Chief Executive Officers' Viewpoints on Transportation Planning

FREDERICK SALVUCCI, DUANE BERENTSON, WILLIAM K. HELLMANN, AND LOWELL JACKSON

FREDERICK SALVUCCI

This panel should be a lot of fun. The idea of having a number of chief executive officers, who work with or who have worked with very different institutional arrangements across the country should be interesting. Some of us are still in government and some of us have gone to the private sector. Therefore, we should be able to bring both a public and private sector perspective to the topic of statewide multimodal transportation planning.

The Boston metropolitan area underwent a major reexamination of its transportation planning process in the late 1960s. Called the Boston Transportation Plan Review, this effort has influenced to a large extent my thoughts on how planning should be conducted and how important it is that planning produce the information needed for decision making. The major elements of the plan that resulted from this effort, our game plan so to speak, can be seen in place today or under construction. The basic concept was that, given its demographic and transportation system characteristics, the region should concentrate its highway resources on expanding the center of the system where the most significant problems were occurring. Hence, you see today the widening and construction of a new tunnel under the existing central artery in downtown Boston and the construction of a new tunnel to Logan Airport. A parking freeze in downtown Boston was designed to discourage the use of the private automobile or at least limit any increase in its use. This freeze went hand in hand with major investment and reinvestment in the regional transit system, in both construction and renewed support for system operations.

The process incorporated many concerns that at the time were relatively new. For example, much effort went into incorporating nontransportation concerns such as environment and community into the planning process. In addition, the economy in Massachusetts was in bad shape; the unemployment rate was significantly higher than the national average. Because of this, elected officials were greatly concerned about the vitality of the city and potential disinvestment in our urban area. Even though many in the professional planning community did not think that public investment could arrest the decline of the center city, some officials viewed transportation as a major impetus in helping to revive the economy. From some points of view then, the political leadership was way ahead of the professional planning process.

An incremental planning approach bases future projections on the characteristics of the immediate past. Thus, the critical question people were asking in the early seventies was, will anybody use the transit system? Now, the question is, how do we provide sufficient capacity to handle all the people who want to use the transit system? Thus, transportation planning needs to break away from basing its major ideas on the past. We need to be strategic thinkers, looking to the future and asking what we want for our city, region, or state.

Many in this country are now closely linking transportation investment with economic development. On the basis of our experience in Boston, one can come to one of two conclusions. Either investment in downtown system capacity and in the transit system was a major factor in the economic prosperity that we now enjoy, or it had little or no impact. I would submit that the major expansion of business activity in downtown Boston and in the suburban fringes could not have happened without major transportation investment. Quite simply, the city streets in downtown could not have handled all the traffic that would have been generated without significant increases in transit capacity.

Let me end my comment with an analogy. Columbus is famous for discovering America. However, one of the major consequences of Columbus's voyage was the dramatic change in agriculture that occurred when he took back to the Old World the vegetables that he "discovered" in the New World. Imagine the Italians without tomatoes; the Russians, Germans, and the Irish without potatoes; the world without string beans or peppers. The economic prosperity and ability to feed the world's population that resulted from the trip was a dramatic, but totally unexpected, result. Was Columbus lucky? Were we in Boston during our transportation planning review just lucky to be in the right place at the right time? I would like to think that there was a game plan, and not a game plan extrapolated from past trends. And this is the lesson I learned about the importance of transportation planning. It is important to explore alternative futures, to identify major societal trends, to examine the consequences of different courses of action, and to put in place actions today that will provide a better society for our children tomorrow. Who better than transportation planners to provide this vision?

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DUANE BERENTSON

It is obvious that transportation problems facing the states are not just ours but are shared by cities and counties, developers and builders, freight movers and people movers. We all recognize that the future of transportation services and programs will depend largely on our ability to communicate with one another and coordinate our efforts so that we can cooperatively respond to our present and future transportation needs.

In Washington State, we recognize that our state transportation policy plan should be a tool for decision making. It is a tool that we will use for our department, but it is not just a Department of Transportation plan. It is a statewide transportation policy plan that is policy oriented, not project oriented.

