Transportation Advisory Board
of the Metropolitan Council of the Twin Cities

ACTION TRANSMITTAL

No. 2011-56

DATE: August 10, 2011

TO: Transportation Advisory Board

FROM: Technical Advisory Committee

SUBJECT: Contingency Planning for Uncertainty of Future Federal Funds.

MOTION: That in the case where the reauthorization of SAFETEA-LU results in a significant reduction in the federal funding allocated through the regional solicitation process, the Transportation Advisory Board follows a process to:

1) fund all current obligations and direct the Funding & Programming Committee to adjust program years to balance the TIP by requesting that some 2013 and 2014 projects be delayed to later program years; and
2) delay the scoring process for the 2011 Regional Solicitation for a minimum of 60 days after the application due date on August 22 to allow time to understand the ramifications of the new transportation act.

BACKGROUND AND PURPOSE OF ACTION: In recognition of considerable uncertainty as to the nature and funding levels contained in any future federal transportation act, the TAB asked the TAC Funding & Programming Committee to discuss contingency planning for a scenario in which reauthorization of SAFETEA-LU provides the region with significantly less federal funding. The Funding & Programming Committee discussed these issues and was most concerned with making sure that any process followed by the TAB remains fair to all current project sponsors as well as all applicants to the 2011 Regional Solicitation. The committee agreed unanimously that all currently committed projects that are still eligible for federal funding remain in the program. In the case of significantly reduced funding, some projects programmed for 2013 and 2014 will have to move to later program years. In such situations, the TAB has typically asked the F&P Committee to first ask for volunteers to help balance the TIP. Any knowledge of the nature of the upcoming federal legislation on transportation funding is currently speculative but if the funding reduction is drastic, there may be little money left over to allocate in the 2011 Solicitation for 2015 and 2016. Therefore, the recommendation in this action is also to suspend work on the 2011 Regional Solicitation after receipt of all applications on August 22 for a minimum of 60 days to allow for the TAC and TAB to understand the ramifications of the new transportation act, which may be passed before the end of federal fiscal year 2011.

ROUTING

TO	ACTION REQUESTED	DATE COMPLETED
TAC Funding & Programming Committee	Review & Recommend	July 21, 2011
Technical Advisory Committee	Review & Recommend	August 3, 2011
TAB Programming Committee	Review & Recommend	
Transportation Advisory Board	Review & Adopt	
Metropolitan Council	Information	

390 Robert Street North St. Paul, Minnesota (651) 602-1728 Fax (651) 602-1739

Transportation Advisory Board

of the Metropolitan Council of the Twin Cities

TO: Transportation Advisory Board KJR

FROM: Kevin Roggenbuck, Transportation Coordinator

DATE: August 2, 2011

RE: Contingency planning for the new federal transportation funding Act.

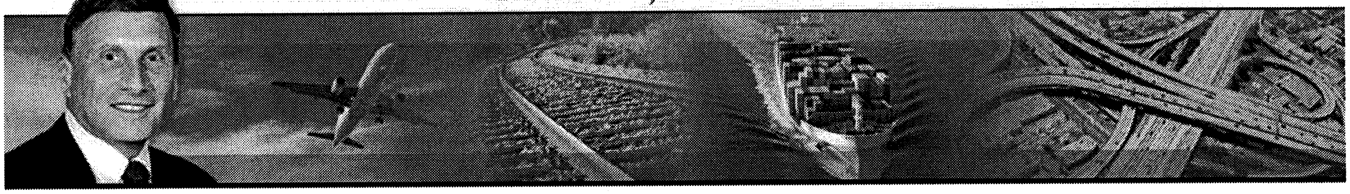
At its meeting on June 15, 2011, the TAB voted to refer the question of contingency planning for the new federal transportation funding Act to the TAC Funding & Programming Committee for discussion to explore potential answers to the scenarios that address reductions in funding. The committee did discuss the issue at their meeting on July 21, 2011 and forwarded two recommendations to the full Technical Advisory Committee (TAC). The TAC also recommends adoption of these recommendations to the TAB described in the motion.

