

# Intergovernmental Lobbying for the Passage of TEA-21

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*This article explains the role of the IGR lobby in the passage of TEA-21 and the nature of the coalitions and partnerships formed by groups within the IGR lobby to accomplish their policy goals. The data for the study are divided into three realms. The first identifies the priorities of groups within the IGR lobby and the types of coalitions that groups entered into. These data were gathered through examinations of IGR lobby testimony before congressional committees, interviews with organizational and congressional staff members, and from secondary sources such as the official publications and websites of IGR lobby organizations. The second part seeks to gain a more precise understanding of how state and local officials use non-PIG coalitions and groups to press for their policy objectives by surveying selected state and local government officials. Finally, the survey assesses the impact that IGR lobbying had on TEA-21.*

The Transportation Equity Act for the 21<sup>st</sup> Century<sup>1</sup> (TEA-21) of 1998 was the most expensive and extensive public works legislation ever passed by Congress. An intensive lobbying effort by private, nonprofit, and public-sector interest groups developed to influence the overall spending and design of the transportation funding reauthorization legislation.<sup>2</sup> Each group had its own motives for attempting to influence the final shape of this legislation. Financial reward was often the motivating factor for private sector groups. For the nonprofit interest groups, concerns for public safety and well-being were paramount. For the public sector, or the intergovernmental lobby (IGR lobby),<sup>3</sup> the primary concern was for federalism-related issues, particularly the locus of transportation decision-making power.

This article examines the goals of the IGR lobby and assesses the manner in which its members sought influence in Congress to achieve their objectives in TEA-21. The study puts the passage of TEA-21 into the larger context of intergovernmental relations. Students of federalism have long focused on the methods used by state and local governments to influence federal policymaking. However, most studies have not completely captured the complexity and nuances of intergovernmental lobbying. Political scientists

<sup>1</sup>Public Law 105-178, 105th Congress, 2nd sess. (9 June 1998).

<sup>2</sup>David Hosansky, "Web of Alliances and Interests Set to Snare Highway Funds," *Congressional Quarterly Weekly Reports* 55 (8 March 1997): 583.

<sup>3</sup>Both scholarly and policy publications often refer to the state-local public sector groups as public interest groups (PIGs). This study will refer to these groups as the intergovernmental (IGR) lobby.

studying the intergovernmental lobby have generally limited themselves to examinations of the national organizations representing elected state and local officials<sup>4</sup> and to individual governor's offices.<sup>5</sup> These scholars have captured the voice of state and local policy generalists in the intergovernmental lobbying process. However, case studies also must incorporate the activities of policy specialists into their analysis to fully understand the effects of state and local lobbying.

Many studies have focused on the access and influence of the state and local government groups. This sole focus on the independent actions of the intergovernmental lobby has incorrectly portrayed the groups as acting in isolation within the Washington policy process. The research has attempted to rate the effectiveness of the state and local groups without examining their ability to enter into coalitions with other interest groups and to form political blocs. In contrast, the study reported in this article uses TEA-21 to examine the complex webs of interaction that develop when government officials attempt to satisfy their interests within the larger context of intergovernmental bargaining.

### TEA-21 BACKGROUND

TEA-21 is the successor to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), which significantly altered transportation planning in the United States by devolving some discretion to state and local governments.<sup>6</sup> The authority of state and local officials to select transportation projects for federal funding was enhanced under ISTEA. This was especially true for metropolitan planning organizations (MPOs), which were reinvigorated by provisions of the law that required them to participate in and perform various planning activities.<sup>7</sup> TEA-21 continues to devolve decision-making over the nation's transportation policy to state and local officials. The \$217.9 billion, six-year reauthorization increases spending by approximately 40 percent over the levels established by ISTEA.<sup>8</sup>

By 1997, when the reauthorization of ISTEA was being considered, the political balance of power in Washington, D.C., had shifted dramatically. When ISTEA was guided through Congress in 1991, by northeasterners, that body was Democratically-controlled and the act was signed by a Republican president. TEA-21, however, was passed by a Republican Congress, heavily influenced by southern and western representatives, and

<sup>4</sup>See Susan Farkas, *Urban Lobbying: Mayors in the Federal Arena* (New York: New York University Press, 1971); Donald Haider, *When Governments Come to Washington* (New York: Free Press, 1974) and Anne Marie Camisa, *Governments as Interest Groups* (Westport, CT: Greenwood, 1995).

<sup>5</sup>See Troy Ellis Smith, "When States Lobby," (Ph.D. diss., State University of New York at Albany, 1998).

<sup>6</sup>Robert Dilger, "ISTEA: A New Direction for Transportation Policy," *Publius: The Journal of Federalism* 22 (Summer 1992): 67.

<sup>7</sup>Robert W. Gage and Bruce D. McDowell, "ISTEA and the Role of MPOs in the New Transportation Environment: A Midterm Assessment," *Publius: The Journal of Federalism* 25 (Summer 1995): 133.

<sup>8</sup>Alan K. Ota, "Highway Law Benefits Those Who Held the Purse Strings," *Congressional Quarterly Weekly Reports* 56 (13 June 1998): 1596.

was signed into law by a Democrat. Rather than reversing the direction of ISTEA, TEA-21 builds upon it and reinforces its predecessor's policies. The continuity of transportation policy is important because the new Republican majority had vocally supported devolution of policy functions to states and localities. However, an attempt to turn back most transportation policy responsibilities to the states, led by Representative John Kasich (R-OH) and Senator Connie Mack (R-FL), was unsuccessful.<sup>9</sup>

The reason for this policy continuity in the House is the influence of the Transportation and Infrastructure Committee, which had primary jurisdiction over both pieces of legislation. The Transportation and Infrastructure Committee, with 73 members, is the largest committee in Congress. Its popularity is due to its control over billions of dollars in transportation funding, providing numerous opportunities for pork-barrel projects. The House's final version of TEA-21, for example, contained more than 1,800 "demonstration projects" that targeted grants to specific states and congressional districts.

