SSDA News

Service Station Dealers of America and Allied Trades

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SSDA-AT Launches New Website!

By Roy Littlefield

www.ssda-at.com

SSDA-AT has launched a new website for 2015! The website features the most up to date newsletters, legislative alerts, upcoming events, and positions papers for the association. Our member associations will also be featured on the site. SSDA-AT hopes the new website will attract membership and better highlight our legislative efforts on Capitol Hill. The website was built in partnership with Net Driven and we thank them for designing the layout. The website can be seen at www.ssda-at.com (please note the address is now .com unlike the old site that was .org) SSDA-AT will continue to update, improve, and expand capabilities on the website.

With a Gas Tax Increase off the Table for Good, a Tricky Path Lies Ahead for Transportation Funding

By Roy Littlefield, IV

Competing funding proposals from President Obama and Congress plus a looming July deadline for the highway trust fund (HTF) to run out of money have shed light on one thing, a federal gas tax increase is off the table and where funding will come from remains in question.

From a collection and enforcement standpoint, increasing the gas tax would be the easiest and quickest fix to the problem. The funds are easily assessable and some even argue that as gas prices rise back up, the timing could not be better for an increase. SSDA-AT disagrees and has remained opposed to a gas tax increase in the past 33 funding extensions. We recognize that even if the gas tax were increased drastically, it would still not account for the shortfall in revenue.

This is primarily due to the fact that over the past 15 years, spending for federal transportation has increased drastically. The increase in spending has been caused by trying to maintain a highway system that was built 50 years ago and intended to last for 50 years. The infrastructure is crumbling and to repair the much-needed roads, spending has increased from $33 billion a year to $53 billion. Some estimate that is would cost trillions to replace all the roads that need it, but simply put the funds are not there. Not only is America lagging behind in terms of maintaining transportation, but they are missing the ability to invest in future, advanced technology projects simply because no excess funds are available for spending.

Another reason why the gas tax is not working and does not work is because the gas tax no longer funds just the highways. Some suggest that if there was no diversion, the highways would have enough funding, but because so much of the gas tax revenue is diverted for other transportation purposes, there continues to be a shortfall. This is why President Obama wants to change the Highway Trust Fund to a transportation trust find while finding additional revenues to fund the shortfalls. Essentially, the highway trust fund is already a transportation trust fund, given the money that goes toward non-highway purposes, but such a bill would make the change official, no longer allowing for the general fund to offer bailouts.

Other reasons why the gas tax is not the source of cash it once was include: greater fuel efficiency, less driving, and higher standards. Many studies show that Americans are driving less and doing so in cars that are much more fuel efficient. Because miles per gallon continue to increase, some experts are telling the government it's time to let go of the gas tax. In addition, with cities growing faster than suburbs, this will cause the federal fuel standards to rise by over 40 percent by 2020.

Yet the main reason for gas tax increase refusal is because politically there is not a will.

Lawmakers have been reluctant to increase the price that is paid by drivers fearing voting for such a visible tax increase would hurt their chances at re-election. Simply put, the party in power does not want to take the credit for passing a visible and controversial tax to the American people, fearing it could hurt them or their party moving forward. A poll also suggests that 58% of Americans oppose raising the federal fuel tax as a means to pay for the highways or transportation. The public has also shown opposition to the ideas of increased tolling, more privatized roads, and many more oppose the idea of the vehicle miles traveled tax (VMT).

Politicians know that someone is going to have to pay for this eventually, but until then, they will continue to kick the can down the road, passing short-term extensions.

When it comes to the two parties on this issues they

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With a Gas Tax Increase off the Table for Good, a Tricky Path Lies Ahead for Transportation Funding

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could not be any more divided and on different ends of the spectrum. Months ago we saw House Republicans introduce a bill that cuts about $1.8 billion from current spending, while at the same time, the Obama administration introduced a $302 billion dollar plan. The problem is, Obama's bill would permit $150 billion more in spending than the gas tax will bring into the trust fund over the period of the bill. So how do we pay for it?

The President has made it a point to spend a substantial amount on mass transit and the transportation system as a whole. President Obama has shared his desires to fund new train projects on the East Coast and in California, while also dredging our largest ports to better accommodate the new ships coming through the Panama Canal. These projects that are projected to costs billion do not include his other initiatives for airports, subways, and more importantly the biggest issue on hand, the highways.
Although President Obama, Democrats, and Republicans can't agree on a bill, they can agree that the federal gas tax will remain unchanged at 18.4 cents per gallon, a price it has maintained since 1993.

Last month, SSDA-AT met with Secretary of Transportation Anthony Foxx who has continued to be outspoken on the need for a long-term solution. Foxx is frustrated with Congress' inability to fund transportation and has asked that members explore any and all options for long-term funding.
Secretary Foxx has pushed urgency and told SSDA-AT, "The federal highway program is in crisis, we can't afford to wait until the end of July." Foxx, like the Obama administration, other Democrats, and Republicans have made it clear that an increased gas tax is not the solution.

Foxx in touting the President's latest proposal (Grow America Act) believes funding should come from other types of business reforms that do not offer a direct tax to the American public, such a corporate overseas tax reform that would come in the form of repatriation.

SSDA-AT was one of the first organizations to support Congressman Delaney's repatriation proposals and most recently, his "Infrastructure 2.0 Act." President Obama adopted a similar repatriation idea in his latest transportation proposal and the idea of funding the highways through tax reform seems to be a growingly appealing option to members in Congress, who could raise the funds needed while avoiding a publically visible tax increase.

The funding situation that places a tag on who should pay what gets very tricky, politically speaking. It seems that most legislators are worried that supporting a certain funding idea will upset their constituency or donors. Many members have co-sponsored various transportation bills to show their support for funding infrastructure, knowing these bills have no chance of passing and with no means of funding attached to the legislation.

