

**New Mexico Transportation Commission**  
**Panel Consultation with Congressman James Oberstar**

**Chairman, House Transportation & Infrastructure Committee**

(With: N.M. Cong. Harry Teague, Member – House Transportation & Infrastructure Committee  
& Johnny Cope, Chairman – New Mexico Transportation Commission)

**August 19, 2009 – NMSU, Las Cruces**

*(NOTE: These notes will only attempt to capture main points & themes, in concise, bullet form)*

**Gary Giron, Cabinet Secretary – NM Department of Transportation (Welcome & Introductions):**

- New Mexico DOT has experienced flat revenue since 2006
- There have been (forced) budget trims the past two years (and more may be coming!)

**Johnny Cope:**

- The past SAFETEA-LU bill provided \$326 billion nationally for transportation infrastructure.
- The new Surface Transportation Act is projected to provide \$450 billion, plus another \$50 billion for high speed rail in 11 national corridors.
- Welcome Mr. Oberstar; we support this new (Surface Transportation Act) bill.

**Congressman Oberstar:**

- 1789: one of the first acts of Congress involved shipping transportation, establishing light-houses
- Transportation started out as the “Bureau of Roads” – under the Department of Agriculture
- It took 65 years for Americans to travel their first trillion miles, it took another 20 years to travel the 2<sup>nd</sup> trillion miles, and it took 5 years to travel the 3<sup>rd</sup> trillion miles! Today, 3 trillion miles a year are traveled on our highway and road systems.
- By 1954–1955, there were 100,000 fatalities per year on our highway system.
- The first Transportation Act occurred under President Eisenhower, and the first national transportation plan resulted in the mid-1950’s.
- While our system is the envy of the world, right now it is not working very well.
- We are proposing a transformation of the national Department of Transportation – federal agencies are not collaborating well; Rep. Oberstar will advocate more collaboration between federal agencies – including stronger state participation.
- We need to cut out red tape and push more efficient development through government
- We need to attempt to cut funding formulas from about 70 (currently) down to about 4; with 47% going to rural.
- 12 years of no tax increases is what we are now paying for!
- Our deteriorating highway and road system is slowing commerce movement.
- Ultimately, sustainable transportation infrastructure will require us to explore creative taxation strategies –there’s no getting around this issue – for sustainable transportation.

**Congressman Harry Teague:**

- The Recovery Act (ARRA) is only a jump start; we need a broader approach and longer vision toward a sustainable system.
- If the Surface Transportation Act is passed, it will create 6 million jobs nationally.

**NMDOT Video Presentation:** on New Mexico plans & NMDOT activity (including GRIP)

## Question & Answer Session:

- 1) House Speaker Pelosi cited Energy, Education and Health as the three pillars of our economy; how can we raise transportation on the radar?
  - Rep. Oberstar: Pelosi recognizes the value of transportation commissions. The Obama Admin. is holding back – we will need to aggressively push!
  - Rep. Teague: we need collaborative state support to generate adequate influence on Congress.
  - Johnny Cope: We need to mitigate congestion – gas costs and bridge collapse has raised transportation on the radar!
  
- 2) Are gas tax increases being considered?
  - Rep. Oberstar: all options are being considered; but whatever we come up with, it must be sustainable !
  - There has been a 47% erosion of construction value in the past 10 years.
  - We have not increased gas tax since 1993
  - Cited many examples of project/program-specific fixes – but these won't sustain; we must increase the Highway Trust Fund.
  - A \$.02 fee on special oils would generate over \$72 billion
  - A 10% increase in gas tax (*only after 2 quarters of growth*) would help address our current \$140 billion gap!
  - Johnny Cope: We need some form of indexing gas tax to keep up with inflation – eventually, a gas tax increase is inevitable!
  - Rep. Oberstar: We need to index to construction – not per the consumer price index!
  - China is “blowing us out of the water”, moving their products to sea ports for export; they have the vision to invest in infrastructure to prepare for the future!
  - Every American President since Lyndon Johnson has withheld investment from the Highway Trust Fund; we need to recapture interest from this Fund (presently \$20 billion going to other causes!)
  - Cong. Oberstar commends New Mexico for its current consideration for extending the rail corridor from El Paso to Belen, where it connects to the current rail corridor. In Europe, Rail can travel over 200 miles in 45 minutes! (*Is the US becoming a 3<sup>rd</sup> world country!?*)

## Closing Comments:

### Johnny Cope:

Best wishes to Congressman Oberstar for the transportation bill; we need this bill passed as soon as possible for state survival this year! More extensions will put New Mexico in an awkward position – the federal dollars are more important than ever!

### Rep. Oberstar:

In the past year, we have had 12 extensions; we can't keep limping – we need a major restructure toward sustainability. We need to simplify processes, condense our system, and push for more flexibility to the states.

### Rep. Teague:

We are very pleased to invite Chairman Oberstar to New Mexico; we need to support this bill!

### Rep. Oberstar:

- New Mexico is showing vision in seeking to improve its rail corridor.
- We are seeking to elevate tribal IRR funding to triple previous levels, from \$230 billion to \$700 billion. Tribes who have engineering capabilities can get funds directly from the FHWA, rather than through the BIA.