

MAP 21 – Modest Progress in Tough Times

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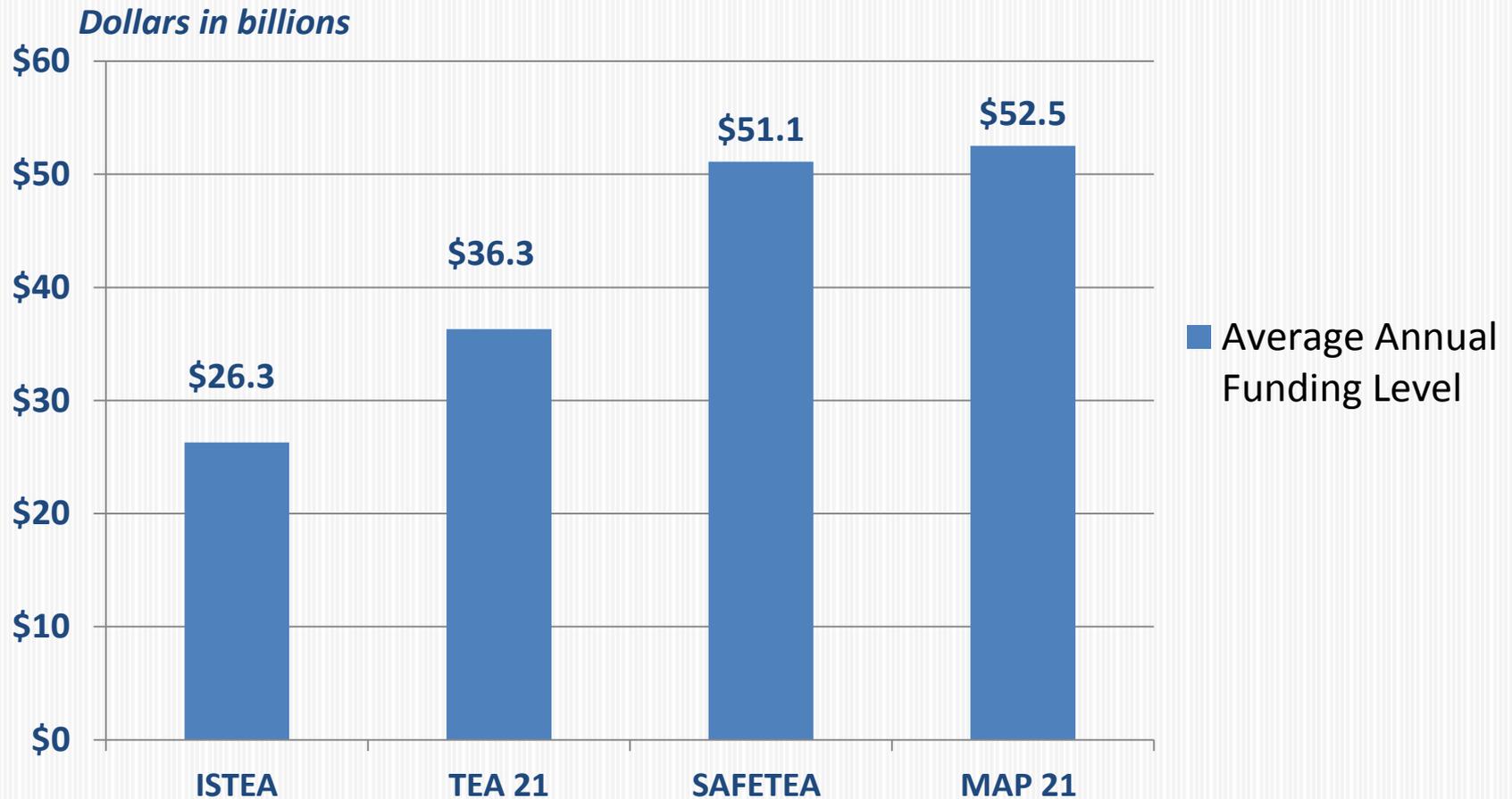


Presentation Overview

- Where's the Bump?
- Consolidation of Programs
- Elimination of Earmarks
- Cuts to Active Transportation Funds
- Performance Measures
- Project Delivery Streamlining
- Expansion of TIFIA loans & loan guarantees
- Loosening of Toll Restrictions
- Missed Opportunities



Where's the Bump?