The Transportation and Infrastructure Committee is remarkably nonpartisan when compared to other House committees. As one staff member stated in an interview, "There's no such thing as liberal or conservative blacktop." The cohesiveness of this committee was demonstrated during the balanced-budget debate in May 1997. Committee chair Bud Shuster (R-PA), feeling that transportation needs were underfunded by the deal struck between the House leadership and the Clinton administration, proposed an amendment to increase funding well beyond the agreed-upon limits. The amendment was narrowly defeated 214-216 after the leadership resorted to an intensive last-minute lobbying effort.<sup>10</sup> Nevertheless, this defeat sent a clear message to the leadership that an autumn showdown over transportation spending was looming.

Despite posturing by Shuster and other members of the committee, this showdown never materialized. The committee passed an \$11.9 billion six-month extension rather than risking another close vote over a multi-year bill exceeding balanced-budget limits or agreeing to long-term funding levels that were deemed to be inadequate.<sup>11</sup> The prospect of increased tax revenues for 1998 played a significant role in prompting the House committee to delay action on a multi-year authorization and agree to the six-month extension. At the same time, however, the committee extended the bill for six years and raised the total to over \$218 billion if sufficient revenues materialized. This became the basis for TEA-21's funding levels enacted the following year.

<sup>9</sup>More generally, see John Kincaid, "De Facto Devolution and Urban Defunding: The Priority of Persons Over Places," *Journal of Urban Affairs* 21 (Summer 1999): 135-167.

<sup>10</sup>Jonathan Weisman, "Shuster's Position May Be Weakening," *Congressional Quarterly Weekly Reports* 55 (20 September 1997): 2212.

<sup>11</sup>Jonathan Weisman, "House Backs Six-Month Delay In Highway-Transit Rewrite," *Congressional Quarterly Weekly Reports* 55 (27 September 1997): 2301.

The increase in overall funding for the states was necessary to blunt regional disputes that were expected to surface over TEA-21's change in highway funding formulas. The Senate Environment and Public Works Committee faced these same problems when considering a more modest and balanced-budget friendly \$145 billion six-year authorization.<sup>12</sup> The Senate was ultimately forced to agree on a six-month extension when a Democratic filibuster demanding a vote on the McCain-Feingold campaign-finance reform bill prevented consideration of a multi-year authorization.

### TEA-21 AND THE IGR LOBBY

This article examines the role of the IGR lobby in passing TEA-21 and the nature of the coalitions and partnerships that groups within the IGR lobby formed to accomplish their policy goals. The data for the study are divided into two specific realms. The first part identifies the priorities of individual groups within the IGR lobby and the types of coalitions that groups entered into. These data were gathered through examinations of IGR lobbying testimony before congressional committees, interviews with the lobby groups and congressional staff, and secondary sources such as the official publications and websites of the IGR lobby organizations. Given the voluminous amount of testimony in Congress concerning the passage of TEA-21, our study focuses on four of the most germane hearings that concentrated on the broad goals of ISTEA's reauthorization: (1) implementation of ISTEA,<sup>13</sup> (2) reauthorization of ISTEA,<sup>14</sup> (3) the roles of different governments in surface transportation,<sup>15</sup> and (4) comprehensive proposals for reauthorizing ISTEA.<sup>16</sup>

The second phase of the project sought to gain a more precise understanding of how state and local officials use non-IGR coalitions and groups to press for their policy objectives, and how they use their congressional delegations as conduits for this purpose. Eight states were chosen for intensive examination through a survey of state and local officials. Two states were selected from each of the four regions in the United States as defined by the *Statistical Abstract of the United States*. The states with the highest and lowest per capita receipts from TEA-21 were selected from each

<sup>12</sup>Ibid., 2302.

<sup>13</sup>U.S. Congress, House of Representatives, *Implementation of the Intermodal Surface Transportation Efficiency Act of 1991*, Subcommittee on Surface Transportation of the Committee on Public Works and Transportation, 103rd Cong., 1st sess., 1993.

<sup>14</sup>U.S. Congress, House of Representatives, *Reauthorization of the Intermodal Surface Transportation Act of 1991*, Subcommittee on Surface Transportation of the Committee on Transportation and Infrastructure, 105th Cong., 1st sess., 1997.

<sup>15</sup>U.S. Congress, Senate, *ISTEA: Role of Federal, State and Local Governments in Surface Transportation*, Subcommittee on Transportation and Infrastructure of the Committee on Environment and Public Works, 104th Cong., 2nd sess., 1996.

<sup>16</sup>U.S. Congress, House of Representatives, *Reauthorization of the Intermodal Surface Transportation Efficiency Act: Comprehensive Reauthorization Proposals*, Subcommittee on Surface Transportation of the Committee on Transportation and Infrastructure, 105th Cong., 1st sess., 1997.

region.<sup>17</sup> Within each state, specific surveys were sent to state officials and to local government officials in the two largest and two smallest MPOs in the state.<sup>18</sup> All 50 state departments of transportation and governors' offices were also surveyed.

### THE INTERGOVERNMENTAL COALITION

Associations that represent the interests of public officials periodically form "ad hoc" coalitions in an attempt to influence specific federal policies.<sup>19</sup> As a general rule, these coalitions break apart after enactment or defeat of the desired legislation. The IGR lobby is divided between policy generalists, such as the National Governors' Association (NGA) and the National Association of Counties (NACo), and policy specialists such as the American Association of State Highway Transportation Officials (AASHTO) and the American Public Transit Association (APTA). The aims of each group vary significantly. Policy generalists represent jurisdictions and usually apply a broader public policy perspective. Specialists represent a more narrow area of policymaking and are often associated with individual agencies or professions.

