

Commission Briefing Paper 8F-01

Models for an Independent Surface Transportation Governance Commission

Prepared by: Section 1909 Commission Staff
Date: August 10, 2007

Introduction

This paper is part of a series of briefing papers prepared for the National Surface Transportation Policy and Revenue Study Commission authorized in Section 1909 of SAFETEA-LU.

Section 1909(b)(3)(B) of SAFETEA-LU requires the National Surface Transportation Policy and Revenue Study Commission to “develop a conceptual plan, with alternative approaches, to ensure that the surface transportation system will continue to serve the needs of the United States, including specific recommendations regarding design and operational standards, Federal policies, and legislative changes.” The Commissioners have noted during their meetings that there are several features contained in various independent, non-partisan bodies that might offer alternatives to traditional executive and legislative branch authorities. Some aspects of these traditional bodies are seen by some as barriers to effective and efficient infrastructure programs.

The charge to the Commission staff being addressed in this paper is to research potential roles of an independent body and identify from potential models those features that might be advanced under a Surface Transportation Governance Commission (STGC) proposal to address the Federal interest in surface transportation. The evaluation is based on the possible ability of such an entity to:

- Facilitate adoption of appropriate user fee levels by the Congress and implementation by the Executive (i.e., rate setting in support of a Federal contribution to financing);
- Develop and set standards to ensure fairness and consistency in defining spending needs as a means to discourage earmarks that undermine systematic investment toward national goals;
- Develop an integrated plan upon which the above spending needs and financing rates would be allocated across the country; and
- Monitor the level and effectiveness of investments.

Staff Comments

Commission staff believe that the Commission should be able to answer the following key questions related to an independent body Federal role:

- **Does the role of an independent Commission offer advantages that outweigh its political and institutional challenges?**

- **Can the authorities and structure of such a Commission be designed to offer advice (in the form of plans and/or revenue changes) that would effectively operate in a political climate?**
- **Would the authorities vested in a National or Federal Commission undermine the qualities derived from a system rooted in more State and local decision-making and accountability? Or would it compensate for the failure of such decision-making to address national needs?**
- **Does such a Commission offer sufficient benefits to compensate for the potential costs and duplication in staffing that would be necessary to ensure independence and competency?**

Research Findings

Overcoming Barriers to Adjustments to User Fees

Over the history of surface transportation in the United States, the Congress has set taxes and other fees to comprise the Federal contribution to public infrastructure. The fuel tax, adjusted periodically by acts of Congress, has been the principal means of funding the Federal interest in surface transportation for almost a century. Similarly, Congress has debated to a greater or lesser degree approaches such as indexing tax rates to inflation, imposing an *ad valorem* sales tax, and other measures to raise revenues. However, Congress has taken no action to adjust current highway user taxes or fees since 1993 (although some Federal fees have been redirected to the Highway Trust Fund). One could attribute this to many reasons including the basic political inclination to avoid raising taxes, or a belief that current taxes are not invested efficiently under the current system of programs.

Could an independent commission such as STGC be able to adjust fees for inflation or higher investment needs more readily than is possible through the current political process? The features of an independent body to accomplish this goal might include:

- **Fast Track Authority**—revenue adjustment recommendations by the commission automatically take effect unless Congress passes legislation disapproving them, perhaps subject to special “fast track” or expedited legislative procedures laying out the terms for House and Senate consideration, as is the case with Base Realignment and Closure Commission recommendations.
- **Rate Oversight**—review proposed public and private sector tolls and congestion fees to make sure fees are just and reasonable to the public, similar to the role of the Federal Energy Regulatory Commission.

Ability of the STGC Process to Withstand Political Pressure

The major feature of the STGC is that it could enable expeditious action in quantifying needs and adjusting taxes and fees to fund these needs, unencumbered by political resistance or special interest intervention. A critical question, however, is how effectively can any process involved in the funding of surface transportation infrastructure, which is critical to all aspects of the Nation’s economic welfare, remain free from political pressure.

The ability of the STGC to develop and set standards to ensure fairness and consistency in defining spending needs would discourage State and MPO planning processes from overstating investment needs in plans submitted to the STGC. Otherwise, there would be major incentives for States and MPOs to add questionable projects to transportation improvement programs or shape local performance standards to conform to local political preferences, particularly if Federal funding would be provided to fund these projects.

