



Allen D. Biehler, President
Secretary, Pennsylvania Department of Transportation

John Horsley, Executive Director

444 North Capitol Street NW, Suite 249, Washington, DC 20001
(202) 624-5800 Fax: (202) 624-5806 • www.transportation.org

May 1, 2009

The Honorable Henry A. Waxman
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Waxman:

The American Association of State Highway and Transportation Officials (AASHTO) recognizes that climate change is real, and that it threatens our environment, our economy, and our quality of life. In recognition of this major challenge, our board of directors has adopted policies supporting a range of initiatives to reduce greenhouse gas (GHG) emissions from the transportation sector and help the transportation system adapt to climate change.

Based on the policies adopted by our board, this letter highlights several points that we believe should guide the development of federal legislation on issues of transportation and climate change. We urge your committees to consider these points as you move forward with climate change legislation (the American Clean Energy and Security Act, or ACESA) and transportation authorization legislation. As outlined below, we support aggressive steps to reduce transportation GHG emissions and promote adaptation through a *coordinated approach* that includes both climate change legislation and transportation legislation.

1. Policies for de-carbonizing the vehicle fleet must be the heart of any strategy for reducing transportation GHG emissions. While travel demand strategies may help to limit the rate of growth in vehicle miles traveled, our growing population and growing economy make it inevitable that the total volume of travel will continue to increase. We must find a way to dramatically cut transportation GHG emissions, while allowing for continuing growth in travel in all modes. Achieving this goal will require a fundamental transformation – not just an incremental advance – in the propulsion systems for motor vehicles. To protect the environment and build the foundation for long-term economic growth, our nation must be at the forefront in developing the technological breakthroughs that will lead to a zero-carbon fleet.

2. Some strategies for addressing transportation and climate change should be included in ACESA, while others are more appropriate to include in transportation authorization legislation. We have endorsed a range of approaches for reducing transportation GHG emissions and helping the transportation system adapt to the impacts of climate change. In our view, some of these strategies should be included in energy and climate change legislation, while others are best addressed in transportation authorization legislation.

3. ACESA should be the principal vehicle for promoting the technological transformation of the motor vehicle fleet. The core of any strategy for reducing transportation GHG emissions is technological change. Climate change legislation, such as ACESA, should include aggressive strategies to promote this technological transformation. Specifically, we support including a

- Major national R&D initiative to support development and deployment of more fuel-efficient, lower-emission vehicles and fuels.
- Continued strengthening of fuel economy standards (and/or GHG emission standards).
- Flexible, market-based strategies that use “price signals” to promote adoption of more fuel-efficient, lower-emission vehicles. (AASHTO has not endorsed a specific approach, such as cap-and-trade program, but broadly supports the need for carbon pricing in some form as a means of promoting both technological innovation and behavioral change.)

We were encouraged to see that the discussion draft of ACESA includes all of these elements (Sections 121, 122, 123, 124, 221). We strongly support these types of initiatives to promote the transition to a dramatically cleaner motor vehicle fleet.

4. ACESA should address the mismatch between Clean Air Act requirements and strategies for reducing GHG emissions. There is a broad consensus that the existing Clean Air Act is, in many ways, ill-suited to regulating GHG emissions. We agree with that view. Specifically, we believe it would be counter-productive to establish a National Ambient Air Quality Standard (NAAQS) for GHGs, which would lead to the application of air quality conformity requirements to GHGs. We were pleased that the discussion draft of ACESA included a provision that specifically precludes establishment of a NAAQS for GHGs. (Section 331). We strongly support this provision.

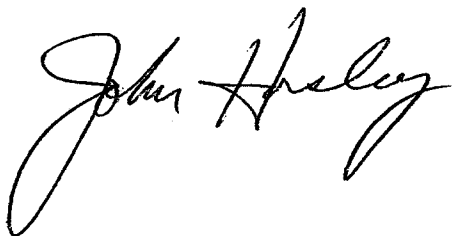
5. Transportation authorization legislation, not ACESA, should update the transportation planning process to include a framework for addressing climate change. Our policies recognize that the transportation planning process should be expanded to include development of goals and strategies for reducing transportation GHG emissions and adapting the transportation system to the impacts of climate change. The framework for statewide and metropolitan transportation planning is complex, and even seemingly minor changes have the potential to create major disruptions in the planning and delivery of transportation projects. Any changes to this planning process are a matter of vital concern to State transportation departments. While we agree that major changes are needed, we believe any such changes must build on the existing planning process, which is established under Title 23 and Title 49 of the U.S. Code. Therefore, we oppose inclusion of a new, parallel planning process as proposed in Section 222 of ACESA. We believe that any changes to the transportation planning process, along with a funding mechanism to

support that process, should be addressed by the House Transportation and Infrastructure Committee as part of transportation authorization legislation.

6. Solutions to the transportation funding crisis should be addressed in parallel with ACESA, not afterwards. We recognize that a cap-and-trade program has the potential to generate significant revenues, and we support dedicating a “proportionate share” of those revenues to the transportation system. But we also recognize there are many competing claims for a share of cap-and-trade revenues. Even under the most optimistic scenario, a cap-and-trade program will not be the solution, or even a large part of the solution, to our transportation funding needs. Therefore, while we support efforts to dedicate a share of any cap-and-trade program to the transportation system, we remain focused on developing a truly comprehensive solution to the transportation funding crisis. From that standpoint, we are concerned that a cap-and-trade program – by raising the price of gasoline – could actually undercut efforts to achieve a funding solution in transportation authorization legislation. Therefore, we strongly urge the Energy & Commerce Committee and the Transportation & Infrastructure Committee to achieve a true funding solution for transportation, in parallel with – not after – the development of climate change legislation.

Thank you for consideration of our views on these important issues. We are committed to being part of the solution as our nation finds ways to reduce transportation GHG emissions and adapt our transportation system to the impacts of climate change.

Sincerely,

A handwritten signature in black ink, appearing to read "John Horsley". The signature is fluid and cursive, with a large loop at the end of the last name.

John Horsley
Executive Director