TTP220 Transportation Policy and Planning

ISTEA – A “Sea Change”

What was intended change?
What was actual change?

Why did it happen?
- Organized counterbalance to traditional highway lobby!
  - e.g. APA, AIA, 1000 Friends, bike and ped groups
  - key was STPP coalition
- Result…
  - Highways and transit treated more equally, wrt planning, matching $
  - Opportunity for “multimodal” or “intermodal” strategies
  - Better planning before money spent…

Key changes: More in a minute…
- Funding amounts, categories, flexibility
- Planning requirements

What difference did it make? “It’s like turning an ocean liner”
1. Change the process – slow because of implementation issues
2. Change the projects – slow because of projects in the “pipeline”…
3. Change travel patterns…
4. Improve environment, communities…

**“ISTEA was an opportunity” – change only if we take advantage of it

Funding

More control to MPOs
- Established TMAs vs. small MPOs
- Some funding directly to TMAs (see below)

Funding Categories:
- reflect federal priorities
- determine what kinds of projects

Old way : by facility - different classifications of highways (Interstate, FAP, FAS, FAU)

New way: by purpose - flexibility to spend across modes, spend on new kinds of projects

- Surface Transportation Program (STP) - $32.6 billion in SAFETEA-LU
  - Given directly to TMAs (i.e. large MPOs)
  - Fund eligible for non-highway: bike transit pedestrian
- If non-attainment – 100% of STP
- Otherwise – 75% of STP
  - Transportation Enhancements – 10% set aside
    - e.g. bike/ped safety education, scenic of historic highway programs, environmental mitigation, transportation museums, etc.

- Congestion Mitigation Air Quality (CMAQ) program - $8.6 billion
  - Given to states with non-attainment areas, directly to MPOs
  - Apportioned based on population and severity of AQ problem
  - Projects must…
    - contribute to AQ attainment
    - control VMT/capita
  - e.g. bicycle coordinator, traffic signal coordination

- Transit - $billion
  - Given to transit agencies
  - Capital grants (Section 3) – discretionary (40% “new starts,” 40% rail modernization, 20% bus)
    - $8.2 billion for 6 years for new starts, vs. 191 projects in TEA-21…
  - Formula grants (Section 9) – for capital or operations

- National Highway System (NHS) - $30.5 billion
  - Defined by 11/95 law – 160,000 miles
  - Single system with economic focus
  - Flexibility to spend NHS $ on transit, bike/peds – IF it improves NHS performance

- “High Priority Projects” or “demonstration projects” (or “earmarks” or “pork”)
  - 500 projects for $6.5 billion in ISTE A
  - 1850 projects for $9.4 billion in TEA-21
  - 6373 projects in SAFETEA-LU for $24.2 billion in SAFETEA-LU (see http://www.taxpayer.net/Transportation/safetealu/states.htm)

- Other highway
  - Interstate Maintenance - $25.2 billion in SAFETEA-LU
  - Bridge – repair and replace - $21.6 billion
  - “Other”
    - Appalachian Development Highway System (TEA-21?)
    - Federal Lands Highways Program
    - Recreational Trails Program (TEA-21?)

- Highway Safety -
- Misc. Programs – including University Transportation Centers program

First Reauthorization debate: “Devolution”:
- Donor vs. donee states
- Proposals to scrap the federal program and leave it up to the states (AASHTO)
- “Minimum guarantee” program
  - state guaranteed to get at least 90.5% of what it contributes to HTF
  - MG $ used to balance other highway $ to get to 90.5%
    - Each state gets at least $1M/yr
  - Divided among STP, IM, NHS, Bridge, CMAQ

Other new TEA-21 programs:
- Job Access and Reverse Commutes - $750 million
- Transportation & Community & System Preservation Pilot Program - $120 million for communities for demonstrations, research on T-LU issues
- Innovative financing – more later in quarter…

Concern over vulnerability to annual budget cycles (appropriations vs. authorizations):
- Creation of “firewall” - $198 vs. $218 billion, so $20 billion in “red zone”
- Transit “firewall” fixed, but highway “firewall” adjusted based on HTF receipts

Next Reauthorization debate:
- How much should we be spending on transportation? House bill started at $375 billion; proposal for 5 cent gas tax increase didn’t fly
- Continued concern over fairness – “Equity Bonus” instead of MG
  - Increases from 90.5% to 92%
  - No less than 117%-121% of average TEA-21 apportionments

Interesting new SAFETEA-LU programs:
- Safe Routes to School – $612 million
  - Administered by states
- Nonmotorized Transportation Pilot Program - $100 million
  - Four areas specified, including Marin County

Funding notes:
- Most programs by formula – population, road miles, etc.
  - But some discretionary
- Most of money goes to states – they decide how to divide
  - But some directly to MPOs, transit agencies
- Federal share is up to 80%; state or local share is 20%
  - But higher local shares when competing, e.g. for LRT
- Vulnerability to annual budget cycles – cuts
  - But TEA-21 set “firewall”

So… ISTEA era means
- More money
- More flexibility between highways and transit
- Broader range of projects eligible

*Monday*: Planning requirements
TRANSPORTATION AUTHORIZATION BILLS

<table>
<thead>
<tr>
<th>STURAA</th>
<th>ISTEA</th>
<th>TEA-21</th>
<th>SAFETEA-LU</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987 4 years</td>
<td>1991 5 years</td>
<td>1998 6 years</td>
<td>2005 6 years</td>
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<tr>
<td>Highways/year</td>
<td>$13-14B</td>
<td>$19.9B</td>
<td>$28.8B</td>
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<tr>
<td>Transit/year</td>
<td>$3.2-3.8B</td>
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<td>Total/year</td>
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<td>$25B</td>
<td>$35.6B</td>
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<tr>
<td>Total</td>
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<td>$151B</td>
<td>$218B</td>
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STURAA = Surface Transportation and Uniform Relocation Assistance Act
ISTEA = Intermodal Surface Transportation Efficiency Act
TEA-21 = Transportation Equity Act for the 21st Century
SAFETEA = Safe, Accountable, Flexible and Efficient Transportation Equity Act
TEA-LU = Transportation Equity Act: A Legacy for Users

TEA-21 vs. SAFETEA-LU AUTHORIZATIONS ($000)

<table>
<thead>
<tr>
<th>Title</th>
<th>Program</th>
<th>TEA-21</th>
<th>TEA-21</th>
<th>SAFETEA-LU</th>
<th>SAFETEA-LU</th>
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<tbody>
<tr>
<td>Title I</td>
<td>Interstate Maintenance</td>
<td>23,809,555</td>
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<td>25,201,595</td>
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<td>National Highway System</td>
<td>28,571,136</td>
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<td>Bridge Program</td>
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<td>21,607,441</td>
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<td>Surface Transpn Program</td>
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<td></td>
<td>CMAQ</td>
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<td>High Priority Projects</td>
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<td>MG/Bonus Equity</td>
<td>35,119,254</td>
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<td>Other Highway Programs</td>
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<td>Other Transit Programs</td>
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