie du Sac & New York City: Small towns and major urban centers have very different quality-of-life needs when it comes to transportation.

*This is Mary's story. As a composite of the many Wisconsinites who live in rural communities they love – and who work at great jobs in larger cities down the road – Mary represents millions of people in this country. Policymakers should remember them all when crafting the next surface transportation reauthorization.*

# TEN REASONS TO RAISE THE GAS TAX

## 1. The gas tax has lost a lot of purchasing power.

The federal government would need to increase the gas tax from 18.4 cents to 28 cents per gallon just to recapture the purchasing power lost to inflation since 1993 – the last time the federal gas tax was raised.

## 2. People are actually paying less in gas taxes.

According to the Bureau of Transportation Statistics, the average fuel efficiency of a U.S. passenger car increased from 20.6 mpg in 1993 to 22.5 mpg in 2007. The driver of the “average vehicle” is paying approximately 8.5 percent *less* in federal gas taxes than they did in 1993.

## 3. Two congressional commissions recommend it.

In SAFETEA-LU, Congress created two commissions to make recommendations on transportation revenue and policy. *The Surface Transportation Policy and Revenue Study Commission* addressed policy, and *The National Surface Transportation Infrastructure Financing Commission* dealt with funding. **Both commissions** strongly recommended increasing the gas tax – the only federal user fee in place today.

## 4. The cost to an average family is surprisingly small.

According to the SAFETEA-LU Financing Commission report, raising the gas tax by 10 cents would cost the average family only **\$9 a month**. In comparison, the average household spends nearly \$800 a month to own and operate vehicles.

## 5. Companies need a good surface transportation system.

In the *24th Annual Corporate Report* conducted in 2009 by Area Development Online, corporation executives listed “access to highways” as one of the top two factors in determining where to locate a business or company.

## 6. Businesses say it will increase economic competitiveness.

Through the U.S. Chamber of Commerce, the business community advocates for a federal gas-tax increase as one of the best ways to improve our country’s economic competitiveness. **“The American business community is saying, ‘We don’t see this as a tax.’ This is a user fee, and those people [who] use these roads and bridges ought to be contributing to the maintenance, upkeep and expansion where that needs to be done.”** (From August 2009 remarks by Tom Donohue, President, U.S. Chamber of Commerce.)

## 7. Current trust funds aren’t enough for the future – they can’t even cover current program plans.

According to the Congressional Budget Office, the Highway Trust Fund will need \$65 billion in additional revenue through 2015 – the equivalent of a 5-cent increase in the gas tax – just to fund program levels enacted for 2010, plus inflationary increases.

## 8. Our deteriorating infrastructure will get worse.

In its report, *2008 Status of the Nation’s Highways, Bridges and Transit: Conditions and Performance*, the U.S. Department of Transportation states: “Achieving the **Sustain Conditions and Performance** scenario objectives [roads and bridges] would require an annual spending increase of 2.72 percent in constant dollar terms, translating into an average annual investment level of \$105.6 billion [versus \$78.7 billion currently from all levels of government].”

## 9. A healthy Highway Trust Fund is the foundation of responsible long-term planning.

Historically, utilizing the gas tax to fund the Highway Trust Fund has provided a reliable stream of income to fund multi-year surface transportation authorizations. Advance knowledge of future funding commitments allows state transportation departments to conduct meaningful long-range planning; waiting year after year to see if the general fund will bail out the Highway Trust Fund does not.

## 10. We can’t keep this up much longer.

Continuing to use general fund revenues to support transportation programs is not sustainable. Current entitlement programs are projected to consume a larger and larger share of the U.S. general fund. Coupled with stated commitments to reduce the nation’s record deficit, it is wholly unrealistic for policymakers and citizens to rely on the general fund as a viable funding source for transportation in the future.

**“Raising the gas tax by 10 cents would cost the average family only \$9 a month.”**

## WISCONSIN TRANSPORTATION NEEDS

**Highways:** The Road to the Future Committee, a state joint legislative committee, noted significant shortfalls – \$750 million a year in today's dollars – in the funding necessary to meet Wisconsin's highway construction needs. Reconstruction of the seven-county Southeast Wisconsin Freeway System alone is estimated to cost approximately \$15 billion when adjusted for construction inflation. The only portion that has been completed thus far is the Marquette Interchange, which cost approximately \$800 million. Reconstruction of I-94 from the Illinois-Wisconsin state line to the Mitchell Interchange is underway and work on the Zoo Interchange, the busiest interchange in our state, is scheduled to begin in 2015. A plan to fund the level of freeway reconstruction that is needed in the near future has yet to be put forward. Federal funds will be a vital component of any funding plan.

