

AASHTO Transportation Policy Forum

Patrick McKenna, Chairman | Vice President, AASHTO | Director, Missouri Department of Transportation
Lynn Zanto, Vice Chairwoman | Transportation Planning Division Administrator, Montana Department of Transportation
Wednesday, May 22, 2019 | 1:30-5:00 PM MT
2019 Spring Meeting | Park City, UT

Meeting Minutes **DRAFT**

1. The Transportation Policy Forum (TPF) was called to order at 1:31 PM by Chairman Patrick McKenna, Missouri.
2. Chairman McKenna began the meeting by thanking AASHTO President Carlos Braceras and the Utah Department of Transportation for hosting the 2019 AASHTO Spring Meeting. He also thanked AASHTO staff for their work to make the program successful. Chairman McKenna thanked members of the TPF, as AASHTO is in a primary position to be planning for the next surface transportation reauthorization bill. He then described the goal of the meeting as further development of AASHTO reauthorization policies, making progress on two policy resolutions, and progression of core reauthorization principles.
3. Roll Call was taken by William Lusk, AASHTO Program Specialist for Policy, and the following states were present: Alabama, Arizona, Arkansas, California, Colorado*, Connecticut*, Delaware, District of Columbia*, Florida, Georgia, Hawaii*, Idaho, Illinois*, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts*, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma*, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia*, Wisconsin, and Wyoming.
4. Chairman McKenna asked if any changes needed to be made to the meeting minutes from the TPF meeting in Washington, DC on February 26. He recognized a motion by Ben Orsbon, South Dakota, to strike the final sentence of Section 6 and replace it with *“Ben Orsbon, South Dakota, asked AASHTO and the member states to discuss creating more ribbon cutting and project completion showcasing opportunities for Congress so our elected representatives could take credit for the formulas based projects they facilitate and fund to reduce the need and desire for earmarking.”* Don Arkle, Alabama seconded the motion. The motion was approved unanimously. The meeting minutes were approved unanimously.
5. Jim Tymon, AASHTO Executive Director, provided the AASHTO Washington Update. He detailed a recent meeting between the White House and Congressional leadership on the potential for a new infrastructure package - the meeting was not successful. Thus, he now believes that both the House and Senate will focus more on a surface transportation reauthorization bill rather than a standalone infrastructure package. Also in the last 24 hours there was a bill filed to increase the federal gas tax. The first version of the FY 2020 Transportation, Housing and Urban Development appropriations bill was released recently to provide \$76 billion in budget authority but with a slight cut for transportation. Recently, 41 Democratic Senators wrote to the Senate Committee on Environment

**Note on Roll Call: Some states were represented by neither the TPF Voting Member nor a TPF Non-Voting Member in attendance.*

and Public Works (EPW) leadership encouraging them to prioritize climate change and resilience in a reauthorization bill. The goal of the Senate EPW Committee is to release a draft reauthorization bill by the end of this month. AASHTO members and staff responded well to the calls for policy ideas to aid in this effort.

6. Paula Hammond, WSP provided an update on human trafficking research efforts by NCHRP project 20-121. She detailed that there are approximately 25 million victims globally, and state DOTs have miles of interstate that is used for human trafficking. Ms. Hammond said this project examined training modules, best practices, case studies, and opportunities for integration of human trafficking initiatives in the state DOTs. The project was about half complete and will be done next March. Roughly 75% of state DOTs filled out the survey and it was still open for those who have yet to complete. The survey asked state DOTs their level of engagement today to combat human trafficking, and 47% expressed low engagement, suggesting an educational opportunity. Most respondents identified that there needs to be a process for responding to signs of human trafficking. Ms. Hammond said that state DOTs could support law enforcement efforts by supplying certain knowledge, data and expertise while convening transportation sector stakeholders on this topic. The project's next steps included interviews with key groups, finalizing a list of needed research, updates of proposed work products with the TRB panel, and the initiation of Phase II.
7. Chairman McKenna provided opening remarks on the Policy Resolutions discussion. He began with the Highway Trust Fund Revenue Shortfall Solution Alternatives draft resolution. During the 2018 AASHTO Annual Meeting, the Board of Directors approved Joint Position Statement 4-18 directing the TPF to recommend a narrowed-down list of specific revenue solutions to address the Highway Trust Fund revenue shortfall by the Spring Meeting.

