MAP-21 Implementation

October 1 Implementing Guidance
Implementation philosophy

MAP-21 “goes live” on **October 1st**.

- We have focused first on items needed to make that happen.
- Adhered closely to statute – some policy issues and interpretations are still under discussion.
- Items with timelines beyond Oct. 1 will be addressed in a timely manner.
What’s the plan?

- September 25 – Release of guidance for all major programs and implementing Qs & As for key provisions.
- For some provisions, interim guidance or placeholder.
- Scheduled webinars for stakeholders on implementation
- Make apportionments on October 1
- Hit the ground running!
Still to come…

Some of the exciting changes in MAP-21 are going to take more time to fully implement:

- Performance management and performance-based planning
- Freight
- Tolling
- Environmental streamlining
Where’s the money?

- FY 2013 apportionment notice will be issued October 1
  - Funds available in FMIS October 5
  - New program codes
- FY 2013 obligation limitation notice will be issued by October 5
  - Continuing resolution (CR) through March 27, 2013
  - CR rate based on FY12 enacted level
- Use of carryover balances
MAP-21’s new approach to formulas

1. Authorize lump sum for all apportioned programs
2. Calculate total amount to apportion to each State
3. Divide State lump sum among programs
Division of a State’s apportionment among programs

**CMAQ**
State’s lump sum multiplied by...

- State’s FY09 CMAQ
- State’s total FY09 apportionment

**Metro Planning**
State’s lump sum multiplied by...

- State’s FY09 Metro Planning
- State’s total FY09 apportionment

**Remainder**
(net of CMAQ, Metro Planning) divided among...

- NHPP (63.7%)
- STP (29.3%)
- HSIP (7.0%)

...and then set asides for **Rail-Highway Grade Crossings** and the **Transportation Alternatives** program
MAP-21 Programs
National Highway Performance Program (NHPP)

- New program funded at $21.8B -- combines functions of the existing NHS, IM and Bridge Programs

- Enhanced NHS will include existing NHS, all principal arterials, STRAHNET, and intermodal connectors
  - States offered the opportunity to “clean up”
  - Eliminates statutory mileage cap
  - For Congressionally Designated Future Interstate routes, allows the addition of a non-connecting Interstate segment, provided that segment will connect to the system within 25 years of enactment of MAP-21.
NHPP implementation

- Formal program guidance issued
- Future rulemakings on:
  - Asset management plans (in coordination with Performance Management rule)
  - State targets for conditions and performance
  - Minimum standards for Interstate & bridge conditions
- Expanded NHS effective October 1st
  - Division Offices notify States via memorandum
  - Maps will be posted online by October 1
Surface Transportation Program (STP)

- Continues program, funded at $10B
- Closely follows current STP, with expanded eligibilities
- 50% of funds to be suballocated based on population; remainder used in any area of State
- Off-system bridge set-aside
- Rural planning organizations, if any, must be consulted
STP implementation

- Formal program guidance issued
- Closely follows STP with some expanded/clarified eligibilities--
  - Recreational Trails
  - Safe Routes to School
  - Transportation Alternatives
  - New setaside for “off-system” bridges
Highway Safety Improvement Program (HSIP)

- Continues program with increased funding -- $2.4B
- Maintains current structure; adds requirement for regular update of the strategic highway safety plan
- Keeps set-aside ($220M/year) for rail-highway grade crossings
- No high risk rural roads set-aside unless safety statistics worsen
- Secretary to set measures and States to set targets for number and rate (per VMT) of injuries and fatalities
- Strengthens link between HSIP and NHTSA programs
HSIP implementation

- Guidance-changes to eligible activities
  - 10% flex for non-infrastructure projects
  - Certify that infrastructure safety needs are met
- Consistent with the Strategic Highway Safety Plan
- Identified through a data-driven process
- Contributes to a reduction in fatalities and serious injuries
  - Automated enforcement activities (other FA funds can be used)
- Retroreflectivity improvements regardless of inclusion in SHSP

- Special rules for high risk rural roads and for older drivers (by end of calendar year)
Congestion Mitigation & Air Quality Improvement Program

