

TRANSPORTATION RESEARCH BOARD
The National Academies

Executive Committee Meeting

June 10-11, 2011

J. Erik Jonsson Woods Hole Center

Woods Hole, Massachusetts

DRAFT MINUTES

PRIVILEGED INFORMATION

Minutes of all TRB Executive Committee Meetings shall be regarded as privileged and not for public release, except by special action of the Executive Committee

TRANSPORTATION RESEARCH BOARD
Executive Committee Meeting and Policy Session Discussion Minutes
June 10-11, 2011
J. Erik Jonsson Woods Hole Center
Woods Hole, Massachusetts

Table of Contents

ATTENDANCE	3
JUNE 10, 2011	4
WELCOME	4
BIAS/CONFLICT-OF-INTEREST DISCUSSION	4
PREVIOUS MEETING MINUTES	4
EXECUTIVE DIRECTOR’S REPORT	4
TECHNICAL ACTIVITIES DIVISION (TAD).....	6
<i>Technical Activities Division and Council Report</i>	6
<i>Conference, Workshop, and Project Approvals</i>	6
SUBCOMMITTEE ON PLANNING AND POLICY REVIEW (SPPR)	7
TRB STRATEGIC PLAN MILESTONE REPORT	7
INTERNATIONAL ACTIVITIES	7
COOPERATIVE RESEARCH PROGRAMS (CRP).....	8
SECOND STRATEGIC HIGHWAY RESEARCH PROGRAM (SHRP 2).....	9
U.S. DEPARTMENT OF TRANSPORTATION’S REAUTHORIZATION PROPOSAL	10
SUBCOMMITTEE FOR NRC OVERSIGHT (SNO).....	10
LUNCH BREAK	10
AFTERNOON SESSION.....	10
POLICY SESSION: FINANCING AND FUNDING TRANSPORTATION IN A TRANSITION PERIOD (PART 1 OF 2)	11
BREAK FOR EVENING.....	11
JUNE 11, 2011	11
POLICY SESSION: FINANCING AND FUNDING TRANSPORTATION IN A TRANSITIONAL PERIOD (PART 2 OF 2)	11
<i>Policy Session Rapporteur Summary</i>	11
<i>Executive Committee Policy Session Concluding Discussion</i>	13
FUTURE POLICY SESSION TOPICS	14
ADMINISTRATION AND FINANCE DIVISION	14
TRB STUDIES ON TRAVEL DATA, AND ON EQUITY AND TRANSPORTATION FINANCE	14
STUDIES AND SPECIAL PROGRAMS DIVISION	15
NEW BUSINESS.....	15
NEXT MEETING AND ADJOURNMENT	15

**TRB Executive Committee Meeting Attendance
June 10-11, 2011
Woods Hole, Massachusetts
Attendance**

EXECUTIVE COMMITTEE

Neil Pedersen Chair
Sandra Rosenbloom Vice Chair

Peter Appel Ex Officio
Barry Barker
Deborah Butler
William Clark
James Crites
John Gray Ex Officio
Michael Hancock
John Horsley Ex Officio
Michael Lewis
Susan Martinovich
William Millar Ex Officio
Michael Morris
Steven Scalzo
Gerry Schwartz
Beverly Scott
David Seltzer
Kumares Sinha
Thomas Sorel
Daniel Sperling
Kirk Steudle
Polly Trottenberg Ex Officio
C. Michael Walton

MARINE BOARD CHAIR

Malcolm McKinnon
(by phone)

**TECHNICAL ACTIVITIES
COUNCIL**

Katherine Turnbull Chair
Ronald Knipling
Peter Mandle
Anthony Perl
Peter Swan
Steven Silkunas

GUESTS

William Bronrott FMCSA
Lisa Colbert FTA
Jane Garvey Meridian Infrastructure
Susan Irving GAO
Kevin Knight USACE
Chung Liu SCAQM
Theresa McMillan FTA
Greg Nadeau FHWA
Joseph Schofer Northwestern University
Michael Trentacoste FHWA
Ronald Utt The Heritage Foundation
Vincent Valdes FTA
Asha Weinstein-
Agrawal San Jose State University
Mark Yachmetz FRA