**Local Roads:** Local roads provide a critical link between the state trunk highway system and businesses. Local governments statewide are developing inventories of their road systems and documenting current needs. Recent estimates suggest program funding to maintain and improve local roads is short by approximately \$75 million annually. Safety on rural two-lane roads, which claim a disproportionate share of traffic deaths, continues to be a primary concern in Wisconsin.

**Transit:** As urban areas expand, much of the job growth and development is occurring on the edges of these urban centers. Transit services must continue to expand in order to connect workers to jobs and ensure mobility for an aging population. Many rural communities are under-served. Currently, 24 of Wisconsin's 72 counties have no service. The Road to the Future Committee report highlighted a \$38 million annual shortfall in operational assistance statewide. While Wisconsin accounts for 2 percent of the nation's population, the state receives less than 1 percent of federal transit funding. When Appleton and Green Bay urbanized areas exceed the 200,000 population threshold for the first time after the 2010 census, federal operating assistance awarded to Wisconsin will decline further. Bus Capital funding for Wisconsin has declined sharply in recent years, and while recent ARRA funding has facilitated much needed capital acquisitions, a significant backlog of unmet capital needs remains. In addition, funding for the federal New Starts program is critical to future commuter rail projects in Southeast Wisconsin and Dane County.

**Aviation:** The Wisconsin Department of Transportation estimates a \$280 million backlog of Airport Improvement Projects through 2016 – approximately \$40 million a year. Because over 70 percent of the funding for airport improvements has and will continue to be federal, Wisconsin's return from the federal government is critical. The latest authorization bill, Vision 100 – Century of Aviation Reauthorization Act, provided \$60 billion for aviation programs over four years and expired September 30, 2007. Wisconsin received, on average, \$60 million per year under this legislation.

**Deepwater Ports:** Wisconsin has 20 commercial ports that serve as multimodal distribution centers linking waterborne vessels and their freight with our extensive network of highways and railroads. Each year these facilities handle more than 40 million tons of cargo worth approximately \$7 billion. Increased investment is vital in order to maintain and modernize these systems and to ensure affordable and efficient access to U.S. and global markets. The state's Harbor Assistance Program has a backlog of more than \$100 million of projects funded by a \$7 million annual budget.

**Passenger Rail:** Amtrak's Hiawatha service connecting Milwaukee and Chicago offers an affordable and reliable option for travelers and continues to offer one of the best on-time ratings in the country. Ridership on the Hiawatha remains strong despite the tough economic times. ARRA funds awarded to Wisconsin will help to increase the speed and efficiency of the Hiawatha line and extend high-speed rail service on to Madison. Any reduction in federal funding for Amtrak would run completely counter to these planned improvements.

# TRANSPORTATION INVESTMENT IN WISCONSIN



Douglas County  
Highway C



Rural Transit



Eau Claire Buses

## FEDERAL TRANSPORTATION FUNDS AT WORK



Port of Green Bay



La Crosse Bike Path



US 41



Dane County  
Regional Airport



High-Speed Rail



Rock County  
Repairs

# TRANSPORTATION INVESTMENT IN WISCONSIN

## Dane County Regional Airport



Federal ARRA funds allowed the Dane County Regional Airport to enhance safety by extending

a crucial taxiway. This project had been identified by the FAA safety team as necessary to reduce or prevent runway incursions. A significant and important undertaking, the taxiway extension employed approximately 50 people a day.

## US 41



US 41 is a 200-mile stretch of highway connecting two crucial economic regions in Wisconsin:

southeastern Wisconsin and the Fox Valley. The project includes expansion from four to six lanes, improved interchanges – including completely rebuilding 13 interchanges – installing traffic cameras and an eight-lane Lake Butte des Morts Causeway.

## Port of Green Bay



The annual economic impact of the Port of Green Bay is gauged at \$80 million, and maintenance

dredging of the Green Bay Harbor is vital to keeping that channel clear. Additional dredging dollars have improved the ability of the Port of Green Bay to keep Wisconsin's economy strong.

## Rock County Repairs



Badly needed repairs to a heavily traveled section of Highway 11 in Rock County were key components of

one of the first shovel-ready projects in Wisconsin to receive ARRA funding. Along with making the road safer for an increasing volume of truck and commuter traffic, this project brought jobs and quality-of-life benefits to the region.