Attached to this cover memo is a news release dated July 7 from Congressman John Mica, Chair of the House Transportation & Infrastructure Committee, describing his committee's proposal for reauthorization. A longer description of Rep. Mica's reauthorization proposal called "A New Direction" can be found on his website at: http://republicans.transportation.house.gov/Media/file/112th/Highways/Reauthorization_document.pdf

Also attached is a press release dated July 19 from Senator Barbara Boxer, Chair of the Senate Environment & Public Works Committee, announcing that her committee would pursue a two-year reauthorization and provided an outline of the committee's bill, Moving Ahead for Progress in the 21st Century, or MAP-21. Here is a link to the press release; a link to the MAP-21 bill outline is at the bottom of the press release: http://www.epw.senate.gov/public/index.cfm?FuseAction=Majority.PressReleases&ContentRecord_id=43ff8abd-802a-23ad-4f87-e7d37ed3d493

Finally, attached is a memo from TAB staff that summarizes the important points from both the House and Senate proposals, describes four potential funding scenarios from both proposals lists several policy questions raised by the possible funding scenarios. Also attached is a spreadsheet trying to put into numbers what we can assume or reasonably expect from the House and Senate bills and how that impacts the 2011 regional solicitation and the local projects in the TIP.

TRANSPORTATION AND INFRASTRUCTURE COMMITTEE
CHAIRMAN JOHN L. MICA



NEWS » PRESS RELEASES

TRANSPORTATION COMMITTEE LEADERS ROLL OUT REAUTHORIZATION PROPOSAL

July 7, 2011

Washington, DC – Transportation Committee leaders today rolled out a new six-year transportation reauthorization proposal that streamlines and reforms federal programs, expedites the project approval process, maximizes leveraging of limited resources, provides flexibility for states, and ensures long-term funding stability for job-creating transportation programs.

Committee Chairman John L. Mica (R-FL) and Committee leaders presented a framework for a six-year reauthorization of federal highway, transit and highway safety programs. The multi-modal initiative also incorporates significant policy reforms for rail and maritime transportation.

"Given U.S. House rules and budget constraints, this proposal maximizes the value of our available infrastructure funding through better leveraging, streamlining the project approval process, attracting private sector investment, and cutting the federal bureaucracy," Mica said. "Most importantly, this six-year proposal provides the stability states need to plan major transportation improvements and create long-term jobs.

"While some continue to advocate the same old tax-and-spend approach, I prefer a new direction," Mica continued. "More short-term extensions or a two-year bill are recipes for bankrupting the Highway Trust Fund. These options will cut the legs from under our states and hamper their ability to move forward with many needed, large-scale projects.

"This long-term plan is the only fiscally responsible proposal and will ensure the continued solvency of the Highway Trust Fund," Mica said.

Mica and Rep. Duncan today also invited Democrat Committee leaders who are asking for higher spending levels to appear with them before the Ways and Means Committee to discuss revenue issues.

"This is an important first step in implementing a six-year highway plan that will dramatically improve the efficiency and safety of the Nation's transportation system and stimulate the economy by creating thousands of long-term jobs," said Highways and Transit Subcommittee Chairman John J. Duncan, Jr. (R-TN). "The plan we are laying out today takes away the red tape and streamlines a process that has become entangled with bureaucracy. I am looking forward to advancing a bill through the full Congress.

"This proposal for a new direction in the transportation reauthorization bill is an important step in the right direction for our nation," said Railroads, Pipelines and Hazardous Materials Subcommittee Chairman Bill Shuster (R-PA). "This is a bold vision for a reauthorization that focuses on multiple modes, including rail and hazardous materials transportation as well as our highway system. We can do this with America's rail system at the same time we improve our highways."

"I applaud the Committee for recognizing the critical role the maritime industry plays in our nation's economy, global commerce and job creation. It is therefore appropriate to include a maritime title in this multi-year legislation for the first time," said Coast Guard & Maritime Transportation Subcommittee Chairman Frank LoBiondo (R-NJ). "It is our shared goal to improve coordination between agencies and streamline the bureaucratic process to increase efficiency of our marine transportation system."