TRB STAFF

Steve Andrle
Cindy Baker
Ann Brach
Stephen Godwin
Neil Hawks
Russell Houston
Christopher Jenks
Michael LaPlante
Kimberly Fisher
Mark Norman
Suzanne Schneider
Thomas Palmerlee
Robert Skinner

TRANSPORTATION RESEARCH BOARD
Executive Committee Meeting and Policy Session Minutes
June 10-11, 2011

Woods Hole, Massachusetts

Highlighted areas indicate Executive Committee action.

June 10, 2011

Welcome

Transportation Research Board Executive Committee Chair Neil Pedersen called the meeting to order at approximately 8:30 a.m. Chairman Pedersen welcomed everyone in attendance. Self-introductions were made. Pedersen announced that a nominating committee is being established to identify candidates to fill the seats of Executive Committee members whose terms will expire at the end of the year.

Bias/Conflict-of-Interest Discussion

A bias/conflict-of-interest discussion was held, in which members of the Executive Committee were given the opportunity to disclose potential biases or conflicts of interest they could have related to areas that might be discussed at this or future Executive Committee meetings. No members reported any conflicts of interest related to the Executive Committee's duties.

Previous Meeting Minutes

The minutes of the January 26-27, 2011, meeting of the Executive Committee were approved.

Executive Director's Report

Robert Skinner provided a report on a number of items concerning TRB as detailed in the Executive Director's Report (Tab 2 of the agenda book). During his presentation, Skinner highlighted the following:

- TRB's Core Program is operating at the highest activity level ever.
- At the request of David Seltzer, TRB has produced a diagram that illustrates the sources of transportation research funding and how TRB fits into the picture. Please forward any feedback on the chart to Bob.
- Since the January meeting, TRB has released three policy studies and will be releasing three more in the next few months.
- The uncertainty concerning future federal transportation programs clouds the future of the cooperative research programs. The new rail program is awaiting the appointment of an oversight group by the U.S. Secretary of Transportation.
- SHRP 2 is transitioning to the pre-implementation phase of the program. The Renewal, Capacity, and Reliability focus areas are developing products, and in the Safety focus area the naturalistic driving study has been implemented.
- In terms of total visits to the National Academies' websites, only the National Academies Press receives more traffic than does TRB's site.
- Deb Butler will chair the selection committee for the Sharon D. Banks Award for Humanitarian Leadership in Transportation. Other members of the committee are Paula Hammond, Bill Millar, Kumares Sinha, and Michael Townes.

- A resolution, authorized by the Executive Committee, recognizing Bill Colglazier's support for TRB during his 15 years as Executive Officer of the National Research Council will be presented to him at his retirement party in late June.
- Jewelene Richardson will be retiring this fall from TRB after more than 40 years of service. **The Executive Committee approved a resolution expressing appreciation to Ms. Richardson for her outstanding service to TRB.** *The resolution was subsequently presented to her during her retirement party in September.*
- Dr. Ralph Cicerone was reelected to serve a second six-year term as president of the National Academy of Sciences and chairman of the National Research Council.
- The restoration of the NAS Building on Constitution Avenue continues to be on schedule for completion in April 2012.
- The National Academies Press has begun placing virtually all of its publications on the web in a free, easily downloadable format. Those who download reports will need to register online.
- Selected reprints of articles that mention TRB studies and other activities are included in the briefing packet.
- This will be Bill Millar's last Executive Committee meeting as an ex officio member representing the American Public Transportation Association (APTA). Mr. Millar, who is retiring as APTA's President this fall, was recognized with a round of applause by his fellow Executive Committee members. He has also been recognized with the Thomas B. Deen Distinguished Lectureship by the Technical Activities Council. Mr. Millar will give his lecture on Monday, January 23, 2012, as part of the TRB 91st Annual Meeting in Washington, D.C.
- Suzanne Schneider provided an update on TRB's Minority Student Fellows Pilot Program, which is intended to promote minority participation in transportation and in TRB. Now in its third year, the program provides financial assistance for minority students from a number of historically black colleges and universities and other minority-serving institutions to attend and present a research paper at the TRB Annual Meeting.
 - Dr. Schneider noted that the 2010-2011 program was funded by TRB, the North Central Texas Council of Governments, and Parsons Brinckerhoff, Inc. She reported that given the success and growth of the program, additional funding support is need; she asked that members of the Executive Committee contact organizations in their areas that might be interested in becoming a sponsor. Sponsorship consists of supporting a fellow and the fellow's faculty mentor, and costs \$4,000.-\$5,000 *Subsequent to the meeting, the South Coast Air Quality Management District, California, became a sponsor.*
 - Dr. Sandra Rosenbloom and Mr. Michael Morris endorsed the program and encouraged their colleagues to support the program and/or attempt to find organizations that would be interested in supporting it.