The Highway Trust Fund and transportation funding is one of the most complex, complicated, and controversial issues in Washington. With so many proposals being offered and with political restraints fueling the fight, the true gridlock on Capitol Hill is shed to light when debates take place involving transportation. When members in their own parties can't agree on a proposal then we truly have a problem on our hands. With members more worried about getting reelected, then doing what is right, we face a standstill for transportation funding.

(Political Disclaimer: This is politics, just because the gas tax is off the table now, things can always change)

Court: Trinity Must Pay $682M in Guardrail Fraud Case; Company Will Contest It

U.S. District Court Judge Rodney Gilstrap ruled Trinity Industries must pay $682.4 million in federal fraud damages and civil penalties plus trial expenses to a whistleblower, for how the company altered its widely used highway guardrail product without notifying the Federal Highway Administration.

Trinity promptly vowed to contest the judgment, claiming errors by the trial court and noting that its ET Plus guardrail end terminal has passed FHWA crash tests.
"The company believes the evidence clearly shows that no fraud was committed," the manufacturer said in a statement issued after the judgment. "Trinity also believes that the trial court made significant errors in applying the federal law ... and, therefore, the judgment is erroneous and should be reversed in its entirety."

Gilstrap, in the Eastern District of Texas, said in a June 9 final judgment that Trinity would have to pay the U.S. government $464.4 million of the total, while $218 million would go to Joshua Harman, the whistleblower who brought the case.

The jury in the case determined in its Oct. 20, 2014 verdict that the government had suffered damages for fraudulent claims by Trinity of $175 million, which under fraud law triples to $525 million. In addition, the judge assessed $138.4 million in civil penalties for "false certifications Trinity made" in claims for payment on its ET-Plus guardrail products.

Of that $663.4 million judgment, the judge awarded Harman 30 percent or $199 million "as his commission," noting that "the U.S. government opted not to participate in the trial of the case and left the full burden of prosecuting" it to Harman. Gilstrap also awarded Harman $19 million in attorney's fees and other expenses.

Trinity said the judgment "was expected after post-verdict, court-ordered mediation failed to resolve the numerous legal issues involved."

The company's statement also said: "The Federal Highway Administration has repeatedly confirmed that the ET Plus is fully compliant with all applicable federal safety regulations – and that the ET Plus is and has always been eligible for reimbursement under the federal-aid highway program."

It noted that the ET Plus passed eight crash tests after the trail, in December and January. "Trinity takes all allegations concerning the ET Plus seriously and is committed to roadway safety and will continue to defend its position and protect its reputation," the company said.

Trinity also said it "intends to file certain post-judgment motions and, depending upon the district court's rulings on those motions, to appeal to the United States Court of Appeals for the Fifth Circuit."

To make that appeal, the company said it may also have to post a bond that could equal the amount of the judgment entered plus interest, and said the company expects to obtain that bond on an unsecured basis.

Trinity Industries, Inc.

Nation Needs Long-Term Highway Funding Bill

Every day, more than 3.2 million professional truck drivers take to the road to meet our nation's biggest and smallest freight needs. Day in and day out, they consistently deliver the goods we need today and rely on for tomorrow: food on our tables, medicine for our families and supplies for our nation's military.

The ability to move goods and services through our transportation networks is indeed the lifeblood of our economy. Yet, leaders on Capitol Hill, at the Department of Transportation and in the White House unfortunately have left the trucking industry in a "state of confusion" — again — by failing to pass a long-term highway bill, choosing to patch it once more.

Congress' inability to pass a long-term highway funding bill has already created challenges for many in the trucking industry, leading to delivery delays due to the unaddressed issue of congestion, higher fuel and labor costs, and more maintenance headaches from potholed roads.

Consider the impact and reach of the trucking industry. In 2013 alone, trucking generated an astounding $680 billion, representing 80 percent of the nation's freight bill. Last year, professional truck drivers collectively traveled more than 420 billion miles for the American people, moving 70 percent of the nation's tonnage.

So, it's no surprise that failure to pass a long-term highway funding bill is slowing the flow of goods to our economy and further deteriorating the nation's aging infrastructure. Private investment cannot occur until both parties deconstruct their political walls and put the American people first.

Additionally, we know short-term bills are not an ideal solution. Faced with the trust fund's expiration on May 31, lawmakers passed the 33rd extension (for 60 days, through July) for transportation funding in the past eight years. Five revenue shortfalls also have occurred in that period. The cost of inaction is steep, with costs toppling $200 billion from delayed road construction projects, decreased productivity and stopgap measures.

The U.S. Chamber of Commerce reports the costly details: Congested roads total an estimated $100 billion per year in wasted time and fuel. Further, motorists are taking a financial hit by spending an average of $324 a year in vehicle repairs and operating costs when driving on unrepaired roads.

And the news remains bleak on the state level as prime construction season is underway. State transportation officials face the reality that Congress has not stepped up to support critical infrastructure projects. In the past few months, the American Association of State Highway and Transportation Officials has seen a jump in the number and value of delayed highway projects as states cannot count on the federal funding share.

With hundreds of projects being canceled from coast to coast, we urge our leaders in Washington to fulfill their constitutional duty by putting an end to this delay. The livelihoods of thousands of America's families lie in the balance.

Our country deserves a strong, efficient and modernized transportation system to uphold the nation's commerce and infrastructure system as well as to remain globally competitive.

To move America forward, the trucking industry needs sustainable, efficient and robust funding — not petty politics — to support our nation's network of roads and bridges. Rather than putting up more roadblocks through inaction, Congress needs to pass a fully funded, long-term highway funding bill that can pave the way for the future of the trucking industry — and America.