AASHTO was the most influential association in transportation policymaking until the early 1970s.<sup>20</sup> The basic aim of the association, and federal transportation policy in general, was highway construction. AASHTO's effectiveness in influencing federal policy during this period was due to the professional nature of the organization. Its members engaged in a collegial relationship with their federal counterparts in planning, designing, and building highways.

The priorities of AASHTO and its members changed when the interstate highways were extended into urban areas in the late 1960s and early 1970s. At this time, the engineers met resistance from neighborhood and environmental groups that successfully employed political tactics to challenge the plans and priorities of various state highway departments.<sup>21</sup> The divisions ultimately led to the incorporation of new interests into the transportation policy realm. A post-materialist policy coalition, composed of environmental, civil rights, and other public interest groups, collided with the traditional highway-benefits coalition that had dominated

<sup>17</sup>The eight states are Pennsylvania, Vermont (Northeast) Maryland, Mississippi (South), Illinois, South Dakota (Midwest), California, and Idaho (West). Two changes were made to this methodology. First, Pennsylvania, though ranking fifth among the eastern states, was included because of its close proximity to the authors allowing for more comprehensive research. Second, California was second to Hawaii in the western states, however, due to its small population and lack of metropolitan areas, California was substituted.

<sup>18</sup>These were determined by population. Surveys were sent to MPO Executive Directors and to five randomly selected local government executives and five randomly selected county officials from each MPO.

<sup>19</sup>James Q. Wilson, *Political Organizations* (New York: Basic Books, 1973), p. 277.

<sup>20</sup>David S. Arnold and Jeremy F. Plant, *Public Official Associations and State and Local Government: A Bridge Across One Hundred Years* (Fairfax, VA: George Mason University Press, 1994), p. 140.

<sup>21</sup>Ibid.

transportation policy. The result was increased competition over the nature and objectives of national transportation policy.<sup>22</sup>

The politicization of transportation policy had two effects. The first was the politicization of AASHTO, which recognized that its members were now required to operate in both the professional and the political realms. This resulted in the organization broadening its concerns from merely highway building to the integration of multimodal forms of transit.<sup>23</sup> In the late 1980s, AASHTO was one of the first organizations to advocate a comprehensive national transportation policy, organizing a coalition of more than 100 organizations to lobby for this change.

The second development was the assertion of greater political control over program specialists by state and local program generalists (especially the governors) as state highway departments were transformed into departments of transportation.<sup>24</sup> When questions of transportation policy are presented, transportation specialists are now required to answer to the governor and other cabinet members affected by transportation decisions. This increased accountability has been built into several provisions of TEA-21 that require state transportation departments to consult and negotiate with local governments and to meet federal environmental standards.

The IGR lobby has had mixed results in attempting to influence federal policy since the 1980s.<sup>25</sup> This is due in part to the nature of the IGR organizations. As an "ideological coalition" in which the members of the coalition share a common philosophy and goals, in this case the empowerment of their associations' members, the IGR lobby only coalesces when its collective interests or resources are significantly threatened or can be enhanced.<sup>26</sup> In the case of TEA-21, the prospect of significantly increased overall funding was the overriding factor uniting the intergovernmental associations. Once unified, the IGR coalition engaged in coordinated lobbying activities.

### THE INTERGOVERNMENTAL LOBBY'S GOALS

The lobbying efforts of state and local governments in affecting TEA-21 can be divided into two overarching categories. The first focused on creating a broad-based coalition to quickly pass a well-funded transportation act; the second was concerned with representing the specific interests of different states and local governments, regions, and modes of transportation.

ISTEA changed the means of funding federal transportation policy. State and local governments believed that changes could be made in the reauthorization of ISTEA that would allow for more state and local autonomy

<sup>22</sup>James A. Dunn, Jr., *Driving Forces: The Automobile, Its Enemies, and the Politics of Mobility* (Washington, DC: Brookings Institution Press, 1998).

<sup>23</sup>Arnold and Plant, *Public Official Associations and State and Local Government*, p. 141.

<sup>24</sup>*Ibid.*, 175-176.

<sup>25</sup>*Ibid.*

<sup>26</sup>Wilson, *Political Organizations*, p. 275.

and flexibility. However, their general satisfaction with the existing transportation policy led them to present a united front in appealing to Congress for one primary goal: more federal dollars for transportation.

Four broad-based ad hoc groups, representing governments and private interests, were formed to press for this goal: (1) the Alliance for ISTEA Renewal, a coalition that joined local and professional groups such as the National League of Cities and the American Public Transportation Association with the Surface Transportation Policy Project (STTP), itself a coalition of public interest and policy specialist groups; (2) the Transportation Revenues Used Solely for Transportation (TRUST), a coalition of more than 750 business, farm, labor, and governmental organizations assembled by the National Governors' Association in April 1997; (3) the National Transportation Alliance led by the Association of Metropolitan Planning Organizations and other national transportation organizations; and (4) the Keep America Moving coalition maintained by the American Highways Users Alliance.

The construction of these coalitions represented the most significant decision of the IGR lobby to put aside regional differences over funding formulas and to focus on increasing overall funding and building a "firewall" around the Highway Trust Fund. Throughout the process, while representatives from individual states, local governments, and organizations lobbied for specific projects, they never lost sight of the "big picture" and the issues that united the IGR lobby. This unified front kept pressure on Congress and was instrumental in guaranteeing TEA-21's passage.

Established groups and ad hoc regional coalitions engaged in the second type of lobbying, pushing for specific projects or technical changes in the reauthorization of ISTEA. Four types of groups represented this lobbying subsection: policy specialists, state governments, local governments, and regional government coalitions. A general consensus existed among the groups about the need for increased funding of transportation projects and the full dedication of the Highway Trust Fund to transportation rather than to deficit reduction. However, underlying this unanimity were struggles over control of project planning between the various governments, funding allocation among jurisdictions, and the extent that ISTEA reauthorization should focus on intermodalism.