Technical Activities Division (TAD)

Technical Activities Division and Council Report

Dr. Katherine Turnbull and Mr. Mark Norman reported on activities of the Technical Activities Council (TAC) and Technical Activities Division as detailed in their report (Tab 4A of the agenda book). Their presentations highlighted the following:

- The TAC and the Conduct of Research Committee are working together to provide TRB standing committees with the knowledge and tools they need to identify research needs, increase the probability that research addressing these needs will be conducted, and disseminate information on relevant ongoing and completed research in a timely and effective manner.
- At its meeting yesterday, the TAC identified a series of opportunities and options for TRB, TAC, and its standing committees to consider as a means to raise the profile of transportation research in these challenging economic times.
- Dr. Turnbull is leading a review of TRB's standing committee membership structure. Items being reviewed include the number and categories of members, membership terms, rotation, and committee friends.
- TAC is working with its Group Executive Boards to provide more formal approaches to involve young transportation professionals and to provide them with opportunities to offer input into TRB deliberations that directly or indirectly affect them.
- 10,900 people attended the 2011 Annual Meeting and the papers, slides, and videos of select sessions were all included in the new TRB Annual Meeting Online portal.
- The spotlight theme for the 2012 Annual Meeting is "Transportation: Putting Innovation and People to Work."
- Under the category of enhancing state departments of transportation (DOTs) return on investment from TRB--TRB staff are visiting every state department of transportation in 2011; TRB has developed qualitative and quantitative information on what individual states receive from TRB; a webinar was held for state employees on communicating the value of research; TRB is testing alternative options for distribution of its publications to state DOT staff; and the TAC has established a new state DOT representative position on the TAC.

Conference, Workshop, and Project Approvals

The Executive Committee approved TRB sponsorship or cosponsorship of the following conferences:

- FAA/TRB Business and General Aviation Forecasting Workshop (sponsor)
- International Conference on Communications-Based Train Control (cosponsor)
- 14th International Conference on Alkali-Aggregate Reactions (cosponsor)

Subcommittee on Planning and Policy Review (SPPR)

Stephen Godwin presented the SPPR report in the absence of SPPR Chairman Dr. Adib Kanafani. Mr. Godwin described the role of the subcommittee (Tab 3B of the agenda book) as the group charged with providing guidance and input to TRB between meetings of the Executive Committee. He noted that the SPPR met on April 8, 2011, and he highlighted the following:

- The SPPR reviewed and approved several TRB sponsored and cosponsored conferences.
- As a result of a discussion about the schedule and process used to produce self-initiated policy studies, TRB will get more input from relevant experts on potential study scopes and approaches as a means to help conduct some studies more quickly.
- The SPPR will become more proactive in the future in identifying “hot” topics for policy sessions, which often spawn self-initiated studies.
- The SPPR concluded that it would be premature to begin a new round of strategic planning until the aviation and surface transportation reauthorizations are in place.