FRA Plans 'Stepped-Up Enforcement' on Passenger Train Speed Limits

The Federal Railroad Administration sent all U.S. passenger train operators nationwide a set of speed safety recommendations, but backed it up by saying the agency plans to increase enforcement with on-board inspections and radar speed checks by regulators.

"FRA will continue to focus on ensuring passenger railroad compliance with maximum authorized train speeds and relevant temporary and permanent speed restrictions in the coming months, including stepped up enforcement actions," the agency said in its June 9 safety advisory.

That could involve many state departments of transportation, which either help oversee state-supported Amtrak regional service, work with Amtrak for its long-distance service and oversee or interact with commuter trains in many areas.

The FRA said it was issuing the notice because "two fatal passenger train accidents in the last 18 months in which serious over-speed events occurred highlight the need to ensure train speed limit compliance, as mandated by existing federal railroad safety regulations and railroad operating rules."

One was the May 12 high-speed derailment at a track curve in Philadelphia, which left eight passengers dead and injured about 200. The other was a Dec. 1, 2013, accident in which a Metro-North commuter train derailed at a curve in the Bronx area of New York City, killing 4 and injuring 61.

In both instances the trains entered the curve at speeds far above the posted limits.

The FRA has already told Amtrak to undertake a number of immediate steps to prevent a recurrence of the May accident on its heavily traveled Northeast Corridor, among them setting its automatic train control system to prevent trains from approaching curves at speeds well above curve limits.

Now, though, the agency is telling Amtrak and other passenger operations to implement speed control measures across the nation, starting with making sure railroad employees are briefed on the particulars of those two high-speed crashes.

The FRA wants companies to remind workers that federal safety regulation prohibits driving a train at least 10 mph

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FRA Plans 'Stepped-Up Enforcement' on Passenger Train Speed Limits

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above the posted limit. It also said companies should "provide instruction to their employees during training classes and safety briefings on the importance of compliance with maximum authorized train speed limits and other speed restrictions."

The advisory said railroads should be conducting and regularly reviewing operational tests where trains must cut speeds by at least 20 mph, and check performance on data recorders and with radar speed checks.

While passenger railroads are under a congressional mandate to deploy train control systems that can take over and brake a locomotive when crash conditions threaten, the FRA listed a number of steps operators should take before they deploy those systems.

Meanwhile, the agency said its own stepped-up enforcement "will include, but will not be limited to, on-board inspections, radar speed monitoring at locations of significant permanent or temporary speed restrictions, monitoring of railroad officers who conduct operational tests, and comprehensive reviews of a railroad's implementation of their operational tests and inspection program."

EPA Study of Fracking Finds 'No Widespread, Systemic' Pollution

Hydraulic fracturing has contaminated some drinking water sources but the damage is not widespread, according to a landmark U.S. study of water pollution risks that has supporters of the drilling method declaring victory and foes saying it revealed reason for concern.

The draft analysis by the Environmental Protection Agency, released after three years of study, looked at possible ways fracking could contaminate drinking water, from spills of fracking fluids to wastewater disposal.

PHOTO: MLADEN ANTONOV/AFP/GETTY IMAGES

"We conclude there are above and below ground mechanisms by which hydraulic fracturing activities have the potential to impact drinking water resources," the EPA said in the report. But, "we did not find evidence that these mechanisms have led to widespread, systemic impacts on drinking water resources."

The study was commissioned by Congress and represents the most comprehensive assessment yet of the safety of fracking, a technique that has led to a boom in domestic oil and gas production but also spawned persistent complaints about pollution. Fracking involves the injection of water, sand and chemicals underground to break apart shale rock and free trapped oil or gas.

Water Resources

Thomas Burke, the EPA's top science adviser, told reporters that given thousands of wells drilled and fracked in the last few years, "the number of documented impacts on groundwater resources is relatively low."

Still, it's not accurate to say that there have been no cases of contamination, he said. "There are instances where the fracking activity itself" led to water pollution, he said.

The EPA looked at the potential for spills of fracking fluids, poor wastewater disposal or migration of chemicals shot underground.

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EPA Study of Fracking Finds 'No Widespread, Systemic' Pollution

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The American Petroleum Institute, an industry trade group, said the study was a validation of the safety of fracking. It said it showed existing oversight from state regulators is working.

"Hydraulic fracturing is being done safely under the strong environmental stewardship of state regulators and industry best practices," Erik Milito, API's upstream group director, said in an e-mail.

Bigger Risk

When the study began much of the focus was on the risk that chemicals mixed in fracking fluids could flow through underground fissures and into underground water reservoirs. The study results show that might not be the biggest risk.

"The process of fracking itself is one risk factor. But in fact it's not the biggest one," said Mark Brownstein, vice president of the Environmental Defense Fund. "Ongoing physical integrity of the wells and handling the millions of gallons of wastewater coming back to the surface after fracking, over the lifetime of each well, are even bigger challenges."

Amy Mall, a senior policy analyst for the Natural Resources Defense Council, said the study provides "solid science that fracking has contaminated drinking water across the country."

Mall said, however, that a lack of cooperation from industry meant EPA lacked key data necessary to fully assess its safety.

Another environmental group, Earthworks, said EPA analysis points to the need for regulation.

"Now the Obama administration, Congress, and state governments must act on that information to protect our drinking water, and stop perpetuating the oil and gas industry's myth that fracking is safe," said Lauren Pagel, Earthwork's policy director, in an e-mail.

The EPA said it analyzed more than 950 sources of information. The study included an analysis of industry-backed disclosures of the chemicals used in fracking, case-studies of local communities where homeowners feared their water wells were contaminated and a review of well construction.