"While the U.S. economy is fueled by maritime commerce and millions of Americans depend on jobs created by imports, exports, and the commercial shipping industry, government red tape has stifled the flow of commerce and our ability to effectively build and maintain our maritime infrastructure,' said Water Resources and Environment Subcommittee Chairman Bob Gibbs (R-OH). "Today's proposal cuts through the bureaucratic red tape, streamlines project delivery, eliminates double taxation on shippers, enhances our ports and waterways, and strengthens our economic foundation to help us to compete globally. These reforms are critical as we work to grow our economy and create jobs."

"As a freshman I came to Washington to help create jobs, spend responsibly and empower states; this bill would accomplish those goals," said Highways and Transit Subcommittee Vice-Chair Richard Hanna (R-NY). "One of the most important aspects of this proposal is that it provides predictability for states and public transit agencies to plan for multi-year projects. The Stimulus forced states to focus on short-term projects like pavement resurfacing and guard rail replacements. The long-term certainty provided by a long-term bill empowers states to take on major projects including bridge replacements, highway interchange improvements and investment in our nation's transit systems. These types of projects will provide jobs for years to come and have the potential to have a real impact on the unemployment rate in the construction industry."

The proposal authorizes approximately $230 billion over six years from the Highway Trust Fund for highway, transit, and highway safety programs. These funding levels match current revenue being deposited into the Highway Trust Fund and comply with House rules that do not permit authorization of more funds than those collected.

Congress will not support a gas tax increase, and this proposal does not raise taxes. Without an increase in revenue, other current options, such as a two-year bill, the Administrations' proposal, or extending expired law at the current funding levels, all lead to the Highway Trust Fund going broke by 2013.

The fiscally responsible Committee proposal better leverages our limited resources, reduces the federal bureaucracy, and expedites projects to ensure greater value per dollar.

Highlights of the proposal include:

Streamlining & Reform

- Streamlines the project delivery process by cutting bureaucratic red-tape, delegating more decision making authority to states, allowing federal agencies to review transportation projects concurrently, and setting hard deadlines for federal agencies to approve projects.
- Reforms the surface transportation programs by consolidating or eliminating approximately 70 programs that are duplicative or do not serve a federal purpose.
- No longer requires states to spend highway funding on non-highway activities, but permits them to fund those activities if they so choose.
- Provides states the flexibility to fund their highest project priorities, but holds them accountable for those decisions through performance measures.

Better Leveraging

- Provides additional funding for the TIFIA loan program to meet demand for low interest loans for transportation projects.
- Allows states to toll new lanes on the Interstate System, while ensuring that existing Interstate lanes remain toll-free.
- Encourages states to create and capitalize State Infrastructure Banks to provide loans for transportation projects at the state level.

Highways

- Distributes nearly all federal highway funding to state DOTs through formula programs designed to preserve existing highways, build new highway capacity, and address congestion, freight mobility, and highway safety.
- Focuses the federal highway program on the Interstate Highway System and the National Highway System – the highways that facilitate interstate travel and interstate commerce.

Transit

- Removes current barriers that prevent the private sector from offering public transportation services.
- Provides more of a focus on transit programs that benefit suburban and rural areas and will improve transit options for the elderly and disabled.

Highway and Motor Carrier Safety

- Prioritizes safety funding by holding highway and motor carrier safety programs harmless from any spending cuts in the bill.
- Ensures that federal regulators keep unsafe trucks and buses off the road while allowing companies that operate in a safe and responsible manner to continue to do so.

Rail Transportation

- Improves access to the underperforming Railroad Rehabilitation and Improvement Financing (RRIF) program.
- Expedites project review process and streamlines project delivery.

Maritime Transportation

- Ensures that Har bor Maintenance T rust Fund revenues are invested as intended in maintaining the nation's harbors, not tied up in a federa l budgetary shell game.
- Expedites Corps of Engineers permit processing to reduce project backlog.
- Encourages short-sea shipping by eliminating double tax ation on vessels transporting freight between domestic ports.

Hazardous Materials Transportation

- Achieves greater safety through regulatory certainty and uniformity.
- Reduces regulator y burdens that do not enhan ce safety.