Such a planning effort is a participatory process. I emphasize process here because that is what is important to the results. Documents that make up the plan will communicate the results to the state's policy makers.

Before I start discussing the policy planning process, let us remind ourselves why we need to be good transportation planners.

ISSUES

Urban Congestion

In Washington State, we are experiencing increasing traffic congestion and gridlock. Futurists tell us that significant changes will occur:

- Dramatic population increase,
- Changes in work places,
- Changes in the nature of the work trip.

In the twenty-first century, flex-time and flex-workplace will have a major effect on our transportation needs.

Economic Development

Importing and exporting is the heart of our state economy, an economy that requires rapid movement of goods. More than 12 million tons of grain are shipped from our state's ports, of which only 2 million tons are grown in Washington. The rest of the grain is produced in other states. Washington is about halfway between Pacific rim and European markets, making our state a major gateway in the global economy.

Financing

Because the transportation financial picture is uncertain, new financing methods are being studied and new sources of revenues being proposed. On the federal level, we are all participating in the effort to determine the future of the Highway Trust Fund.

Land Use

How our state develops and what role transportation and land use regulation will play is important.

STATE TRANSPORTATION POLICY PLANNING

With this in mind, let me brief you on our state transportation policy planning process. In 1977, the Washington state legislature required a state transportation plan to be developed and updated every 2 years. The Washington State Department of Transportation is responsible for developing that plan. In the past, the plan was primarily a compilation of highway projects for the near-term future, and some general statements about other modes of transportation. Public input into the process was minimal.

In 1987, we decided that we should take a new approach to multimodal, statewide transportation planning. Our aim is to develop a state transportation policy plan to provide statewide policy direction to all transportation providers.

Let me again emphasize that recommendations in the policy plan address all levels of transportation programs in the state, not just that of the Department of Transportation. A policy-level approach adopted at the state level should set forth the roles and goals across all modes for those responsible for providing transportation. As you can appreciate, this is no small undertaking.

Key Points

I want to emphasize some of the key points in our new planning approach. We have created an ongoing process that will be documented and adopted by our transportation commission every 2 years and sent to the legislature. Too often in the past, we focused on producing the plan document and ceased planning once the document was produced. We are now firmly convinced that we need an ongoing process to address transportation issues as they emerge. This process will set that agenda for the department's and the state's transportation programs for the future.

Our planning process is based on creating a forum for discussing transportation issues and reaching collaborative decisions on how to proceed. To this end, we have created a state transportation plan steering committee that includes representatives from state and local government, the private sector, legislature, regional planning organizations, the governor's office, ports, environmental groups, citizens' groups, transit operators, universities, and transportation user groups. The steering committee reflects the complex nature of transportation decisions, and the realization that the Department of Transportation cannot, and should not, make these decisions on its own.

The planning process is issue based, not transportation mode based. We recognize that many issues, such as economic development or urban mobility, involve many modes of transportation, and that the way to effectively plan for the future is to identify the causes of the transportation problems and plan for transportation solutions to address them. Thinking only in modal terms perpetuates the past. Rather, we should

search for the best transportation solutions for the future. At present, we have 10 issue subcommittees, which cover issues such as preservation, freight and goods movement, intercity mobility, and urban mobility. The number of subcommittees may expand as more issue areas are identified or it may contract as issues are resolved. The process is designed for this flexibility.

Our new approach views Public Involvement from a much broader perspective. For our 1980 plan, we held 30 public hearings across the state on a completed plan document, attracting a total of only 150 people. With our new approach, we have integrated public involvement into the process of developing recommendations. This is done by

- The broad representation on our steering committee.
- The subcommittee structure, which is set up to investigate individual issues and involves between 10 and 30 people in each group.
- Monthly status reports, which are sent to 3,000 Washington State residents and organizations.
- A series of regional forums that have been scheduled.

All of these steps are part of the process to get information out to the public and to receive input from the public. In addition, we are developing a video that will help explain the policy issues at the regional forums and other presentations.

Finally, because our planning process will be leading us into the future, it is focused on action. It is not enough for our plan to make recommendations that sit dust covered on a shelf. We want our plan to be a living document that responds to new challenges with specific recommendations for action, whether it is a policy change for the department or new legislation.