The EPA said as many as 30,000 fracked wells were drilled annually between 2011 to 2014, as oil production reached its highest level in more than three decades.

"People in favor of drilling will see this as vindication," said Rob Jackson, a Stanford University professor who has tested drinking water near fracking sites in Texas, Pennsylvania and other states. "People opposed to it will see this as a whitewash."

Fuel Prices Flatten After Memorial Day

The average U.S. price of gasoline has flattened in the past two weeks after a long ascent throughout the spring and diesel prices have edged downward, in keeping with predictions by energy market analysts that prices could peak around Memorial Day.

That is the biggest driving holiday of the year for households getting on the road at or near the end of the school year. It also marks the end of the period when refineries and fueling stations have switched over to higher-cost gasoline blended for summer air quality requirements.

The Energy Information Administration said the national average gasoline price was $2.780 a gallon in both the weeks ending June 8 and June 1, after a mild increase of just 0.6-cent from $2.774 in the week ending May 25. Before that, gas prices had been rising by at least several cents nearly every week for months.

The average pump price so far in June is 89.4 cents below what consumers were paying for a gallon of gas one year ago, the EIA said, even though it is up more than 70 cents from the Jan. 26 low of $2.044. So even after the sustained rise this spring, gasoline is priced lower than it was during the first 11 months of 2014 and lower than any prior year since late 2010.

The EIA said diesel's average price at U.S. fueling stations fell 2.5 cents in the week ending June 8 to $2.884 a gallon, after falling 0.5 cent the previous week.

Diesel's price changes have been more moderate than those of gasoline in recent months, with the EIA's average weekly price moving from a 2015 high of $3.137 on Jan. 5 to a low of $2.754 on April 13.

Since diesel is heavily used by commercial truck fleets that quickly adjust their fuel surcharges on freight shipments to the EIA numbers, this year's diesel price trend has mainly resulted in much lower fuel fees in the supply chain. The latest average pump price, the EIA said, is $1.008 lower than what truckers paid for the fuel a year ago.

FDOT, Geico Combine to Brand 64 Rest Areas, Service Plazas as 'Safe Phone Zones'

In an effort to combat distracted driving and highlight safe roadside areas where travelers can hold cellphone conversations, the Florida Department of Transportation and Geico Insurance and Travelers Marketing have joined together to re-brand 64 highway rest areas, welcome centers and turnpike service plazas as "safe phone zones."

The statewide safety campaign, they said, is part of a national effort to encourage drivers to pull into a safe location to use their phones for calling, texting and accessing mobile apps.

Geico has sponsored 80 new highway signs that FDOT is installing along highways leading to those roadside facilities, where motorists see additional signs reminding them to take the opportunity to use their cell phones in a safe spot. So far, 71 signs are already in place across the state.

"Motorist safety is our top priority and we are committed to reducing distracted driving on our roads," said Brian Blanchard, FDOT assistant secretary for engineering and operations. By calling those areas safe phone zones, he said, "we are saying they are much more than just rest stops; they are safe stops."

George Rogers, Geico regional vice president, said: "Distracted driving is a major concern for motorists in Florida and across the country. Each year, there are a growing number of injuries and fatal accidents directly related to this issue."

Larger Trucks Unlikely After Study

The Federal Highway Administration appears unlikely to recommend increased size and weight limits for commercial trucks on interstate highways. In technical reports from the "Comprehensive Truck Size and Weight Limits Study," the agency points out gaps in data needed to evaluate the safety of larger, heavier trucks.

Lawmakers mandated the study in the 2012 highway funding bill, Moving Ahead for Progress in the 21st Century, in order to explore the implications of trucks with more hauling capacity. The study considered such parameters as crash rates, infrastructure wear and tear, and freight patterns. Proponents of size and weight increases say the move would be good for both the economy and the environment. Opponents posit that larger trucks would be safety hazards on the roads and would increase the rate of road and bridge breakdown.

FHWA has not delivered its final report to Congress, but the initial technical reports say data is insufficient in several areas. "The lack of data on gross vehicle weight, number of axles on a vehicle and the spacing between the axles imposed significant constraints in drawing national-level conclusions," says the FHWA report summary.

"In addition, the lack of crash data relevant to oversize trucks impeded the study team's ability to project crash rates of different truck sizes and configurations on a national scale."

Senators Vote to Block Obama's Water Rule

A Senate committee voted along party lines Wednesday to overturn the Obama administration's new regulation asserting control over small waterways like streams and wetlands.

The bill, sponsored by Sen. John Barrasso (R-Wyo.), would repeal the waters of the United States rule, also known as the clean water rule, and give the Environmental Protection Agency (EPA) specific guidelines to re-write it in a way that Republicans find more acceptable.

The Senate Environment and Public Works Committee passed the bill by a vote of 11-9, with only Republicans supporting it.

Republicans complained that the rule released late last month by the EPA and the Army Corps of Engineers under the Clean Water Act would extend federal control over large swaths of private or state-owned water and land, including puddles, dry creek beds, man-made ponds and many agricultural features.

In fact, the rule the Obama administration wrote is worse than what it proposed last year, and would cover nearly all water in the country, despite promises otherwise Barrasso said.

"This is legislation that will protect our nation's navigable waterways and the streams and wetlands that help keep our navigable waters clean," he said, calling his bill "bipartisan, pro-environmental protection, pro-small business legislation."

Sens. Heidi Heitkamp (D-N.D.), Joe Donnelly (D-Ind.) and Joe Manchin (D-W.Va.) are among the cosponsors of the bill.

"It's possible to have reasonable regulations to help preserve our waterways while still respecting the difference between state waters and federal waters," Barrasso said.