Click here for a more detailed presentation of the r eauthoriztion proposal.

Click here for video of today's rollout.

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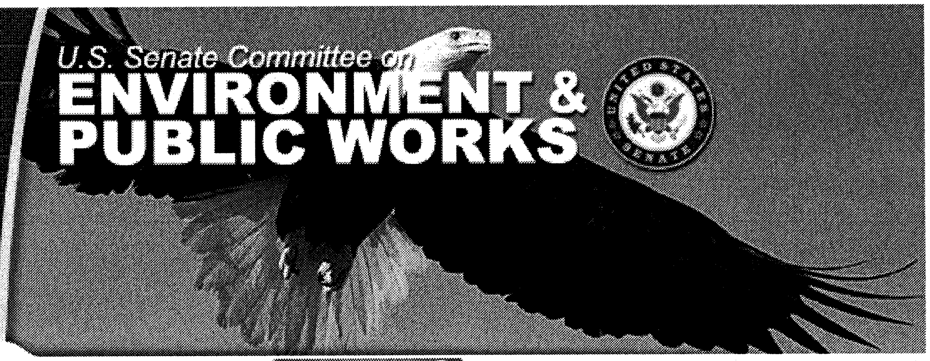
House Transportation and Infrastructure Committee
Contact Us or Sign Up for Updates

2165 Rayburn House Office Building
Washington, D.C. 20515
Phone: (202) 225-9446
Fax: (202) 225-6782



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Back to Home

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Senator Boxer and Senator Inhofe Release Bipartisan Transportation Reauthorization Bill Outline

MAP-21 will create jobs, accelerate economic recovery

July 19, 2011

Washington, DC - Today, Senator Barbara Boxer (D-CA), Chairman of the Environment and Public Works Committee (EPW), and Senator James Inhofe (R-OK), Ranking Member, released an outline for Moving Ahead for Progress in the 21st Century (MAP-21), a bipartisan proposal to reauthorize the nation's transportation programs for two years.

The proposal maintains funding at the current levels, includes significant reforms to make the nation's transportation programs more streamlined and efficient, and provides robust assistance for transportation projects under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program to leverage state, local and private-sector funding.

Senators Boxer said: **"We have worked together to develop MAP-21, which is a bipartisan proposal that modernizes and reforms our current transportation systems to help create jobs, jumpstart our economy, and build the foundation for long-term prosperity. This bill is an investment in America's future, because the nation's aging infrastructure has not kept up with needed improvements, and now our transportation systems are falling behind other countries. We will continue to work to move the transportation bill through the EPW Committee and the full Senate."**

Senator Inhofe said: **"Today I am pleased join Senator Boxer to announce that we have completed bipartisan negotiations on the highway policies that will be included in the next transportation bill. This is a tremendous step forward. Chairman Boxer has shown her willingness to work with us to produce a bill that should enjoy strong bipartisan support. Our next step is crucial: given the state of our economy, and the debate here in Congress, we must work with Chairman Baucus and Republicans on the Finance Committee to find a way to pay for this bill. I am confident that if we continue to work together as we have thus far, we can get the job done. Doing so is vital for jobs, the economy and our nation's infrastructure."**

The current surface transportation bill expires on September 30, and many groups, ranging from the U.S. Chamber of Commerce to the AFL-CIO, have called for immediate action to reauthorize the nation's transportation programs. The Senate's approach is a clear rejection of the 34 percent cut in funding proposed by the House, which would result in 630,000 jobs in highways and transit being lost in 2012.

Specific highlights from key areas of the proposal include:

Funding

MAP-21 authorizes Federal-aid highway programs for 2-years while maintaining current spending levels. The goal of the Committee remains attaining the optimum achievable authorization depending on the resources available and in a way that does not increase the deficit and can achieve bipartisan support. In addition, MAP-21 eliminates earmarks.

Core Programs

MAP-21 continues to provide the majority of Federal resources to the states through core programs using funding formulas. However, the core highway programs have been consolidated from seven in SAFETEA-LU to five, as follows:

• The National Highway Performance Program
o Consolidates the Interstate Maintenance program, the National Highway System program, and part of the Highway Bridge Program into a single program that focuses on the most critical 222,000 miles of roads in the nation.
o Provides states with increased flexibility in their use of funds if they adequately maintain the condition of their Interstate system and bridges.

