

SURFACE



road & bridge progress from the ground up

TWO THOUSAND TEN

TRUST

RESTORING OKLAHOMA ROADS WITH TRUST

Surface is a publication of TRUST dedicated to bringing news about the financing of Oklahoma's transportation infrastructure to community, business and policy leaders around the state. This biannual publication has a central focus of:

- Federal and state funding
- Regulatory news from State Capitol and Congress
- TRUST events and news
- Innovative topics on transportation funding

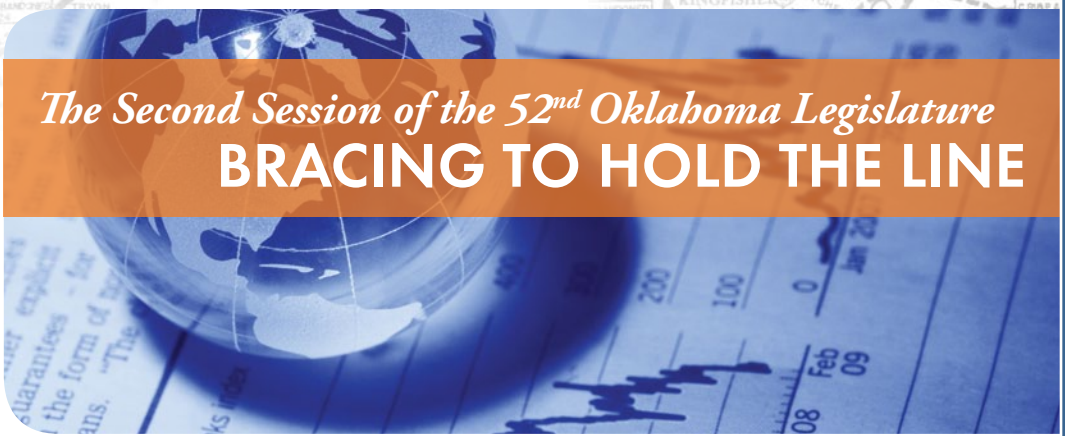
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The Second Session of the 52nd Oklahoma Legislature BRACING TO HOLD THE LINE



The 52nd Oklahoma Legislature is underway, and all are prepared for it to be a challenging year. Budget shortfalls are expected to exceed \$1.3 billion, and across the board cuts have already ensued. State leaders have been clear all agencies can expect to participate in cuts, and downward revenue trends will continue.

However, if the last four years are a good indicator of where transportation spending fares in priority, we expect with hard work and your support we will be able to hold the line in keeping Oklahoma's current eight-year road and bridge construction work plan fully funded.

The more pressing question continues to be what Congress will do with the reauthorization of the federal highway bill.

Currently, momentum is underway for a possible second jobs bill that will likely include increased highway funding and an extension of SAFETEA-LU, the expired highway law.

For Oklahoma, operating under a string of congressional continuing resolutions has meant the loss of about \$15 million a month in federal-aid dollars. Transportation Secretary Gary Ridley warned, without the minimum of a longer-term extension, Oklahoma highway lettings for new construction and a reduction in engineering contracts will be enacted.

Our efforts to bring the Chairman of the US House Transportation & Infrastructure Committee, Jim Oberstar (D-Minn), to Oklahoma started in the summer of 2009.

We are pleased he was able to join us in January for what was an extraordinary day of touring stimulus projects, press conferences and capped off his time with a banquet that included more than 300 attendees.

We believe the Chairman's visit will benefit our state during the reauthorization process and aid our efforts to engage with national coalitions and groups calling for a highway bill.

As you can see from our state legislative agenda on page two, we also plan to advance policy



ideas such as indexing state funding for inflation and commissioning a legislative task force to examine all methods of alternative funding such as public-private partnerships, vehicle miles traveled, additional user fees and expansion of the turnpike systems.

Last, TRUST will play a leading role in the One Oklahoma Coalition being formed to defeat State Question 744. For more information about this initiative, see page two.

This year transportation advocates should be ready to roll up their sleeves and work to see the important gains we have made are not lost. TRUST looks forward to the continued work of our coalition and is grateful for the support of our members.