If a waterway is regulated, the property owner might have to get federal approval for anything that harms or pollutes it.

While the Clean Water Act is focused on navigable waterways, the federal government has long recognized that some upstream waterways must also be protected.

The bill sets out specific waterways that cannot be regulated, like isolated ponds, and requires the EPA to consult with various state and local governments and small businesses when it rewrites the rule.

Sen. Jim Inhofe (R-Okla.), the committee's chairman, said farmers in Oklahoma are more concerned about the EPA's water rule than any other federal

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Senators Vote to Block Obama's Water Rule

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policy, since they fear it will subject them to red tape for basic agricultural practices like spraying pesticides or digging ditches.

"This bipartisan legislation would stop the final rule and make the EPA and the Corps of Engineers go back and redo it," Inhofe said. "This time, they cannot avoid consultation with states and local governments, they will have to do a full economic analysis, including an unfunded mandates analysis, they will have to review the impacts on small businesses and small local government."

Sen. Barbara Boxer (D-Calif.), the top Democrat on the committee, accused Republicans of sponsoring "a backdoor repeal of the Clean Water Act," since it would remove significant areas that are under the law's protection.

"Today, we're considering legislation that would undermine one of our nation's landmark laws, the Clean Water Act and roll back protections for the American people, their drinking water," she said.
"When we weaken the Clean Water Act, as this bill will do, we're putting the lives of our people in danger," she continued.

Boxer and other Democrats proposed five amendments aimed at preserving parts of the regulation, including protections for drinking water, public health and the costs to states. All the amendments failed along party lines.

Sen. Tom Carper (D-Del.) voted against the bill, but he applauded some provisions of the bill.

"At the end of the day, some of the things that Sen. Barrasso has called for in his bill deserve support," he said, pointing to protections for local communities and a mandate that the EPA publish maps on the rule's reach.

EPA spokeswoman Liz Purchia declined to weigh in on the bill.

But Obama administration officials have vehemently defended the rule and generally criticized attempts to weaken it.

"The only people with reason to oppose the rule are polluters who threaten our clean water," top Obama adviser Brian Deese said in rolling out the regulation last month.

Parcels of MassDOT-owned Land Along Turnpike, Other Roads Used for Solar Farms

The Massachusetts Department of Transportation has begun reaping energy cost savings and lease payments on roadside land parcels that are now sprouting rows of solar panels.

The panels are going up in the initial phase on 10 MassDOT parcels at eight locations across the states, under a public-private partnership with the energy firm Ameresco.

The company finances the projects, installs the panels and operates those sites under a 20-year agreement, during which MassDOT locks in the costs of energy generated by those panels for a projected savings of $15 million in the next two decades.

The first ones have been going up along the east-west Interstate 90 or the Massachusetts Turnpike, west of Boston at Natick and Framingham. In this first phase, more will be activated this year in the far western end of that corridor at Stockbridge, in the state's northeast corner at Salisbury and southeast of Boston at Plymouth.

This Boston Herald story carries a photo of a solar array installed along the Mass Pike at Framingham.

And this story from Boston's WBUR radio station includes both a statewide map showing the locations of the first 10 parcels, and an audio interview with Donald Pettey, the MassDOT highway project manager for strategic initiatives.

MassDOT said it is canvassing to establish three more sites along state highways for a second phase of the program, with an overall goal to install a minimum of six megawatts of photovoltaic capacity and generate 7.8 million kilowatt hours of electricity per year.

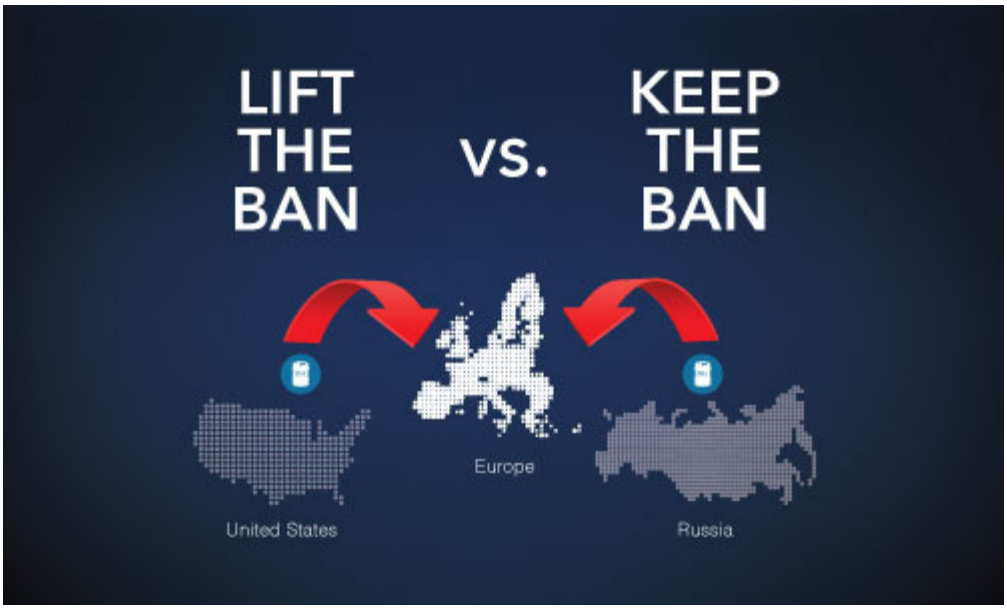
Agency officials said besides the long-term saving on the MassDOT energy bills, this solar farm program takes advantage of underutilized land and saves an estimated 6.8 million lbs. of carbon dioxide emissions compared with how the state now gets its electrical power.

