



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 6a

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Memorandum

TO: Legislation Committee

DATE: May 6, 2011

FR: Executive Director

W. I. 1131

RE: FY 2011 Federal Appropriations

On April 15, the President signed H.R. 1473, providing appropriations for the remainder of FY 2011. In stark contrast to prior budgets, the bill contains no earmarks for transportation. While most of the federal transportation program was spared deep cuts, substantial reductions were made to the High Speed Rail program. The bill also rescinded \$630 million in earmarks from surface transportation acts adopted in 1998 and prior years. A draft list of Bay Area highway projects that were rescinded or are at risk, based on draft information provided by Caltrans, is included as Attachment A.

In summary, key transportation cuts in H.R. 1473 include:

- Zero funding for High Speed Rail in FY 2011 (vs. a \$1 billion request in the President's proposed FY 2011 budget and \$2.5 billion in FY 2010) and a reduction of \$400 million in funding that was appropriated in FY 2010.
- \$400 million reduction in New Starts funding relative to FY 2010 for a total of \$1.6 billion and a \$280 million rescission of FY 2010 funds due to the cancellation of the New Jersey tunnel project.
- An across-the-board reduction of 0.2 percent for all remaining transportation programs. While this is not a significant cut, it represents a substantial reduction relative to the four percent annual growth that was assumed for the Federal Transit Program and three percent for Federal Highways in our Transportation 2035 Plan.

A summary of the final funding nationwide levels by program is included as Attachment B.

Additional Competitive "TIGER" Grant Funds Approved for FY 2011

Considering the current political climate in Washington, D.C. it is noteworthy that the budget provides \$528 million for National Infrastructure Investments, commonly referred to as TIGER III, after the original \$1.5 billion Transportation Investment Generating Economic Recovery (TIGER) program that was included in the 2009 American Recovery & Reinvestment Act (ARRA). Funding for TIGER III was not included in the President's FY 2011 budget request, but was added by Congress. The first step in the grant process for these funds will be a formal release of the scoring criteria in the Federal Register. Based on language that was carried over from 2010, this is not likely to occur until June 2011, at the earliest. Once the criteria are released, MTC staff will consult with our local partners to develop a recommendation for Commission approval of a Bay Area strategy for the funds.


Steve Heminger