



## Surface Transportation Policy Partnership

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# Transfer

Surface Transportation Policy Project's Electronic Update

February 5, 2002 - Volume 8, Issue 2

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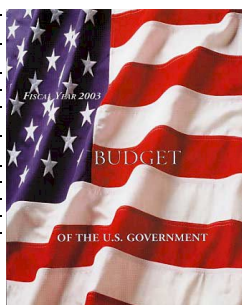
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## President Bush Releases FY03 Budget



President Bush's Budget Request for Fiscal Year 2003, which begins October 1, dramatically adjusts the baseline for TEA-21's core highway programs, as federal law requires, reconciling Highway Trust Fund receipts with anticipated spending levels. Under this budget, states receive a

Federal-aid Highway Obligation Limit (i.e. funds states can actually commit to projects in the new fiscal year) of \$23.2 billion, a level

that is \$4.4 billion or 16 percent below the \$27.5 billion baseline established in TEA-21. What has fueled so much controversy about this adjustment is that it is even more dramatic when measured against the current obligation limit of \$31.8 billion. As such, the proposed obligation limit for the new fiscal year is about \$8.6 billion or 27 percent below this year's level. Any downward changes in the baseline affects the overall limits imposed on each of the states, leaving states to decide (as they currently do) how this translates into obligations among TEA-21's program categories.

Lost in the debate is what has happened to highway funding under TEA-21. First, the baseline obligation limitations of TEA-21 are more than 50 percent higher than ISTEA levels. TEA-21 also had a feature known as RABA (i.e. Revenue Aligned Budget Authority) that automatically adjusts baseline funding to reflect higher or lower revenues in the Trust Fund. RABA raised baseline funding over the last three fiscal years by a total of \$9.1 billion. The Bush Budget corrects for what, in retrospect, were inaccurate RABA increases, lowering RABA in the new budget by \$4.4 billion. States are still up a net \$4.7 billion in positive RABA above TEA-21's baseline.

[Click Here](#) to view the FY03 Budget

## Amtrak Plans Job Cuts, Possible Shutdown

### In Brief...

#### Senate EPW Transportation Schedule

Feb. 19: 03 budget & the Highway Trust Fund

Mar. 22: "Mobility, Congestion, and Intermodalism"

#### Millennial Housing Commission Report:

Due to the US Senate on or by March 1

### Upcoming Events

#### Reclaiming the Dream Transportation Summit

Montgomery, Alabama  
February 15-16, 2002

#### League of American Bicyclists Bike Summit

Washington, DC  
March 6-8, 2002

#### National Conference on Aging & Mobility

March 25-27, 2002

### Quote of the Week

"I am confident that, working together, the Department and Congress can preserve, enhance and establish surface transportation programs which will provide not only for a safer and more secure system, but one which is more efficient and productive and enhances the quality of life. One answer to the events of September 11 is to strengthen, not diminish, the right of all Americans to mobility and to grow the economy. These goals should characterize our work on reauthorizing TEA-21."

Amtrak President George Warrington announced Friday, 2/1 that the rail carrier will shut down most of the system on September 30, 2002 unless Congress appropriates at least \$1.2 billion for next year. The remarks came as part of a speech announcing the layoff of 300 managers and 700 union workers, and a \$285 million package of capital improvement deferrals and spending cuts.



-Transportation Secretary Norman Mineta, Senate EPW hearing, January 24, 2002

In 1997, Congress passed the Amtrak Reform and Accountability Act (P.L. 105-134) which required the carrier to be operationally self-sufficient by December 2002. Ridership on Amtrak has grown 10-15 percent and revenue has increased by 40 percent in the months following the September 11 attacks, and many officials have called for a renewed commitment to passenger rail. However, Amtrak is facing a \$120 million revenue deficit due to the recession and a loss of \$52 million in financing as a consequence of recent action by the Amtrak Reform Council, additional security costs since September 11.

Amtrak operates a 22,000-mile inter-city passenger rail system, serving more than 500 communities in 46 states. For more information on the rail carrier, [click here](#). To read the press release, [click here](#).

## Congress Begins Hearings on Renewal

The Senate Environment and Public Works Committee, led by Sen. James Jeffords (I-VT) convened his panel January 24 to startup the official process of renewing the nation's surface transportation law known as TEA-21. At this opening hearing, the first of eleven planned hearings this year, senators heard from DOT Secretary Norman Y. Mineta and representatives of state and local elected officials (governors, mayors, and county and city officials). The general message was that TEA-21 was working, with both witnesses and senators expressing concern about the anticipated highway funding shortfall to be released in the President's FY'03 Budget Request. Another message – delivered by the panel's Ranking Minority Member Bob Smith (R-NH) and the Subcommittee's Ranking Minority Member James Inhofe (R-OK) – was the renewed call for further “environmental streamlining” as part of TEA-21 renewal. Both rail transit and intercity rail received positive attention in statements and during questioning of the Burlington and Boise Mayors.

The House Transportation and Infrastructure begins its TEA-21 renewal effort February 7<sup>th</sup> when the Highways and Transit Subcommittee, led by Rep. Thomas Petri (R-WI), opens its hearings

with four modal Administrators, led by the FHWA's Mary Peters and FTA's Jenna Dorn. The House has not yet released its broader hearing schedule.

[Click here](#) for the Senate EPW Committee website

[Click here](#) for the House Transportation and Infrastructure Committee website

## APTA Releases New Ridership Numbers



New numbers released from the [American Public Transportation Association](#) show that transit ridership for the first three quarters of 2001 increased by 2.2% over the same period of the previous year. Driving, measured as vehicle miles traveled, increased by only 0.5% during the same period. As predicted by some analysts, both driving and transit ridership figures were significantly lower during the month of September, as compared with September of the previous year. Transit ridership dropped more than 2% (2.05%) and driving dropped by 1.3%.

[Click here](#) for more details

## Study Links Pollution and Asthma

A new report from the University of Southern California shows that children who breathe polluted air while exercising are at higher risk of developing asthma. Although air pollution and high levels of ozone have long been known to aggravate symptoms in children who already have asthma, this is the first clear evidence that they may actually cause the disease. According to the [Washington Post](#), asthma is the leading serious chronic youth illness, affecting more than 9 million children and leading millions of hours each year in lost school time for children and work time for parents.

Published in the British journal [The Lancet](#), the study found that children in Southern California who played active outdoor sports in areas with high levels of air pollution were diagnosed with asthma at a significantly higher rate than similarly active children in less-polluted areas. For more information on this study, [click here](#).

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*Transfer is edited by John Goldener of the Surface Transportation Policy Project. Readers are invited to reprint newsletter items; proper citation is appreciated. If you are not currently subscribed, please send us a note via e-mail to: [transfer@transact.org](mailto:transfer@transact.org). Be sure to include your full mailing address and name of your organization, phone and fax numbers. For comments and suggestions about Transfer's content, contact John Goldener at [jgoldener@transact.org](mailto:jgoldener@transact.org).*

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