LETTER TO THE EDITOR

Dear SSDA-AT,

Since the 1970s, the U.S. energy supply has changed drastically...and so have the geopolitics. Today, we are producing more oil than any other country and our imports have dropped to the lowest level since 1996. Meanwhile, energy-producing countries are increasingly using their exports as economic and geopolitical leverage to undermine American allies, while terrorist groups use profits from exporting oil to fund atrocities committed across the globe.

The U.S. can use our oil and gas resources to support our global security interests, giving our allies - who now depend heavily on oil from countries like Russia – market access and price stability benefits, and provide a lifeline during tense times.



It's time to remove the tool many countries and terrorist groups use to harm democracies. It's time for American policies that strengthen our economy and our relationships with allies across the globe.

It's time for Congress and the Administration to lift the ban on oil exports.

Sincerely,

Christopher Guith
Senior Vice President for Policy
Institute for 21st Century Energy
U.S. Chamber of Commerce

Iowa DOT Puts Self-Serve License/ID Renewal Kiosks in Libraries, Grocery Stores

Gov. Terry Branstad announced that the Iowa Department of Transportation has installed 24 self-service kiosks in public locations around the state, including libraries and grocery stores, where residents can renew or replace their driver's licenses and identification cards.

"Technology is allowing Iowans secure and convenient access to services," said Branstad. "If your driver's license is up for renewal and you happen to stop for a gallon of milk or are checking out a book at the library, you may be able to take care of the driver's license task in the same trip."

The governor also promoted the kiosk with a photo on his Twitter account, and included a link to an IowaDOT web page that lists all the kiosk locations, along with traditional driver's license issuance sites.

The self-service nature of a kiosk allows services to be offered outside of traditional hours without the additional cost of staffing and location overhead.

DOT Director Paul Trombino told Radio Iowa the machines use touch-screen technology for updating information, come with cameras for customers to update their photos and have software that compares the new photo with their last one to confirm identity.

The agency spent $1.5 million installing the devices, Radio Iowa reported.

The state DOT said the self-service nature of a kiosk allows the state to provide such services outside of traditional office hours without the additional cost of staffing and location overhead.

The kiosks are actually an extension of online services the agency has been offering since 2013, which include renewing licenses and ID cards, changing a mailing address and other driver-related services.

Both types of service, it said, "offer customers convenience, choice, and control -- the convenience of spending less time and travel to obtain services, choice over how and where they receive services, and control over completion of the service itself."

Darryl Eschete, director of the West Des Moines Public Library, said: "The license renewal kiosk program allows Iowa's public libraries to partner with other agencies like the DOT to not only save taxpayer money by being efficient, but also to save the public's time by being more convenient. This partnership is a classic win-win scenario."

Maryland Eyes Maglev, Seeks $28M Grant to Study Baltimore-Washington Service

Gov. Larry Hogan said Maryland agencies have applied for $27.8 million in Federal Railroad Administration grant funds to "initiate planning and engineering analysis and review compliance and permitting" for a potential magnetic levitation train service that could speed passengers between Baltimore and Washington, D.C., in 15 minutes.

Hogan announced the application from Yamanashi, Japan, outside Tokyo, where he joined executives from Central Japan Railway Company and the Baltimore-Washington Rapid Rail LLC to ride the 27-mile-long Yamanashi Maglev Line.

Hogan's announcement noted that the train uses superconducting magnetic technology to accelerate trains smoothly to speeds of over 300 mph while levitating inches off the ground.

Hogan also met with Japan's prime minister, Shinzo Abe, and they agreed on a memorandum of cooperation between the state of Maryland and the government of Japan that covers several areas – high-speed rail, specifically maglev; liquefied natural gas exports from Maryland to Japan; life sciences; trade and investment; and academics.

The governor's office said the application for an FRA planning grant for a Baltimore-Washington maglev train "comes with the understanding that the Japanese government will be a source of significant financial backing for the project, along with private-sector support."

Hogan said: "Exploring this new Maglev technology between Baltimore and Washington represents a huge transportation and economic development opportunity for Maryland. I'd like to thank Prime Minister Abe and officials with JR Central for their leadership and support of this initiative."

Hogan's office said the FRA has made funds available for Maglev projects in three U.S. corridors including Baltimore-Washington. It said the Baltimore-Washington maglev project is a privately sponsored initiative led by the BWRR, which foresees a 15-minute ride between downtown Baltimore and downtown Washington, with an interim stop at Baltimore/Washington International Thurgood Marshall Airport.

But since applications for the FRA funds must come through public agencies, the Maryland Department of Transportation and Maryland Economic Development Corp. were co-applicants on behalf of BWRR.

"Pursuing FRA funding does not require state funds or matching state funds from the Maryland Transportation Trust Fund, nor does it come at the expense of other planned projects in MDOT's six-year capital program," Hogan's announcement said. "If awarded, the state and BWRR will utilize the grant funds to initiate planning and engineering analysis and review compliance and permitting."

Hogan (left) and MDOT Secretary Pete Rahn ride maglev train.

Maryland: Comptroller of the Treasury v. Wynne

The United States Supreme Court has ruled in a 5 to 4 decision that a component of Maryland's personal income tax structure is unconstitutional because it results in double taxation of income earned outside of Maryland and thus violates the Commerce Clause of the U.S. Constitution. Comptroller of the Treasury v. Wynne. The ruling affirms the decision of the Maryland Court of Appeals. This is such an important case to our State and our Chamber members that the Maryland Chamber of Commerce tracked the policy implications of this case for years and in 2014 filed an amicus brief with the Supreme Court supporting the taxpayer's argument.

So what does the ruling mean for other Maryland residents who pay multiple state taxes? Chamber member Karen T. Syrylo, CPA, of Altus State & Local Tax and Advisory, provides the following help.