The STGC itself would be unable to earmark funds. Risks of over- or under-estimating surface transportation investment needs would remain, however, at the level of the STGC commissioners—who might reflect political biases of their political affiliations—and in the role of Congress through authorization and appropriation language affecting the STGC.

Finally, due to the political nature of surface transportation and infrastructure, STGC recommendations could be subject to strong Congressional opposition. In the worst case, Congress, being unable to modify the recommendation, could vote down the recommendation. Particular care would need to be taken in the specification of the STGC legislation to be sure that a down vote on the STGC recommendation would not paralyze surface transportation funding and planning already in place. More information about political pressure, as it affects current independent commissions associated with energy, the postal service, and military base closures, is provided below.

Rate Setting

In a system of National User Fees, linked to planning as described below, an independent body might either recommend or set rates to the levels necessary to fund the Federal share of the plans' cost. The appropriate Federal share would either be subject to the STGC's discretion (and included in the recommendation to Congress) or would be specified by Congress in the legislation creating the STGC. User fees would be deposited into the Federal trust fund and allocated for the express purpose of construction (and possibly maintenance and operation) of such a Federal interest system.

Criteria: Either the STGC would establish criteria to set rates or it would be directed by Congress as to what criteria to use to establish rates. For example, such rates could be set on a cost recovery basis to cover public expenditures for construction and/or maintenance of infrastructure conforming to performance objectives; or on a congestion price basis to maximize performance for some part or all of the system.

Mechanisms and issues affecting rate setting:

- Based on the transportation improvement plans addressed below, an STGC could analyze alternative rate schedules that would finance initial construction by public entities, or also include preservation and/or maintenance consistent with sound asset management.
- States and MPOs could be required to report periodically on the success of completed projects in meeting planned performance objectives.

- States and MPOs that meet or exceed performance objectives could receive incentive funding.
- Those that fail to meet planned objectives could see reductions to funding allocations

Performance Standards

Performance standards and objectives would be an important component of the STGC approach to rate setting. Currently, most State and local transportation improvement plans are fiscally constrained and not performance based. Because the STGC would be able to recommend rates to meet investment needs identified in the improvement plans, the role of fiscal constraint in limiting existing plans would not be relevant, particularly if high Federal funding shares are assumed. Performance standards and objectives would assure that rates determined from such plans reflected real needs.

Standard setting—Set and enforce objective performance standards that States and MPOs must meet to receive Federal funds or incentives. These standards might include:

- Single national standards for all regions;
- Single national standards for all “national critical facilities” in all regions;
- National standards for all “national critical facilities” stratified by density or other criteria;
- State-selected performance standards (subject to STGC-specified criteria); and
- MPO-selected performance standards (subject to STGC-specified criteria).

The following mechanisms could be designed in whole or in part:

- The STGC, working with industry and other units of government, could set performance standards and objectives that all State and MPO projects and plans would meet as a condition of Federal grants; and
- States and MPOs could submit performance-based plans to the either the STGC or the U.S. DOT, which would verify that the plans conformed to these performance objectives.

NOTE:

- At this point in time, performance standards vary widely from agency to agency if they exist at all. Most current State and MPO Transportation Improvement Plans are not performance-based. The application of national performance-based measures to plans would be a major departure from existing planning procedures and would involve major new workloads for many planning bodies.
- Unless performance standards are uniformly required and defined at a national level and the efficacy of the performance standards in reducing congestion and improving safety are well understood, it would be very difficult to determine whether such plans were credible or comparable. A recommendation by the Commission to pilot such an effort could stimulate the ultimate efficacy of such an approach.
- Benefit-cost analysis, in which monetary values are applied to project performance outcomes and compared to project costs, could play an important role in comparing

and summing the needs identified in different State and MPO improvement plans, even when State and MPO performance standards are not standardized. Application of benefit-cost analysis by States and MPOs is very limited under current planning practices.

- In addition, States and MPOs rarely conduct follow-up analysis of completed projects to verify that improvement plans are actually accomplishing performance objectives.
- U.S. DOT, State, and MPO agencies would need to significantly increase staff to evaluate and plan transportation projects on a performance basis.