- Continues program, funded at $2.2B
- Performance plans required for large MPOs with a TMA population over 1 million, representing a nonattainment or maintenance area (to include air quality and congestion measures) (post October 1)
- States with PM 2.5 areas must use a portion of their funds to reduce PM 2.5 (as of October 1)
- Some expanded authority to use funds for transit operations (as of October 1)
- Explicit support for installation of facilities serving electric or natural gas-fueled vehicles (as of October 1)
- CMAQ outcomes assessment study required (post October 1)
CMAQ implementation

- Interim Guidance
- PM2.5 area calculation
- Performance plan requirements for larger MPOs (post October 1)
- Support for operating assistance may be expanded or changed, but under review with a final interpretation to come
Transportation Alternatives Program (TAP)

- New program eligibilities incorporating many current programs, funded at $814M, take effect October 1:
  - Most (but not all) former Transportation Enhancement-eligible activities
  - Recreational Trails Program
  - Safe Routes to Schools program
  - Planning, designing, or constructing roadways within the ROW of former Interstate or other divided highways

- Similar funding level to TEs under SAFETEA-LU
- TAP suballocation similar to STP (50% by population/50% any area of the State)
TAP Implementation

• Interim Guidance

• Recreational Trails Program (RTP) opt out – complete for FY 2013. [Two states opted out – FL, KS]

• Competitive process

• Eligible entities

• A team is considering additional best practices.
## Federal Lands & Tribal Transportation

<table>
<thead>
<tr>
<th>Program</th>
<th>Annual</th>
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<tbody>
<tr>
<td>Federal Lands Transportation Program</td>
<td>$300 million</td>
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<tr>
<td>(3 New Partners – USACE, FS, BLM)</td>
<td></td>
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<tr>
<td>Federal Lands Access Program</td>
<td>$250 million</td>
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<tr>
<td>(Replaces Forest Highway Program)</td>
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<tr>
<td>Tribal Transportation Program</td>
<td>$450 million</td>
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<tr>
<td>(New Formula)</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1.0 billion</strong></td>
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Federal Lands Transportation Program (FLTP) implementation issues

- Establishes competitive program with 3 new partners
- Manages planning and environmental mitigation caps
- Focus with new partners is for planning, NEPA, and project development in the first two quarters of FY13
- Devises a corporate approach for data collection for 5 FLMA’s
Federal Lands Access Program implementation issues

- Concern addressing ongoing Forest Highway projects

- Requirement for local match is new for Fed Lands – may influence project selection

- Program Decision Committee composed of local, state and FHWA representative
Implementation: TTP challenges

- New statutory formula
- New Tribal High Priority Program (THPP) appropriation now comes from the general fund
- 2% Safety Set-aside is new
TIFIA

• Lending capacity expanded – up to $17 billion in credit assistance over 2 years; expanded flexibilities

• Notice of Funding Availability (NOFA) released July 27, 2012 –Open for business now, and throughout the year

• Qs & As
Tolling/Pricing

- Two mainstream programs (Sections 129 and 166)
  - 1st choice for tolling
  - No toll agreements
  - Formal audit requirements (details to come later)

- Two pilot programs (VPPP, ISRRPP)
  - No change with MAP-21 (except, no new funds for VPPP)
  - Toll agreements required

- Interim guidance, Qs & As
Major Project Finance Plans

• Allows phasing (no longer need all the funds upfront)

• Requires consideration of P3 delivery model

• Interim guidance, Qs & As
Emergency Relief

• Effective October 1, 2012, MAP-21 applies to all events, including events for which applications have not yet been received
• Application, including list of projects and repair costs, must be submitted within two years of event
• Guidance for debris removal from Stafford Act disasters coordinated with FEMA
• Emergency Relief Manual will be updated to reflect changes
• Future rulemaking
Other programs

• **Projects of National and Regional Significance** – No action now; funds must be appropriated.

• **Ferry Boat program** – Now a formula program. Data verification underway; funds will be allocated sometime after October 1.

• **Appalachian Development Highway System** – No new “ADHS” funding, but eligible under STP and NHPP (principal arterials). New federal share of 100%. Within 1 year, States must submit plan for completion of the system.