Transportation policy has been heavily influenced by policy specialists, especially the highway engineers of AASHTO, since Congress created the Interstate Highway System in 1956. The policy-specialist lobby is composed of state and local organizations dedicated to the operation of general transportation programs and to specific areas such as public transit and toll roads. The technical knowledge of these policy specialists led them to have more defined recommendations for the ways that Congress could improve the objectives and implementation of the new transportation law. Like the

other groups, they pressed for increased funding of transportation priorities and wanted full dedication of the Highway Trust Fund to transportation. However, many of their lobbying efforts dealt with specific policy areas that affected their constituencies.

The most active of the policy-specialist groups was the American Association of State Highway Transportation Officials, which lobbied for vesting more power in the states so that they could enact their own priorities. Among AASHTO's requests were more simplicity in planning requirements, fewer regulations, and more innovative means to reach clean-air goals. AASHTO argued that states have the capacity to design their own implementation plans if Congress gives them broad direction rather than specific mandates and regulations. AASHTO also sought to stem the flow of power to the MPOs that began in ISTEA. The organization argued that TEA-21 should retain most decision-making with state and local officials. In congressional testimony, AASHTO representatives claimed that, unlike MPO bureaucrats, they were directly accountable to the people and to elected officials and, consequently, should be responsible for policy decisions.

A number of other policy-specialist organizations also expressed policy desires to Congress through the Surface Transportation Policy Project (STPP). This group, a confederation of nonprofit transportation and public interest organizations, sought to build on ISTEA by increasing the coordination of federal policy with state and local governments. They pressed for curtailing negative environmental impacts due to transportation policy, and creating links between local land-use decisions and federal policy. Further, they pushed for new federal money for transportation projects that would help low-income and former welfare recipients travel to work.<sup>27</sup> STPP was also a participant in the Alliance for ISTEA Renewal. This group, which included several of the major local-government and policy-specialist interest groups, sought to counter any attempts by groups such as STEP-21 to eliminate guaranteed funding for intermodalism and the linkages between transportation policy and air quality that were so prominent in ISTEA.

A number of smaller policy-specialist organizations requested congressional funding for specialized programs benefiting their lobby. Groups such as the International Association of Chiefs of Police claimed that federal mandates for safety data collection were economically inefficient and took needed funds from safety education. The Community Transportation Association of America lobbied for rural areas, requesting more equity in funding dollars and more money for public transit. Other groups, such as the American Public Transit Association, pressed for more dedicated funding to intermodalism and for less regulation and mandates

<sup>27</sup>"STPP Coalition Releases ISTEA II Recommendations," *Transfer: Surface Transportation Policy Project Electronic Update* III (14 February 1997).

on public transportation agencies. Generally, the policy specialists were concerned with enhancing their own constituency's financial interest and decision-making powers in TEA-21.

Among the policy generalists, the National Governors' Association (NGA) and the National Conference of State Legislatures (NCSL) were the major advocates for state interests in new transportation policy. Both organizations argued that the gap between ISTEA authorizations and appropriations by Congress disrupted the states' planning processes. They lobbied for the new transportation bill to be fully funded, thus allowing states to engage in long-term planning with guaranteed federal money. Both groups complained that the states' ability to implement ISTEA had been hampered by unfunded mandates, crosscutting sanctions and regulations, and planning requirements that were unnecessarily costly to carry out. Finally, the NGA and NCSL were adamant that states be given more autonomy (or at least flexibility) from federal restrictions and that states retain ultimate control over project funding within their jurisdiction.

Of all the IGR lobby groups, the NGA took on the highest profile in pushing Congress to pass TEA-21. The NGA's tactics included coalition building and full mobilization of its members. In April 1997, the NGA launched TRUST, a coalition of more than 100 public and private organizations. The NGA also pressed its members to promote their needs to their members of Congress. The NGA's coordinated strategy called for governors to testify before Congress to urge reauthorization of ISTEA. In February 1998, during the annual NGA meeting, the governors put on a full-court press to secure passage of a transportation bill when the chief executives visited members of their state's delegation.<sup>28</sup> Republican governors also worked with the leadership in both chambers to ensure that this legislation would be a priority.

Local government lobbying provided a more complex array of opinions concerning ISTEA reauthorization. This group was composed of county, municipal, and metropolitan/regional organizations. Consensus existed on full funding of transportation authorizations and dedication of motor-fuel taxes to transportation. Further, the local government representatives lobbied for Congress to enhance the local inclusion in decision-making processes that had begun with ISTEA. Specifically, they complained that metropolitan planning organizations were not endowed with enough power compared to their states, and that the federal government should promote a more balanced power structure that fully represents the input of local governments. Local officials claimed that states were reluctant to share power; therefore, they lost out when local and regional goals conflicted with state priorities. The groups also wanted more flexibility in the uses of federal transportation funds, arguing that they needed more money for

<sup>28</sup>Alan K. Ota, "Governors' Pleas Nudge Senate Into Action on Highway Bill," *Congressional Weekly Quarterly Report* 56 (28 February 1998): 481-482.

intermodal forms of transit and that there should be more flexibility in using funds for maintenance of existing facilities instead of capital construction. Finally, several of the groups pointed out that national goals, including environmental regulations, often are at odds with the economic development needs of local communities. Again, the groups urged Congress to allow for more flexibility in attaining goals so that local governments could tailor transportation programs to their specific needs. In addition, local governments needed full funding for mandates to meet the requirements of the Clean Air Act of 1990 and the Americans with Disabilities Act of 1991.