Development of an Integrated National Plan

One of two basic approaches could be followed if an STGC were to develop an integrated, national plan:

- Based on the performance standards and objectives set by the STGC, States and MPOs could submit spending plans (for some specified time horizon) to meet those targets. The STGC would receive plans in the following manner:
 - U.S. DOT would submit plans for projects of national significance, freight and trade corridors, interstate bottlenecks, and port access projects. Such discretionary authority to submit and/or execute plans on behalf of the Nation at large would be subject to political and budgetary pressures comparable to other discretionary approaches. Theoretically, however, such national-level projects would no longer be subject to lower State and local priorities (which can occur in the current planning process if a project's benefits accrue disproportionately to non-State or non-local users).
 - States and MPOs would submit conforming plans to the U.S. DOT for evaluation and verification. The U.S. DOT would then forward the plans to the STGC.
 - The STGC would set rates to the levels necessary to fund the Federal share of the plans' cost.
 - This approach is the simplest and would require the smallest STGC staff.
- Alternatively, the STGC could evaluate and establish its own benchmark plan and determine funding for the Federal features of the plan, with as much input from other levels of government as it felt necessary.
 - The STGC would estimate the costs of such a national plan and set a rate accordingly. In this case, the STGC might receive Federal, State, and MPO plans directly and evaluate them in-house.
 - Subsequently, funding could be allocated by the STGC to entities (Federal, State, local agencies) to accomplish such a plan.
 - Each reporting entity would be required to report periodically to the STGC on the success of completed projects in meeting performance objectives.
 - Variable matching share levels would be set; the Federal share for national-level projects could approach 100 percent.
 - Federal, State and MPO agencies that meet or exceed performance objectives would receive incentive funding. Those agencies that fail to meet planned objectives could see reductions to funding allocations.

The Feedback Loop: Monitor the Effectiveness of Implementation of the Plan

In setting performance standards and objectives, STGC would want to verify that all plans submitted to it conform to them, and periodically review actual performance of Federal, State, and local projects and plans to gauge the effectiveness of planning and funding levels. This would be particularly important if expectations for incentive funding for States and MPOs that meet or exceed performance objectives were designed into the program structure. Those that fail to meet planned objectives could see reductions to funding allocations. STGC could increase tax rates as needed to fund plans.

Relationship of the STGC to Other Institutions

The Federal role (shared by the STGC and other Federal entities) consistent with such an entity could include:

- Governing execution of the plan;
- Ensuring that national and international connectivity would be adequately addressed in the plan;
- Fostering safety, mobility, environmental, and other performance-oriented goals; and
- Contributing funding as an incentive for national goal attainment.

If the Section 1909 Commission were to recommend as a key feature of its conclusions the establishment of an STGC body, it would be critical to delineate the STGC's role and responsibilities and to clarify them and their relationship to other institutions, including the Congress and Executive Branch, U.S. DOT, State DOTs, MPOs, and the private sector.

Congress and the Executive Branch might be confronted with a major reduction in their control of current budget authority under each of the potential STGC roles described above. There is likely to be some resistance by current committees of Congress to the proposal because of this loss of control. Both of these branches of government would be interested in retaining some influence over the impact of surface transportation spending on the economy, in terms of economic development, economic stimulus, and exacerbating inflationary trends. Retaining some ability to direct funds to specific projects would also be of concern to some in Congress.

The STGC concept would be defined with the Congress and the Executive Branch retaining some measure of final approval authority over the funding level recommended by the STGC. This authority would take the form of either the limited ability to modify the level or specific components of the needs analysis conducted by the STGC; or through an up-or-down vote over the STGC's recommendation. Moreover, Congress could, in the legislation creating the STGC, specify many program parameters, including the level of matching shares, ceilings on rate increases, etc. It is also possible the Congress could legislatively direct earmarks to projects in a manner that would be binding on the STGC. Finally, Congress would certainly exercise oversight over the STGC process.

Several different relationships to the U.S. DOT are possible, depending on the responsibilities envisioned for STGC. In the case where plans are first evaluated by the U.S. DOT, the relationship between STGC and U.S. DOT would be complementary. The U.S. DOT would process and provide extensive data to STGC, although the responsibility for rate setting would be solely that of STGC. In the case where STGC assembles and evaluates Federal, State, and MPO plans on its own, the U.S. DOT role would be advisory only. In all roles, it is assumed that the U.S. DOT would continue to manage the direct allocation of funds approved by STGC to the States.

An area of major change would be in the relationship of the States and MPOs to the Federal Government. The use of performance-based planning will require a major culture change for these agencies and the addition of significant numbers of new staff. States have generally opposed the imposition of Federal performance standards on State processes.