## Douglas County Highway C



There is more traffic on this segment of road than on any other county highway in Douglas

County. Due to rapidly deteriorating road conditions, the safety of motorists would have been at risk in a short time. Thankfully, an important ARRA-funded pavement project made needed safety improvements.

## Rural Transit



The Supplemental Transit Rural Assistance Program (STRAP), authorized in SAFETEA-LU, has

provided four years of bridge grants for communities to provide additional rural transit service. The program has had significant success in creating mobility options – everything from taxi service to intercity bus service – to increase transit options to our rural citizens.

## High-Speed Rail



**Milwaukee-Madison:** The ARRA grant Wisconsin received will allow the state to create a

new service by upgrading infrastructure along 80 miles of track connecting Wisconsin's two largest cities. This means jobs for Wisconsinites working on this expansion today and thousands of jobs due to increased economic activity along the route once it is up and operational. Additional funding was provided to study extending high-speed passenger rail from Madison to the Twin Cities.

## Eau Claire's New Buses



Municipalities across Wisconsin received ARRA funding to provide capital assistance for mass

transit. Eau Claire received a grant under this program to purchase new buses. These new buses will enhance Eau Claire's ability to provide public transportation to the citizens of the region.

## La Crosse Bike Path



The La Crosse area received an ARRA grant for the Mormon Coulee Road Bike Path. This

will improve safety for college students along Highway 35 as well as provide mobility options for everyone in La Crosse.

**Chicago-Milwaukee:** The grant also made funds available for station construction, infrastructure enhancements, and signal and track improvements to increase on-time performance and reliability – and create the building blocks for future 110 mph service, which will eventually reduce travel time between the two cities by more than 30 percent.



## 2010 TDA Fly-in Summary of Positions

### Highways & Transit / Surface Transportation Authorization

- Authorize a robust surface transportation program. One that :
  - » Addresses documented needs.
  - » Provides short-term funding increases through raising the gas tax and facilitates a rapid transition to a user fee that is not dependent on the type of fuel powering the vehicle, possibly expanded tolling or a vehicle-miles-traveled fee.
  - » Takes into account the needs of more rural states like Wisconsin.
  - » Maintains trust fund firewalls and multi-year contract authority.
  - » Allows states flexibility to fund their share of transportation investment, including tolling of publicly owned new and existing lanes, congestion pricing and public-private partnerships.
  - » Streamlines the process, significantly reducing the cost to deliver projects.
  - » Provides the kind of certainty necessary for long-term planning and investment.
- Support – in the absence of authorizing legislation – prompt enactment of a long-term extension of federal highway and public transportation programs. The extension needs to shore up the Highway Trust Fund to allow current programs to continue until the next authorization is enacted and repair the baseline for the highway program to at least maintain last year's funding levels.
- Provide adequate Bus Capital funding by supporting Wisconsin's 2011 statewide transit capital earmark.
- Support proposed legislation that seeks to maintain or restore federal transit operating assistance for small urban systems serving populations over 200,000 with fewer than 100 vehicles.
- Support the inclusion of transportation investment – an important component to putting Wisconsin back to work and building a strong infrastructure foundation for business development – in any jobs bill.

### Aviation

- Pass a comprehensive, long-term Federal Aviation Administration (FAA) authorization, similar to H.R. 915, that includes increased investment in the Airport Improvement Program (AIP) with established increases each year. While short-term extensions are necessary to keep the system going, they don't provide the kind of certainty necessary for long-term planning and investment.
- Maintain the current system of taxes and fees with moderate increases. New user fees on general aviation are unnecessary and would not be beneficial to Wisconsin.
- Provide general fund support for at least 25 percent of FAA funding, acknowledging that the benefits of the air transportation system extend well beyond the direct users of the system.
- Support raising the Passenger Facility Charge to \$7.5 and providing airports more flexibility in the use of these funds.
- Support the modification in the apportionment formula for general aviation airports as proposed in H.R. 915. The change would improve funding for Wisconsin's nearly 80 general aviation airports. Under current law, the State Apportionment formula provides \$5 million annually, which only allows the state to address two significant general aviation projects per year.
- Do not support the inclusion of a provision in the reauthorization bill that could force airports to comply with excessive and costly National Fire Protection Association (NFPA) standards and jeopardize commercial air service to small communities without significantly improving aviation safety.

