

Department of Transportation Agency Review

Preface

Transportation investments have long been an essential responsibility of state and federal governments.

From 1784 when George Washington set out on horseback to survey a route for America's first federal interstate highway to President Thomas Jefferson signing a congressional act in 1806 establishing the first National Road, our Founding Fathers understood the importance of transportation to our security and economic well-being.

In addition to Washington and Jefferson, many of our greatest Presidents have been directly involved in transportation.

- The Transcontinental Railroad was begun by Abraham Lincoln (a former railroad lawyer) during the Civil War,
- the Panama Canal was finally built under the leadership of Theodore Roosevelt,
- the Interstate Highway System was started under Dwight Eisenhower, and
- the last time the federal gas tax was increased strictly for transportation purposes was under Ronald Reagan in 1982.

It is especially noteworthy that President Reagan correctly characterized this action NOT as a tax increase, but rather a "user fee" adjustment. On November 27, 1982, he said:

"More efficient roads mean lower transportation costs for the many products and goods that make our abundant way of life possible. So what we're proposing is to add the equivalent of 5 cents per gallon to the existing highway user fee, the gas tax. The cost to the average motorist will be small but the benefit to our transportation system will be immense."

President Reagan understood his actions would yield significant improvements to the safety and efficiency of our nation's highways. So too would transportation investments made today.

USER FEES, NOT TAXES - There needs to be a renewed recognition that not all "taxes" – or the services they fund – are the same. Transportation investments are almost exclusively funded through "user fees" paid by motorists, airline passengers, truckers and other "users" of our transportation system – NOT by general revenue tax dollars. These transportation user fees provide a time-honored and fiscally responsible way of funding this vitally-important governmental function.

Transportation has long been a part of America's ongoing effort to "provide for the common defence" and "promote the general Welfare" cited in the U.S. Constitution.

Simply put, transportation – like defense or homeland security – is a legitimate function of limited government and must be funded accordingly.

FLORIDA FOCUS - Our state's history is also linked to transportation. From Spanish galleons cruising our coastal waters to Seminole Indian dugout canoes quietly plying the Kissimmee River, from Flagler or Plant's railroads bringing winter visitors to our mild climate a century ago

to today's Florida Interstates and the Turnpike carrying families to our countless attractions and theme parks, transportation has made it all possible in the Sunshine State. It still does today.

Florida's transportation system is the backbone of our state's economy and is essential to our safety, quality of life, and economic vitality. The Florida Chamber Foundation, in its "*Transportation Cornerstone*" and "*New Cornerstone*" reports, has consistently stated that good transportation is the key to Florida's economic future.

In Florida, TRANSPORTATION – not General Electric – “brings good things to life.” Virtually everything we eat, drink, wear, drive or buy was somehow provided through transportation. But if we expect these benefits to continue, we've got to protect and enhance existing transportation funding and look for new appropriate ways to meet our state's transportation needs.

If the Florida of our future is to be a place worth living in, then today's leaders must be willing to address this problem in ways that are consistent with our ideals.

TRANSPORTATION “INVESTMENTS” = JOBS - In a May 2003 issue of U.S. News & World Report magazine, Lou Dobbs – former host of “Moneyline” on CNN – stated the following:

“If we're trying to create jobs, let's create jobs. Our roads, highways, and bridges are in sore need of repair. Investing in our infrastructure would definitely create jobs and would immediately stimulate the economy, and the investment would be lasting.”

Lou Dobbs got it right when he referred to transportation infrastructure spending as “investments,” because that's what they truly are. In our private lives, everyone would “invest” their own money in a SURE THING -- an investment that returns \$5 for every dollar spent.

REVIVING FLORIDA'S ECONOMY - Transportation can lead the way in Florida's economic recovery. Ultimately, the Sunshine State's economy isn't tourism-based, agricultural-based or even construction-based ... it's really transportation-based. Without good transportation, none of the state's better-known economic drivers can work. Transportation is the “FUEL” that powers our state's economic engines.

But as we seek to resolve today's economic dilemma, our leaders must resist the tempting illusion of a quick fix through a widespread use of innovative finance. There are some new funding techniques that can be very useful, but we all know that in the private sector “innovative finance” is usually what struggling companies do right before they declare bankruptcy!

“SUCCESS” COMES BEFORE “WORK” ONLY IN THE DICTIONARY - Those of us with traditional values and business backgrounds pride ourselves on understanding that nothing in life is free and that true success is the result of good old-fashioned hard work.

That's why we must roll-up our sleeves and find the transportation means needed to help revive Florida's ailing economy. This can be done by making investments in transportation that empower the private sector to operate at peak efficiency. Let's do it – let's get to work.

-Doug Callaway, FDOT Agency Review Chairman