Strategic Management

Our organization has been preparing itself for this challenge through the strategic management process. We started developing this process 5 years ago, and the management team views it as an opportunity to anticipate the future, rather than to react to current events.

As policies flow out of the planning effort, we will be able to take those policies and translate them into objectives and tasks, and establish performance measurements for the department. This process will help us identify problems that we may encounter in implementing the policies, and positively influence entities outside the department.

Funding

Funding must be a critical element in getting the job done. We believe that with this new planning process we will identify policies and needs that will convince the public and the legislature to fund transportation programs. With these three components—transportation policy plan process, strategic management, and funding—we have a planning and implementation process that is continuous, ongoing and always being reviewed to see how well we have done and where we are going in the future.

SUMMARY

We have developed what we believe to be a good planning process that involves a broad range of people and interests in identifying and reaching collaborative recommendations for action. It is a flexible process that can deal with our uncertain future and give broad direction to our transportation programs. It is aimed at leading, rather than following or simply reacting. I believe that this is the direction that will set a firm foundation for the twenty-first century.

WILLIAM K. HELLMANN

Flying up on the plane yesterday, I thought to myself—why has Maryland's planning process worked? Why has it been successful? I came to the conclusion that it has worked because of several factors; the first being that the department has the legal responsibility and authority for multimodal, statewide transportation planning.

It also has dedicated the fiscal resources to implement the results of statewide planning. So, you don't just plan. In Maryland, you really have the ability to plan and implement that which results from the planning process.

The structure of the department is also set up in a way that is conducive to statewide multimodal planning. It is a mandatory process in Maryland. Now, perhaps that sounds like a negative statement, but it isn't. Maryland law actually says in general terms how statewide planning is to be conducted. And it is a good law. I think that the people who wrote it did the citizens of Maryland and the members of the department a great favor.

The final ingredient needed for successful statewide planning is strong support from the top. I will explain why that is important in a minute.

When the Maryland Department of Transportation (MDOT) was established in 1971, it was put together with all transportation elements. Maryland's department is broad. It has a Highway Administration that is responsible for a 5,000-mile state highway system. It has a transit element, the Maryland Mass Transit Administration, that owns, operates, builds transit facilities in Baltimore, including bus, heavy rail and a soon-to-be-constructed light rail network.

The department also has responsibility in the port. It runs the major marine terminals in Baltimore. It has aviation responsibility for a statewide small airport program and also owns and operates Baltimore-Washington International Airport (BWI), a large international airport. It has rail responsibility, providing commuter rail service between Baltimore and Washington and an area called Brunswick, northwest of our nation's capital.

It is responsible for licensing drivers and registering motor vehicles. And, finally, it is responsible for the seven toll facilities around the state.

The department has two dedicated trust funds. All normal motor vehicle fees go into the MDOT trust fund, including gasoline tax, registration fees, licensing fees, titling tax on automobiles, etc. Also, fares from transit, revenues from the port facilities, and revenues from the airport go into this fund.

A second trust fund in Maryland called the Toll Facilities Trust Fund includes tolls from Maryland's seven facilities. The

toll facilities are established independently under the law; that is, they are not subject to legislative budget approval. Toll facilities are run by the Maryland Transportation Authority (MDTA), consisting of five Maryland citizens appointed on rotating 4-year terms by the governor. The Maryland secretary of transportation is the chairman of the authority. So, the toll facilities come under the ultimate control of the department.

Maryland has conducted statewide multimodal transportation planning since 1971. As I mentioned earlier, it is important that the process have strong support from the top. If it doesn't, the modes will tend to go off on their own and do their own thing and not work together with other modal administrations.

In Maryland, that was a problem in the early years of the department. Seven independent agencies were suddenly under the umbrella of a department of transportation. Strong guidance from the top was required to make the system work and to convince modal administrations that they were now part of a comprehensive department. The department had to demonstrate the advantages of multimodal planning and its ability to do what is in the overall interest for the citizens of Maryland.