As advocates for local government, the National Association of Counties (NACo), U.S. Conference of Mayors (USCM), and National League of Cities (NLC) actively attempted to influence federal transportation policies. NACo was particularly concerned with providing a voice to rural areas, which NACo believed did not fully benefit from ISTEA. NACo believed that smaller, primarily rural, MPOs with populations between 50,000 and 200,000 should be given the same ability to participate jointly in decision making with the states that was given to larger MPOs in ISTEA. They argued that without this change, rural communities would not have adequate power compared to states to guide their transportation planning. They pushed for further MPO reform by requesting a change in the means to define the organizations in cases where rural counties were included in predominantly urban MPOs. Finally, NACo requested that money designated for rural highways and maintenance be funneled through communities rather than states, providing rural communities more local control over transportation priorities.

The USCM and NLC were more concerned with issues that specifically affected urban transportation. First, they pushed for more funding for public transportation and argued that increased flexibility in spending allocations to intermodalism would allow cities to meet their non-road transportation priorities. The city groups again raised the issue of control of funding priorities, arguing that the federal government should permanently allocate transportation funds directly to cities rather than to states in order to guarantee that urban needs be met.

Two groups, the National Association of Regional Councils (NARC) and the Association of Metropolitan Planning Organizations (AMPO), provided a voice for the planning organizations that received enhanced visibility in ISTEA. Their success in the ISTEA authorization led them to argue that the enhanced MPO decision-making functions had performed very well and that the federal government should do more to bolster their ability to make independent decisions. Again, like the other local and state groups, their aim was to consolidate their own power in the decision-making process.

Regional government coalitions represented the final type of lobbying interest. Numerous state and local government officials joined together to

lobby for specific funding programs that would affect their constituencies. Several regional coalitions pushed separate proposals that differed in their approaches to funding allocation and acceptance of the existing program structure of ISTEA. The Streamlined Transportation Efficiency Program for the 21<sup>st</sup> Century (STEP-21) coalition sought to radically change ISTEA by condensing funding into two programs that amounted to transportation block grants for the states. The proposal would not have guaranteed funding for air-quality programs or intermodalism. Because many of the STEP-21 supporters were donor states, the proposal also sought to guarantee that states would receive at least 95 percent of the funds that they contributed to the Highway Trust Fund.

Several western governors and DOTs coalesced to support the Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) that mirrored many of the devolutionary provisions of STEP-21 but sought an allocation formula that would benefit their states, which have large land areas but small population densities. The departments of transportation of Idaho, Montana, North Dakota, South Dakota, and Wyoming produced a joint report outlining the need for more funding for roads and intermodalism in rural areas. They raised the issue of increased funding for roads on federal lands that are so prevalent in western states and that affect the transportation of economic goods through their boundaries.

The third major regional coalition was composed of northeastern and mid-atlantic governors who supported the reauthorization of ISTEA with few changes. The ISTEA Works! proposal opposed the streamlining effects of STEP-21 and STARS 2000, and sought to retain the status quo with a few modifications that would make funding more flexible.<sup>29</sup>

A final type of coalition was the regional interstate alliances that developed around highway corridors that pushed for increased investment in capital projects and highway maintenance. A prime example of this was the I-94 International Trade Alliance, which brought local government officials and private interests together to lobby for increased funding for the trade corridor from the United States to Canada through the upper Midwest.

### THE IGR LOBBYING EFFORT

Our interviews indicate that the IGR lobby employed the standard lobbying techniques to help secure passage of TEA-21.<sup>30</sup> Representatives from the organizations testified before congressional committees and subcommittees,

<sup>29</sup>See "ISTEA Works Bill Introduced by 32 Senators," *Transfer: Surface Transportation Policy Project's Electronic Update* III (18 April 1997); Associated Equipment Distributors, "Countdown for Federal Highway and Bridge Funding," *Construction Equipment Distribution* (July 1997); Legislative Affairs Office, Texas Department of Transportation, "The Reauthorization of ISEA: Where We Are and What's Ahead," *The Federal Flyer* III (28 August 1997).

<sup>30</sup>See Lewis Anthony Dexter, *How Organizations are Represented in Washington* (Lanham and Philadelphia: University Press of America and the Center for the Study of Federalism, 1987); and Jeffrey M. Berry, *The Interest Group Society* (New York: Addison Wesley Longman, 1997).

providing an overview of their concerns and desires. Inter-staff contact was also a key element. Congressional staff often alerted organizational staff to important votes or developments in the legislation. In turn, organizations alerted their members of these developments and attempted to mobilize them by urging their members to contact their senators and representatives. IGR organizational staff provided congressional staff with information regarding the local impact of any proposed changes to the legislation and with the names of potential witnesses willing to testify before the committee. Personal visits were arranged when state and local officials visited the Capitol. Both congressional and IGR lobby staff considered this practice as the most effective method of relating state and local concerns to members of Congress, especially when elected officials paid these visits.

According to congressional staff, there is a hierarchy in the perceived influence of the IGR lobby among members of Congress. In general, congressional members and their staff view the IGR lobby with less suspicion than most groups because it represents public interests and its members do not stand to profit personally from congressional funding. Congressional staff reported that within the IGR lobby, elected state officials have greater influence on members of Congress than do local officials. The governors are clearly the most prestigious group among state officials, followed by legislators and then policy specialists. The influence of local organizations varies. Mayors from large cities are slightly more influential, but the personal relationships that county or other local officials may forge with individual members of Congress can trump this influence. The influence of policy specialists is greater with staff members who need specific recommendations and technical assistance in drafting legislative language.