2010 Legislative Agenda



TRUST Leadership - Neal McCaleb, Frank Keating, Kell Kelly

TRUST's 2010 legislative agenda focuses on the looming reality of the state's fiscal crisis, while trying to advance dialogue on long-term innovation and alternatives needed to supplant the declining fuel tax. These objectives serve as our guiding philosophy but are subject to change with the shifting dynamics of the Legislature. As budget negotiations unfold, TRUST will be responsive to the climate at hand and adapt objectives to ensure we are advocating effectively.

Protect ODOT 8-year construction work plan. Ensuring state funding remains at a level where no planned projects are cut from the current eight-year road and bridge construction work plan is our top priority. A key component of protecting the plan is the understanding by state lawmakers that 2009 transportation stimulus dollars came with a commitment, signed by the Governor, stating Oklahoma would not supplant nor decrease state spending by using stimulus dollars.

If Oklahoma does not keep its planned level of investment in roads and bridges, the federal government will prevent Oklahoma from participating in the redistribution of unused federal road funds available from other states at the end of this federal fiscal year. Over the past three years, the redistribution process has provided Oklahoma roads and bridges an additional \$63 million.

Rainy-day plan. TRUST supports transportation funding as a core function of state government that should be included as a priority in budget relief should the state's Rainy Day Fund be accessed.

Oppose State Question 744. This initiative may prove even more dangerous than the current state budget crisis. For an overview of how harmful SQ 744 will be to road funding, see the bottom of this page.

Indexing ROADS fund to Producer Price Index for Highway and Street Construction. The cost of highway construction has increased 75% in the past five years. TRUST spearheaded efforts in 2009 for a legislative task force that studied the merits of indexing state funds to protect against inflation. The task force found if an index was applied it may yield roads and bridges \$500 million in additional funding over ten years.

The remaining thirty-percent of motor vehicle fees redirected to transportation. A core principle of TRUST is all transportation-derived revenues should be used strictly for transportation. While the budget climate makes this an unlikely year to advance returning MV fees from general government spending to roads, TRUST will continue to promote this concept as a matter of sound public policy.

Support vehicle tag late fees funding transportation needs. Last year, under Senate Bill 658, the late fee for delinquent tag renewals rose from 25-cents-a-day to \$1-a-day to fund the Rural Economic Action Plan (REAP) as a one-year solution. The legislation calls for those fees to be returned to transportation this year. TRUST supports the current intent of the law.

Raise the cap on ROADS Fund. TRUST supports a graduated increase to the ROADS cap that has no immediate fiscal impact, but does allow the State Department of Transportation to expand project planning in their multi-year construction work plan.

Innovative funding task force. TRUST will pursue a comprehensive 2010 task force dedicated to studying alternative funding solutions such as vehicle miles traveled, enhanced user fees, public-private partnerships, tolling of existing infrastructure, congestion pricing, impact to Oklahoma of a possible national infrastructure bank, expansion of the Oklahoma Turnpike Authority and corresponding Oklahoma corridors that may benefit from these solutions. Implementing alternative funding will likely become more urgent as the federal funding formula is revamped to reward states that have these mechanisms to enhance transportation revenues.

Defeating State Question 744 top priority



Transportation Secretary Gary Ridley

In late 2009, a House interim study was convened to examine the effects State Question 744 would have on all areas of state government should it pass in the 2010 general election.

Included in agency testimony were State Secretary of Transportation Gary Ridley's remarks to the House Appropriations & Budget Committee on steps the department would take to deal with an anticipated \$42 million cut as a result of the ballot initiative passing.

SQ 744 is an attempt by the Oklahoma Education Association (OEA) to remove the state legislature's authority to determine education-spending levels. Instead, it would impose a constitutional mandate that would require spending levels to be raised to the "per pupil average" of surrounding states. By the OEA's own numbers this would cost Oklahomans \$850 million during the nation's worst economic recession in decades.

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From page 2...

Because SQ 744 does not identify a revenue source to fund the tax increase, state lawmakers in charge of budgeting are grappling with possible scenarios to pay for the mandate.

House fiscal staff's analysis showed income and/or sales tax rates would have to be raised by more than 30 percent. Otherwise, all state agencies outside of Common Education would have to endure a 20 percent across-the-board cut. Given the fact taxes cannot be raised in

Oklahoma without a two-thirds majority of the Legislature or a vote of the people this makes it difficult – if not impossible – to increase taxes. This makes funding cuts the more likely scenario.