TRB Strategic Plan Milestone Report

In the absence of Dr. Kanafani, Dr. Schneider summarized the major activities being undertaken to implement the objectives of the TRB Strategic Plan, as detailed in her report (Tab 5A of the agenda book). During her presentation she highlighted the following items:

- The bold and italic items in the report highlight the most recent accomplishments in each area.
- An update of the plan has been put on hold based on the uncertainty surrounding the federal surface transportation and aviation reauthorization processes, as well as other political and economic uncertainties in the current climate.
- In the interim, the Executive Committee endorsed the concept that attention be given to longer-term strategic issues and to specific goals/objectives/action items that might be given special focus in the plan. At its April 2011 meeting the SPPR identified two areas for strategic review. Those areas are as follows:
 - TRB’s international presence and activities. This area will be addressed in the International Secretary’s report by Sandi Rosenbloom.
 - A strategic review of the structure, content, and business plan for the Transportation Research Record: Journal of the Transportation Research Board.
 - A review is being initiated that will explore TRR paper costs, options for future efficiencies, strategies for managing growth, approaches to addressing the needs of academics/researchers and practitioners, and the possibility of publishing separate journals.

International Activities

Dr. Sandra Rosenbloom provided a report to the Executive Committee as International Secretary. Highlights of Dr. Rosenbloom’s presentation include the following:

- At the international forum in Leipzig, Germany, two weeks ago, attendees questioned her on ways to get TRB more involved in their activities. She was also asked why there were not more American industry representatives at the meeting. The international transportation research community appears to be looking for recognition that there is important research going on in Europe and that there are opportunities for collaboration between the United States and Europe.

- Tab 3C includes a list of objectives that were developed in 2004 and activities that have been developed to address these objectives.
- She drew attention to Objective 6 of the strategic plan for developing TRB's International Activities. It calls on bringing together a wide range of TRB stakeholders both within and outside the organization to discuss TRB's short- and long-term goals with regard to international engagement and collaborative research. Related to this item, TRB is going to conduct an internal review of the 2004 report to identify potential issues and concerns to be addressed at a one-day meeting in the fall. The meeting will be designed to set goals and priorities for the organization's international outreach and activates and to expand and modify the International Activities strategic plan.

Cooperative Research Programs (CRP)

Mr. Christopher Jenks provided a status report on the National Cooperative Highway Research Program (NCHRP), Transit Cooperative Research Program (TCRP), Airport Cooperative Research Program (ACRP), National Freight Cooperative Research Program (NFCRP), Hazardous Materials Cooperative Research Program (HMCPR), and the pending National Cooperative Rail Research Program (NCRRP), as detailed in the Cooperative Research Programs report (Tab 4D of the agenda book). In addition, he highlighted the following items:

- NCRRP – The NCRRP FY 2010 grant for \$5 million has been approved, the U.S. Federal Railroad Administration and National Academy of Sciences Memorandum of Agreement on management of the program has been signed, and the U.S. Department of Transportation appointment of the NCRRP Governing Board is in process. The solicitation of potential research topics is under way and the first meeting of the NCRRP Governing Board is expected to take place in early 2012 to select initial projects.
- NCHRP – Panels for FY 2012 projects are being formed with meetings scheduled to begin in August 2011. An NCHRP panel explored the possibility of NCHRP's participation in the European Road Association (ERA); however, ERA asked to defer pending the resolution of internal issues. Ad hoc arrangements are still possible. FHWA is working with state departments of transportation to obligate and transfer the individual NCHRP contributions. FY 2012 funding levels are uncertain and will depend on the terms of new legislation or further continuing resolutions on the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users. The NCHRP staff will proceed cautiously with the implementation of the FY 2012 projects and make adjustments if necessary. The AASHTO Standing Committee on Research has funded a request in the FY 2012 NCHRP program for \$500,000 to assist in the coordination and implementation of the results from the existing 7 projects that are part of the 20-83 series looking at long-term strategic issues affecting the transportation industry. There are approximately 32 reports in the formal editing and publication process. TRB is working on several activities to commemorate the 50th anniversary of the NCHRP program in 2012.
- TCRP – Research project statements (RFP) have been created for 9 FY 2011 projects. Second panel meetings to select contractors will be held in June and July. Solicitation and reminders for FY 2012 projects have distributed. Thirteen publications were released by TCRP in the January-May 2011 timeframe.

