



## **TRANSPORTATION POLICY MUST SUPPORT ENERGY, ECONOMIC, SECURITY, AND ENVIRONMENTAL GOALS**

We, the undersigned college and university presidents who serve on Second Nature's National Transportation Policy Task Force, urge policy makers in Congress and the Obama Administration to ensure national transportation programs address energy, climate, and sustainability goals to better serve our citizens, build healthy communities, reduce our dependence on foreign oil, protect our environment, create jobs, and assure global competitiveness.

### **BACKGROUND AND PERSPECTIVE**

Together we lead higher learning institutions of all types – public and private, large and small, urban and rural, 2-year and 4-year – located in communities of all sizes. Across the country, colleges and universities are aggressively pursuing innovative strategies to reduce greenhouse gas (GHG) emissions in all aspects of campus operations. At the same time, we are teaching our students about the connections among energy, the environment, and our economy to prepare them to contribute to the creation of a clean energy economy.

Colleges and universities are among the largest employers in many communities, and our campuses are daily destinations for more than 15 million faculty, staff, students and visitors. Our campuses also receive goods and services from a multitude of vendors, including food services, office supplies, and equipment. Considering all these trips, transportation accounts for a significant share of energy use at most colleges and universities, just as it does for the nation at large.

Colleges and universities fully appreciate that overcoming the practical challenges of reducing transportation GHG emissions requires fundamental changes at many levels – from federal policy and state and local programs to how we operate our campuses and interact with our neighboring communities. In partnership with local communities, colleges and universities are leading innovation while serving as test beds for planning, designing, piloting, and evaluating such low-carbon strategies as:

- Expanding ridesharing, biking and walking
- Increasing transit options for faculty, staff and students through local partnerships and, in many cases, operating our own campus bus services
- Reducing transportation demand through efficient campus design, supporting local production, and expanding telework and distance learning
- Increasing the energy efficiency of our transportation fleets and shifting to clean fuels
- Supporting local land use and transportation plans that emphasize efficient development

At the same time, colleges and universities are evaluating the efficiency, reliability, cost-effectiveness, and equity of a wide range of technologies, strategies, and policies. On balance, we are strongly encouraged by the feasibility, positive impact, and collateral benefits of our many

innovative strategies. In addition to reducing our carbon footprint, colleges and universities are achieving cost savings, improving health and quality of life, advancing economic and social equity, and winning the acceptance and support of key constituencies, including alumni as well as students and faculty. Our institutions' firsthand experience highlights how much increasing energy efficiency and expanding transportation choices can benefit our nation.

National data affirm our experience and demonstrate that continuation of current national transportation policy is clearly untenable:

- Current revenues are inadequate even to maintain our existing transportation system
- Transportation pricing fails to provide efficient price signals and ignores externalities, such as climate change, the health effects of air pollution, and the energy security risks related to heavy reliance on foreign oil
- The U.S. pays \$1 billion per day for foreign oil, an enormous and growing drain on our balance of payments
- 75% of commuters travel to work each day by single occupancy vehicle
- Congestion is growing in many areas, imposing economic costs on freight and business travel, reducing the quality of life for families and individuals, and reducing American productivity in a globally competitive marketplace
- Many Americans lack affordable transportation options, especially those of low income and those who must commute long distances

## **POLICY RECOMMENDATIONS**

Solving the enormous challenges at hand requires Congress to align national transportation policy with energy and climate goals to lead state and local programs in making our transportation system sustainable. We urge Congress to make this fundamental shift by basing national transportation and energy policy on the following recommendations:

### **Make Reducing GHG Emissions a Top-Tier Goal for Transportation Programs**

We urge Congress to adopt reducing GHG emissions as one of the paramount goals of federal transportation programs – on a par with our national goals of mobility and safety. Congress should set specific timelines and increasingly ambitious targets for reducing transportation GHG emissions and ensure accountability at all levels through clear and measurable performance standards and meaningful sanctions and incentives. In addition to stemming the impacts of climate change, strategies adopted to reduce GHG emissions will directly serve our national interest by reducing reliance on foreign oil, decreasing illness caused by air pollution, creating new clean-energy jobs, and maintaining our global economic competitiveness.