A Break from History

- 37% increase from ISTEA to TEA 21
- 40% increase from TEA 21 to SAFETEA
- MAP 21 barely keeps pace with inflation:
 - \$105 billion for federal highway and transit programs through FY 2014.
 - Covers only 2 fiscal years, in comparison to 5-6 fiscal years in earlier authorizations



A Band-Aid Approach

- “The revenue title kicks the can down observed Senator Orrin Hatch (R-UT)
- The Wall Street Journal noted the bill r remarkable array of budget gimmick supposed to notice”



Fuzzy Math

- Relies upon \$21 billion in transfers from General Fund (\$19 billion) and Leaking Underground Storage Tank fund (\$2.4 billion) to keep the Highway Trust Fund solvent
- To offset budget impact, it counts 10-years of savings from “Pension Funding Stabilization” for a 2-year bill.

Highway Program Consolidation

- Consolidates about 60 highway programs into 6 core programs:
 - National Highway Performance Program
 - Highway Safety Improvement Program
 - Surface Transportation Program
 - Congestion Mitigation and Air Quality
 - Transportation Alternatives Program
 - Metropolitan Planning
- Eliminates formula factors for *all programs* so each state's share is based on its share of total highway funds in FY 2012.



Transit Program Consolidation

- **Merges Elderly & Disabled (5310) and New Freedom (5317) programs.**
 - 13% increase from \$226 million to \$258 million.
- **Eliminates Job Access & Reverse Commute (JARC), but JARC projects eligible for Urbanized Area Formula funds.**
 - 3% of FTA Section 5307 funding levels will be based on each region's share of low-income population.
- **Replaces Fixed Guideway Rail Modernization Program with a State of Good Repair Program.**
 - No change in Bay Area's share and underlying funding formulas are updated to reflect current needs.
- **Bus & Bus Facilities program cut by 50%, but turned into a formula program.**
 - Bay Area will receive a guaranteed 4% of total vs. sweepstakes in SAFETEA.



Restructuring of Core Highway Programs Under MAP-21

Former Formula Programs

- Interstate Maintenance
- National Highway System
- Highway Bridge Program
 - 15% For Off-System Bridges
- Equity Bonus
- Appalachian Highway Development System
- Border Infrastructure Program
- Surface Transportation Program (STP)
 - Transportation Enhancements (10% STP)
- Safe Routes to Schools
- Recreational Trails
- Congestion Mitigation and Air Quality
- Highway Safety Improvement Program
- TIFIA Loan Program