Secretary Ridley also testified the department would likely not move forward with issuing the second installment of \$150 million in bonds authorized in 2008, as the funding cut would render the department unable to service the bond debt.

Additionally, because the department would have to address a cut of \$42 million annually, over the life of the eight-year plan, the total cost to road funding was estimated at \$395 million – equivalent to a 25 percent cut of all state funds dedicated to highways.

TRUST has been encouraged by House and Senate leadership to play a significant role in opposing SQ 744. As such, TRUST has joined the ONE Oklahoma Coalition, a bi-partisan statewide coalition of citizens, businesses and interest groups working together to form an opposition campaign.

The latest polling data for SQ 744 shows without a substantial vote no effort the initiative will pass with 61 percent of the vote. While we all desire quality education for our children, we live in a modest state with finite resources. In these shaky economic times this initiative will prove disastrous not just for roads, but for all areas essential to good state government.

TRUST Welcomes Frank Keating to Board



Frank Keating
TRUST Board Member

TRUST is delighted at the addition of former Oklahoma Governor, Frank Keating, to our board of directors. Mr. Keating is succeeding Tom Love as co-chairman, and will continue to serve alongside co-chairman, Kell Kelly, President and CEO of SpiritBank.

We extend deep gratitude for Mr. Love's four-year service. As a founding member of TRUST, his efforts helped build this coalition into one of the most effective infrastructure advocacy groups in the state's history.

Keating, after serving two terms as Oklahoma's 25th Governor, took over as President and CEO of the American Council of Life Insurers in January 2003. As head of the ACLI, Governor Keating is the chief representative and spokesman for the life insurance industry in Washington, D.C. and all 50 states.

Born in St. Louis in 1944, Keating grew up in Tulsa. He received his undergraduate degree from Georgetown University and a law degree from the University of Oklahoma. His 30-year career in law enforcement and public service include stints as an FBI agent; U.S. Attorney and state prosecutor; and a member of both the Oklahoma House of Representatives and State Senate.

When he ran for Governor, Keating won a three-way race by a landslide and was

easily reelected in 1998, becoming only the second governor in Oklahoma history to serve two consecutive terms.

Keating won national acclaim in 1995 for his compassionate and professional handling of the bombing of the Alfred P. Murrah Federal building in Oklahoma City. His accomplishments include, winning a public vote on right-to-work, tort reform, tax cuts, major road building and education reform.

Keating's addition to the board also reunites him with TRUST President, Neal McCaleb, who served as Keating's transportation secretary for both terms. During their tenure, Oklahoma benefited from the largest expansion of transportation construction in state history under the Capital Improvements Program, which invested more than \$800 million in new construction and improvements to the state's roads and bridges.



ACCO Hosts *Transportation Meetings Statewide*

From left to right - Derek Sparks, Comm. Rod Cleveland, Randy Grau, Rep. Scott Martin, Rep. Ken Miller, Comm. Ray Vaughn, Rep. Randy McDaniel, Sen. Cliff Branan. Front row left to right: Greg Treat, Gayle Ward, Rep. Marian Cooksey, Rep. Gary Banz

Oklahoma has approximately 85,000 miles of roadway with 75 percent of those being county roads.

This fact, and other key needs and initiatives involving county roads and bridges, were highlighted during the 2009 Oklahoma Association of County Commissioners' County Transportation Partner (CTP) meetings.

ACCO and county commissioners held eight meetings statewide where state and local elected officials, as well as concerned citizens, gathered to learn more about the CTP program.

Randy Robinson, ACCO's Circuit Engineering District Director, led the meetings. Robinson explained the difference between state and county road systems and the vast need for increased funding.

The meetings were widely attended and garnered a great deal of press. TRUST supports increased funding to county and local transportation systems, and looks forward to working with ACCO and the CTP program in 2010. For more information visit OKACCO.com.

TRUST on the Web RestoreTrust.org

Oklahoma Transportation News



Our online news page is updated daily with national and local transportation headlines. To receive stories as they are posted, select the orange RSS feed button (pictured right) that is located on the news page of the website. You have the option to receive national, state or both news categories.

Follow TRUST on Twitter



You can now follow TRUST on Twitter under the username "RestoreTRUST." With the start of the legislative session we will begin to post State House and Senate transportation committee meetings and updates as hearings are held.

