




National Transportation Policy

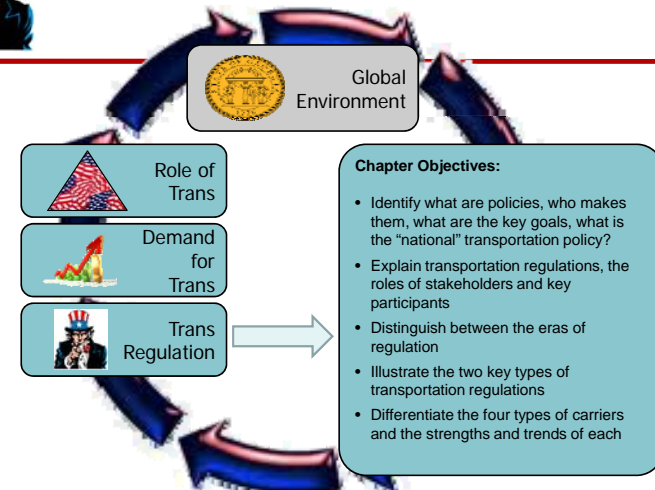
Chapter 3a

1




Road Map to Success



Chapter Objectives:


- Identify what are policies, who makes them, what are the key goals, what is the "national" transportation policy?
- Explain transportation regulations, the roles of stakeholders and key participants
- Distinguish between the eras of regulation
- Illustrate the two key types of transportation regulations
- Differentiate the four types of carriers and the strengths and trends of each



Key Definitions



- – Definite course of action adopted for the sake of expediency, facility, etc.
- – Course of action adopted and pursued by a government
- – A list, plan, outline, or the like, of things to be done, matters to be acted or voted upon

3



Goals of Policy

- Encourage _____ by infrastructure creation
- Provide for the National Defense
- Attempt to efficiently _____ between different groups
- Require Safety at all levels
- Either Reduce or _____ monopolies

5



Why Do We Need a Transportation Policy?

- Need effective allocation of scarce resources to build efficient system
 - System provides physical connection
 - Promotes economic activity
 - Strengthens national defense
 - Allows public investment in key transportation facilities



7



Do We Have A National Transportation Policy?

- If the literal definition of policy is used
- **WHY NOT**
 - No unified policy statement to guide the federal government's actions
 - Policies have only been developed for the individual modes of transportation
 - No single official document available

8



Do We Have A National Transportation Policy?

- - If you use the word policy loosely
 - It is somewhat vague and piecemeal
- **WHY**
 - We have a broad normative model for the transportation sector to operate under
 - Policy statements can be found in a variety of legislation (e.g., the Motor Carrier Act of 1980, Transportation Act of 1940, etc.)


10



Problems With Our Piecemeal Policy

- Official policy statements only cover modes regulated by **ICC**
 - Air transportation excluded
 - Exempt carriers excluded
- **ICC** cannot preserve inherent advantages of each mode
- Cannot emphasize all needs
 - Safety, efficiency & economy
 - Commerce, postal service, defense
- Federal & state goals may differ


12



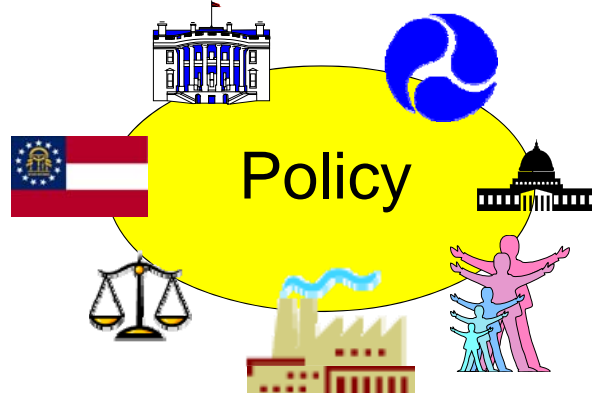
What is Our National Transportation Policy?

- A combination of general guidelines and statutory laws
 - Federal law and rules
 - programs
 - agencies
- It is more informal than formal
- It is heavily influenced by the political party in power
- It often defers to the rights of states and individuals

13



Who Establishes Policy?