- ACRP – Approximately 126 problem statements were received for consideration as part of the FY 2012 program, and the ACRP Oversight Committee (AOC) will meet in July 2011 to select the FY 2012 research program. There have been 11 ACRP publications released during the January-May 2011 timeframe. The AOC has completed a review of ACRP processes and it has authorized a dissemination project to help ensure that ACRP products are widely distributed to appropriate airport practitioners.
- NCFRP – FY 2011 funding for the program is pending approval by the U.S. Department of Transportation (DOT). Development of the FY 2011 program will continue, but individual contract executions will depend on the DOT’s approval of the FY 2011 funds. Eleven NCFRP reports have been produced since the program’s inception. The NCFRP Oversight Committee has authorized a project to assess what the program has accomplished, what it has affected, and where it should go from here.
- HMCPRP – Three reports have been published since the program began and three more are in the final stages of publication. Continuing resolutions have extended the program until September 30, 2011; however, funding from the sponsor has not yet arrived, but is expected and will allow contracting for the FY 2011 projects. First panel meetings to refine the scopes and issue requests for proposals on the FY 2011 projects were completed in May.

Second Strategic Highway Research Program (SHRP 2)

Mr. Neil Hawks directed members of the Executive Committee to the Strategic Highway Research Program 2 (SHRP 2) report (Tab 4E of the agenda book). Mr. Hawks highlighted the following items:

- About 20 percent of the planned research contracts have been completed, so research is still the major component of SHRP 2.
- SHRP 2 and the four major implementation partners—the U.S. Federal Highway Administration, the National Highway Traffic Safety Administration, the American Association of State Highway and Transportation Officials, and TRB—have pressed on with pre-implementation activities and engaged in planning for major implementation initiatives.
- Focus area highlights are included in the written report. Mr. Hawks ask Mr. Steve Andrlé to provide a briefing on the Capacity focus area activities. Highlights from Mr. Andrlé’s presentation include the following:
 - The charge of the Capacity focus area is to develop approaches and tools for systematically integrating environmental, economic, and community requirements into the analysis, planning, and design of new highway capacity.
 - Almost any highway expansion that occurs will be financially, environmentally, or socially controversial. Failure to identify potential controversy and address it early can lead to delay.
 - Anticipated outcomes and value added of the Capacity focus area include getting the right people at the table at the right time with the right information; making decisions that “stick” ; avoiding costly and time-consuming do-loops; serving environmental, community, and economic needs more closely; and expediting delivery of new capacity.
 - Transportation for Communities—Advancing Projects through Partnerships (TCAPP) will be the core product from the SHRP 2 Capacity focus area and will include 42 basic decision steps from long-range highway planning to a record of decision.

- Other major Capacity focus area products to be implemented that will advance these outcomes will include the Transportation Product Impacts web tool (T-PICS), a regional ecological framework, advanced models and networks, an operations guidebook for enhancing highway capacity, and a freight data and models road map.
- Capacity products are intended to be used by transportation planning and programming practitioners in state departments of transportation and metropolitan planning organizations, but will probably be of interest to others as well.
- The testing of implementation approaches is under way for all of the Capacity focus area tools, and early outcomes/implementation of the Capacity tools is taking place.
- Key challenges to Capacity focus area product implementation include finding institutional homes for web products; adapting web tools to meet institutions' IT standards and requirements; getting transportation agencies to try and use products, and training practitioners to use products; keeping material fresh (e.g. allowing for new and updated case studies); and getting products into the classroom for training new professionals.

U.S. Department of Transportation's Reauthorization Proposal

Ms. Polly Trottenberg, Assistant Secretary for Transportation Policy, U.S. Department of Transportation, briefed the Executive Committee on the Administration's \$556 billion, six-year surface transportation reauthorization proposal. Ms. Trottenberg outlined how the proposal would address four broad goals—strengthening infrastructure, spurring innovation, ensuring safety, and reforming government and exercising responsibility. She noted that the fate of the program was tied into the overall Congressional negotiations over federal funding, but pointed out that the public is receptive to increased funding for transportation, as long as funding is invested wisely.