• The Transportation Mobility Program
o Consolidates several existing programs to provide funds to states for projects on all Federal-aid highways and all bridges and tunnels.
o Provides for the sub-allocation of some funds to metropolitan areas and to other areas of the State based on population.

• National Freight Program
o Provides formula funds to states for projects to improve the movement of freight on highways, including freight intermodal connectors.

• Congestion Mitigation and Air Quality Improvement Program
o Provides funds to states for projects and programs in air quality nonattainment and maintenance areas for ozone, carbon monoxide, and particulate matter, which reduce transportation related emissions.
o Consolidates several existing programs to provide resources for additional transportation eligibilities.

• Highway Safety Improvement Program
o Provides funds to states for infrastructure improvements on all public roads to achieve a significant reduction in traffic fatalities and serious injuries.
o Improves data collection and analysis to allow states to more accurately focus funding on the most dangerous roads.

Consolidation

MAP-21 consolidates 87 programs under SAFETEA-LU to less than 30 programs. The activities for which dedicated funding has been removed have been consolidated into the very broad core programs, leaving states with the flexibility to fund these activities as they see fit.

America Fast Forward

MAP-21 builds upon the success of the TIFIA program to help communities leverage their transportation resources through federal credit assistance. The TIFIA program provides direct loans, loan guarantees, and lines of credit to large and nationally or regionally significant transportation projects with a revenue stream at terms that are more favorable than those available in the private sector and that will leverage private and other non-federal investment in transportation improvements. MAP-21 increases the funding for the TIFIA program from $122 million per year to $1 billion per year. Other modifications include: increasing the maximum share of project costs from 33 percent to 49 percent; allowing TIFIA loans to be used to support a program of projects, and allowing upfront commitments of future TIFIA program dollars through the use of master credit agreements. In addition, MAP-21 sets aside $100 million per year for projects in smaller cities and rural areas under lower interest rates. The Federal Highway Administration has stated that historically every Federal dollar spent through the TIFIA program can mobilize up to $30 in transportation investments.

Performance

MAP-21 focuses the highway program on key outcomes, such as reducing fatalities, improving bridges, fixing roads, and reducing congestion, in order to ensure that taxpayers are receiving the most for their money. States will set their own targets for improving safety, road and bridge condition, congestion, and freight movement.

Accelerated Project Delivery

MAP-21 includes several provisions designed to reduce project delivery time and costs while protecting the environment. Examples of improvements include: expanding the use of innovative contracting methods; creating dispute resolution procedures; allowing for early right-of-way acquisitions; reducing bureaucratic hurdles for projects with no significant environmental impact; encouraging early coordination between relevant agencies to avoid delays later in the review process; and providing incentives for accelerating project delivery decisions within specified deadlines.

Planning

MAP-21 improves the Statewide and metropolitan planning processes to incorporate a more comprehensive performance-based approach to decision making. Utilizing performance targets will assist states and metropolitan areas in targeting limited resources on projects that will most improve the condition and performance of highways and bridges.

Other Programs

• Federal Lands and Tribal Transportation Programs
o Provides funding for highway projects on Federal lands, tribal reservations, and roads that provide access to Federal lands.
o Agencies receiving funding include the National Park Service, the Forest Service, the Bureau of Indian Affairs, the Bureau of Land Management, the Army Corps of Engineers, and the Fish and Wildlife Service.

• Research and Education
o Funds research and development, technology deployment, and training and education activities to further innovation in highway and bridge construction and preservation.
o Streamlines existing research programs to focus funding on key national research areas.