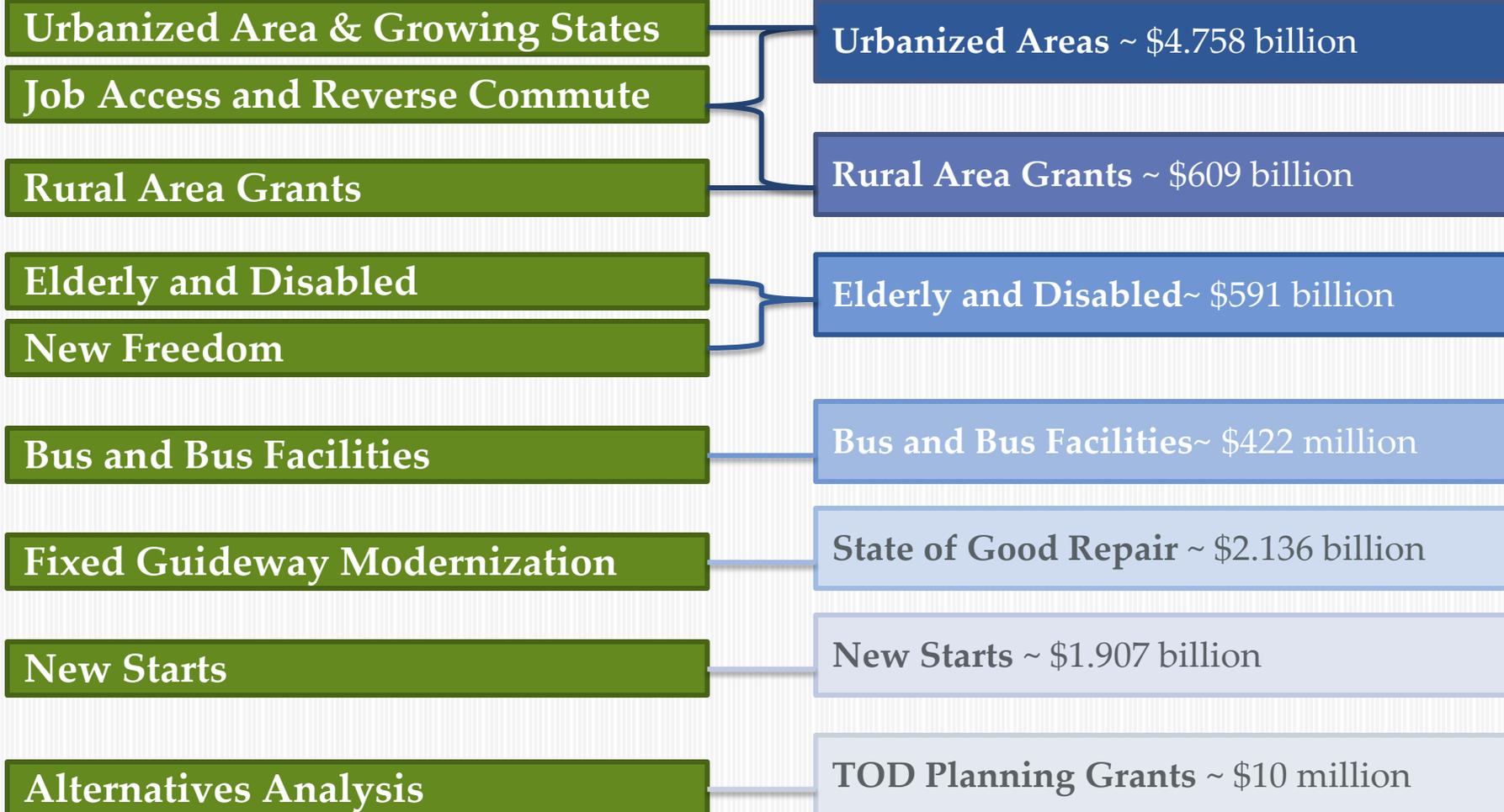
MAP-21 Core Program Structure

- National Highway Performance Program (NHPP – New)
 - ~ \$21.8 billion
- Surface Transportation Program
 - ~ \$10 billion
- Transportation Alternatives
 - ~ \$800 million
- Congestion Mitigation and Air Quality
 - ~ \$2.2 billion
- Highway Safety Improvement Program (STIP)
 - ~ \$2.4 billion
- TIFIA Loan Program
 - ~ \$1 billion

Restructuring of Core Transit Programs Under MAP-21

Former Formula Programs

MAP-21 Core Program Structure



Elimination of Earmarks

- MAP 21 contains no earmarks in comparison to 5,600 individual earmarks in SAFETEA, worth \$ 22 billion.
- As a result, far more funding is distributed by formula: 93% vs. 83% under SAFETEA
- Favorable for California and the Bay Area - we receive a larger share of funds from formula programs than discretionary programs.

Cuts to Active Transportation Funds

- The Transportation Enhancement (TE) Program replaced by the Transportation Alternatives (TA) Program, which broadens eligibility to include project mitigation
- Safe Routes to Schools program eliminated, but projects remain *eligible* in the new TA Program
- A 33% funding cut for “active transportation” funds
 - “A Major Step Backwards” – T4America
 - “Bad News for America” – Rails to Trails Conservancy

Performance Measures & Goals Added to Improve Outcomes...

New national goals established for

- Safety
- Infrastructure condition
- Congestion reduction
- System reliability
- Environmental sustainability
- Freight movement and economic vitality,
- Reduced delay of project delivery

But Rulemaking Process Will be Lengthy...

- DOT Secretary must establish performance measures and standards by April 1, 2014
 - 90-day public comment period
 - Within 1 year, each state must adopt performance targets
 - Within 180 days of state targets, regional agencies must adopt targets that conform “to greatest extent possible”
 - Progress reports required with each update to RTP (regional transportation plan) and TIP (transportation improvement program)
 - Within 4 years, states must report on their performance relative to their stated goals.
 - Within 5 years, DOT Secretary must report to Congress on the effectiveness of performance-based by each MPO.

