



March 5, 2009

The Honorable Barack Obama
President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

On behalf of the nearly 1,500 member organizations of the American Public Transportation Association (APTA), I write to thank you for the strong support you have voiced and demonstrated for public transportation and high-speed rail investment. We were particularly pleased that these were specifically highlighted in the FY2010 budget outline you recently released.

However, we are concerned about another proposal in the Administration's FY2010 budget outline that would alter the current budgetary treatment of contract authority and the "firewalls" that have been a critical component to the multi-year planning and financing needs of recipients of federal transportation funding.

While the proposal is presented as part of a laudable goal of improving transparency within the federal budget, its enactment would actually contribute to greater uncertainty among states and localities that help to build and maintain the nation's infrastructure with federal transportation grants. To do the necessary long-term planning and financing for such projects, they depend on the predictable funding that the current budgetary treatment of transportation trust fund programs creates and would be ill-served by this proposal.

Since the current budgetary framework was established under the Transportation Equity Act for the 21st Century (TEA21) in 1998, APTA has argued for maintaining and even strengthening the guarantees and firewalls that have become such an important aspect of infrastructure finance. The unique budgetary treatment of transportation trust funds is what, in essence, makes the federal motor fuels excise taxes and other user fees truly dedicated financing mechanisms. This treatment of trust fund spending contributes to taxpayer confidence in the programs. It assures transportation users that the fees they pay to use the nation's transportation systems will finance future enhancements in that system.

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APTA truly appreciates the many aspects of policy that are favorable to public transportation in the recently released budget outline; however, given the clear and extensive need for transportation infrastructure investment throughout the country, we urge the Administration to work with Congress to strengthen the budgetary “guarantees” by maintaining contract authority in the Highway Trust Fund, reinstate the firewalls, and increase the financing available to surface transportation programs.

We thank you for considering APTA's views. If you have questions, please contact APTA's Rob Healy at (202) 496-4811 or email rhealy@apta.com.

Sincerely yours,

A handwritten signature in black ink, appearing to read "William W. Millar". The signature is fluid and cursive, with the first name "William" and last name "Millar" clearly distinguishable.

William W. Millar
President

WWM/tjj