The statewide planning process in Maryland has really been a blessing, not a burden. It has provided an opportunity to plan all modes in a comprehensive manner. It has made us aware of all transportation needs. I think it has made us better transportation engineers, although I would grant that it does certainly complicate your life when you are trying to decide whether to spend available funds on highways, port terminals or improvements at the airport. It is still, in my opinion, a superb setup and a superb process.

The process is generally stipulated in Maryland law. It requires that our 6-year consolidated transportation program (CTP) be updated each year. I assume that at this point all states have such programs. They generally include a list of all the projects that are going to be planned, designed and constructed over the next 5 or 6 years.

Volume I of the CTP in Maryland is called the State Report on Transportation and is a policy report, a strategic planning report. The report says very briefly where we have been, and then focuses on where we are and where we are going with the various transportation modes. It is a report that gets wide distribution to all state and local elected officials, and appropriate organizations. It discusses MDOT headquarters issues and issues relating to each of the modes. I required that each modal administrator write his or her particular section of Volume I that indicates where each of the modes is going. I believe that the document is positive in that it establishes in writing the direction for the department and how the department is going to get there.

Each year Volume I, the policy document, and Volume 2, the program or listing of projects, are distributed to all local and state elected officials. The document distribution is followed by a tour. We are lucky in Maryland to be small geographically so that we can visit all 23 counties each year to sit down with elected officials and discuss their problems and needs. We share with them our problems and our needs, and we have an exchange of concerns and ideas and solutions.

The fall tour of the counties seems burdensome. The department is preparing for the General Assembly and there a million other things to do, but it is time well spent. It is time for understanding, time to develop grass-roots support for the transportation program. It has accomplished that in Maryland.

The year that I resigned, we went after a 5-cent increase in the gas tax. We got it with very little opposition or debate. More than 100 of the 144 House of Delegates members supported the gas tax. I think the reasons included luck and good timing, but I also think it had a lot to do with a grass-roots, statewide, multimodal planning process and an awareness by local elected officials and citizens of what we are doing and where we are going.

The planning process in Maryland also has another step. After we draft the program and take it around on the tour to each of the 23 counties, we submit it to the governor for final approval and then to the General Assembly. The General Assembly can only cut projects. They cannot add projects. This allows for a balance of power between the legislative and the executive branches. The legislators are fairly reasonable to work with because they know that the only way their project is going to get into the program is if the secretary and the governor include it. That makes the legislature think seriously before it starts wholesale cutting of projects in the program. In the 3 years that I was secretary, the General Assembly never cut a project from our program.

Maryland's planning process has stability because it has two dedicated trust funds. Furthermore, if the legislature were to cut a project out of our program, the associated funds would revert to the trust funds. It is a nice system.

Because of the multimodal setup, Maryland's process has tremendous flexibility. Let me give you a couple of examples where we used that flexibility to our advantage.

When I first became secretary, three or four projects were identified as very serious statewide needs: a freeway in Western Maryland called National Freeway, and a bridge on the Eastern Shore over the Choptank River, a major structure. As we reviewed our program, we noticed that a major bridge project that was going to be built by our Toll Facilities Administration really wasn't needed for several years. Because of our flexibility, we built a major port facility that needed to be accelerated with the toll funds from the delayed toll project. We then used the funds that we had freed up by revenues and built the freeway in Western Maryland and the bridge on the Eastern Shore.

I will give you another example. Piedmont Airlines told my predecessor, Lowell Bridwell, who was the second federal highway administrator, that they wanted to establish a hub operation. Piedmont was trying to decide on BWI or Dulles Airport. They needed the necessary facilities to be operational in less than 9 months. Dulles was under the control of the Federal Aviation Administration (FAA) at the time, and had to go through the federal appropriation process to secure construction funds; Maryland did not. Lowell Bridwell loaned himself $20 million from his Toll Facilities Trust Fund (not subject to General Assembly appropriation), told the General Assembly leadership what he was doing, and asked them to agree to pay the fund back during the following year's session. The General Assembly leadership during off-session agreed and ultimately paid the fund back out of the regular trust fund. Maryland DOT was able to build the pier in less than 9 months, meeting Piedmont's needs. The rest is history; BWI attracted the Piedmont hub, built the pier, and is a huge success.

