Soy Transportation Coalition
Washington Report

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Legislation

Senator Boxer, Inhofe release transportation bill outline. On July 19, Senator Barbara Boxer (D-CA), Chairman of the Environment and Public Works Committee (EPW), and Senator James Inhofe (R-OK), Ranking Member, released an outline for their plan to reauthorize the nation's surface transportation system.

The proposed legislation, "Moving Ahead for Progress in the 21st Century" (MAP-21), would provide $109 billion in surface transportation funding for two years, significantly reform the nation's transportation programs to ensure more efficient delivery of services, and increase support for projects under the Transportation Infrastructure Finance and Innovation Act (TIFIA).

MAP-21 consolidates 87 current Department of Transportation programs to less than 30. The activities for which dedicated funding has been removed have been consolidated into the very broad core programs, leaving states with the flexibility to fund these activities as they see fit.

The TIFIA program provides direct loans, loan guarantees, and lines of credit to large and nationally or regionally significant transportation projects with a revenue stream at terms that are more favorable than those available in the private sector and that will leverage private and other non-federal investment in transportation improvements. MAP-21 increases the funding for the TIFIA program from $122 million per year to $1 billion per year.

Every six years, the U.S. Congress reauthorizes legislation that determines the volume of spending, the recipients of that spending, and the revenue sources of that spending for the nation's surface transportation system. The current surface transportation plan, the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU), had an expiration date of September 30, 2009. Since Congress has been unable to reach consensus on a new six year authorization, the current legislation has been extended.

Congressman John Mica (R-FL), Chairman of the House Transportation and Infrastructure Committee, has proposed a competing surface transportation bill that authorizes approximately $230 billion over six years from the Highway Trust Fund for highway, transit, and highway safety programs. These funding levels match current revenue being deposited into the Highway Trust Fund and comply with House rules that do not permit authorization of more funds than those collected.

Chairman Mica contends that Congress will not support a gas tax increase and that without an increase in revenue, other current options, such as the two-year bill proposed by Senators Boxer and Inhofe, will result in the Highway Trust Fund going broke by 2013.

It is anticipated that the House Transportation and Infrastructure Committee and Senate Environment and Public Works Committee will hold hearings on reauthorizing surface transportation legislation after the August Congressional recess.

Support is sought for harbor and waterways dredging. Congressman Charles Boustany (R-LA) recently disseminated a letter to fellow members of Congress urging support for H.R. 104 – The Realize America's Maritime Promise (RAMP) Act. The bill, introduced by Boustany, ensures funds brought into the Harbor Maintenance Trust Fund are used as originally intended – the dredging and maintenance of the nation's ports and waterways.

In his letter, Boustany explains the importance of passing the legislation, "Failure to maintain these ports and waterways in the wake of recent flooding and sediment depositing impacts regional and national commerce, reduces our economic competitiveness, and increases the risk of vessel groundings, collisions, and pollution incidents. During this time of economic turmoil, we cannot afford to leave our agriculture commodities sitting on the dock at the detriment of our farmers and ranchers."

The Harbor Maintenance Trust Fund was established in 1986 and is funded via a tax on the value of imports and domestic cargo arriving at U.S. Ports with federally maintained harbors and channels. The tax collects $1.3 to $1.6 billion annually.

The RAMP Act currently has 111 cosponsors in the House of Representatives. A companion bill, S.412, has been introduced in the Senate by Senator Carl Levin (D-MI) and has 24 cosponsors.

In establishing the Harbor Maintenance Trust Fund, there was an understanding that revenue generated from the tax would be spent on dredging and channel maintenance. Instead, about half is spent on such projects. The balance is spent on other discretionary projects that are unrelated to harbor maintenance.

While there is a $6.1 billion surplus in the account, that money has already been spent. To regain that surplus or even to get 100 percent of the trust fund revenue in future years for harbor maintenance, it would require a reduction in spending in other areas, which will be a sizable challenge for this legislation to be successful.

Senators voice opposition to potential motor carrier regulations for agriculture. Twenty-two U.S. Senators recently voiced concern to the Federal Motor Carrier Safety Administration (FMCSA) regarding the agency's inquiry into whether current regulations should apply to farmers and ranchers.

On May 27, the FMCSA announced a request for public comment on several transportation issues related to the movement of agricultural commodities:

1.) How should FMCSA distinguish between intrastate and interstate commerce when a Commercial Motor Vehicle is operated within the boundaries of a single state?
2.) Should FMCSA treat farmers with crop-share lease agreements as "for hire" commercial carriers in new entrant safety audits?

3.) Should implements of husbandry and other farm equipment be considered Commercial Motor Vehicles?

A number of agricultural groups, including the American Soybean Association, have urged the FMCSA to not implement any regulations that would adversely impact U.S. agriculture.

In the letter to Anne Ferro, Administrator of the FMCSA, the twenty-two Senators argue,

> *It is our collective opinion that the FMCSA proposed rule changes would provide no quantifiable benefit; but only serve to excessively and unnecessarily overburden U.S. agriculture producers who are already strained by cumbersome federal regulations.*

A full copy of the letter is included as an attachment accompanying the "STC Washington Report."

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