// Transportation Development Association of Wisconsin

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## **Passenger Rail**

- Fully fund Amtrak and intercity passenger rail through the appropriations process up to the levels authorized under PL 110-432, the Rail Safety Improvement Act of 2008, which also includes the Passenger Rail Investment Act of 2008.
- Support President Obama's budget proposal for \$1 billion intercity passenger rail capital funding for states (80 percent federal and 20 percent state cost-sharing).
- Support the recommendations of the National Surface Transportation Policy and Revenue Study Commission to provide at least \$5 billion annually in intercity passenger rail capital funding for states (80 percent federal and 20 percent state cost-sharing) as a dedicated funding program within the next surface transportation authorization bill.

## **Freight Rail**

- Support the Freight Rail Infrastructure Capacity Expansion Act of 2009 (H.R. 1806). This legislation would provide a 25 percent tax incentive to any company (not just railroads) investing in new track, terminals or other projects that increase the capacity of the freight rail network.
- TDA supports a strong freight rail industry and encourages Congress to carefully consider any legislation that might jeopardize the growth of the industry and the role it plays in the economy.

## **Ports, Harbors and Waterways**

- Provide adequate funds in the 2011 Energy and Water Development Appropriations Bill to address the backlog of dredging projects at Wisconsin ports.
- Appropriate federal funds in 2011 for the following projects authorized by WRDA of 2007:
  - » Soo Lock Reconstruction: This approximately \$350 million project will provide a second 1,000-foot lock and refurbish the existing lock to provide a reliable link between the Great Lakes and the world. Congress should provide funds in 2011 to continue work on the project.
  - » Upper Mississippi River and Illinois Waterway: Congress has authorized \$3.72 billion for improved navigation and ecosystem restoration for the Upper Mississippi River System. An appropriation of at least \$15 million is requested for this project in 2011.
- Adopt legislation establishing consistent national standards for the treatment of ships' ballast water to prevent the introduction and spread of aquatic invasive species and include a federal research program to develop ballast water treatment technology.
- Support H.R. 3486/S. 1509, legislation exempting the movement of certain cargo from the U.S. Harbor Maintenance Tax as a means of encouraging the movement of freight from congested surface transportation systems to marine alternatives.





## 2010 TDA Fly-in **Highways & Transit Surface Authorization**

### **Background**

Wisconsin relies on federal funding to provide 25-30 percent of the state's transportation budget. The current multi-year surface transportation authorizing legislation, the Safe, Accountable, Flexible and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), provided Wisconsin approximately \$630 million annually for highways and \$65 million for transit. SAFETEA-LU expired on September 30, 2009 and has been extended through March 28, 2010.

The Highway Trust Fund is in a precarious position. The fund continues to need infusions from the general fund just to keep it afloat. According to the Congressional Budget Office, the Highway Trust Fund will need \$65 billion in additional revenue through 2015 – the equivalent of a 5-cent increase in the gas tax – just to fund program levels enacted for 2010, plus inflationary increases. This does not begin to close the gap between current funding and system needs as documented by both commissions appointed by Congress to make recommendations on transportation revenue and policy.

The Obama Administration and members of Congress made a strong case for transportation investment during the debate over the American Recovery and Reinvestment Act (ARRA), and Wisconsin put its share to good use – fixing crumbling roads and bridges, acquiring new buses and keeping people at work. The stimulus bill helped moderate unemployment and provided funding for a backlog of projects, but a federal transportation authorization that provides ongoing funding and a comprehensive vision is the most effective way to create lasting economic development and job growth.

### **TDA Position**

- Authorize a robust surface transportation program. One that :
  - » Addresses documented needs.
  - » Provides short-term funding increases through raising the gas tax and facilitates a rapid transition to a user fee that is not dependent on the type of fuel powering the vehicle, possibly expanded tolling or a vehicle-miles-traveled fee.
  - » Takes into account the needs of more rural states like Wisconsin.
  - » Maintains trust fund firewalls and multi-year contract authority.
  - » Allows states flexibility to fund their share of transportation investment, including tolling of publicly owned new and existing lanes, congestion pricing and public-private partnerships.
  - » Streamlines the process, significantly reducing the cost to deliver projects.
  - » Provides the kind of certainty necessary for long-term planning and investment.
- Support – in the absence of authorizing legislation – prompt enactment of a long-term extension of federal highway and public transportation programs. The extension needs to shore up the Highway Trust Fund to allow current programs to continue until the next authorization is enacted and repair the baseline for the highway program to at least maintain last year's funding levels.
- Provide adequate Bus Capital funding by supporting Wisconsin's 2011 statewide transit capital earmark.
- Support proposed legislation that seeks to maintain or restore federal transit operating assistance for small urban systems serving populations over 200,000 with fewer than 100 vehicles.
- Support the inclusion of transportation investment – an important component to putting Wisconsin back to work and building a strong infrastructure foundation for business development – in any jobs bill.

