

TRANSPORTATION INITIATIVE

STRATEGY OVERVIEW

In the United States, perhaps to a greater extent than anywhere else across the world, transportation is a paradox. It is integrally woven into almost every aspect of our existence, from the quotidian to the global. The kind of transportation we invest in – and how we invest – determines the shape of the communities in which we live, our access to jobs and services and how much time and money we spend on getting around. It determines the cost of goods and the vigor of the economy; the extent to which the country will continue to rely on the planet's diminishing supply of petroleum, imported or otherwise; and the extent to which we continue to produce emissions that warm the earth and spell a future of drought, rising sea levels and devastation. Yet, the paradox is that transportation policy in the United States is not driven by attention to any of these outcomes.

In fact, the United States has no national transportation objectives. The federal government provides close to \$50 billion a year for transportation infrastructure, but where that money goes is driven not by the societal outcomes it could achieve, but by the political benefit it delivers and by the need to satisfy state demands for perceived fair share. At every level of government where transportation decisions are made, too little attention is paid to return on investment or to maintaining the infrastructure we already have. Planning of transportation investments alongside housing, land-use and energy considerations so that we grow sustainably, prosperously and affordably is virtually non-existent. As a result, we have a system that is almost entirely reliant on oil and is the fastest growing domestic producer of CO₂. Each year Americans lose 4.2 billion hours and \$87 billion in productivity and wasted fuel stuck in traffic. And the cost of transportation is now the second highest cost for American households. For low-wage working families, it is the highest expense – a staggering 30 percent of household income – and a burden that denies millions the opportunity for social mobility, wealth creation, investment in the future and quality of life.

Reforming this system is critical if the United States is to prosper and lead in the 21st century.

A number of factors suggest that we are now at a tipping point for change. Comprehensive federal transportation legislation must be reauthorized in the next year and half. For the first time ever, the financing mechanism for federal funding has collapsed, making the status quo impossible and necessitating a new approach. And the new realities of global warming, energy insecurity and anxiety about national economic competitiveness and the increased economic pressure on the poor and middle class are mobilizing forces with which to call upon Washington to generate a compelling new vision and upon our states and metropolitan regions to implement it.

The Rockefeller Foundation believes that a coordinated intervention at all these levels is critical to push the United States over this tipping point to resolution. As a result, the Foundation has focused its investment in the following six interconnected change levers:

CHANGE LEVERS:

Federal Level

- **Funding policy analysis and research that informs a new transportation policy vision.** This lever aims to support new research and policy analysis to inform the development of a more effective and compelling vision for transportation policy. The current federal paradigm is characterized by an absence of policy rationale and national objectives. Grants within this strategy cluster go to evaluating the current system and offering frameworks, arguments and an evidentiary basis for a new Federal role.
- **Encouraging national leaders and grassroots leaders to embrace a new transportation agenda.** Particularly critical to the Transportation initiative's success is its ability to engage and educate national officials and the American public regarding the country's infrastructure and transportation challenges. To date transportation policy and debate has been the province of a narrow set of interests and neither the public nor the opinion elite connect transportation policy and funding with outcomes that Americans care about: economic prosperity, affordable options, and climate impact and energy independence. Grants within this cluster go to engaging civic and political leadership through media, coalition building and targeted engagement. The Foundation also supports *T4America*, an unprecedented and diverse coalition, to develop a sophisticated plan targeting leading decision-makers on transportation, employing state-of-the-art education, polling, messaging and mobilization strategies.
- **Promoting and coordinating philanthropic participation in transportation work.** The Foundation aims to play a leadership role in securing, coordinating, and aligning broader philanthropic participation in transportation work—leveraging the investment of a broad range of national and regional foundations. The Foundation is doing this primarily through a grant/partnership with the Funders Network for Smart Growth, which has established a transportation reform funders group, produces papers and organizes learning and networking opportunities. In the future, RF may enter into regional funding collaboratives with local and community foundations.

State and Local Level

- **Resourcing Advocacy Efforts to Encourage State/Metro-level Reform:** Because the vast majority of decisions about how to spend federal money and what projects to support occur at the state and local level, those officials need to see public demand for smart investment and affordable and sustainable transportation options. The Foundation supports efforts designed to help build visible public demand in a key states and regions nationally
- **Building the Internal Capacity of State DOTs and metro planning organizations:** Because the vast majority of decisions about how to spend federal money and what projects to support occur at the state and local level, government leaders at these levels need to be encouraged to innovate and adopt good and promising practices and policies. This change lever invests in efforts that provide those seeking to reform their systems the opportunities to learn from peers, get exposed to new approaches and to develop strategies to change policy and practice.