Ronald Epstein, New York, asked to amend the sixth Whereas clause to rephrase language regarding fuel economy and the environment. Marc Williams, Texas, expressed concern that the draft resolution was only released a week prior. Eric Kalivoda, Louisiana, said that the existing language was suitable. William Cass, New Hampshire, supported the minor word change on vehicle efficiency as it is not a causal effect, but rather a factual statement. Giles Giovinazzi, California, suggested removal of mentioning alternative vehicles harming the Highway Trust Fund. Chairman McKenna said these were all great points, and that there is a responsibility and opportunity to start making some directed statements as an Association to address the issues faced. He reiterated that the intent is not to create a dividing line on a type of propulsion, but to make a statement on the reality of declining revenue per mile driven and that perhaps a general statement such as *"Highway Trust Fund contribution per mile is declining as fuel efficiency continues to increase"* will ensure simplicity. Laura Mester, Michigan suggested generic language and perspective to avoid perception of policy preference. Mr. Giovinazzi reiterated that the reduction in fuel consumption is due to enhanced technologies. Kevin Biesty, Arizona, said that the entire system is built on the fuel tax, and there is no perceived judgement in the existing language. Mr. Epstein said he liked Chairman McKenna's suggested verbiage, as his concern was the existing language on alternative fuels. Vice Chairwoman Zanto read the proposed sixth Whereas clause as, *"Whereas, Highway Trust Fund revenues are declining with increasing vehicle fuel efficiency."* Mr. Epstein and Mr. Giovinazzi agreed with this proposed language.

Mr. Biesty said that we must address the rise of alternative fuel vehicles being developed. Chairman McKenna said that the existing language covers concerns of alternative fuel vehicles. Keith Metcalf,

Washington, said that language could be simplified by saying that the Highway Trust Fund revenue is down is because fuel consumption is down.

Mr. Williams suggested that it might be helpful to understand how the resolution was developed. Chairman McKenna said that for many years, AASHTO maintained a listing of possible revenue options, but the goal of a resolution is to establish narrowed-down actionable options to fix the problem. Christy Hall, South Carolina, said that it was not SCDOT's precedent to project specific Highway Trust Fund funding recommendations to policy makers and cannot support the resolution, especially if it suggests an increase to the federal gas tax. Chairman McKenna said that the resolution does not direct a specific dollar amount or fundraising vehicle to be raised, but rather, narrows potential solutions. Linda Hull, Utah, advised that the existing language merely points pros and cons of different solutions without endorsing one. Chairman McKenna agreed with Ms. Hull, saying that her remarks reflected the resolution's intent. Mr. Metcalf said that the crux of the resolution was in the last Resolved clause as it references several alternatives without endorsing one. Ms. Hall said that when reading certain sections, it can be interpreted that AASHTO is endorsing a gas tax increase at the federal level, and as it is currently worded, there are concerns. Mr. Biesty agreed with South Carolina's view and suggested that the resolution either list all revenue options or no revenue options. Chairman McKenna expressed the resolution's intention to list the user fees, a subset of a broader list, that generate substantial revenue. Paul Degges, Tennessee, recalled that past discussions tasked TPF to examine specific solutions and that the current discussion was forecast to be uneasy. Chairman McKenna agreed with Mr. Degges and said that the draft resolution was a result of several meetings where one issue discussed at length is that with a wide variety of solutions, nothing is selected. The intent is to drive specificity, while not dictating but recommending, because most revenue options identified don't generate the significant revenue needed. Vice Chairwoman Zanto suggested adding another Resolved clause to create room for additional revenue sources and make the resolution broader. Chairman McKenna suggested insertion of "*while not all inclusive*" after "*the alternatives listed above*" in the last Resolved clause.

Paul Hammer, Wisconsin, asked for an example of a freight-based user fee and how it would be collected. Mr. Tymon explained that it could be a fee collected based on the value or weight of the goods being transported, possibly on the shipping bill of lading, based on the stress that movement of freight places on the system. Currently, there is no freight-based fee collected at the federal level.

Chairman McKenna raised potential amendments to the resolution as (1) to amend the sixth Whereas clause to now read, "*Whereas, Highway Trust Fund revenues are declining with increasing vehicle fuel efficiency*" and (2) amend the last Resolved clause by inserting "*while not all inclusive*" after "*above*." Mr. Williams said he will not support the resolution but moves to strike the fourth Resolved clause concerning oil barrel tax as it increases burden on domestic oil producers. He also said that it is worth pointing out that alternative fuels do not contribute to the Highway Trust Fund, as it a mere fact and not necessarily a disapproval of its use. Mr. Kalivoda supplemented Mr. Williams' remarks by adding that we must address imported oil as well if there is to be a mention of an oil barrel tax. Chairman McKenna said that "*domestic oil*" does not appear in the resolution. Mr. Degges said that the conversation was becoming too technical, and to enhance simplicity, would support omitting the applicable Resolved clause.