The responses to our survey indicate that there are some significant differences in the strategies employed by state and local officials. When it comes to contacting the IGR lobby on transportation issues, a majority of state agencies responded that they regularly or often contacted their representative organization, while less than 40 percent of localities were likely to do so (see Table 1). For both state and local agencies, the mean score on this question indicates that the IGR lobby is contacted at least occasionally; however, when taken together, the IGR lobby's mean score is the lowest among all those listed. This implies that state and local officials look to other representatives first and only contact their IGR lobby representatives after they have contacted their regular representatives. Governors' offices regularly contact the state's department of transportation (DOT). That agency, in turn, regularly contacts the governor's office. Both readily relate transportation concerns to their congressional delegations and to the federal DOT. Localities regularly turn to the local MPO and to the state DOT. On occasion, local officials will go to their elected representatives in the state legislature or Congress (see Table 2).

**Table 1**  
**Degree of regular contact with IGR lobby in communicating transportation needs**

Type of Government	%Contact regularly	%Contact occasionally, rarely or never
Localities	37.8	62.2
State agencies	55.0	45.0
Total	44.3	55.7

**Table 2**  
**How often do you contact the following with your transportation needs?**  
**(Mean scores 1-regularly 5-never)**

Type of Government	Mean	State Mean	Local Mean
State DOT	1.833	1.143	1.908
Congressional Delegation	2.038	1.425	2.415
MPO	2.184	2.615	1.833
State Legislator	2.404	2.615	2.277
Governor's Office	2.735	1.667	3.277
US DOT	2.779	1.650	3.484
IGR Lobby	2.783	2.400	3.015

Among all respondents, region of the country had no significant influence on the strategies employed by state and local officials. One factor that influenced the likelihood of local governments to engage in intergovernmental lobbying activities was whether they employed a full-time individual dedicated to intergovernmental relations. Those that did were active; those that did not were not active.

Our survey asked state and local officials about their lobbying strategies during TEA-21 deliberations. In general, state agencies were more active in working with nongovernmental partners and in joining formal and informal coalitions to influence Congress' consideration of TEA-21 (see Table 3). State officials were also more likely to contact other state agencies on a more regular basis than were local governments. Among local governments, MPOs were much more active than municipalities and counties in attempting to influence TEA-21 legislation. This comes as no surprise. Given that ISTEA contained provisions that significantly increased the authority and funding of MPOs, they had a vested interest in maintaining and expanding these provisions in TEA-21.

When asked whether the officials encouraged nongovernmental groups to relay their transportation needs to the federal government while Congress considered TEA-21 legislation, 45.4 percent of the localities and 80 percent of the state agencies responded that they had done so (see Table 4). Among the local governments, MPOs were much more likely to encourage such contact than were municipal or county governments. The state agencies were as likely as MPOs to promote this action.

**Table 3**  
**Did you join a coalition with non-governmental groups to relate your interests to Congress during deliberation of TEA-21?**

Type of Government	%Yes	%No
MPO	41.2	58.8
Municipality	20.0	80.0
County	27.8	72.2
Governor's Office	83.3	16.7
State DOT	54.8	45.2
Local Total	27.7	72.3
State Total	59.5	40.5
Total	39.2	60.8

**Table 4**  
**Did your agency encourage non-governmental groups to contact the federal government during consideration of TEA-21?**

Type of Government	%Yes	%No
MPO	64.7	35.3
Municipality	38.7	61.3
County	38.9	61.1
Governor's Office	85.7	14.3
State DOT	78.8	21.2
Local Totals	45.5	54.5
State Totals	80.0	20.0

As Table 5 indicates, both state and local agencies were most likely to encourage transportation agencies to contact the federal government. General business groups were also encouraged by a majority of both state and local governments. The most significant difference among state and local agencies came in their tendency to encourage construction companies to contact the federal government. State agencies were much more likely to engage in this activity than were local governments.

**Table 5**  
**Which type of non-governmental groups did you encourage to contact the federal government?**

Non-governmental group	State agencies%	Localities%
Construction Companies	76.7	16.1
General Business	76.7	58.1
Transportation Agencies	90.0	71.0
Environment	33.3	35.5
Nonprofit Organizations	40.0	51.6
Other	26.7	12.9

One factor that influenced whether local governments encouraged nongovernmental groups to contact the federal government was whether

they employed an individual devoted to maintaining intergovernmental relations. As one would expect, local governments that did not have such an employee, other than their MPOs, were much less likely to encourage nongovernmental groups to contact the federal government (see Table 6).

**Table 6**  
Agencies with an employee devoted to intergovernmental that encouraged non-governmental groups to contact federal government

Type of Government	%Emp-Yes Contact-Yes	%Emp-Yes Contact-No	%Emp-No Contact-Yes	%Emp-No Contact-No
MPO	66.7	33.3	60.0	40.0
Municipality	71.4	28.6	30.4	69.6
County	50.0	50.0	38.5	61.5
Governor's Office	80.0	20.0	100	0.0
State DOT	81.8	18.2	72.7	27.3
Local Total	64.7	35.3	39.5	60.5
State Total	81.4	18.6	77.0	23.0
Total	75.0	25.0	47.5	52.5

Finally, we asked officials to rank the importance of various organizations in representing their needs during the TEA-21 debates (see Table 7). It appears that direct contact with Congress was the preferred method of relaying this information. Clearly, the local congressional delegation was the most important group for the state agencies and second most important for localities. State and local officials differ over the importance of other organizations, reflecting a bias toward the organizations with which they are likely to have regular contact. There was agreement on the ranking of the IGR lobby, which falls in the middle of the list for both state and local officials.