### **Make U.S. Leadership in Vehicle Efficiency and Cleaner Fuels a National Priority**

Achieving a drastic reduction in transportation GHG emissions will be impossible without significant increases in the efficiency of all vehicle types and reductions in the carbon intensity of fuels to complement other strategies. Projections that the global increase in the number of vehicles and vehicle miles travelled will far outpace growth in the U.S. reinforce the need for

breakthroughs in vehicle and fuel technologies. We commend the Congress and the Obama Administration for renewable fuel standards, stronger CAFE standards, and the recent “clean car” standards, and we recommend Congress “raise the bar” steadily on vehicle efficiency standards and adopt low carbon fuel standards for cars, light trucks, and heavy duty vehicles. We urge the Congress and Administration to recognize the opportunity at hand for the U.S. to provide world leadership in new transportation technologies by making strategic investments in research and innovation in a wide range of promising technologies, including:

- New vehicle propulsion systems for all vehicle types
- Alternative fuel technologies, including sustainable biofuels
- Advanced batteries and charging systems
- Increased use of plug-in electric vehicles, in parallel with efforts to shift power generation from fossil fuels to clean energy
- Intelligent transportation systems to improve the energy efficiency of vehicles, drivers, and the transportation system
- Lighter weight vehicles

### **Structure Transportation Financing and Pricing Strategies to Reinforce Energy Goals**

Transportation is both underpriced and inefficiently priced in the U.S., failing to account for externalities and congestion. Over the past decade, user fees that historically have funded the U.S. transportation system have declined in value to the point that revenues are insufficient even to maintain the current system. The largest revenue generator, the motor fuels tax, has been unchanged since 1993, while improvements in vehicle fuel economy are steadily reducing the income generated. As a result, Congress recently augmented transportation user fees with general funds, which further undercuts energy goals by subsidizing the cost of travel.

The pressing need for significant revenue increases to place the U.S. transportation system on a solid financial footing presents a fortuitous opportunity to restructure transportation financing to reinforce the national goal of reducing GHG emissions. We urge Congress to adopt a combination of fees and financing mechanisms that: 1) continues the “user pays” basis for federal transportation programs, and 2) incorporates carbon-based fees to act as a strong price signal for both the purchase and use of vehicles to lower GHG emissions. For example, a national vehicle excise tax based on a GHG differential could generate needed revenues while encouraging the purchase of low-carbon vehicles. Similarly, mileage-based fees would support the “user pays” principle while also providing a price signal in support of reduced driving. Thus, the means of financing our transportation system would complement other transportation policies to advance the goal of reducing GHG gas emissions in moving both goods and people. In recognition that virtually all transportation user fees are regressive, rebates could be provided to offset low-income users’ increased costs.

We note that Congress is considering climate and energy legislation to reduce U.S. carbon emissions and shift to a clean-energy economy. If Congress adopts a carbon tax or some other broad mechanism to reduce GHG emissions, we urge its early application to the transportation sector, with proceeds invested to meet critical clean transportation needs and cushion the impact on low-income users.

We also urge Congress to encourage state and local pricing strategies to reduce GHG emissions. As a first step, Congress should eliminate federal constraints on congestion pricing, tolls, and cordon pricing, consistent with protection of interstate commerce. In addition, we urge Congress to provide incentives to states and metropolitan planning organizations (MPOs) to adopt taxes, fees, and pricing strategies that serve the goal of reducing GHG emissions, including:

- State registration fees, excise fees, and property taxes based on vehicles' carbon intensity
- Rebates for energy-efficient vehicles and incentives for low-carbon fuels
- Parking pricing strategies
- Pay-as-you-drive auto insurance premiums
- Creative financing strategies, such as public private partnerships for projects with pricing strategies that encourage reduction of GHG emissions

### **Expand Transportation Options To Meet Local Needs**

Instead of treating different transportation modes as separate silos, reducing GHG emissions calls for an interconnected transportation grid that links different modes to provide options to the single-occupancy vehicle wherever practical, economically feasible, and energy efficient. Just as in the case of broadband access, the “last mile” of the trip home (or the “first mile” upon leaving home) poses the greatest challenge. Because strategies must vary based on local needs, we urge Congress to give high-capacity MPOs in large urban areas direct federal funding and greater authority for planning and priority setting, subject to clear standards for meeting national goals and performance targets. We also urge Congress to address the different transportation needs of smaller cities, towns and rural areas. We urge Congress to increase federal funds to support and reward state and local innovation and to expand Americans' transportation options through a range of promising strategies, including the following:

