Moving Ahead for Progress in the 21st Century Act:
A MAP-21 Update

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Outline

- Highlights of MAP-21
- Key challenges/opportunities
- Progress on implementation
MAP-21 headline

• Provides 27 months of stable funding
  • Does not resolve long-term instability in Highway Trust Fund

• Transformative policy and program changes
  • First major overhaul of surface transportation legislation since ISTEA in 1991
27 months of stable funding

• Authorizes program through FY14
  • Current law through end of FY12
  • Most new provisions go into effect on October 1st

• Average annual funding at FY12 levels (plus minor inflation)
  • $41 billion for FHWA

• Ensures 2 years of HTF solvency; extends HTF taxes through 2016
Highlights of the new law

- Relative simplicity
  - No earmarks
  - Almost no discretionary programs
  - Significant program consolidation

- Increased emphasis on national issues
  - Increased investment on National System
  - Enhanced NHS
  - Freight provisions
  - Elimination of “niche” programs

- Focus on shortening project delivery
  - Builds from Every Day Counts (EDC)
  - Reduces project delivery times without sacrificing environment

- Establishes performance-based Federal program
## Program structure

<table>
<thead>
<tr>
<th>MAP-21</th>
<th>Current Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Highway Performance Program (NHPP)</td>
<td>NHS, IM, &amp; Bridge (portion)</td>
</tr>
<tr>
<td>Surface Transportation Program (STP)</td>
<td>STP &amp; Bridge (portion)</td>
</tr>
<tr>
<td>Congestion Mitigation &amp; Air Quality Improvement Program (CMAQ)</td>
<td>CMAQ</td>
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<tr>
<td>Highway Safety Improvement Program (HSIP)</td>
<td>HSIP (incl. High Risk Rural Roads)</td>
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<tr>
<td>Railway-Highway Grade Crossing (takedown from HSIP)</td>
<td>Railway Highway Grade Crossing</td>
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<tr>
<td>Metropolitan Planning</td>
<td>Metropolitan Planning</td>
</tr>
<tr>
<td>Transportation Alternatives (setaside from NHPP, STP, HSIP, CMAQ, and Metro Planning)</td>
<td>TE, Recreational Trails, and Safe Routes to School</td>
</tr>
</tbody>
</table>
A new approach to formulas

Authorize lump sum for all apportioned programs

Calculate total amount to apportion to each State

Divide State lump sum among programs
$37.7 billion/year in formula funding

National Highway Performance Program ($21.8)
Surface Transportation Program ($10.0)
HSIP ($2.2)
Railway-Highway Crossing ($0.2)
CMAQ ($2.2)
Transportation Alternatives ($0.8)
Metro Planning ($0.3)

Note: Amounts in $ billions; individual program amounts do not add exactly to total due to rounding
Federal Lands and Tribal Transportation

A new approach

- Federal Lands Transportation Program - $300M/year
  - New partners
  - Competition for some grant funding

- Federal Lands Access Program - $250M/year
  - Decisions by tri-party committee (FHWA, State, local rep)
  - New requirement for non-Federal match

- New formula under Tribal Transportation Program - $450M/year
Implementation challenges/opportunities
Significant changes to shorten project delivery

- New set of categorical exclusions (CEs)
  - Multi-modal projects
  - Emergency Relief (ER)
  - Projects Within Operational Right of Way
  - Limited Federal assistance

- Streamlining of review process
  - FEIS/ROD combined
  - Planning/NEPA
  - Programmatic mitigation

- New/improved delivery techniques
  - Construction manager/general contractor (CMGC)
  - Lump sum ROW purchase
Performance management

- MAP-21: identifies national goal areas
- USDOT: establish measures, with input, within 18 months
- States and MPOs:
  - State targets within 12 months of USDOT establishment of measures
  - MPO targets within 6 months of State establishment of targets
  - Incorporate measures and targets into planning process
- States report on progress toward targets
  - Report within 4 years of enactment; biennially thereafter
  - Insufficient progress toward NHPP/HSIP targets -> triggers corrective actions (not sanctions)
- MAP-21 thresholds
  - Pavement condition on Interstate
  - Bridge condition on NHS
Freight provisions

• DOT actions
  • National freight strategic plan
  • National freight network
  • Freight conditions & performance
  • Freight investment data & tools
  • Truck Size & Weight study

• DOT may increase Fed share (up to 95% on Interstate; 90% elsewhere) if…
  • DOT certifies project improves efficiency of freight movement; and
  • Project is identified in a State freight plan
TIFIA

- Lending capacity expanded – up to $17 billion in credit assistance over 2 years

- Notice of Funding Availability released July 27, 2012

- Program reforms
  - Letters of Interest / applications accepted throughout the year
  - Allows TIFIA participation for up to 49% of eligible project costs
  - Master credit agreement for programs of projects (secured by a common pledge) or phased single projects
  - Allows up to 10% to be set aside for rural projects; for these projects, increased eligibility and lower interest rates
The path forward
Where are we now?

- FHWA (and others) communicating overview info
- Some items already rolled out
  - Notice of funding availability for TIFIA
  - “Opt out” from Recreational Trails program
  - Establish Freight Policy Council
  - Section 1318 - Survey on the Use of Categorical Exclusions
- First wave of guidance coming soon
- 10/1: Majority of law goes into effect; FHWA will be ready
- Significant number of rulemakings/studies to follow
FHWA goal #1: communicate basic info

• MAP-21 website (www.fhwa.dot.gov/map21)
  • Bill summary and funding tables
  • Fact sheets and Q&As
  • Points of contact
  • Recordings of webinars

• Webinars
  • Round 1 (August): Overview of full bill
  • Round 2 (In progress): Specific programs/areas
  • Round 3 (Mid-September): Guidance
FHWA goal #2: prepare for 10/1

- Apportionment notices & financial systems ready
- Guidance for each apportioned program
- Q&A and/or guidance for policy provisions
  - Some straightforward
  - Some more challenging
  - Some require engagement and/or rulemaking
- We won’t have all the answers by 10/1
Appropriations process

- A 6-month Continuing Resolution (CR), if enacted, might extend the FY12 obligation limitation
  - This will have a minimal effect on formula programs but…
  - … could affect allocated programs with new funding levels

TIFIA in FY12:
- $114M in contract authority
- $108M in obligation limitation

TIFIA under a straight 6-month FY13 CR:
- $750M in contract authority
- $54M in obligation limitation

- FHWA notified Congress of potential issue and requested an anomaly to reflect MAP-21’s funding structure
Summary

- MAP-21
  - Stable funding
  - Transformative policies and programs

- Key Changes
  - Consolidation/simplification
  - Increased National focus
  - Expanded TIFIA
  - Streamlined project delivery
  - Emphasis on Freight
  - Initiates era of Performance Management
Summary

• Implementation
  • www.fhwa.dot.gov/map21
  • Stable funding
  • Transformative policies and programs
  • October 1
  • Rulemaking/Studies to follow
Questions?