**Table 7**  
Rank order the importance of each group in representing your needs during the TEA-21 debates (1= most important, 8= least important)

Type of Government	Mean	State Mean	Local Mean
Congressional Delegation	2.79	2.025	3.262
State DOT	3.178	2.286	3.273
Governor's Office	4.296	3.364	4.769
MPO	4.307	5.821	3.102
IGR Lobby	4.352	4.225	4.431
State Legislator	4.750	5.718	4.169
US DOT	5.448	4.550	6.000

### THE IMPACT OF TEA-21 ON STATES AND LOCALITIES

TEA-21 retained most of the basic provisions of ISTEA, including dedicated funding for intermodalism and the linkage of transportation and environmental standards. These issues were points of contention between the members of the highway-growth coalition and the post-materialist

transportation coalition. However, the highway-growth coalition was willing to support continued federal direction because of the overall increase in transportation funding. Groups such as the Alliance for ISTEA Renewal were satisfied that they had institutionalized the reforms of the 1991 transportation act, furthering their goal of a comprehensive approach to federal transit policy.

TEA-21 modifies a number of policies established under ISTEA that have significant federalism implications. One is that TEA-21 builds a "firewall" around transportation funding by, in effect, taking the Highway Trust Fund (HTF) off budget. It does this by repealing the limits on highway spending set in the Taxpayers Relief Act of 1997 and by exempting the HTF from the budget restrictions established by the Balanced Budget and Emergency Deficit Control Act of 1985.<sup>31</sup> In essence, highway and transit programs have been separated from all other domestic discretionary programs. The law also requires that all federal motor-fuel taxes be spent for transportation projects. This includes the 4.3-cent per gallon gasoline tax levied in 1993, which was earmarked for deficit reduction.

For state and local governments, this change ensures that transportation-related revenues will be earmarked for transportation projects. It eliminates any temptation Congress might feel to divert highway monies to the general fund by guaranteeing transportation funding levels through FY 2003 and prohibiting reductions in it to increase spending in other programs. For all intents and purposes, these provisions remove the primary reason for reducing transportation funding.<sup>32</sup> It resolves one of the long-standing complaints that state and local officials have lodged about Congress's refusal to release all the funds accumulated in the HTF, and represents a victory for the IGR lobby.

TEA-21 alters the way that transportation funds are distributed. The formulas for allocating funds for different programs have been updated to reflect measures of state need, such as vehicle miles, lane miles, and gasoline consumption, as well as current demographic data. These new formulas will benefit states with fast-growing populations in the South and Southwest. These formulas include minimum apportionment amounts that provide slow-growth states with increased funding over the amounts they would receive if the new criteria were applied strictly. This minimum apportionment provision will offset some of the revenue losses that less populous states in the Northeast and the Mountain West would have experienced under the new formulas. With the exception of the Bridge Replacement Program, the minimum apportionment that states will receive is at least 0.05 percent of the program's total receipts.<sup>33</sup>

<sup>31</sup>Alan K. Ota, "What the Highway Bill Does," *Congressional Quarterly Weekly Reports* 56 (11 July 1998): 1893.

<sup>32</sup>Department of Transportation, "TEA-21-Fact Sheet," 14 September 1998; <http://www.fhwa.dot.gov/tea21/factsheets/guarfund.htm>.

<sup>33</sup>This apportionment guarantees all states at least 1/4 of one percent of the revenues allocated to the Bridge Replacement Program. George D. Mazur, "Federal Highway Funding—All the Basics," *Transportation Quarterly* 52 (Fall 1998): 28.

A second change addressed the concerns of donor states and establishes an equity adjustment referred to as the Minimum Guarantee Program. This equity adjustment guarantees that states will receive at least 90.5 percent of their percentage share of their contributions to the Highway Trust Fund. This guarantee falls short of the 95 percent demand lobbied for by the STEP-21 coalition but benefits many of the group's states. As anticipated, these changes caused some tensions within the IGR lobby; however, the prospect of overall increased funding for every state, except Massachusetts, paved over the differences and kept the groups united in their efforts to secure passage of the bill.

TEA-21's impact on state authority is mixed. The law provides states with greater flexibility in spending federal funds. States are permitted to transfer up to 50 percent of their increased funding for four of the five TEA-21 programs—(1) National Highway System, (2) Interstate Maintenance, (3) Bridge Replacement, and (4) Congestion Mitigation, and Air Quality—to any of the other programs. For the fifth program, the Surface Transportation Program, states may transfer up to 25 percent of their increased funding to the other programs. This flexibility, a central plank of the NGA and NCSL's position, was also expanded to various aspects of federal matching requirements. TEA-21 allows states to apply the fair market value of land obtained by the state, funds from other federal agencies, and certain toll-revenue credits to the non-federal matching requirements of various projects.<sup>34</sup> Additionally, an annual program-wide approval for Surface Transportation Program projects replaces the quarterly project-by-project basis. This gives the U.S. secretary of transportation the authority to apply matching requirements to a state's annual program rather than to its specific projects.<sup>35</sup>

ISTEA also gave state and local officials a degree of influence over national transportation policy that they had never enjoyed before.<sup>36</sup> TEA-21 further reduces the federal role in transportation policy by eliminating regional highway administration offices. The duties and responsibilities of these agencies have been transferred to the Federal Highway Administration's division offices that generally deal with a single state. This includes approval of project plans, estimates, contract awards, and inspections. "Cooperative federalism" may be the best term to describe the law's requirement that states must negotiate with the U.S. Department of Transportation to establish federal oversight procedures for National Highway System projects. This change can be considered a victory for the IGR lobby.<sup>37</sup>

Over the objections of state and local governments, ISTEA enacted a number of crosscutting mandates that threatened to reduce state funding

<sup>34</sup>Department of Transportation, "TEA-21—Fact Sheet: Federal Matching Flexibility," 14 September 1998; <http://www.fhwa.dot.gov/tea21/factsheets/matching.htm>.

<sup>35</sup>*Ibid.*

<sup>36</sup>Dilger, "ISTEA," 67.