15



Who Establishes Transportation Policy?

- Federal Government
 - President, DOT, agencies
 - Congress, congressional committees]
 - Regulatory agencies
 - Judicial system
- State & Local Governments
 - City gov't, governors, house, courts
- Industry Groups
 - Lobbyists, associations, individual firms

16



National Transportation Policy Principles

- Federal programs and policies should be:
 - Designed to contribute to the attainment of
 - Based on cost-effective use of resources in relation to public benefit
 - Responsive to needs and based on principles
 - Responsive to environmental and safety needs
 - In dealing with all modes
 - Flexible enough to handle change


Moving America USDOT 1990
17




National Transportation Policy Themes

- Maintain and expand the nation's transportation system
 - Reduce
 - Keep facilities in sound
 - Establish goods connections between different parts of the system
 - Provide tools, incentives, and flexibility for state and local governments to improve performance of the system

19



National Transportation Policy Themes



- Foster a sound base for transportation
 - Emphasize reliance on user fees to finance system expansion and repair
 - Preserve the integrity of trust funds
 - Find methods to recover costs from users that do not pay fees
 - Stimulate increased investment by state and local governments and the private sector


21



National Transportation Policy Themes

- Keep the transportation industry strong and competitive
 - Eliminate remaining economic of the industry
 - Develop greater uniformity of State rules and regulations
 - Repeal archaic Federal labor rules
 - Improve of transit
 - Remove barriers to efficiency
 - Ensure policies do not provide competitive advantages for one mode


23



National Transportation Policy Themes

- Ensure that the transportation system supports public safety and national security
 - Improve driver/operator training
 - Develop effective anti-drug and alcohol programs
 - Improve vehicle design
 - Control hazardous material movement
 - Modernize air traffic control system
 - Maintain viable merchant marine


25



National Transportation Policy Themes

- Protect the environment and the quality of life
 - Reduce vehicle emissions
 - Address the issue of global climate change
 - Develop plans for "no net loss" of wetlands
 - Create rules for the safe, effective transport of petroleum products
 - Increase the mobility of elderly, disabled, and disadvantaged citizens


26



National Transportation Policy Themes

- Advance U.S. transportation technology and expertise
 - Support intensive national program of transportation research
 - Use technology to develop Intelligent Vehicle Highway System
 - Coordinate DOT activities with other _____ and the _____ sector
 - Make transportation data and research results available


27



Promotion - A Key Facet of Transportation Policy

- Activities that support the growth and success of transportation
 - Determination of _____
 - Establishment of _____ and _____
 - Provision of financial aid and capital investment of public funds
 - Support through rules and policies


29



Promotional Plan Analysis

- Analysis is based on BCR (benefit/cost ratio)
 - Total measurable benefits to society divided by initial capital cost
 - Does not focus on operating costs
- Profitability is not considered in BCR analysis
- BCR analysis often creates white elephants due to overestimation of use, savings environmental impact


31



Promotion of Individual Modes

- – Airport construction
- – Road construction and maintenance
- Air traffic control system
- Standardized laws
- Carrier subsidies
- Safety research
- Defense contracts
- Commercial driver licenses
- Postal contracts
- Vehicle requirements
- Cabotage laws


32



Promotion of Individual Modes

- – Land grants
- – Port construction
- Right of ways
- Dredging
- Track repair
- Lock maintenance
- Equipment financing
- Navigation assistance
- Conrail
- Construction subsidies
- Amtrak
- Cargo preference
- Research & development
- Cabotage laws

34




What's A Lot Of Money?

- 2005
 - Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)
 - \$286 billion
- FY 2012
 - DOT expecting approximately \$129B as part of five year plan of \$556 (note this does not include all stimulus funding programs)

Source: <http://apolloalliance.org/> <http://www.dot.gov/budget/2012/fy2012budgethighlights.pdf>

38



Future Policy Issues

- Transportation policy will focus on
 - High speed rail
 - Intelligent transportation systems
 - Intermodal transportation
 - Alternative fuel systems
 - Satellite communication
 - Congestion reduction
 - Improving safety

39