The impact of the STGC on private sector parties should be minimal. The assumption by the private sector of the risk of funding, operating, and maintaining infrastructure would generally relieve the project from STGC oversight, except in so far as public funds augment the private capital source.

STGC Organization and Staffing

The size and complexity of the STGC could be quite extensive depending upon which of the above roles were adopted. The common practice is to organize the independent body as a panel of Commissioners (e.g., 5, 7 or 9) to avoid unwieldy decisionmaking but allow for balanced representation; they are usually appointed for limited terms by the Administration in consultation with Congress or with Congress also making appointments. The Commissioners would decide by majority and be supported by its own specialized and independent career staff and consultants.

If STGC relies heavily on the U.S. DOT to review State and MPO-generated plans, and recommends rate increases to fund these plans, the STGC staff could be kept relatively small; perhaps no more than 100 people necessary to coordinate final national plan assembly, conduct periodic public hearings, and determine appropriate funding levels. The modal breadth of the plans and recommendations would be important elements of that structure and support.

If it was necessary for the STGC to develop and set objective performance standards, evaluate State and local plans, and direct funds to projects based on merit, the need for technical support through independent staff or consultancy could expand significantly. As an example, the Federal Energy Regulatory Commission has an employee base of almost 1,300 people.

Impacts of the STGC process of State and MPO planning staffs is uncertain, but would surely lead to significant new demands upon them. Similarly, U.S. DOT staff would need to expand depending on its role in verifying State and MPO plans and in developing and recommending intercity projects.

Appendix:

Descriptions of Independent Commissions

Three independent commissions are reviewed in the following to identify their roles, functions, and operations. They include:

- Federal Energy Regulatory Commission (FERC);
- Postal Regulatory Commission (PRC); and
- Base Realignment and Closure Commission (BRAC).

Federal Energy Regulatory Commission (FERC)

The FERC is an independent agency within the U.S. Department of Energy. It began in 1920 as the Federal Power Commission (FPC), when it was created by Congress to regulate hydroelectric projects. Ten years later, the Federal Power Act of 1930 established a five-member bipartisan commission to run the FPC. The Commission was entrusted with the task of setting reasonable and just wholesale electricity prices. In 1977 Congress reorganized the FPC, renamed it the Federal Energy Regulatory Commission, and expanded the Commission's responsibilities. The most recent change to FERC came in 2005 with the Energy Policy Act, which increased the Commission's authority.

The Commission is comprised of up to five Commissioners who are appointed by the President with the consent of the Senate. The President designates one member to serve as both the Chair and administrative head of FERC. The Commissioners serve staggered five-year terms and all have an equal vote on regulatory matters. No more than three commissioners may belong to the same political party to help ensure impartiality.

FERC meets once every month except for August. The quorum for a meeting is 3 members. The Commission has the authority to meet and exercise its power in any place in the United States. The meetings are open to the public unless otherwise indicated. The secretary of the Commission announces the time, place, and subject of the meeting at least one week in advance. In an emergency situation, all functions may be delegated to the Commissioner or Commissioners who are available. A quorum is not necessary during emergency conditions.

FERC employs about 1,295 people, most in the Offices created under the Commission. These offices include the Office of Administrative Law Judges; the Office of the Executive Director; the Office of External Affairs; the Office of Administrative Litigation; the Office of the General Counsel; the Office of Enforcement; the Office of Energy Markets and Reliability; and the Office of Energy Projects. FERC is funded by the revenue recovered by fees and charges from the industries it regulates. In the FY 2006, its budget was \$220.4 million. Congress does appropriate money for the Commission, but FERC replaces the money as revenue is received, which results in a final fiscal year appropriations of \$0.

FERC regulates the interstate transmission of electricity, natural gas, and oil. The Commission's vision is "reliable, affordable energy through reliance on competition and effective regulation."¹ FERC is supposed to make sure that prices are just and reasonable in the wholesale electricity market. FERC is also responsible for developing, managing, and directing energy regulatory programs and activities assigned to it by statute, executive orders, or by the Secretary of the Department of Energy.

Decisions made by the Commission are not subject to the review of Congress or the President. The Commission and its employees are also not subject to the supervision or direction of any official at the Department of Energy. This helps to ensure that FERC remains fair and unbiased.