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MAP-21 Bipartisan Transportation Reauthorization Bill Outline
71811MAP21PrinciplesDocument20110719doc.pdf | 24.1 KBs

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07/12/11
Boxer Statement: Oversight Hearing on EPA's Implementation of the Safe Drinking Water Act's Unregulated Drinking Water Contaminants Program

07/12/11
GAO Report Finds No New Drinking Water Contaminants Have Been Regulated in Over a Decade, Despite Environmental Risks

07/13/11 Senator Boxer's Statement on NRC's 90-day Review

07/13/11 EPW Committee Approves Water and Wildlife Legislation

07/15/11 Senators Boxer and Johnson Urge Immediate Action on a Strong Transportation Bill

07/21/11 Boxer Joins Landrieu, Shelby for Bipartisan Introduction of Bill to Restore Gulf Coast

07/26/11
Senator Boxer and Rep. Costa Introduce Bills to Name New Federal Courthouse in Bakersfield After Local Judge

07/29/11 Boxer Statement on New Emissions and Fuel Efficiency Standards

Majority Office
410 Dirksen Senate Office Bldg.Washington, DC 20510-6175
phone: 202-224-8832

Minority Office
456 Dirksen Senate Office Bldg.Washington, DC 20510-6175
phone: 202-224-6176

Transportation Advisory Board
of the Metropolitan Council of the Twin Cities

TO: Transportation Advisory Board

FROM: Kevin Roggenbuck, Transportation Coordinator

DATE: July 28, 2011

RE: Contingency planning for the new federal transportation funding Act.

Background

Reauthorization of SAFETEA-LU will come from bills written by two committees; the House Transportation &Infrastructure Committee chaired by Rep. John Mica (R-FLA) and the Senate Environment & Public Works Committee chaired by Sen. Barbara Boxer (D-CA). The purpose of this memo is to foster discussion of the likely impacts of reauthorization on the 2011 regional solicitation and regionally selected projects already programmed in the TIP and STIP, and to prepare the region to better respond once the bills are introduced and when the new Act is signed into law.

House Transportation & Infrastructure Committee

Rep. Mica issued a 17-page executive summary of the bill on July 7 that his committee will introduce for reauthorization of SAFETEA.

The House proposal includes consolidation of federal highway funding programs into just a few – perhaps 5 to 10 – while maintaining flexibility to fund the projects we have traditionally funded through the regional solicitation. Rep. Mica's summary of the Federal Highway Program (p.10) says, "States will maintain the opportunity to fund the broad range of eligible projects under the current Surface Transportation and Congestion Mitigation and Air Quality programs…." Quite likely that under the House proposal, Transportation Enhancements will no longer be a separate program with 10% funding from the STP, but rather just an eligible project category among many others.

The House proposal would focus on the National Highway System, about 160,000 miles of road that includes the Interstate Highway System. More than half of the funding would be provided for improvements on the NHS. Currently, the NHS program accounts for about 22% of MnDOT Metro District's federal funding target of $169 million. If Interstate Maintenance (IM) funding is included, the total percentage is about 40%. Although there are dozens of different federal highway funding programs, these four programs, the National Highway System, Interstate Maintenance Program, Surface Transportation Program and the Bridge Replacement and Rehabilitation programs, account for about 70% of the total funding in the federal highway program.

Total funding for the Highway Trust Fund under SAFETEA-LU was $286 billion over five years, or about $57.2 billion per year. In reauthorization, Mica proposes to match expenditures with gas tax revenues. His proposal would fund surface transportation at $230 billion over six years, or about $38.3 billion per year. This is about 33% less than SAFETEA-LU.

Senate Environment & Public Works Committee

Sen. Boxer issued a press release on July 19 announcing that the Senate E&PW Committee reached a bipartisan agreement to prepare a two-year bill called "Moving Ahead for Progress in the 21st Century", or MAP-21.

The Senate proposal includes consolidation of 87 programs under SAFETEA-LU into less than 30 programs, including consolidation of the current seven core programs into five. The Congestion Mitigation Air Quality Program (CMAQ) would remain a core program while the Surface Transportation Program and the Transportation Enhancements Program would likely be combined with other programs into the Transportation Mobility Program. The Senate proposal states that metropolitan areas will receive a sub-allocation of some of the funds in this program, but does not go into detail.