The Issue

Maryland's personal income tax is composed of a "state" rate and a "local" rate. For individuals who live in Maryland and earn income in other states and are taxed by the other states, including owners of flow-through business entities like S-Corporations, LLCs, and partnerships, Maryland allows the person a credit for the other state's income tax but only against the Maryland "state" portion of the tax. The result is that the individual pays tax on the non-Maryland income at the Maryland "local" rate as well as pays tax in the state in which the income was generated.

Dormant Commerce Clause is Alive and Well and Applies Equally to Individuals and Corporations

The Supreme Court held that Maryland's personal income tax scheme that denies full credit for the taxes paid to other states is unconstitutional under the dormant Commerce Clause. "The result in this case is all but dictated by this Court's dormant Commerce Clause cases ..." The decision's initial paragraphs state:

"The effect of this scheme is that some of the income earned by Maryland residents outside the State is taxed twice. Maryland's scheme creates an incentive for taxpayers to opt for intrastate rather than interstate economic activity. We have long held that States cannot subject corporate income to tax schemes similar to Maryland's, and we see no reason why income earned by individuals should be treated less favorably."

Implementing the Wynne ruling in Maryland

The State of Maryland will now begin the process of issuing refunds to individual taxpayers who paid double tax because of inadequate credit.

Michigan House Passes Package That Would Hike Road Funding, Some Fees

Lawmakers in Michigan's Legislature continue to work on highway funding in this year's session, as the Republican-led House of Representatives passed a package of bills that could pour hundreds of millions of dollars more each year into work on highways and bridges.

The package relies heavily on diversions of general funds into transportation, but includes a hike of 4 cents a gallon in the state diesel fuel excise fee to have it match the current 19-cent user charge for gasoline.

It would also index all motor fuels to inflation starting in 2016, with each 1-cent rise in fuel user fees from inflation expected to generate $50 million.

The package also includes new registration fees for electric vehicles and increase in registration fees on hybrid-fuel models, and would eliminate the state's earned income tax credit for low-income workers.

That proposed EITC elimination drew fire from House Democrats, and news reports said most of the 12 bills in the package were approved largely along party lines. Reports also said the House package could be the start of a negotiation between legislative bodies to produce a final road funding plan.

If the package were to pass the Senate and be signed into law by the governor, it would generate an extra $555 million in the fiscal 2015-16 budget year that begins Oct. 1, according to a House fiscal summary. The extra transportation funding would rise to an estimated $1.16 billion when fully phased in during the 2018-19 budget year.

Of that nearly $1.2 billion in new road funding by 2019, $909 million would be diverted from the state's general fund. Another $135 million would come from money now dedicated for economic development. The diversions would come largely by dedicating portions of state income and sales taxes to transportation.

The increased fuel and registration fees, plus fuel indexing, would bring in $119 million for the 2018-19 budget.

A statement from Rep. Aric Nesbitt, the majority floor leader, said: "The plan also eliminates some existing credits, redirects tobacco settlement and tribal gaming revenue, and enacts project bidding requirements to ensure that construction projects deliver the best quality at the lowest cost to taxpayers and include warranties."

Missouri to Turn Interstate 70 Into a Highway Innovation Lab to Create Highway 2.0

Missouri's Interstate 70 between Kansas City and St. Louis is being made available to private entities to use as a "laboratory for construction of the next generation of highways."

The Missouri Highways and Transportation Commission (MHTC) announced the plans to open up the highway, dubbed "Road to Tomorrow."

"It's only appropriate that the re-birth of the nation's interstate system begin at its birthplace," MHTC Chairman Stephen R. Miller said. "Missouri has always been at the heart of highway transportation—not only because the state's geographic location puts it at the nation's core, but also because of the role it's played in the realization of Eisenhower's dream."

Interstate 70 in Saline, Missouri

Missouri was the first state to award a contract for interstate construction on a portion of Interstate 44, and subsequently was the first state to begin new construction on an interstate with I-70 in St. Charles.

"Missouri has always been a hub for transportation technology and innovation – and our highways should be no exception," said Gov. Jay Nixon. "As we continue to work to identify a solution to our transportation funding needs, I appreciate the Missouri Department of Transportation for taking a pro-active approach and embracing new technologies that will pave the way toward a brighter future."

"We're open to any and all ideas," Miller said. "Just as the Missouri Department of Transportation's (MoDOT) design-build projects over the last decade have produced insights and innovations not previously imagined, we are confident that offering free reign to human creativity and a designated site for implementation will generate the very best in American ingenuity."

The Road to Tomorrow team is made up of six MoDOT employees:

- Tom Blair, St. Louis Metro District, assistant district engineer operations
- Robert Brendel, communications division, special assignments coordinator
- Kellen Burns, web manager
- Jennifer Harper, research engineer

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Missouri to Turn Interstate 70 Into a Highway Innovation Lab to Create Highway 2.0

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- Jonathan Nelson, Traffic and Highway Safety Division, traffic management and operations engineer
- James Pflum, assistant to the resident engineer

"Road to Tomorrow" Talking Points, from MoDOT

Time to Think Differently ... "Road to Tomorrow"

- The Missouri Department of Transportation is making Interstate 70 across the midsection of our state available to the nation and the world as the laboratory to construct the next generation of highways.
- We're issuing a call for private industry, entrepreneurs and innovators to bring their products and ideas to the birthplace of the interstate highway and collaborate with MoDOT to build the first section of the highway of the future. It's only appropriate that the re-birth of the interstate highway begin at its birthplace.
- MoDOT has assembled a multidisciplinary team to interface with private partners. Missouri has no preconceived plan. There are no bad ideas.
- Just as design-build projects over the last decade have produced insights and innovations that could not have previously been imagined, the Missouri Highways and Transportation Commission believes that offering free reign to human creativity and a designated site for implementation will generate the very best in American ingenuity.
- At a time when the nation and Missouri wrestle with how to fund reconstruction of this great interstate system, this effort must be focused not only on new technologies but new means of funding transportation. For instance, will the highway of the future be subscription-based in order to provide additional services to benefit both commercial and passenger car use? New technologies offer new opportunities for funding.

