Federal Surface Transportation Update

2019 AMPO Annual Conference
Baltimore, MD
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Issues Covered

• Senate EPW Highway Bill
• S. 2302, America’s Transportation Infrastructure Act
• FY20 Appropriations
• Outlook
America’s Infrastructure Act S.2302
(FAST Act expires September 30, 2020)

- Unanimously approved by Senate EPW Committee on July 29, 2019
- Reauthorizes highway provisions
- $287 billion in contract authority over five years from the highway account of the HTF
- 27% increase above the last year of the FAST Act
- Funds are apportioned using the same formulas as under the FAST Act
- Continues to provide each state with 95% of the dollars each state paid in the HA of the HTF
- The bill is not paid for – Senate Finance Committee is tasked with this job
- Estimated roughly $83 billion in new revenue to pay for the increase in ATIA.
- Add an estimated $26 billion for transit to match the proportionate share under FAST Act
- Senate Banking & Senate Commerce Committees have not approved their titles of the next Surface Transportation Bill
- Includes a repeal of the $7.6 billion rescission in the FAST Act
Status of the Highway Trust

• The Congressional Budget Office (CBO) estimates the HTF will not be able to meet obligations sometime during the summer of 2021
• CBO estimates the Highway Account of the HTF will need $57 in additional receipts (or bailouts) to remain solvent through 2025
• Mass Transit Account needs an estimated $22 billion
• General Fund bailouts support roughly 20% of HTF spending
• $140 billion over the past 11 years ($70b FAST Act)
• Gas tax increase seems to be off the table despite continued talk about increasing it
HTV v. General Funds
(General Funds Subject to Annual Appropriations)

$286,766,861,890.00
$7,047,500,000.00

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$293,814,361,890.00

ATIA
Total Authorizations

- 2% HTF Contract Authority
- 98% General Fund
Annual Funding Authorizations Under ATIA (Billions)
Status of the Highway Trust

- NHPP
- RR Crossing
- Fed Land/Tribal
- Congestion Relief
- Formula Carbon Reduction Incentive
- Reduce Truck Emissions at Ports
- Training & Education
- PILOTS
- STBGP
- Freight
- Terr/PR
- Charging/Refueling
- Carbon Reduction Performance
- Nat'l Significant Fed Lands and Tribal
- ITS
- FHWA Admin
- HSIP
- Metro PL
- NSFHP (INFRA)
- Formula Safety Incentive
- PROTECT Grants Formula
- Hwy R&D
- UTC
- FerryBoats & Terminal
- CMAQ
- TIFIA
- BRIGE PROG3,265,000,000
- Fatality Reduction Performance
- PROTECT Grants Comptitive
- Tech&Innovation Deployment
- BTS
FAST Act Programs Continued & New Programs (HTF and GF)
Surface Transportation Block Grant Program & TAP

Policy

• Suballocation of TAP -57.5% from 50%
• Suballocation of Non-TAP STBGP funds remains at 55%
• Broadens eligibility to private ferries; wildlife crossings; projects to enhance resiliency; rural barge landing, dock, and water-front infrastructure; replacement of low-water crossings (capped at no more than 5% of STBGP)
• States may allocate 100% of the TAP funds to counties and other transportation entities upon approval of the Secretary – including an equal amount of obligation limitation
• States may use up to 7% of its TAP funds to improve applicant’s access to funds – such as application assistance and technical assistance
• TAP projects may receive 100% federal if the states aggregate total non-federal share of TAP projects is not less than 20%
**Policy**

- Adds new eligibility to locks & dams connected to the Federal-Aid Hwy System; and projects on a marine highway corridor, connector, or crossing designated by the Sec. (No more than 10% if CMAQ can be obligated)

- Funds may be obligated for transit operating costs in areas currently eligible for such costs, systems where funds were obligated, eligible, expended in 2012, or State-supported Amtrak routes with cost-sharing agreements (an no current non-attainment areas)

- There is no time limit on operating assistance for the Amtrak routes, or transit systems in non-urbanized areas or urbanized areas under 200,000 in population

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**Annual CMAQ Funding Authorizations S. 2302**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$2.50</td>
</tr>
<tr>
<td>2021</td>
<td>$2.69</td>
</tr>
<tr>
<td>2022</td>
<td>$2.74</td>
</tr>
<tr>
<td>2023</td>
<td>$2.80</td>
</tr>
<tr>
<td>2024</td>
<td>$2.86</td>
</tr>
<tr>
<td>2025</td>
<td>$2.92</td>
</tr>
</tbody>
</table>
MPO Transportation Planning

**Policy (Sec. 1201)**

- When designating MPO officials/reps for the first time consider equitable and proportional representation of the population of the planning area
- More than one MPO may be designated in within “an urbanized area” rather than in the “existing planning area”
- Multiple MPOs designated in the same urbanized area shall ensure, to the maximum extent practicable, the consistency of any data used in the planning process, including information used in forecasting travel demand
- No requirement to jointly develop TIP or Plan
- MPOs may use social media and other web-based tools to encourage public participation and feedback in developing the plan