... and Agencies Will Have Many New Report Requirements

Transportation Weekly

MAP-21 Deadlines For Action Organized By Bill Section and Modal Administration (DOT Sections of Law Only)

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Section	Who	Affected Mode	By when?	What
1405	SecDOT	FHWA	November 30, 2012	Modify 23 CFR 630.1108(a) to increase protective measures for highway workers.
1503	SecDOT	FHWA	October 1, 2014	Submit a report to Congress on project approval and oversight under 23 U.S.C. 106.
1512	All toll facilities	FHWA	October 1, 2016	Implement interoperable toll collection programs.
1517	SecDOT	FHWA	October 1, 2012	Conduct a survey of state DOTs on usage of private sector mapping services.
1521	Federal agencies	FHWA	October 1, 2013	Enter into a MOU on relocation assistance.
1525	SecDOT	FHWA	March 30, 2013	Modify 23 CFR 635.411 to ensure state autonomy in culvert material selection.
1528	ARC states	FHWA	October 1, 2013	Establish a plan for completion of ARC corridors.
1529	SecDOT	FHWA	December 30, 2012	Issue guidance to states that the MUTCD "should not be considered a substitute for engineering judgment."
1534	SecDOT	FHWA	April 1, 2014	Develop standard PPP model contracts.
1535	GAO	FHWA	February 28, 2013	Submit a report to Congress on HFF expenditures and activities in FY 2009-2011.
2002	SecDOT	FHWA	June 1, 2012	Submit first biannual report on TIFIA project financial performance.
2002	SecDOT	FHWA	December 31, 2012	Change their composition to comply with the revised 49 U.S.C. 5303(d).
2005	MPOs in TMA's	FTA	October 1, 2017	Submit a report to Congress on performance-based planning.
2005	SecDOT	FTA	October 1, 2017	Issue policy guidance on the new starts review and evaluation criteria.
2006	SecDOT	FTA	October 1, 2017	Issue revised new start evaluation and rating process rule under 49 U.S.C. 5309(g).
2008	SecDOT	FTA	March 30, 2013	Submit a report to Congress on possible performance measures for elderly/disabled grants.
2008	SecDOT	FTA	October 1, 2013	Issue rules to carry out new transit PPP procedures under 49 U.S.C. 5315.
2009	SecDOT	FTA	October 1, 2013	Submit a report to Congress on contracting out in the mass transit sector.
2009	SecDOT	FTA	October 1, 2013	Issue a final rule on how transit agencies can document private enterprise participation requirements.
2009	SecDOT	FTA	October 1, 2013	Submit a report to Congress on the progress of human resources and training programs.
2009	SecDOT	FTA	October 1, 2013	Enter into a DOT-DHS MOU on on respective roles in mass transit service during emergencies.
2009	SecDOT	FTA	October 1, 2013	Brief Congress on the DOT-DHS MOU on transit service during emergencies.
2009	SecDOT	FTA	October 1, 2013	Issue a final rule establishing performance measures under mass transit state of good repair standards.
2009	SecDOT	FTA	October 1, 2013	Issue a final rule implementing the transit asset management system.
2009	SecDOT	FTA	October 1, 2013	Issue a rule designating the small transit agencies receiving 5307 grants that get direct state safety oversight.
2009	SecDOT	FTA	October 1, 2013	Determine whether or not state transit oversight programs are adequate.
2009	SecDOT	FTA	October 1, 2013	Submit a report to Congress on the progress of transit safety trends and grant efficacy.
2009	SecDOT	FTA	October 1, 2013	Transmit to Congress a report on the safety of transit buses using highway routes.
2009	SecDOT	FTA	October 1, 2013	Transmit to Congress a report on anti-discrimination programs at FTA.
2009	SecDOT	FTA	October 1, 2013	States must have a data-driven enforcement program in their 402 highway safety programs.
2009	SecDOT	FTA	October 1, 2013	Submit the completed distracted driving study to Congress.

