



# Moving Ahead for Progress in the 21<sup>st</sup> 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 1<sup>st</sup>
- 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

MAP-21	Current Law
National Highway Performance Program (NHPP)	NHS, IM, & Bridge (portion)
Surface Transportation Program (STP)	STP & Bridge (portion)
Congestion Mitigation & Air Quality Improvement Program (CMAQ)	CMAQ
Highway Safety Improvement Program (HSIP)	HSIP (incl. High Risk Rural Roads)
Railway-Highway Grade Crossing <i>(takedown from HSIP)</i>	Railway Highway Grade Crossing
Metropolitan Planning	Metropolitan Planning
Transportation Alternatives <i>(set aside from NHPP, STP, HSIP, CMAQ, and Metro Planning)</i>	TE, Recreational Trails, and Safe Routes to School

# A new approach to formulas

Authorize lump sum for all apportioned programs

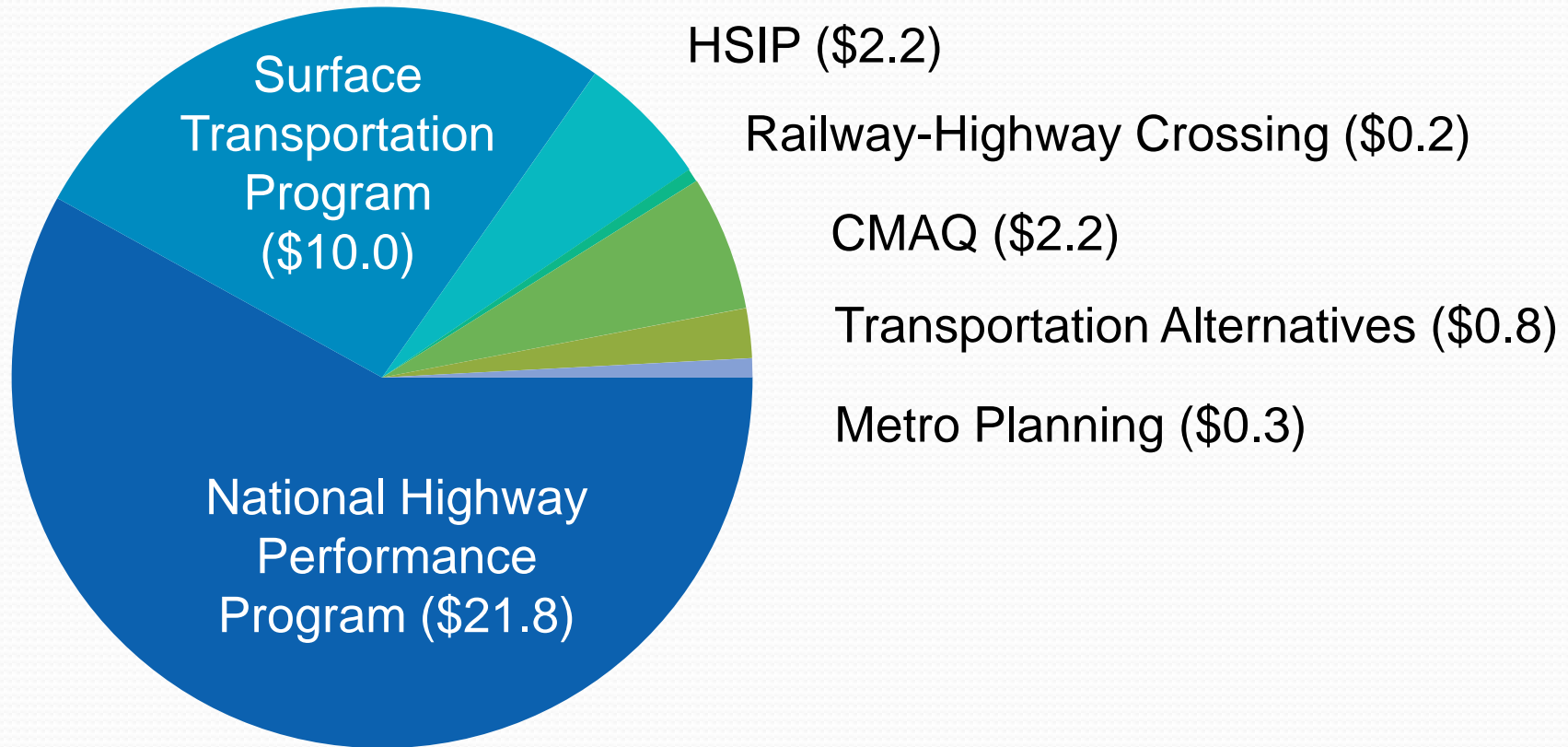


Calculate total amount to apportion to each State



Divide State lump sum among programs

# \$37.7 billion/year in formula funding



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](http://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](http://www.fhwa.dot.gov/map21)
  - Stable funding
  - Transformative policies and programs
  - October 1
  - Rulemaking/Studies to follow

Questions?