

# Congressional Outlook

## Senate

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Megan Stanley, *Senate Committee on Environment and Public Works*

Let me lead off with some information on the Senate Committee on Environment and Public Works and our chairman, Bob Smith, who just took over the chairmanship last fall. In terms of transportation, the committee focuses on the Federal-Aid Highway Program, truck size and weight matters, and environmental issues. In this regard we differ from our counterparts in the House, which has jurisdiction over just about every mode of transportation. In the Senate, transit falls within the jurisdiction of the Banking Committee, and rail and other surface transportation matters are generally handled by the Commerce Committee.

The chairman of our committee, as I said, is Bob Smith. The Chairman of the Subcommittee for Transportation Infrastructure, Senator George Voinovich from Ohio, has shown himself to be very interested and very active in transportation issues.

Let me tell you a little bit about Bob Smith, since it is important to know where the chairman of the committee is coming from. Senator Smith has four basic priorities with regard to the use of the budget surplus: first, to pay down the debt; second, to shore up social security; third, to cut taxes; and fourth, to invest in environmental and transportation infrastructure. He is also very concerned about state and local flexibility and autonomy. His actions will reflect the Federalist theme of giving more power back to the states.

In terms of reauthorization, I would like to take a few minutes to indicate where we see ourselves going. We expect that by early 2001 we will have a road map in place that will lay out how we will proceed toward 2003. This road map will set forth what issues we will

explore, what studies and evaluations we will be seeking, and what hearings we will hold. So as for what we are planning to do, I will have to let you know at the beginning of next year.

I can tell you today, however, that we want to protect and continue innovations that are in TEA-21, including the TIFIA program, value pricing, and design/build. The issues that Geoff Yarema mentioned earlier with regard to tax-exempt financing and SIBs will demand much consideration; we will need to assess how politically viable they are at the same time we assess their policy implications.

Two other areas of emphasis deserve mention. First is environmental streamlining. The Senate Committee on Environment and Public Works is in a particularly good position to deal with this issue, having jurisdiction over both transportation and environment. In fact, Bob Smith was a coauthor of the original proposal for environmental streamlining. The ultimate language appearing in TEA-21 is somewhat watered down from what he originally wanted, but the intent remains the same: to reduce delays.

I should mention that an important companion to environmental streamlining is early planning, particularly through the introduction of a systems approach to the planning process. It is critical for large projects to engage in a very detailed evaluation and analysis process before getting so far along with the design that subsequent coordination with all stakeholders becomes very difficult.

By starting with early planning and the big picture in mind, you address and dispense with all but the relevant political, social, economic, and cultural issues at

hand so that you can base project decisions on that early planning. From a private-sector perspective, this provides a good basis to evaluate the commercial viability of different projects. The government is in the best position to do early planning and regulation, and it will be very helpful if the government has done a lot of homework to help the private sector make decisions on which projects are worth investment.

So, despite legislative progress to date on early planning and especially environmental streamlining, there is still work to be done. Both the House and the Senate will be holding hearings to see what we can do to help states operate under the regulations as we take the first steps in what is sure to be a long-term process of moving us from the Interstate construction era to a future vision that we have not yet realized.

Before closing, I want to highlight the area of tolls. The chairman has expressed a great interest in leading

a charge on tolls, particularly with regard to reducing delays through the elimination of physical tollbooths. From what I have heard here this week, the technology is there to do so. We now face the question of whether the elimination of tollbooths is a matter of technology and the market or whether federal incentives are required as well. Also on the matter of tolls, I should add that the chairman is sensitive to the double taxation issue. We will likely be exploring rebate strategies to see whether those types of proposals make sense for addressing the double taxation issue.

Finally, I would like to let you know that I am interested in receiving legislative proposals on all areas of interest to this group. Again, my thanks to the organizers, the presenters, and the participants at this conference. I think we are making great strides in advancing our collective knowledge in this very important public policy area.