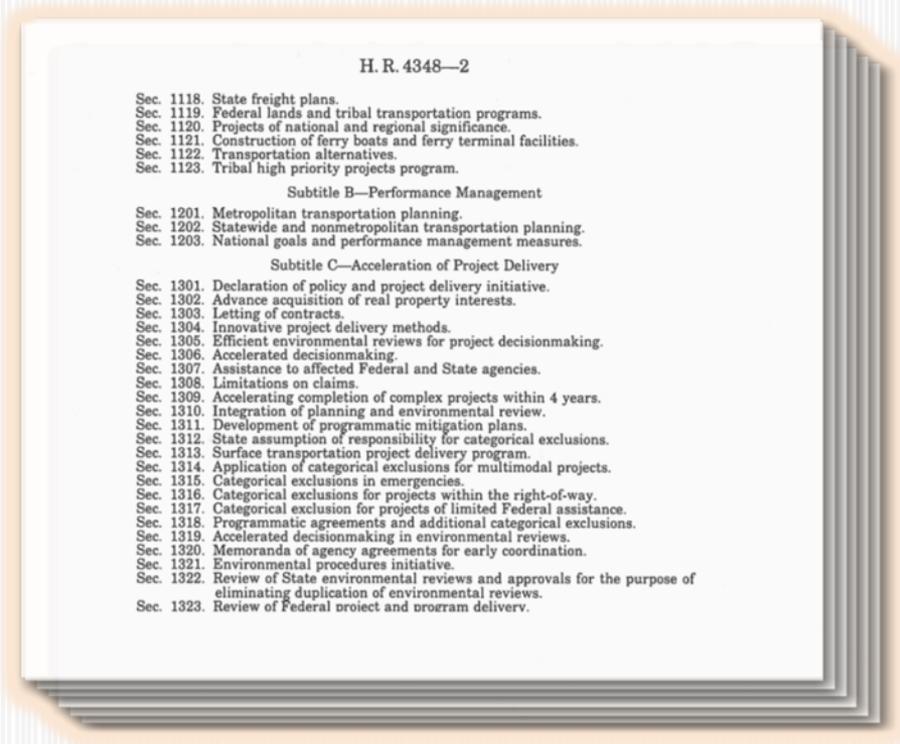
Unofficial - always consult text of enrolled bill.

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Project Delivery Streamlining

- New section focused on accelerating projects
- Exempts projects with less than \$5 million in federal funds or within the operational right of way from federal environmental review
- Permits acquisition of right-of-way before completing environmental review
- Allows project sponsor & agency to set deadlines and imposes financial penalties on agencies that miss them



Tolling Provisions Broadened

- Tolling broadly permitted on the federal interstate system as long as the number of toll-free lanes remains the same.
- Existing toll-free bridges or tunnels may be tolled after reconstruction or rehabilitation.
- Establishes penalties for failing to maintain adequate speeds in HOV lanes, thereby incentivizing conversion to HOT lanes.

Impact on S.F. Bay Area

Highway Program

- CMAQ funding reduced by 5% nationwide 
- STP program grows by 14% nationwide  but reduces metro share from 62.5% to 50% 
- Bottom line: Compared to our fund estimate, we anticipate about **\$32 million** less in STP/CMAQ than assumed for FY 2013 and FY 2014 combined 
- This loss may be mitigated at state level through legislation or by agreement with Caltrans

Impact on S.F. Bay Area

Transit Funding Levels Holds Steady

- A slight increase in transit formula funding over SAFETEA
- A new State of Good Repair program based on a system's age and service levels
 - Replaces Fixed Guideway/Rail Modernization
- Bus & Bus Facilities converted to a formula program
- The New Freedom combined with Elderly & Disabled Program
- The Job Access Reverse Commute (JARC) program, funded by Lifeline, is combined with other formula funds
 - 3 percent of funds apportioned based on low income population



Missed Opportunities

- **No solution to long-term funding crisis**
 - Bill keeps federal transportation funds flowing for 27 months by making \$19 billion in budget transfers
 - Highway Trust fund will run dry again in late 2014.
- **No metropolitan mobility program created**
 - Changes to STP formula reduce share distributed to metro areas.
- **No funding for a national freight program**
 - But law does establish national freight goals, requires DOT Secretary establish a National Freight Network and a National Freight Strategic Plan