Even as Missouri seeks to boldly go where we have not gone before, it must also keep its feet firmly rooted in the realities of the moment. "Road to Tomorrow" is years – maybe decades – away. In the interim Missouri must continue to find ways to preserve its current system. A modest increase in the gas tax remains the most viable means to that end.

NJDOT Takes First Regional Awards in Best Transportation Projects Competition

Two New Jersey Department of Transportation projects are the first regional winners in the 2015 America's Transportation Awards competition, with the honors announced June 8 at the annual meeting in Wilmington, Del., of the Northeast Association of State Highway and Transportation Officials.

The NJDOT entries, both bridge construction projects, won in the categories of Best Use of Innovation and Quality of Life/Economic Development.

"These awards recognize the many ways state DOTs are successfully completing projects to enhance Americans' quality of life and provide for a vibrant economy," said John Cox, this year's president of the American Association of State Highway, and director of the Wyoming Department of Transportation.

America's Transportation Awards are co-sponsored by AASHTO, the AAA motor club and the U.S. Chamber of Commerce. The annual competition recognizes the best of America's transportation projects or programs in four regional competitions.

Winners in the three remaining regional competitions will be announced throughout the summer.

The 10 regional winners with the highest overall scores will also compete for the national Grand Prize and People's Choice awards, which come with $10,000 cash prizes the winners donate to a transportation-related charity or scholarship program. Those national winners will be announced in September at the AASHTO annual meeting in Chicago.

Within NASTO, the NJDOT won for Best Use of Innovation with $3.4 million project that replaced a 90-year-old bridge at Route 46 over the Musconetcong River. The agency used an accelerated bridge construction method that assembled pre-fabricated pieces to significantly reduce construction time and traffic disruptions.

An $8.1 million NJDOT project won for Quality of Life/Community Development. A U.S. route 322 Bridge and the Mullica Hill Pond Dam, it replaced a damn and bridge damaged by Hurricane Irene with a structure that both protects the region from flooding and enhances pedestrian access.

In addition, the Maryland Department of Transportation's State Highway Administration received an honorable mention in the Best Use of Innovation category.

Countdown to the Annual SSDA-AT Meeting, Convention and Mega Trade Show

By Marta Gates-Jones

So much is changing for this year's convention - and it's time to start making plans!

After the debacle with the H2O "Buzz Bomber" Show the past few years, enough was enough! Those little pests made it difficult for attendees to travel down Ocean Highway and to get in or out of the Convention Center. I was hearing that whiny engine sound in my sleep for days after I got home!

So, we negotiated a new date with the Convention Center for our annual Convention & Mega Trade Show - **September 10 - 12!** It is earlier for us, but at the same time, the weather will be better!

So, let's get to those changes!

We have a new Host Hotel this year as well - **The Carousel Hotel**. The rooms will be a little more than previous years for the weekend, BUT - we have a choice of 3 properties through the Carousel Group. The main hotel - which has an indoor skating rink, a game room, an indoor pool, 2 outdoor pools (which will still be open while we are there) - one for children, and one for adults, a lunge, a beach bar, - and lots more. You can go to their website at https://carouselhotel.com/ocean-city-md-hotel-amenities/ to see more. They have standard rooms, direct oceanfront rooms, and 2 bedroom condos - all in the same building!

But for those who are more budget conscious, and do not care if they are on the oceanfront, I have a secondary location with lower rates - **Princess Bayside.** The Princess Bayside is very close to Seacrets and the Convention Center. No bells or whistles, but they are giving us the option of Standard Rooms or Bayfront Efficiencies. For more information on the hotels, just email me at mgates@wmda.net. ***In order to get the special rates, all reservations must be made by August 10th - so don't miss out, make those reservations early!***

The **Hospitality Suites will be at the Convention Center** this year! Ample parking, but in case you plan on "tipping back a few", the city bus is FREE to all attendees (just show them your trade show badge). The Suites will be upstairs on Friday Night from 8 to 10pm - with suites hosted by SMO, PMG, Carroll, Sunoco, Ewing Oil, and the Repair Facilities (so far). The Hospitality Suites are free, so plan on enjoying food, drink and music Friday night after the Mega Trade Show closes.

Luau on the Beach - Saturday night from 7:30 - 9:30pm, We will have a Luau on the Beach at the Carousel Hotel. There will be music, food, and drink! What a great way to wind down after the Convention and Mega Show end! The weather will still be great, and we should have a great time!

The Annual SSDA-AT Board Meeting - Still Friday morning,, from 9:00am - 10:00am, followed by the Legislative Workgroup/Industry Issues Forum from 10:00am - 12:00pm - at the Convention Center.

We have great vendors already signed up to make deals with attendees at the Mega Show, the golf tournament will be at Rum's Pointe on Thursday, with a Welcome reception at Seacrets Thursday night. Murf's Turf will be back on Friday afternoon and we are putting together some terrific seminars.

It's not too early to start making plans to attend the annual Convention and Mega Trade Show in Ocean City September 10 - 12. If you haven't attended before, or haven't attended in a few years, now is the time to come back down to Ocean City - and bring the family! There is always something to do, and something to see, at the annual Convention and Mega Trade Show.

Attached to the email, please see the SSDA-AT Registration form and schedule.

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