Maryland's setup allows it to react quickly. The two dedicated funds provide stability and allow the department to implement what comes out of the planning process. Maryland DOT has the legal responsibility and authority to undertake multimodal statewide planning, in addition to the fiscal resources to implement the results to the limit of the available funds.

What is the issue in the future? I think that the issue is funding. I think that we are all going to have to find ways to do more with less. We have two major urban areas, Baltimore and Washington, and it won't be long before you can't distinguish between them. It has become imperative that the various modal administrations work together in finding solutions.

Clyde Pyer's group is currently directing a multimodal statewide study of the major commuter corridors in the state. The study includes the administrators from the Railroad Administration, which is responsible for commuter rail, the Mass Transit Administration, and the State Highway Administration. To find the best possible solution in each of those corridors, we must work smart and develop the best and the most cost-effective solution.

That is our story in Maryland. I think that we have an excellent planning process. It works well. I also agree that it takes a lot of luck! Much of the credit goes to that 1971 blue ribbon committee that established Maryland DOT, gave it multimodal responsibilities, a statewide planning process, and the necessary fiscal resources.

Lowell Jackson

My comments today are influenced by the work of some peers for whom I have high regard and who have been instrumental in the development of planning in the State of Wisconsin. John Fuller, now at the University of Iowa, served the citizens of Wisconsin and the citizens of the nation in planning in this same arena 10 years ago. Lance Neuman of Cambridge Systematics was heavily involved in some developing and planning activities in Wisconsin even before I arrived on the scene. And there is my peer and mentor, Roger Schrantz, one of the more venerable state administrators. He has survived in the Department of Transportation (DOT), serving at the pleasure of five successive politically appointed cabinet secretaries of both parties. His participation in Wisconsin's planning effort and now in the nation's 2020 activity has put him in a role that I think is going to do credit to us all.

One of the things we were asked to touch on is how planning came to our aid in the past. I became secretary of transportation in Wisconsin in 1979, although I had a career in educational administration. I was the first engineer to be appointed chief executive officer (CEO) in Wisconsin. My appointment had nothing to do with intellectual pursuits at the university. It had nothing to do with being an engineer. It had nothing to do with having a great deal of administrative prominence. It had everything to do with the fact that I managed the campaign of the successful candidate for governor. And as you might imagine, in the process of challenging the status quo during the campaign, we all had very definite ideas about the way the world worked. They were usually wrong, but nonetheless were very attractive to the body politic at the time.

We knew from the campaign particularly because our candidate had substantial support from road builders, that the state had a crisis in transportation. The crisis was brought on by economic malaise, by a decade of what we regarded as environmental movement excesses, and by resource shortages associated with the energy crisis. We knew, like most challengers do, that if we got in there, we could do what really needed to be done in Wisconsin. As our candidate said, God made all the rivers in Wisconsin go north and south but there isn't any particular reason why man ought to make the roads go in the same direction. We need some new roads going east and west. All we need to do is get in there and somehow manage the enterprise better and we will get those roads without having to pay anything more for them.

Now, perhaps you have heard that claim before. Well, I walked into the office January 3, 1979, and the outgoing administration had been gracious enough to give me a thorough orientation for a month. As the final act of that orientation, I was asked to sign a thick document that was laid on my desk. They would then forward it to the appropriate place. I asked what it was. Well, they said, this is Wisconsin's transportation policy plan. I said that perhaps I ought to read it before signing, having just been highly critical of what we thought was Wisconsin's policy in transportation. I opened it to the first page. It started out something like this, "The highway system in Wisconsin being essentially finished and the era of the automobile on the wane . . ." and it went down hill from there.

Well, suffice it to say, I didn't sign that document. As a matter of fact, I put the organization through about a year of redefining it. At that time, however, newly commissioned, appointed or elected CEOs can do one of several things: (a) circle the wagons and say that the guys who went out are rascals and we have got to do something different than they did; (b) circle the wagons in the secretary's office to protect our obviously more truthful approach to government from the people who have been around; or (c) attempt to co-opt the existing activities and fortunately in the process learn something.