Though the Commission has been in place in its current format since the late 1970's there are still criticisms about the way that it is structured. Some are concerned that political ideology can lead policy because only a few people at the top make decisions and policies, and that there is little that elected leaders can do to influence the FERC's decisions even when these leaders believe the decisions are not in the public's best interest. In practice, the Commission is usually evenly split along political lines and the President decides the chairman of the commission; this means that the tie-breaking vote is usually from the president's party. It is also possible that a Commissioner or Chair may be chosen who has little training in the energy business or in economics. One critic noted that "the FERC has a history of being a legal-oriented regulatory agency, where the legal process matters much more than good policymaking."²

Many of these criticisms gained national attention in 2001 during the Western Energy Markets crisis. Numerous officials and public interest groups were highly critical of what they viewed as FERC's failure to intervene in a case of price manipulation by the some power providers that cost the public billions of dollars in higher energy fees. In response to this and other events, the Government Accountability Office undertook a review of the FERC, which it reported in Energy Markets: Concerted Actions Needed by FERC to Confront Challenges That Impede Effective Oversight (GAO-02-656 at <http://www.gao.gov/new.items/d02656.pdf>).

Applicability of FERC model to STGC: FERC, which is primarily intended to regulate markets consisting of competitive providers of energy, is probably not the most applicable model to follow with regard to the Federal fuel taxes. Fuel taxes are charged and collected by the Federal Government and then allocated to States via formula—in neither case is significant market competition involved, unlike the energy industry regulated by the FERC. A FERC-type review process within STGC could be considered for the evaluation of the reasonableness of congestion fees or tolls.

Postal Regulatory Commission (PRC)

The PRC is an independent regulatory agency established under the Executive branch of the United States Government. In 1970, after the Postmaster General proposed a reorganization of the Post Office Department, the Postal Reorganization Act was passed by Congress, which,

¹ "About FERC." FERC: Federal Energy Regulatory Commission. 26 Sep 2006. Federal Energy Regulatory Commission, 26 Jun 2007 <<http://www.ferc.gov/about/about.asp>>.

² Borenstein, Severin . "Themes: Is it FERC's Fault." Frontline. 2001. PBS. 26 Jun 2007 <<http://www.pbs.org/wgbh/pages/frontline/shows/blackout/themes/ferc.html>>.

among other things, created the Postal Rate Commission. The Commission was to recommend and issue advisory opinions to the United States Postal Service's (USPS) Board of Governors about the changes in postal rates or fees. In 2006 the Postal Accountability and Enhancement Act became the first legislation to reform the Postal system in over 30 years. The Act established the PRC to replace the Postal Rate Commission. The PRC, which still makes its recommendations to the Board of Governors, was given more authority than the previous Postal Rate Commission to ensure stronger oversight and greater latitude.

The Postal Accountability and Enhancement Act of 2006 rethinks the way the Postal Service prices its products by giving it the ability to change prices whenever it needs to do so. To protect businesses and mailers from sudden and dramatic price hikes, however, the Act requires that price increases for so-called "market-dominant products" (products such as first class mail that do not compete with the private sector) be kept below an inflation-based ceiling (as determined by the Consumer Price Index). The Act grants the U.S. Postal Service wide flexibility, however, to set rates for its competitive products (products such as parcel delivery that compete directly with those offered by the private sector).

The Act gives PRC power, as an expert regulatory body, to monitor the new rate system in future years and make whatever changes are necessary to meet postal customers' needs. For instance, it gives PRC tools, such as subpoena power, to ensure that the Postal Service is in compliance with the law, thus protecting the interests of the mailing public. The Act charges PRC with promulgating regulations to prohibit the subsidization of competitive products (e.g., express packages) by market-dominant products—thus protecting the private sector. The Act also creates an Inspector General of the PRC to monitor the regulator in the use of its expanded powers. Annually, PRC must evaluate whether the Postal Service has met its goals and also submit an annual report to the President and Congress regarding the operations of PRC.

The PRC is made up of five members, all of whom are appointed by the President, with the consent of the Senate. The quorum for any PRC meeting is three members. The Commissioners are subject to removal by the President for cause. The President also appoints the Chair of the PRC. The Chair decides the business of PRC and assigns work to the other Commissioners as well as presiding over PRC meetings. The Vice-Chair is decided by a majority vote and is elected for a one-year term. The offices under PRC include the Administrative Office; the Office of Rates, Analysis, and Planning; the Office of the General Counsel; and the Office to the Consumer Advocate.

The Commissioners serve staggered six year terms. Only three members may be from the same political party at any time. The Commissioners are supposed to be chosen "solely on the basis of technical qualifications, professional standing and demonstrated expertise in economics, accounting, law, or public administration."³ Commissioners also may not have any financial interest in any private enterprise engaged in the delivery of mail.