Subcommittee for NRC Oversight (SNO)

Dr. Michael Walton described the role and background of the SNO and some of its oversight activities, including its efforts to support the broadening of the representation of minorities and women on TRB committees and panels as detailed in the SNO report (Tab 3A of the agenda book).

- Dr. Walton encouraged members of the committee to read the briefing material and noted that he would be available to answer questions on the briefing material or the SNO in general.

Lunch Break

The Executive Committee recessed at noon for lunch.

Afternoon Session

The Executive Committee reconvened at approximately 1:15 p.m.

Policy Session: Financing and Funding Transportation in a Transition Period (Part 1 of 2)

- Chairman Pedersen welcomed the policy session panelists and expressed the Executive Committee's appreciation for their participation in the session. Members of the panel included Susan Irving, Director, Strategic Issues, Government Accountability Office; Ronald Utt, Herbert and Joyce Morgan Senior Research Fellow, Thomas A. Roe Institute for Economic Policy Studies, The Heritage Foundation; Asha Weinstein Agrawal, Associate Professor, Department of Urban and Regional Planning, San José State University, and Director, National Transportation Finance Center, Mineta Transportation Institute; and Jane Garvey, North American Chairman, Meridian Infrastructure.

Chairman Pedersen noted that the session would explore the motivation for opposing transportation funding with the goal of discovering potential points of confusion or misunderstanding that might help the transportation community, or the modes that make up that community, better tailor messages about the rationale for investing in transportation.

A summary of the policy session panelists; presentations and ideas that resulted from the policy session discussion are included in David Seltzer's Rapporteur Summary.

Break for Evening

Chairman Pedersen called a recess to the meeting at 6:30 p.m.

June 11, 2011

Chairman Pedersen called the Executive Committee back in session at 8:30 a.m.

Policy Session: Financing and Funding Transportation in a Transitional Period (Part 2 of 2)

Policy Session Rapporteur Summary

Summary observations drawn by Mr. David Seltzer, Principal, Mercator Advisors, LLC, from the previous day's presentations and discussion included the following:

The Hangover, Part 2 (Susan Irving)

- Because the United States has the world's largest economy, we have been able to get away thus far with fiscal policies that no other country could.
- While federal spending levels are clearly a problem, the spiralling federal deficit is more attributable to revenue declines, caused by growth in unemployed, premature retirements, and financial sector meltdown.
- The fundamental issue is not the current outstanding balance of federal debt, but the prior actions that produced it.
- Budget deficits will continue at 5% of GDP indefinitely, even under optimistic scenarios; soon will become untenable.
- Unrealistic to think we can "grow our way" out of the deficit problem.
- *In short*, our fiscal condition may be summed up: "Attention: Deficit Disorder!"

A Transportation Policy “Attitude Problem” (Ron Utt)

- Historically, the transportation trust funds have “taken care of themselves” in financial terms.
- Over the years, we have allowed budgetary capacity, not user/payer preferences, to drive investment levels and resource allocation.
 - *We have failed to rely on market signals as to what people truly want.*
 - *We have had a transportation budget but not a transportation policy.*
- As an industry, we have neglected building a strong constituency to “sell” our message; as a result, transportation policy has a relatively low political priority.
- We need to convince people that they are getting something in return; rather than saying “Do you realize how little you are paying?”
- Market processes should inform policies to optimize transportation investment—especially in this era of constrained resources.

“Selling” Transportation as a Policy Priority (Asha Weinstein Agrawal)

- Both polls and the ballot boxes indicate that the public will support new taxes and charges for transportation *if*:
 - it is locally imposed (at a level near enough for the voter to see the connection between the payment and the benefit);
 - there is a specific project list or narrowly defined purposes;
 - the themes of maintenance, safety, and the environment are emphasized; and
 - advocates use outreach and education to help shape public opinion.