• **Territorial and Puerto Rico Highway Program**—PR must dedicate amounts for NHS and safety projects.
Strategic Highway Research Program (SHRP 2)

SHRP2 is to be funded from SPR funds if 75% of States agree to a percentage of funds for this use

- 42 States agreed to dedicate 4% of SPR funds for SHRP2 implementation on an AASHTO ballot on September 14.
- States contribution would amount to approximately $29M each fiscal year.
- FHWA will invest $8-9M on SHPR2 implementation activities.
Other Program Elements
Transportation planning

• Metropolitan planning
  • MPOs to establish performance targets
  • Long range plan incorporates other performance plans
  • Optional scenario planning with plan development
  • MPO serving a TMA selects project in consultation with the State and public transit operator except those on NHS, which are selected by State with in cooperation with MPO.

• Statewide & nonmetropolitan planning
  • Transition to performance-based, outcome-driven planning process, with State setting performance targets
  • Long range plan includes report on conditions & performance of system relative to established performance measures
  • Long range plan incorporates other performance plans
Freight provisions

- MAP-21 establishes National Freight Policy, and requires DOT to do the following --
  - Establish national freight network – Federal Register Notice on planned process will be released after October 1
  - Develop a national freight strategic plan
  - Report on freight conditions and performance
  - Several other important, but not time critical provisions
- DOT must encourage States to establish freight advisory committees and develop State freight plans -- guidance planned for shortly after October 1.
- Freight projects identified in a State freight plan may qualify for increased Federal share (up to 95% on the Interstate System and 90% elsewhere) (guidance to be issued shortly after October 1)
Other provisions

- States may approve overweight permits for divisible loads during major Stafford Act disasters (Guidance by Oct. 1)

- Electric vehicle charging infrastructure in new or previously funded fringe and corridor parking facilities may be funded on otherwise eligible facilities (Q&A by Oct. 1)

- Revised bridge inspection rules (+ tunnel inspections)

- Uniform Relocation Act payment levels updated and may be updated in future through regulation
Other provisions (cont.)

- Secretary may delegate approval of Interstate [access] justification reports to State [later this calendar year]

- Higher threshold for value engineering requirements; not required off NHS, or for design-build – Q&A

- State may allow limited commercial activity in Interstate rest areas; commercial activities may be privately operated (Q&A guidance will be issued by October 1)

- Restrictions on glass beads used in pavement markings
Other provisions (cont.)

- Buy America
  - Any federal funds on contract cause application to entire project (as defined by NEPA document)
  - Will apply to all contracts awarded on or after Oct. 1.
  - No “penalty” if non-Federal contract for a project without Buy America provisions was awarded prior to October 1; future contracts on that project still eligible if they include Buy America provisions.
Project delivery
Accelerating project delivery

- Any State can assume responsibilities for categorical exclusions [effective October 1]
- Programmatic agreements for processing CEs allow States to determine CEs on FHWA’s behalf” [effective October 1]
- Use of construction manager/general contractor (CMGC) method of contracting [SEP-14 no longer needed as of October 1]
- Accelerated completion of complex projects (4 yr) when State requests technical assistance [effective October 1]
- Increased Federal share for some innovative techniques (by up to 5%, with limitations) [effective October 1]
Accelerating the environmental process

• Environmental review process streamlining
  • FEIS and ROD combined in certain conditions (case-by-case pending post October 1 guidance)
  • Allows for the use of planning products in the NEPA process (currently available)
  • Deadlines for issue resolution, with penalties for agencies (eff. Oct. 1)
  • Programmatic mitigation plans (eff. Oct. 1)
  • Reduced statute of limitations on claims (150 days, not 180) (eff. Oct. 1)

• Expanded authority for categorical exclusions (pending post-October 1 rulemaking)
  • Projects to repair roads damaged in declared emergency
  • Projects within existing operational right-of-way
  • Projects receiving limited Federal assistance
  • New CEs: a) consider results of survey of State DOTs, MPOs and other stakeholders and propose new CEs (survey ends October 8); b) move designated types of CEs from “d” list to “c” list.
What's ahead?
Next steps for implementation

- Post guidance on web site September 25th
- Stakeholder webinars
  - September 25 – State DOTs.
  - September 26 – All Stakeholders
  - September 27 – All Stakeholders
- Stakeholder engagement
- Resolution of remaining policy issues
  - Further guidance
  - Rulemaking
- Follow as it happens at http://www.fhwa.dot.gov/map21
Questions?