Travis McGrath, Idaho, said that the first two Resolved clauses are general and the others are more specific, and to broaden the resolution's generality, and after the third Resolved clause insert a statement such as "*...this could include solutions such as [list specific ideas] ...*" without endorsing a

specific idea. Gregory Bailey, West Virginia, suggested placement of specific proposed solutions in the Whereas clauses rather than the Resolved clauses. Mr. Degges made a motion to make the third, fourth, fifth, and sixth Resolved clauses become Whereas clauses under the last Whereas clause. The motion was seconded by Edwin Sniffen, Hawaii. The motion passed favorably.

Mr. Degges moved to approve the Highway Trust Fund Revenue Shortfall Alternatives resolution, seconded by Mr. Epstein. The motion passed favorably.

Burt Tasaico, North Carolina, suggested that it be calculated what the yield would be for these revenue solutions and the potential effects on taxpayers.

Chairman McKenna then began discussion on the Congressional Earmarking draft resolution. Given the discussion in both major political parties to bring back Congressional earmarks, he said, it seemed appropriate to bring forth AASHTO's principles on the subject including transparency and practical guardrails if the practice is reestablished.

Mr. Epstein advised that the second Whereas clause may be incorrect. He also said that the resolution may be too direct, although he is not opposed to the concept of earmarking. Joel Jundt, South Dakota, said that there are concerns on the resolution's tone and recommended it to be subtler by removing some clauses. Mr. Williams agreed with South Dakota and that some Resolved clauses may work better as Whereas clauses. Mr. Arkle predicted that local government would ask for earmarks directly. Vice Chairwoman Zanto suggested removal of the second Resolved clause, and John Davis, Wyoming, agreed. Mr. Epstein suggested that we could express preferred criteria in the selection of earmarks in a letter rather than a resolution, as there are enough items in the resolution to be of concern. Chairman McKenna advised that it is clear that the resolution needs work and suggested that the resolution not be considered for a vote today although addressing the issue is reasonable. Ms. Mester agreed with Chairman McKenna's suggestion and asked that possible unintended consequences to earmarking be identified. Mr. Tymon expressed surprise to hear that many TPF members are not opposed to the reinstatement of federal earmarks. Mr. Degges said that the initial Whereas clause in the resolution should discuss formula funding, which is widely supported. Chairman McKenna said that all comments would be taken under advisement and a modified version will be distributed in advance of the next monthly TPF teleconference call.

8. Chairman McKenna led the discussion on new programs in the reauthorization process. He advised that 41 House members working to emphasize resilience and climate change themes, and that there was an emerging desire to scrap the whole program and start with a blank slate. It is tradition to not suggest new programs to bring forward but dynamic circumstances throughout the country present an opportunity to kick off the notion of a new resiliency program such as a transportation resilience improvement program.

Mr. Epstein said that NASTO will propose a resolution tomorrow to grow programs and increase funding flexibility for resiliency. Mr. Degges fully supported expanding eligibilities for resiliency but is against additional set-asides. Mr. Giovinazzi suggested that if there is a desire from Congress to address resilience, we must take advantage of the opportunity to comment. Vice Chairwoman Zanto added that if it appears Congress is attempting to create a new program, we should suggest that there should be flexibilities. Mr. Jundt agreed. Chairman McKenna suggested composing items of reform identified in the TPF white papers as a subset of our current activities.

9. Chairman McKenna led the discussion on the updated draft of AASHTO's Core FAST Act Reauthorization Principles and summarized proposed edits to sections 2, 4, and 5.

Mr. Williams asked what action would be appropriate for today concerning the document, if any. Chairman McKenna said that there is a potential for action based on the sentiment of the TPF. Mr. Williams said that regarding section 3 on prioritization of formula-based federal funding provided to states, it is Texas' contention that there is no current formula-based funding and that Congress should return to the use of data-driven metrics. Chairman McKenna said that Texas' concern was addressed well in the previous TPF meeting, and then asked if there was general consensus in agreement with Texas. Mr. Tasaico asked if the intent of section 3 was to communicate that formula funding was preferred over earmarking and grants, and said that it may need to be rewritten to be more appealing to all members. Mr. Degges advised that Texas has a valid concern and that it is appropriate to include language that data-driven metrics are necessary. Vice Chairwoman Zanto said that she understood Texas' concern but it was not adopted in any of the white papers, and preferred to show Congress what members need rather than how to divide up the budget.