<sup>37</sup>Ota, "What the Highway Bill Does," 1894.

if mandatory motorcycle helmet and seatbelt laws were not enacted by the states.<sup>38</sup> At the urging of the IGR lobby, especially the National Conference of State Legislatures, TEA-21 uses incentives rather than sanctions to achieve national goals. For example, TEA-21 provides a total of \$1 billion in additional funds to states that institute tougher drunk-driving blood-alcohol levels and mandatory child-seat laws rather than penalizing states for non-compliance. On this count, the IGR lobby received a draw.

For states and MPOs, TEA-21 reduces the number of factors considered in the planning process from sixteen to seven. However, it also increases administrative burdens on state officials by requiring them to be somewhat more diligent in consulting on planning decisions with local officials from non-metropolitan areas. Although Congress does not prescribe any particular method by which this process should be performed, the states must document this consultation process, and DOT is required to evaluate the effectiveness of the state processes.<sup>39</sup> In general, the position of localities was slightly enhanced by this provision. NACo and the National Association of Development Officials (NADO) were especially active in lobbying for this change, and NARC also supported it.

This latter provision was one that divided the IGR lobby. State officials were not anxious to increase the role of local officials in the planning process, and while they recognized the need to work with local governments, state officials emphasized their concerns by calling for Congress and the administration to refrain from enacting "measures or implement(ing) regulations or guidance that distort statewide priorities or preempt state authority."<sup>40</sup> One of the objections of local officials to proposed block grants was that state officials would ignore local concerns. Many officials wanted the new law to maintain the clout that local governments had been granted under ISTEA.<sup>41</sup> Local officials took the unusual position of supporting federal mandates, especially those that continued to require states to include local input in planning, so as to enhance their influence at the expense of the states.<sup>42</sup> TEA-21 surpasses this demand by requiring both metropolitan and non-metropolitan officials to be included in the planning process. Ultimate authority, however, continues to rest with state agencies.

<sup>38</sup>Dilger, "ISTEA," 75.

<sup>39</sup>The resulting study was prepared in two phases, but AASHTO directly lobbied FHWA to block any assessment of individual states' effectiveness by DOT or its contractor. See National Academy of Public Administration, *Rural Transportation Consultation Process: Panel Report* (May 2000); and National Academy of Public Administration, "State-by-State Summaries of the Processes Used and Local Views on Them," *Rural Transportation Consultation Process: Supplement* (April 2001).

<sup>40</sup>National Governors' Association, "EDC-13. Implementation of the Transportation Equity Act for the 21st Century (TEA 21)," 22 January 2002; [http://www.nga.org/nga/legislativeUpdate/1,1169,C\\_POLICY\\_POSITION%508,00.html](http://www.nga.org/nga/legislativeUpdate/1,1169,C_POLICY_POSITION%508,00.html).

<sup>41</sup>David Hosansky, "Supporters Rev Up Funding Bill, Despite Fiscal Roadblocks," *Congressional Quarterly Weekly Reports* 54 (14 December 1996): 3395.

<sup>42</sup>Robert Jay Dilger, "TEA-21: Transportation Policy, Pork Barrel Politics and American Federalism," *Publius: The Journal of Federalism* 28 (Winter 1998): 57.

For local governments, especially MPOs, ISTEA altered the transportation planning process by providing them with greater political clout by ensuring that they would be given a place at the planning table. However, it produced few changes in results.<sup>43</sup> TEA-21 attempts to address these deficiencies by limiting the number of factors included in the planning process and by placing a greater burden on state officials to include local officials in the planning process. The law also enhances the position of MPOs in designating multiple MPOs in urbanized areas and in altering the boundaries in clean-air nonattainment areas. In both instances, MPOs and the governor must concur on any of these changes.

### CONCLUSION

TEA-21 allows for a thorough investigation of the state of intergovernmental lobbying in the 1990s. This study finds three important facets that can guide our understanding of lobbying within the American federal system. First, the intergovernmental lobby exists as a complex web of exchanges between formal organizations, ad hoc groups, and public and private groups, as well as informal personal relations between elected officials and lobbyists. The IGR lobby cannot be defined merely by the primary "Big Seven" state and local associations—representing municipalities, counties, governors, and state legislatures. Rather, it is a confluence of national, regional, and professional interests that span a large number of contacts. One aspect of this interaction that should be studied further is the ability of state and local government groups to ally with private groups to present a united front to Congress.

Second, TEA-21 reaffirms previous studies showing that when the IGR lobby can reach a consensus on the overall goals of a policy, despite differences on specific provisions, the IGR lobby can present a united front to Congress.<sup>44</sup> The IGR lobby and private groups were able to downplay disagreements over intermodalism, environmental provisions, and the locus of decision-making authority because everyone's financial needs were satisfied by the monetary size of TEA-21. The broad coalitions that formed to push reauthorization of ISTEA reinforced the efforts of policy entrepreneurs in Congress, such as Representative Bud Shuster and Senator Daniel Patrick Moynihan, in drafting and eventually securing passage of a new multimodal transportation bill.

Finally, TEA-21 provides an interesting case study in the devolution debate. Generally, the IGR lobby was supportive of the federal government maintaining its financial control over a national transportation program. Total devolution of transportation, although strongly proposed by one

<sup>43</sup>David T. Hartigan, "MPO Performance: Why, How, When? A Scene from the Rear-View Mirror," *Transportation Quarterly* 51 (Fall 1997): 28; Gage and McDowell, "ISTEA and the Role of MPOs in the New Transportation Environment," 136.

<sup>44</sup>Wilson, *Political Organizations*, pp. 277 - 278.

faction, did not gain support because states did not want to be placed in the position of having to raise their own taxes to support transportation funding, even though these taxes would essentially replace federal taxes. Local governments were afraid that states would not adequately fund public transit if the issue was devolved. Rather, the debates concerning federalism under TEA-21 were about the levels of autonomy that states and localities should have in making their own planning and funding allocation decisions and how power should be shared among the state and local governments.