- **Encouraging Sustainability and Equity through Market and Consumer Levers:**
While new policy comprises the bulk of the initiative's focus, any change depends heavily on the demands for it from the market and consumers. RF invests in efforts that identify and accelerate consumer and market preference for location efficiency and affordable transportation options.

KEY OUTCOMES

Outcome Area 1 – Policy

Policymakers at all levels of Government in the United States have actionable and practical research and analytical support to advance equitable, sustainable and economically beneficial transportation policies.

Outcome Area 2 – Capacity

A strategically diverse constituency of national leaders and grassroots leaders effectively influences debates, positions and issues in transportation, and demonstrates the capacity to hold leaders accountable.

Outcome Area 3 – Expanded Partnerships

New and diverse philanthropic and major donor partners support federal efforts in sustainable transportation solutions, sustain regional ones and maintain reform infrastructure beyond the conclusion of the Foundation Initiative support.

IMPACT - Our vision of success

In the longer term we expect to contribute to healthier and safer lives for United States residents, more disposable income as a result of smart infrastructure choices that create communities characterized by convenient and affordable transportation options. All residents, especially the poor and vulnerable, will have increased opportunities for prosperity and social mobility through safe, reliable and inexpensive transportation options that connect them from home to jobs, schools and the amenities necessary to maintain a good quality of life. They will live in communities that encourage and sustain active and healthy living (walking and biking) through well-designed streets that are shared among drivers and pedestrians alike, that have adequate sidewalks and public space and that are clean and devoid of car-pollution.

Metropolitan regions will be served by networks of high speed and passenger rail, connected to networks of road, transit and light rail systematically organized and well maintained. Transportation policy, funding and implementation will be performance driven with outcomes that are beneficial to society: increased economic productivity, reduced greenhouse gas emissions, reduced reliance on petroleum, and expanded individual opportunity. Transportation agencies will work seamlessly with housing, energy and environment, economic development and health agencies towards a common vision and shared goals.

Signs of Progress Despite Washington's Uncertain Path Forward

The current transportation law in the United States is called the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). This legislation will expire at the end of September 2009. Earlier predictions were that the law's replacement would likely be passed in early 2010. Over the course of the summer, however, both the Obama administration and the Senate have made calls to delay reauthorization until the spring of 2011.

Taking the transportation community by surprise, the Obama administration announced in mid-June that it would seek to delay the authorization of new transportation policy by a full 18 months. The administration explained that the delay would enable it to engage more robustly in policy debates, which it would be unable to do if the reauthorization were to happen as scheduled given the slow progress in staffing the Department of Transportation. A second reason offered for the delay was a very busy legislative calendar marked by health-care reform and climate change debates. A third reason was the political calculation that it may be unwise to consider increasing the gas tax, assumed to be an essential piece of reform, in the midst of the recession and amidst growing concerns about the scope of federal government intervention.

Senate transportation leaders—Senators Barbara Boxer, James Inhofe and Max Baucus—immediately offered support for the administration's proposal. However, Congressman James Oberstar, the House Transportation and Infrastructure Committee Chairman, rejected it, arguing that the reauthorization should proceed immediately.

Representative Oberstar's committee released the draft of the new bill it had been working on for six months. Entitled the Surface Transportation Authorization Act, the draft provides an indication of the extent to which the reform ideas espoused by Rockefeller Foundation grantees have begun to take hold in the minds of policymakers. Overall, the Oberstar draft points in the direction of increased equity and sustainability, and serves as a fundamentally positive building block for reform. It includes the following elements that have been promoted by Foundation grantees:

- A new program focused on metropolitan regions
- A new program dedicated entirely to fix-it-first projects (asset maintenance rather than building new road capacity)
- A new program on high-speed rail expansion
- Increased investment in public transportation
- Provisions linking transportation to public health and sustainable communities

Given the positions of the Obama administration and the Senate, it is all but certain that the reauthorization will not proceed until after midterm elections in November 2010—and likely not until the spring of 2011. However, House resistance to the delay means there is no certainty about how Congress will reach that point and whether it will be through the Senate's preferred long-term extension of the current law (18 months) or through a series of incremental extensions of three month's duration. In late September, the House approved a three-month extension through the end of 2010, setting the stage for further debate regarding the course to reauthorization.