Public-Private Partnerships (PPPs): Living in a Material World (Jane Garvey)

- PPP is a project delivery and financing tool; *not* a funding source:
 - *Projects still require an underlying tax or user charge to pay the return on investment.*
- Limited number of fully self-supporting projects, except perhaps for high-occupancy toll lanes.
- Availability payment approach (tax-supported PPPs) links long-term performance of project to the financing structure, promoting life-cycle costing.
- Can be used *selectively* for transit, highways, other purposes (civil infrastructure).
- Key ingredients to a successful PPP process are:
 - local champion advocating the approach;
 - clearly articulated public policy objectives;
 - upfront legislative approval and transparent process (reduce political risk at both front-end and annually) for appropriations; and
 - financially sound state/local governmental unit.

Red Meat Ruminations:

- Key factors affecting transportation funding strategy include the following:
 - Financially sound state/local governmental unit;
 - Fuel efficiency gains—the public should be apprised of the magnitude of the revenue losses from hybrids/improved gas mileage;
 - Performance-based transportation outcomes—the public is willing to accept dynamic pricing in exchange for enhanced service;
 - The equity issue—you must show the distribution of benefits relative to who bears the costs; and

- Value capture--make greater efforts to capture the appreciated value at highway interchanges/stations, as source of capital funding.

- ☞ Can successful political support for transportation at the state and local levels be used to generate support at the federal level? Or does this imply that more emphasis should be devolved from federal to state/local governments?

- Railroads are the original “toll facilities”:

 - Carriers must recover both capital *and* operating costs from user charges.
 - Railroads learned painfully in recent decades that they needed to downsize their networks to remain self-supporting/profitable.

- Dedicating specific revenues to specific purposes may have short-term political appeal, but limits the flexibility of the transportation funding system to respond to evolving needs in the future.

- Addressing the “Infrastructure Deficit” is just as vital to the nation’s well-being as dealing with the federal deficit, yet no one ever talks about it.

- **VMT → VWP:** espousing charging schemes based on vehicle miles traveled results in villagers with pitchforks!

- *The Vision Deficit:* In the past, the United States built the canals, transcontinental railroads, farm-to-market roadways, Interstate highways, and the aviation system. Where is the aspirational view today?

Executive Committee Policy Session Concluding Discussion

Themes that emerged from the Executive Committee’s discussion included the following:

- The combination of a federal budget constrained by rapid growth in health care, expanding Social Security and Medicare recipients, an influential “no tax increase” constituency, and transportation user fees and taxes that are declining in real terms raises fundamental questions about what the federal role in transportation infrastructure will be going forward.
- Building support for investment, whether at the federal, state, or local levels, has been driven in the past by estimating the “need” for infrastructure based on the cost of construction and maintenance rather than on what the investment will yield in the future in terms of user benefits and/or economic development.
- With much of the network in place, there is no shared vision of the importance of transportation investment that was characteristic of the last half of the 20th Century.
- The declining real growth in surface transportation trust fund revenues, combined with real growth in vehicle miles traveled, indicates that trust funds will not be adequate to meet funding levels required to sustain and expand the network. Various bonding, pricing, and revenue capture strategies will become part of the funding mix in the future, though projects that can pay for themselves based on user revenues alone are the exception rather than the rule.
- Reliance on user fees to fund highways appears to be declining due to growth in reliance on sales taxes in some jurisdictions.

- Direct charging for infrastructure use is one ultimate, logical outcome of moving away from the fuel tax, but there is little indication that the public or political system is prepared for such a radical transition.
- Opinion polls and ballot initiatives indicate that the public will support tax or pricing measures when it can be convinced of direct benefits to voters that will result. General tax increases for general improvements have far less support.

Future Policy Session Topics

Mr. Russell Houston provided an overview of the SPPR's suggested topics for the January 2012 policy session (Tab 6B of the agenda book).

- The Executive Committee decided to explore "Inland Waterway Issues." The session will focus on the United States' inland waterway system in the context of the overall national transportation system. The session will examine the issues and challenges facing the industry from a variety of perspectives.