I learned a great deal quickly on why a CEO needed to rely on good planning and that good planning existed in Wisconsin. Wisconsin is a state that has tradition, a reputation of innovative government, going back to the days of Robert LaFollette. Wisconsin is a state that has always been regarded as kind of a crucible of experimentation. Social security was invented there. Workman's compensation was invented there and in New York. It is the state that invented unemployment compensation. It is one of the earliest states, along with New York in 1967, to create a DOT, at about the same time as it was done at the federal level.

I found out how necessary it was to adapt institutional capability in my first appearance before a relatively unfriendly legislative committee that made decisions on our new budget. It was a Republican administration faced with a Democratic legislature, the classic confrontational setup. I decided that it was up to me to convince this legislative finance committee that we had to change the direction of transportation. I had to warn them about where we were going. And as so many scoundrels do, I decided to rely on the Bible for guidance to this committee. So, I extracted a quotation from Ezekiel, which seemed to be appropriate, in exhorting them to help take action to reverse the trends.

You remember, it goes like this:

> The word of the Lord came unto [Ezekiel], saying, . . .when I bring the sword upon a land, if the people of the land take a man. . .and set him for their watchman: If when he seeth the sword come upon the land, he blow the trumpet, and warn the people; Then whosoever heareth the sound of the trumpet, and taketh not warning; if the sword come, and take him away, his blood shall be upon his own head. . . . But if the watchman see the sword come, and blow not the trumpet, and the people be not warned; if the sword come, and take *any* person from among them, . . .his blood will I require at the watchman's hand.

I figured that this metaphor ought to get their attention.

One of them turned to me very quickly and said, Mr. Secretary, that is the worst case of passing the buck that we have seen in these hearings. And you have come before us and told us that what you want to do is good for the economic health of Wisconsin. Prove the relationship between more highways and the economic health and development of Wisconsin. And so I said, that is easy to prove. Why, everybody knows that relationship. Well, give us an example. All right, Mr. Secretary, prove to us that the improvement of the surface condition of these highways will in fact improve energy conservation. Well, everybody knows that the smoother the highway, the less energy consumed. They didn't buy that.

And on and on and on, with all the arguments about why we ought to change the way we were headed in transportation. Well, they got my attention. Not only did we redo the policy plan over the year, but one of the most important things that we did in planning during the early eighties was to establish a hierarchy of planning that seemed to satisfy all the somewhat disparate interests in a wide application of transportation interests. A state in which railroads were being abandoned perhaps faster than in other states did engender governmental reaction. Wisconsin was a state with a deteriorating highway system and new capacity requirements and no structure to put it in place; a state that, as part of the "rust belt," was losing much of its heavy manufacturing industry to states with cheaper work forces and better and newer assets.

So, the need to incorporate rational planning became obvious. The way we proceeded was to establish a four-level planning process. I won't go into them at great length except to explain how we incorporated them into the establishment of public policy. At the top of the hierarchy is the transportation policy plan. Expect that document not to change very often, although to be commented on periodically. The importance of that policy plan, which I refused to sign when I came in, became evident very quickly. The Senate held up my confirmation because I refused to make it into an administrative rule in the State of Wisconsin.

I wanted to be a little more flexible than the original policy plan. Flexibility in an overall policy plan is important, as long as it serves as a document that lets everyone know your general intentions. We carried that policy plan to the public on many occasions in many hearings. In fact, we held the first statewide public hearing over a statewide television network on that policy plan to attract attention, obtain comments on its specific elements, and get overall public reaction.

The second level of planning is our system plans. We took a good look at the highway part first, to explain as much as we could about the highway system. We looked at what the real meaning of moving people and goods meant; what the interfaces were between the modes that we were representing; what, over a 10-to-15 year horizon, we could expect. We used public opinion research surveys extensively to determine what alternatives existed with regard to the highway system in what we perceived at that time to be an energy-driven future.

The third level, the one that most states now have, is a program planning level for each of the systems. The idea is to put together, in our case, a 6-year program planning horizon, to be able to incorporate three successive 2-year periods of the legislative past budget, the first 2 years of which were essentially fixed in concrete, and the last 2 put together on the expectation of continued funding at that level.