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## 2010 TDA Fly-in **Air Authorization & 2010 Aviation Funding**

### **Background**

Airports, aviation and related industries in Wisconsin account for \$2.1 billion of economic activity, supporting over 41,000 jobs with a payroll of \$775 million. The economic impact is even greater if the income produced by existing businesses that depend on air cargo shipments is taken into account. Between 1997 and 2001, 85 percent of all new and expanding manufacturing firms located within 15 miles of the state's 49 jet-capable airports.

Federal funds make up 60-70 percent of Wisconsin's aviation program and are allocated to both commercial passenger service and general aviation airports. Wisconsin received on average \$60 million per year under the four-year aviation authorization (Vision-100), which expired September 30, 2007. Funding for the Federal Aviation Administration (FAA) and the Airport Improvement Program (AIP) along with the related taxes have been extended through March 31, 2010.

### **TDA Position**

- Pass a comprehensive, long-term FAA authorization, similar to H.R. 915, that includes increased investment in the Airport Improvement Program (AIP) with established increases each year. While short-term extensions are necessary to keep the system going, they don't provide the kind of certainty necessary for long-term planning and investment.
- Maintain the current system of taxes and fees with moderate increases. New user fees on general aviation are unnecessary and would not be beneficial to Wisconsin.
- Provide general fund support for at least 25 percent of FAA funding, acknowledging that the benefits of the air transportation system extend well beyond the direct users of the system.
- Support raising the Passenger Facility Charge to \$7.5 and providing airports more flexibility in the use of these funds.
- Support the modification in the apportionment formula for general aviation airports as proposed in H.R. 915. The change would improve funding for Wisconsin's nearly 80 general aviation airports. Under current law, the State Apportionment formula provides \$5 million annually, which only allows the state to address two significant general aviation projects per year.
- Do not support the inclusion of a provision in the reauthorization bill that could force airports to comply with excessive and costly National Fire Protection Association (NFPA) standards and jeopardize commercial air service to small communities without significantly improving aviation safety.



## 2010 TDA Fly-in **Passenger Rail**

### **Background**

The National Surface Transportation Policy and Revenue Study Commission's report highlights intercity passenger rail as the missing link in the nation's surface transportation system. The Commission recommends increased investment in passenger rail in order to mitigate growing congestion of the air and highway transportation systems and to help meet important national energy and environmental goals. An estimated \$357 billion is needed over the next 40 years to maintain existing Amtrak lines and to build or upgrade passenger rail routes to establish "regional service" in high-growth intercity corridors.

In Wisconsin, Amtrak's Hiawatha route offers an affordable and reliable option for those traveling the 85 miles between Milwaukee and Chicago. The Hiawatha has strong ridership and continues to earn one of the best on-time ratings among the Amtrak routes. Wisconsin has supported the service financially since 1989 and currently funds approximately 75 percent of the non-federal subsidy. Illinois funds the remaining 25 percent of the non-federal subsidy.

High-speed rail is a key next step for intercity passenger rail in Wisconsin. The state was recently awarded over \$800 million for a high-speed rail line from Milwaukee to Madison as one of the recipients from an \$8 billion high-speed intercity passenger rail grant program funded by the American Recovery and Reinvestment Act (ARRA). This 110 mph Milwaukee-to-Madison high-speed rail corridor will be part of the proposed Midwest Regional Rail System, envisioned as a 3,000 mile Midwest passenger rail network radiating from Chicago and serving nine states. The full development of this system hinges on significant additional federal funding.

### **TDA Position**

- Fully fund Amtrak and intercity passenger rail through the appropriations process up to the levels authorized under PL 110-432, the Rail Safety Improvement Act of 2008, which also includes the Passenger Rail Investment Act of 2008.
- Support President Obama's budget proposal for \$1 billion intercity passenger rail capital funding for states (80 percent federal and 20 percent state cost-sharing).
- Support the recommendations of the National Surface Transportation Policy and Revenue Study Commission to provide at least \$5 billion annually in intercity passenger rail capital funding for states (80 percent federal and 20 percent state cost-sharing) as a dedicated funding program within the next surface transportation authorization bill.