Grassroots Action Center

Our online grassroots action center allows you to instantly connect with your state and federal elected officials. Registering is quick, simple and contact information you provide is always kept confidential. By registering you will also be notified when your support is needed in

Congress or at the Oklahoma Legislature to advocate when key votes are taking place.

Events online

TRUST also provides you the opportunity to review all upcoming events, register and pay for them online. In addition to TRUST events, we post meetings for other transportation and member organizations. To review the latest transportation happenings in Oklahoma, visit the events page of our website. To have your organization's activities posted on TRUST, contact Crystal Drwenski at Cdrwenski@cox.net.

Update your member profile online

In order to conserve costs, TRUST is updating our mailing lists and contact database. If you wish to continue to receive TRUST mailings, emails and newsletters, or would like to add additional contacts within your organization, please visit RestoreTRUST.org, click on the contribute page of the website and select "update membership profile" in the upper-right hand corner.

Why Join TRUST?

Be a part of the voice for transportation advocacy that works with legislators to implement solutions. Without your support and membership to TRUST we risk losing the momentum we've gained over the last four years. In the legislative arena, we must have a constant and growing voice for transportation. We hope you will join us in this important cause.

Mission Statement

The Transportation Revenues Used Strictly for Transportation Coalition is an advocacy group dedicated to restoring Oklahoma's transportation infrastructure. We are committed to creating a culture within Oklahoma government that values and adequately funds transportation as a top priority.

Principles of TRUST

- All state transportation-related taxes and fees be used strictly for transportation
- Protecting and growing dedicated funds for Oklahoma's transportation system
- Educating policy makers and the public on the importance of investing in roads and bridges
- Supporting leaders who are committed to transportation as a priority of state government
- Use of high-quality, lasting materials in building and maintaining roads and bridges
- Efficiency and accountability within the Oklahoma Legislature and Department of Transportation

2010 Event & Member Programs

This year's tiered membership levels provide multiple packages, advertising opportunities and admission to numerous events at a reduced cost. Members also have the flexibility to opt out of a membership package and simply sponsor or purchase admittance to individual events. For a full listing of each membership level and what it includes, please see page six.

Membership can be renewed online by visiting RestoreTRUST.org and clicking on the contribute page of the website, or for details on how to mail remittance of membership dues, please see page seven.



Roads Scholar Legislative Dinners

TRUST has structured one State House and one Senate Roads Scholar Committee dinner for 2010. These programs start with a reception for transportation industry members to interact with legislators belonging to key transportation committees. Both evenings will include a private, seated dinner with guest remarks from a top state transportation official and updates from legislative leadership on budget negotiations and infrastructure legislation. Dates will be announced for these events in the coming months and will be held during the 2010 Legislative Session.

Continued page 6...

2010 Event & Member Programs

Roads Scholar Legislative Dinners (continued from page 5)

Roads Scholar Sponsorship - \$1,250 each event (House and Senate)

Includes corporate logo on all promotional materials and mailings. Logo placement at event and reception and admission to the reception and dinner. For TRUST members who join at the TRUSTee level, sponsorship and admission for three (3) is included to both Road

Scholar events. As a Road Champion level, sponsorship and admission for two (2) is included to both Road Scholar events. For TRUST members who join at the Advocate or Friend level, admission for one (1) to both events is included. Individual admission is \$100 per individual.

April 13, 2010: Transportation Day at the Capitol

Our annual Capitol Day will be held on April 13, 2010 at the State Capitol. It includes morning remarks from State Senate and State House leadership, the Governor's office and top transportation officials. Following the morning briefings will be one-on-one legislative visits and a luncheon for TRUST members and legislators. This day of advocacy is a time where all transportation interests collectively join to create a strong show of support for transportation funding and promotes our 2010 legislative agenda.

Transportation Day Sponsorship - \$1,000

Corporate logo on all promotional materials, mailings and your organization's listings on all handouts. Logo placement in rotunda and admission. Sponsorship and admission to the Day at the Capitol is included with every TRUST membership level, except the TRUST Basic level. The TRUST Basic level only includes one (1) admission. Individual admission is \$50 per individual.