The final level is the project level, which has dominated planning procedures and in some circles, particularly the Congress of the United States, still dominates it. This is the traditional planning process, which even in an ostensibly multimodal organization has a tendency to pull back from other more multimodal planning to the traditional demands of the highway old boy network.

What makes statewide multimodal planning work? You have heard from Bill Hellman that one requirement is to have a state public policy agency with the responsibility, the authorizing environment, to carry out this planning and to recommend, if not mandate, the way things are going to be done.

In Wisconsin, the authorizing environment is relatively broad. Wisconsin is the only state that has, for instance, everything including motor vehicle regulation and traffic enforcement under the state highway patrol. Wisconsin does not have the same degree of direct ownership of facilities and operations as Maryland. So, it helps to have authority across all these areas.

Institutional respect for the professional practice of the policy-making body sounds easy and comes trippingly off the tongue, but it doesn't exist if the cultural environment of the state favors dispersal of authority rather than concentration. In such states the usefulness of statewide planning is substantially reduced.

Of utmost importance to statewide planning is a close connection between the budgeting process and the planning process. They should be one and the same, not just in the transportation agency itself, but in the legislative and executive agencies that affect the transportation agency's activities. It is absolutely essential to have a dedicated transportation fund to make planning meaningful. The old Golden Rule, he who has the gold makes the rules, certainly applies when you are talking about the ability to move money from one mode to another. There are today some dependent modes of transportation that do depend, at least temporally, on support from resources generated from other activities.

It helps to have legislation that channels outside money in a regular formalized way through the state to other users of transportation. Wisconsin has had a channeling act for more than 45 years. A dedication to expanding knowledge, whether for its own sake or whether, as in my case, for simple protection from criticism of our goals, is essential. I am interested in Secretary Skinner's and now Tom Larson's and Gene McCormick's responsibility to engage in establishing a national transportation policy. I hope that they will consult good people like John Fuller to explain some of the pitfalls along the way.

There are some substantial intellectual opponents to the concept of a national transportation policy, for the same reasons that there are people who are not very fond of a national

industrial policy because it implies a federal mandate, a federal coercion, a federal selection of winners and losers. That turns out to be almost an intractable problem in some places. I would like to suggest, just for purposes of discussion and remembrance, some rules for developing this policy from a planning perspective. The rules are suggested by another Wisconsin enterprise, the periodic commentary on the state policy plan called the Transportation Policy Agenda, which was formulated in 1985.

Number one, the overriding principle that guides public sector involvement in transportation is to maximize public good by identifying and valuing costs and benefits that are significant to the public, but which the market would otherwise ignore. In other words, public sector involvement is not to interfere or to set aside market mechanisms of supply and demand, but ensure that social and economic costs and benefits like land use impacts, economic development per se, are not only considered affirmatively, but may be considered negatively as well.

Second, and certainly important to the 2020 participants and difficult to achieve as Congress reconsiders national policies, is the importance of matching public responsibility with the appropriate level of government. A failure to do so results in increased cost and reduced quality and scope of service.

Third is the correlation of who benefits and who pays. This is the most important factor in effective public sector involvement in transportation. We interpret that to mean that user fees should remain the preferred method of financing transportation programs, and that they should be structured to ensure that benefits and costs are distributed appropriately.

Although we have danced away from the issue of cost allocation, it will have to be revisited. Smaller constituencies and entire states may have to accept the development of new fuels and new methods of motor power. Not only are heavy combination trucks perhaps paying less than their fair share, but also new cars are paying less than their fair share because of our heavy reliance on fuel taxes.

So I submit that some of these rules, and there could be many more, will have to be considered in coming up with this new plan. I think that we should all give a great deal of assistance to Tom Larson and to Secretary Skinner and to those who are working on it, because not everyone is going to interpret it in the same way.

I see a good deal of challenge in the future. I see many new tools that we didn't have before to help us do planning. Certainly we have all the statistical tools that have been used in the past, as well as new geographic information systems applied to transportation. The early elements of these appear to be mechanisms to not only give us more data in ways that we can use at our level of government, but also to immediately present that data in ways that are meaningful to those who make political decisions on what we do.