## 2010 TDA Fly-in **Freight Rail**

### **Background**

The nation's freight rail network, with more than 140,000 miles of track, moves more than 2.2 billion pounds of commodities each year. Unlike roads, which are primarily publicly funded, most rail infrastructure is privately operated and maintained.

Wisconsin is served by 12 railroads including four major (Class I) railroads. Each year these railroads haul more than 150 million tons of cargo valued at over \$4 billion. Freight volumes in Wisconsin increased 26 percent from 1991 to 2000 and are projected to increase another 51 percent by 2020.

Since the 1980s and the Staggers Act, which significantly reduced government regulation of the industry, freight rail is:

1. More affordable. Average rail rates have dropped by half, resulting in billions of dollars of savings yearly for consumers.
2. Safer. Accident rates and employee injury rates have fallen by 70 percent. Rail's casualty rate is now the lowest in the transportation industry.
3. More productive. Rail's market share increased for the first time in decades. More and more shippers have chosen to ship by rail.
4. Growing. Railroads have invested more than \$420 billion in their own systems, to maintain and renew the nation's 140,000 miles of tracks.

Rail service provides a low-cost transportation alternative for the high volume, lower value commodities that are essential to many of Wisconsin's industries. The availability of rail service can be an important factor in retaining and attracting certain businesses.

Rail is an environmentally friendly, fuel-efficient form of ground transportation. Freight rail eases highway congestion as one intermodal train can carry 280 truck trailers – the equivalent of more than 1,000 automobiles on the roads. In addition, rail moves a ton of freight more than 400 miles on just one gallon of fuel and emits fewer pollutants than transportation by truck.

### **TDA Position**

- Support the Freight Rail Infrastructure Capacity Expansion Act of 2009 (H.R. 1806). This legislation would provide a 25 percent tax incentive to any company (not just railroads) investing in new track, terminals or other projects that increase the capacity of the freight rail network.
- TDA supports a strong freight rail industry and encourages Congress to carefully consider any legislation that might jeopardize the growth of the industry and the role it plays in the economy.



## 2010 TDA Fly-in **Ports, Harbors & Waterways**

### **Background**

Wisconsin's 20 commercial ports offer manufacturers and shippers a major transportation alternative many states cannot provide. A commodity-flow study conducted by Reebie Associates for the Wisconsin Department of Transportation in 2002 indicated that Wisconsin's commercial ports annually handle some 44 million tons of cargo with an estimated value of more than \$7 billion. According to a 2004 economic overview of Wisconsin's commercial ports published by WisDOT, our state's ports support 11,387 jobs and annually generate more than \$1.3 billion in economic output and nearly \$377 million in personal income.

Increased federal investment is vital to maintaining and modernizing the U.S. water transport system. When the Water Resource Development Act of 2007 (WRDA) was enacted, it became the first such authorizing legislation since 2000. The act authorized \$23 billion and hundreds of water projects, including seven 1,200-foot locks on the Upper Mississippi and Illinois rivers and Soo Lock reconstruction. Funding still needs to be provided during the annual appropriations process.

### **TDA Position**

- Provide adequate funds in the 2011 Energy and Water Development Appropriations Bill to address the backlog of dredging projects at Wisconsin ports.
- Appropriate federal funds in 2011 for the following projects authorized by WRDA of 2007:
  - » Soo Lock Reconstruction: This approximately \$350 million project will provide a second 1,000-foot lock and refurbish the existing lock to provide a reliable link between the Great Lakes and the world. Congress should provide funds in 2011 to continue work on the project.
  - » Upper Mississippi River and Illinois Waterway: Congress has authorized \$3.72 billion for improved navigation and ecosystem restoration for the Upper Mississippi River System. An appropriation of at least \$15 million is requested for this project in 2011.
- Adopt legislation establishing consistent national standards for the treatment of ships' ballast water to prevent the introduction and spread of aquatic invasive species and include a federal research program to develop ballast water treatment technology.
- Support H.R. 3486/S. 1509, legislation exempting the movement of certain cargo from the U.S. Harbor Maintenance Tax as a means of encouraging the movement of freight from congested surface transportation systems to marine alternatives.