Fall Construction I.Q. Summit

This summit will gather a contingency of transportation industry leaders and local and state agency leadership in a private atmosphere that fosters dialogue and recommendations to harness innovations in highway and bridge funding, design, construction and maintenance. The recommendations that come from this summit may or may not require legislative action. But the objective is to have the input of heavy highway, supplier industries, bridge construction, the engineering community, smaller to medium-sized contractors and key agencies prior to proposing these solutions, and then allow legislators, or the appropriate body, to consider implementing these measures.

Construction I.Q. Summit Event Sponsorship - \$1000

Includes admittance and lunch for two (2). Corporate logo on all promotional and mailing materials. Logo placement at event. For TRUST members who join at the TRUSTee, Road Champion or Advocate levels, sponsorship and admittance is included. For TRUST members who join at the Friend or Basic levels, admission for one (1) is included. Additional admission is \$100 per individual.

Fall 2010: Transportation Innovation Banquet

This evening will include a seated dinner with a private pre-reception and dinner presentation with a national figure who has led a significant, innovative effort to advance funding for America's transportation infrastructure. The banquet will also include recognition of the 2010 Oklahoma transportation legislative champion of the year.

Transportation Innovation Event Sponsorship - \$2,500

Includes premium seating and dinner for eight (8). Corporate logo on all promotional and mailing materials. Logo placement at event. Admission to private pre-reception with national speaker and

Oklahoma transportation champion of the year. For TRUST members who join at the TRUSTee level, sponsorship and admittance for eight (8) to this event is included. Additional admission is \$175 per individual.

Transportation Innovation Table Host - \$1,250

Table and dinner for eight (8). Logo placement at table. For TRUST members who join at the Road Champion level, table host package is included. For TRUST members who join at the Friend or Basic levels, individual admission for one (1) is included.

2010 TRUST Membership!

2010 TRUST Membership

TRUST Programs and Sponsorship Opportunities

	Sponsoring Individual Events	Transportation TRUSTee	Road Champion	TRUST Advocate	TRUST Friend	TRUST Basic
2010 Subscription to Surface (\$250)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Company Logo in 2010 Surface Editions (\$500)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Banner Ad on New Website—1 year (\$1,500)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
House Roads Scholar Dinner Sponsor (\$1,250)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
House Roads Scholar Dinner Admission (\$100 individual admission)	<input type="checkbox"/> _____ # of tickets	<input checked="" type="checkbox"/> (3 tickets)	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 ticket)	<input type="checkbox"/>
Senate Roads Scholar Dinner Sponsor (\$1,250)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senate Roads Scholar Dinner Admission (\$100 individual admission)	<input type="checkbox"/> _____ # of tickets	<input checked="" type="checkbox"/> (3 tickets)	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 ticket)	<input type="checkbox"/>
Day at the Capitol Sponsorship (\$1,000)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Day at the Capitol Admission (\$50 individual admission)	<input type="checkbox"/> _____ # of tickets	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 ticket)
Construction IQ Summit Sponsor (\$1,000)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Construction IQ Summit Admission (\$100 individual admission)	<input type="checkbox"/> _____ # of tickets	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (2 tickets)	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 tickets)	<input checked="" type="checkbox"/> (1 tickets)
Transportation Innovation Dinner Sponsor (\$2,500) w/premium seating for eight (8)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation Innovation Table Host (\$1,250) w/ seating for eight (8)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation Innovation Admission (\$175 individual admission)	<input type="checkbox"/> _____ # of tickets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> (1 ticket)	<input checked="" type="checkbox"/> (1 ticket)
Total Cost	<input type="text"/>	\$5,000	\$3,500	\$2,500	\$1,000	\$500

To register 2010 membership and pay online visit RestoreTRUST.org, and click on the contribute page of the website. Questions? Call Helra at 405.802.8184.

To mail your membership, please enclose your personal or corporate check payable to TRUST along with this completed form to **PO Box 16112, OKC, OK 73112.**

Full Name _____

Title _____

Organization _____

Office & Cell Phone _____

Fax _____ Email _____

Mailing Address _____

- \$5,000 Transportation TRUSTee
- \$3,500 TRUST Road Champion
- \$2,500 TRUST Advocate
- \$1,000 TRUST Friend
- \$ 500 TRUST Basic
- Sponsoring Individual Event(s)



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