- Federal leadership, incentives and institutional support for ridesharing could provide significant, near-term, low-cost reductions in GHG emissions that would benefit rural and low-density areas as well as urban areas by expanding existing forms of carpooling and vanpooling and encouraging innovative ridesharing matching systems.
- Increasing funding for “active transportation” would allow more people to walk or bike to work and reach public transportation, while providing collateral benefits of improved health, reduced obesity, and more livable communities.
- Adopting a “complete streets” policy in urban areas would ensure road projects receiving federal funds make appropriate provisions to accommodate bicyclists, pedestrians, public transportation, and people with disabilities.
- Using information technology creatively can improve intermodal connectivity, such as through demand-activated systems, fare systems that provide seamless connections across modes, and handheld electronic applications.
- Employer-provided shuttles and neighborhood circulator systems can increase access to public transportation.
- Expanding telework and distance learning reduces the demand for travel.
- New technologies, economic incentives, and logistical improvements can reduce GHG emissions from freight transportation.

We urge Congress to increase funding for public transportation through a more secure funding source, with emphasis on maximizing GHG reductions. We also urge Congress to equalize the federal match for all new transit and highway projects, give large transit authorities more flexibility to use federal funds to meet critical maintenance and operational needs, and simplify the public transportation planning and approval process. New transit investments must be carefully designed to attain sufficient occupancy to reduce GHG emissions, with incentives provided for attracting new riders.

### **Improve the Condition and Efficiency of our Transportation System**

Much of our existing infrastructure of highways, bridges, and transit facilities is in disrepair, with an enormous and growing repair backlog. We urge Congress to require better collection of data on the condition of bridges and other critical elements, and ensure responsible stewardship of our current system by emphasizing timely maintenance, rehabilitation and repairs. While many areas need to expand capacity to address congestion and safety problems, we urge Congress to invest judiciously in expanding capacity by requiring multi-modal life-cycle analysis of major new construction projects, including GHG emissions associated with the construction of new transportation projects.

We also note that significant GHG emissions reductions can be achieved by making more efficient use of our existing transportation system, such as by real-time traveler information systems, active traffic management systems, congestion pricing, and reducing speed.

Meeting long-range goals for reducing GHG emissions from the transportation sector calls for closer coordination between transportation and land use planning, including greater mixed-use planning and development. We urge Congress to provide funding incentives for planning and implementing more efficient land use and transit-oriented development in urban and suburban areas, and to ensure that federal, state and local transportation programs collect and broadly share data to understand more fully the important interactions between land use planning and sustainable transportation.

### **Encourage Innovation and Expand Research, Data Collection and Evaluation**

Historically, less than one percent of transportation funding has been devoted to research, far less than many other sectors of the economy. We urge Congress to increase funds significantly for: collecting data more systematically for all modes of travel, including freight; developing more accurate GHG emissions estimates; making data much more widely available for analysis; providing incentives for state and local agencies to pursue innovative strategies; and supporting objective evaluations to validate successful strategies for replication, including the following:

- Transportation demand management
- Pricing strategies that encourage reduction of transportation GHG emissions
- Innovative financing strategies for sustainable, low-carbon transportation
- Better understanding users' attitudes and behavior through social science research
- Intelligent transportation systems

- Charging and refueling systems
- Increasing access to public transit and incentives for walking and bicycling
- Ensuring the mobility of vulnerable populations and equity across income levels
- Integrating transportation, community design, and land use planning
- Improving the energy efficiency of moving freight and cargo

We urge Congress and the Administration to expand research, education, public outreach and technology transfer efforts, and to increase the flexibility of University Transportation Centers to meet pressing needs by allowing other federal funds to meet matching requirements.

*We thank Second Nature for convening and staffing our Task Force; Transportation for America for its assistance, advice and support; and The Rockefeller Foundation for its grant that launched this effort. We invite other higher education leaders to join in urging policy makers to ensure national transportation policy supports energy, economic, security, and environmental goals.*

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