The Senate proposal also speaks of providing flexibility to states in choosing highway improvement projects and further states that funding will be available for projects on all federal-aid highways and all bridges and tunnels. It appears the Senate proposal is more inclusive of roadways outside the National Highway System, such as minor arterials traditionally funded through the regional solicitation. The Senate proposal also briefly said MAP-21 would focus on project performance. Statewide and metropolitan area planning would include a more performance-based approach to project programming, and states would set their own performance measure targets. MAP-21 will also include provisions designed to accelerate project delivery.

The Senate proposal would reauthorize federal funding for only two years at current levels while eliminating earmarks. While this is good news for projects currently programmed in 2012 and 2013, this does not address projects programmed in 2014 or projects that would be programmed in 2015 and 2016 in the 2011 regional solicitation. Sen. Boxer's press release states that, "The goal of the Committee remains attaining the optimum achievable authorization depending on the resources available and in a way that does not increase the deficit and can achieve bipartisan support." It is unclear whether this can be done solely through the elimination of earmarks.

The Administration

In February, President Obama outlined his goals for reauthorization, including the consolidation of many highway programs and almost doubling the amount of federal funds provided in SAFETEA-LU in a six year Act. The highway program would receive approximately $333 billion over six years, compared to $199 billion over five years in SAFETEA-LU. The President has publicly stated that he does not support an increase in the federal gasoline tax. At this time, it is unclear how much influence the President will have on the two bills.

Funding scenarios.
It is difficult to include dollar amounts in the scenarios because the House proposal lacks specifics about how much of the funding would be directed to the highway programs in our target formula, and we do not have a long-term Senate proposal to compare. The President's proposal calls for total funding of about $550 billion over six years, or expenditure of $231 billion more than is expected to come in as revenue. The new Act will fund highway, transit and rail projects, and perhaps others such as ports and commercial waterways. The House and Senate bill outlines do not define how the total funding will be divided among these modes. Assuming the new Act will have about the same proportional split between the modes as SAFETEA-LU and does not include earmarks, the reduction in formula funds under the House proposal could be less than estimated.

Below are four possible funding scenarios based on what we know today:

1. On its face, the House T&I Committee proposal would reduce highway funding by about 33% annually from 2012-2017. Assuming that projects in the regional solicitation are still eligible; one possible scenario could be simply a 33% reduction in funding for STP-UG, CMAQ and TE eligible projects in the 2012-2015 TIP and in the 2011 regional solicitation. Staff has prepared a spreadsheet showing that this level of funding over six years will cover the amount of federal funding already committed to projects through previous solicitations but leave very little for the 2011 solicitation.

2. Rep. Mica also states that under the House proposal, more than half of the funding in the federal highway program would be directed to funding projects on the National Highway System, about 160,000 miles of road that includes the Interstate Highway System. Currently, the NHS program accounts for about 22% of the Metro District's federal funding target of $169 million. If Interstate Maintenance (IM) funding is included, the total percentage is about 40%. If the percentage of federal funds under the NHS was increased, proportionately, the percentage available for STP-UG, CMAQ and TE eligible projects could decrease. In another possible scenario, the amount of funds available for regional solicitation projects could be reduced by as much as 50%.

3. President Obama supports a six year transportation bill that significantly increases the amount of federal funds for highways and transit, plus provides funding for a National infrastructure Bank and High Speed Intercity Passenger Rail. The Administration's proposal does not include additional revenue sources to fully support the increased spending levels. If the Administration's proposal is approved by Congress, the amount of funds in the regional solicitation process is almost certain to increase. If this should happen, the TAB can proceed with the 2011 regional solicitation.

4. Sen. Boxer recently announced that the Senate E&PW Committee will prepare a two-year bill covering 2012 and 2013 at current funding levels without any earmarks. This proposal maintains current funding levels for projects already in these two years of the TIP and STIP, but does not identify the funding levels for projects programmed in 2014 or projects that would be selected through the 2011 regional solicitation for program years 2015 and 2016. The Senate proposal offers us no insight into programming levels in the 2011 regional solicitation.

Assumption

Assuming a version close to Rep. Mica's bill is signed into law and the projects selected by the TAB are still eligible, when it comes time to figure out how much funding the region has for projects already in the TIP and STIP and for the 2011 solicitation, projects already programmed should be funded first. The region should cover its obligation to projects that have already gone through a solicitation process, been awarded funds and programmed in the TIP.