Chairman McKenna asked if the body felt that the changes are ready to be brought forward to the Board of Directors. Mr. Jundt voiced support for the changes and that the document was ready to advance. Mr. Cass said that given the pace of FAST Act reauthorization on Capitol Hill, it would be advantageous to advance the Core Principles soon.

Mr. Williams moved to add a bullet to Section 3 as, *"To ensure a true formula based process, Congress should return to the use of data-driven metrics that are annually updated to account for system performance requirements in providing formula funding for the states."* The motion was seconded by Kevin Thibault, Florida. Mr. Biesty asked if this resolution was suggesting a return to a time when data points were changed annually, to which Mr. Williams said yes. Mr. Epstein voiced that at that time there was an equity bonus technique applied, and looking at the federal government as a whole, New York must protest against this motion. Mr. Giovinazzi expressed potential concerns about funding for meeting or not meeting performance targets. Mr. Davis cautioned that this motion will reopen the formula debate and divide the membership. Mr. Metcalf said that he supported the principles as written, but has not had time to analyze ramifications of the motion on the floor. Chairman McKenna called for a vote and the motion failed.

Mr. Jundt moved to amend the AASHTO Core FAST Act Reauthorization Principles as suggested and presented before the body, and was seconded by Mr. Epstein. Chairman McKenna called for a vote and the motion passed.

10. Chairman McKenna began the discussion on the TPF White Paper update. Shannon Eggleston, AASHTO Program Director for Environment, advised that the purpose of this section of the meeting was to decide which of the policy items will progress to the August meeting. An online voting system was established for members to vote on issues to be advanced or not based on its assigned tier.

Susan Howard, AASHTO Program Director for Transportation Finance, introduced the Funding and Finance chapter of the TPF White Paper. There was no discussion or change proposed.

Shayne Gill, AASHTO Director for Multimodal Transportation, introduced the Public Transportation chapter of the TPF White Paper. It was proposed to move Issue 7 to Tier 2, which failed. It was proposed to move Issue 6 to Tier 2, which passed.

Mr. Gill introduced the Freight chapter of the TPF White Paper. There was no discussion or change proposed.

Mr. Gill introduced the Rail Transportation chapter of the TPF White Paper. There was no discussion or change proposed.

Matt Hardy, AASHTO Program Director for Planning and Policy, introduced the Connected and Automated Vehicles chapter of the TPF White Paper. It was proposed to move Issue 5 to Tier 2, which failed.

Mr. Hardy introduced the Data Management and Analytics chapter of the TPF White Paper. There was no discussion or change proposed.

Jim McDonnell, AASHTO Program Director for Engineering, introduced the Operations chapter of the TPF White Paper. There was no discussion or change proposed.

Mr. Hardy introduced the Performance Based Management chapter of the TPF White Paper. There was no discussion or change proposed.

Mr. Hardy introduced the Planning chapter of the TPF White Paper. It was proposed to move Issue 5 to Tier 2, which passed.

Mr. McDonnell introduced the Project Delivery: Engineering chapter of the TPF White Paper. There was no discussion or change proposed.

Ms. Eggleston introduced the Project Delivery: Environment chapter of the TPF White Paper. It was proposed to move Issue 14 to Tier 2, which passed. It was proposed to move Issue 13 to Tier 2, which failed. It was proposed to move Issue 15 to Tier 2, but failed. It was proposed to move Issue 16 to Tier 2, which failed.

Mr. McDonnell introduced the Research and Innovation chapter of the TPF White Paper. There was no discussion or change proposed.

Mr. McDonnell introduced the Safety chapter of the TPF White Paper. There was no discussion or change proposed.

Ms. Eggleston introduced the Transportation System Security and Resilience chapter of the TPF White Paper. There was no discussion or change proposed.

Chairman McKenna advised that new issue items for consideration, including Workforce Development, Human Trafficking, and Broadband will be discussed at the next TPF monthly call.

11. Chairman McKenna reminded the TPF it will next meet on August 8-9 in Minneapolis, MN. CEOs of Member Departments are invited as well.
12. The meeting was adjourned at 4:56 PM by Chairman McKenna and was taken as general consent.