**Annual PL Funding under S. 2302**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$359</td>
</tr>
<tr>
<td>2021</td>
<td>$386</td>
</tr>
<tr>
<td>2022</td>
<td>$394</td>
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<tr>
<td>2023</td>
<td>$402</td>
</tr>
<tr>
<td>2024</td>
<td>$410</td>
</tr>
<tr>
<td>2025</td>
<td>$419</td>
</tr>
</tbody>
</table>

2020 FAST Act
Planning Continued

• Directs the Secretary to amend regulations to ensure that outer years of plan are defined as “beyond the first 4 years”

• In the current regs the "outer years" of the long-range plan mean years beyond the first 10 years. The bill changes this instead to beyond 4 years, which gives more flexibility to MPOs in the application of fiscal constraint to years 4 through 10, but it doesn’t actually eliminate the requirement for fiscal constraint beyond 4 (or 10) years.

• Establish a pilot program to procure an accessibility data set and make the data available to program participants.

• Requires states and MPOs to use 2.5 percent of planning funds to carry out at least one defined activity to increase safe and accessible transportation options such as developing a complete streets prioritization plan.
Climate Change

- Competitive grants for Charging and Fueling Infrastructure
- Competitive Grant Program to study and fund projects to reduce idling and emissions at port facilities
- Grant program to encourage reduced carbon emissions
- $600 million/year formula grants
- 65% suballocated by population
- $100 million/year competitive grants
- $100 million/year performance grant program to award eligible entities for meeting performance categories to reduce carbon
- $30 million max award, $5 million minimum award, can be used for any activity under Title 23.
- $40 million/year discretionary Congestion Relief Program to reduce highway congestion in urbanized areas over 1 million in population.
Infrastructure Resilience

- Expands eligibility of highway programs (NHPP, STBGP) to improve resiliency of transportation infrastructure.

- PROTECT Grants

- Establishes a supplemental formula (states) and competitive grant program (states, MPOs) to help States improve the resiliency of transportation infrastructure. The bill provides $786 million and $200 million from the Highway Trust Fund for formula and competitive grants, respectively, for each of fiscal years 2021 through 2025.

- Competitive grants for – planning, resilience improvements, community resilience and evacuation routes, at-risk coastal infrastructure.

- Increases the federal cost share of protective features to 100% to give states a financial motive to prioritize such work.
FY 2020 Appropriations

- Not a single appropriation bill has been signed into law
- House has passed 10 of the 12 appropriations bills, including transportation
- Senate has passed 0 appropriations bills
- Federal government is currently funded under a Continuing Resolution until November 21, 2019
- Congress and the White House reached a budget agreement to increase FY20 spending for defense and non-defense – $44 billion above 2019 caps ($19.5b, $24.5b)
## Fiscal Year 2020 Appropriations

<table>
<thead>
<tr>
<th>Program</th>
<th>2019</th>
<th>President Request</th>
<th>HOUSE</th>
<th>SENATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUILD Grants</td>
<td>$900 million</td>
<td>$1 billion</td>
<td>$1 billion</td>
<td>$1 billion</td>
</tr>
<tr>
<td>INFRA Grants (added Gen Fund)</td>
<td>0</td>
<td>$1.035 billion*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>FAST Act Highway (OL)</td>
<td>$45.269 billion</td>
<td>$46.365 billion</td>
<td>$46.365 billion</td>
<td>$46.365 billion</td>
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<tr>
<td>Added GF Fed-Aid Hwy</td>
<td>$3.250 billion</td>
<td>$300 million</td>
<td>$1.750 billion</td>
<td>$2.700 billion</td>
</tr>
<tr>
<td>FAST Act FTA Formula</td>
<td>$9.939 billion</td>
<td>$10.150 billion</td>
<td>$10.150 billion</td>
<td>$10.150 billion</td>
</tr>
<tr>
<td>Added GF FTA Formula</td>
<td>$700 million</td>
<td>$500 million</td>
<td>$750 million</td>
<td>$560 million</td>
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<tr>
<td>FTA CIG</td>
<td>$2.553 billion</td>
<td>$1.505 billion</td>
<td>$2.302 billion</td>
<td>$1.978 billion</td>
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<tr>
<td>FRA Amtrak NEC</td>
<td>$650 million</td>
<td>$325 million</td>
<td>$700 million</td>
<td>$690 million</td>
</tr>
<tr>
<td>FRA Amtrak Nat’l Net</td>
<td>$1.292 billion</td>
<td>$611 million</td>
<td>$1.292 billion</td>
<td>$1.320 billion</td>
</tr>
</tbody>
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(*In addition to the $1B in the FAST Act from the HTF)
Outlook 2019/2020

- Transportation Appropriations may pass in the Senate the week of October 21
- Another CR is likely after Nov 21 for any remaining appropriation bills – funding the border wall may impede appropriations process
- House and Senate Commerce Committees have started to work on AV legislation
- FAST Act extension next year?
  - No agreement on new revenue for a bill in 2020?
- Enough money in the HTF until summer 2021?
- NDAA may carry the repeal of the $7.6 billion rescission
- House surface transportation reauthorization bill?
- Impeachment?
- Elections?