Policy questions

1. After accounting for projects already in the TIP, there may not be much funding left for the 2011 regional solicitation. Is there a threshold where the region says it is not worth awarding funds in this solicitation or must we respect the time and expense of soliciting for projects and award as much as we can?

2. What if the new Act does not provide enough federal funds to the region to cover all the regionally-selected projects already in program years 2012-2014 of the TIP and STIP?

3. Sen. Boxer prefers a two year reauthorization for program years 2012 and 2013 only. Assuming a two-year bill is signed into law, should the TAB award funds in this solicitation or suspend it until future funding is known?

4. Under a two-year reauthorization that does not include 2015 and 2016, or a six year reauthorization that provides no federal funding for 2015 and 2016, should the region go through the solicitation process and develop ranked lists of projects that cannot be funded?

Reauthorization: Very Preliminary Rough Estimate obligation level/funding allocation amounts assuming STP-UG, CMAQ and TE eligibility is unchanged.

2011 REGIONAL SOLICITATION FUNDING BASED ON SAFETEA-LU ($286 billion over 5 years)

Percent share of total funds in all three programs	Program	SAFETEA Apportionment reduced to 85% obligation level	Annual obligation amount	Adjustments from dropped projects *	CMAQ reduction for TDM program	Total federal funds for 2011 Solicitation (2 yrs)
0.566599281	STP-UG	$50.45 m. x 85%	$42,882,500	$1,355,899		$87,120,899
0.328504043	CMAQ	$29.25 m. x 85%	$24,862,500	$786,126	$7,000,000	$43,511,126
0.104896676	Enhancements	$9.34 m. x 85%	$7,939,000	$251,023		$16,129,023
			$75,684,000	$2,393,047		$146,761,047

2011 REGIONAL SOLICITATION FUNDING BASED ON HOUSE TRANSPORTATION & INFRASTRUCTURE COMMITTEE ($230 billion over 6 years; 33% reduction)

Percent share of total funds in all three programs	Program	SAFETEA Apportionment reduced by 33% and 85% obligation level.	Annual solicitation obligation amount	Adjustments from dropped projects *	CMAQ reduction for TDM program	Total federal funds for 2011 Solicitation(2 yrs)
0.566599281	STP-UG	$50.45 m. x 67% x 85%	$28,731,275	$1,355,899		$58,818,449
0.328504043	CMAQ	$29.25 m. x 67% x 85%	$16,657,875	$786,126	$7,000,000	$27,101,876
0.104896676	Enhancements	$9.34 m. x 67% x 85%	$5,319,130	$251,023		$10,889,283
			$50,708,280	$2,393,047		$96,809,607

COMPARISON OF HOUSE TRANSPORTATION REAUTHORIZATION PROPOSAL TO REGIONAL SOLICITATION PROJECTS PROGRAMMED IN THE TIP

Program	Annual solicitation obligation amount	Total federal funds available for 2012-2014 TIP (3yrs) #	Total federal funds currently programmed in 2012-2014 TIP ♦	Surplus or deficit 2012-2014 TIP	Total federal funds for entire new Act 2012-2017	Surplus or deficit 2012-2017
STP-UG	$28,731,275	$87,549,724	$144,216,520	-$56,666,796	$172,387,650	$28,171,130
CMAQ	$16,657,875	$43,759,751	$105,666,157	-$61,906,406	$99,947,250	-$5,718,907
Enhancements	$5,319,130	$16,208,413	$33,358,213	-$17,149,800	$31,914,780	-$1,443,433
	$50,708,280	$147,517,887	$283,240,890	-$135,723,003	$304,249,680	$21,008,790

* Email from MnDOT Metro Program Management on June 3, 2011. Credit applied proportionately to three programs.

\# Three years obligating authority under the House Bill plus adjustments from dropped projects.

♦ Revised figures from the Draft Final TIP for Adoption; also includes $8M 169/494 AC payback and deferred local projects.

prepared by K.Roggenbuck July 21, 2011