Administration and Finance Division

Mr. Michael LaPlante summarized the Administration and Finance Division report (Tab 4C of the agenda book). During his presentation he reported that:

- The total level for all TRB program activities has increased from \$99 million in calendar year 2009 to more than \$113 million for 2010, and is estimated to reach nearly \$125 million in 2011. These increases are mainly due to expected growth in SHRP 2 subcontractor activity and billings.
- The 2010-2012 triennium budget calls for level funding from TRB's major sponsors.
- TRB self-generated income such as affiliate fees, publications sales, and Annual Meeting registration has been steadily increasing for the past several years. TRB anticipates that these increases will more than offset any increased expenses attributable to inflation and minimal salary increases.
- In the current 2010-2012 triennium, the states collectively are financing about 45 percent of TRB's Core Program. At present FHWA, TRB's largest and original sponsor, contributes about 14 percent, other agencies finance about 9 percent, and TRB self-generated income covers the remaining 32 percent.
- The amount of annual core operating expenditures held in reserve is expected to increase to approximately \$16M during the current triennium, representing slightly more than one full year of Core expenditures.
-

TRB Studies on Travel Data, and on Equity and Transportation Finance

Dr. Joseph L. Schofer, Professor of Civil and Environmental Engineering and Associate Dean, McCormick School of Engineering, Northwestern University, briefed the committee on two recent special reports that were produced by committees he chaired.

- *TRB Special Report 303: Equity of Evolving Transportation Finance Mechanisms* addresses the equity of alternatives to current transportation finance mechanisms, notably mechanisms based on tolling and road use metering (i.e., road pricing). The report concluded that broad generalizations about the fairness of high-occupancy toll lanes, cordon tolls, and other evolving mechanisms oversimplify the reality and are misleading. The fairness of a given

type of finance mechanism depends on how it is structured, what transportation alternatives are offered to users, and which aspects of equity are deemed most important.

- *TRB Special Report 304: How We Travel: A Sustainable National Program for Travel Data* assesses the current state of travel data at the federal, state, and local levels and defines an achievable and sustainable travel data system that could support public and private transportation decision making. The report recommends the organization of a National Travel Data Program built on a core of essential passenger and freight travel data sponsored at the federal level and well integrated with travel data collected by states, metropolitan planning organizations, transit and other local agencies, and the private sector.

Studies and Special Programs Division

Mr. Stephen Godwin noted that the Studies and Special Programs Division report (Tab 4B of the agenda book) provides an overview of pending studies, potential studies, policy studies under way, and reports completed in 2011.

- Mr. Godwin asked for the Executive Committee's approval of the following three items.
 - Assessment of Technologies for Improving Fuel Economy of Light-Duty Vehicles - Phase 2, a study that will continue the work of the National Research Council for the USDOT's National Highway Traffic Safety Administration in the assessment of technologies and program for improving the fuel economy of light-duty vehicles. TRB's role will be to support Task 2 of the project, which will examine the potential for reducing the mass of vehicles by 20 percent, including: technologies such as materials substitution; downsizing of existing vehicle's design, systems, or components; and the use of new vehicle, structural, system or component designs or other mass substitution/weight reduction categories. The committee will consider the implications of such weight reductions on vehicle safety.
 - Initiating a study to examine U.S. intercity passenger demand in markets up to 500 miles in terms of how that demand is currently being served and how it might be served in the future.
 - Offshore Windfarm Worker Safety, which is a study that will review the federal role of overseeing worker safety for renewable energy operations on the Outer Continental Shelf (OCS). The study will focus on the gaps or overlapping areas in the current regulations for worker safety on the OCS.

The Executive Committee approved TRB participation in all three studies.

New Business

There was no new business.

Next Meeting and Adjournment

- The next meeting of the Executive Committee will take place January 25-26, 2012 (Wednesday and Thursday), at the Omni Shoreham Hotel, Washington, D.C.
- Pedersen adjourned the meeting at 11:30 a.m.