³ "The Postal Accountability and Enhancement Act." New Postal Law. 08 Dec 2006. United States Postal Service. 27 Jun 2007 <http://www.usps.com/postallaw/_pdf/Postal_Accountability_and_Enhancement_Act.pdf>.

The sums necessary to fund PRC are taken out of the Postal Service fund. The Postal Service Fund is appropriated to compensate the USPS for postage free mailing and other expenses not covered by incoming revenue. PRC is required to submit a budget report to Congress about PRC's expenses.

During the time that Congress was drafting the Postal Accountability and Enhancement Act (2006), which established PRC, the USPS Board of Governors sent a letter expressing some concerns about the Commission. The most important of these concerns was the belief that too much regulatory oversight was given to PRC. The Board of Governors said that the Postal Regulatory Commission would have "too many sweeping powers to oversee the day-to-day business affairs of the Postal Service."⁴ Some critics have also complained that PRC is too subject to the requests of large volume mailers.

Applicability of PRC to STGC: PRC is perhaps the most directly relevant model for the STGC, yet the PRC does not face the same data problems as would STGC. PRC regulates a single although very large entity, the U.S. Postal Service, which employs postal workers and operates facilities and has centralized data on its cost of operation. These data are standardized and readily available to PRC in its rate monitoring function, so PRC is in a strong position to determine whether the Postal Service's proposed rate increases are reasonable. Data on future funding needs for the national surface transportation system would come from hundreds of submitters. Even with Federally-specified performance standards, a significant amount of additional work would be required to verify plans for accuracy and comparability, implying a significant workload beyond that experienced by PRC.

On another note, PRC does not face the same range of political pressures that normally accompany agencies that make transportation infrastructure decisions. STGC rate decisions would have major impacts on transportation spending and, subsequently, land use and environmental impacts associated with larger transportation programs—leading to opposition by some public interest groups that may oppose these impacts.

Base Realignment and Closure Commission (BRAC)

The Congressional Research Service succinctly describes the BRAC process as follows:

"In response to concern about the government's inability to close unneeded military facilities, Congress in 1988, and again in 1990, enacted statutory provisions establishing a process intended to insulate base closings from the "political" considerations that are part of the regular lawmaking process. Under this process, the recommendations of a bipartisan Base Realignment and Closure (BRAC) Commission would be submitted to Congress, and automatically take effect unless Congress passed legislation disapproving them. To ensure that Congress could promptly act if it so chose, the statute created special "fast track" or expedited legislative procedures laying out the terms for House and Senate consideration of legislation striking down the BRAC Commission's report."

⁴ Davidson, Dan. "June 27th, 2007." *Federal Times*. 29 Sep 2005. Federal Times. 27 Jun 2007 <<http://www.federaltimes.com/index.php?S=1130137>>.

The BRAC Commission is convened periodically to review the needs of the Department of Defense and to recommend base closures where facilities are no longer needed. An appeal period is provided. However, once the final list is submitted to Congress it is considered on an up-or-down vote. No amendments are allowed.

BRAC consists of nine commissioners appointed by the President. In appointing members to the Commission, the BRAC law states that the President should first consult with top congressional leaders on six of the nine candidates, with 2 members each from the Speaker of the House and the Senate Majority Leader, and 1 each from the Minority Leaders of both bodies. In the 1995 BRAC Commission, staff consisted of 15 permanent members and 60 temporary staff drawn from the military services, Defense Logistics Agency, and other relevant agencies. Staff handles analysis, administration, press relations, and Congressional liaison. The commission reviews submission for closure made by the Department of Defense, conducts hearings, and makes base visits as part of its decision-making process.

Although the intention of the BRAC process is to alleviate political pressure, reports by participants in the process indicate that political pressure still occurs.

Applicability of BRAC to STGC: AASHTO has recently suggested the use of BRAC as a model for setting highway user fees as part of its Transportation: Invest in Our Future—Revenue Sources to Fund Transportation Needs report. The fast-track mechanisms of the BRAC are perhaps the best procedures for minimizing political intervention at the Federal level, but the BRAC Commission itself does not make funding decisions. Moreover, the number of discrete bases considered for closure by a BRAC Commission is relatively small compared to the volume of plans and projects that would need to be addressed on a periodic basis by the STGC.