

SAFETEA-LU

Highway Fact Sheets  
As of August 10, 2005

## GUARANTEED FUNDING

Year	2005	2006	2007	2008	2009	Total
Guaranteed Available for Obligation						
<b>Highway Category:</b>						
Firewall	\$35,164M	\$37,221M	\$39,461M	\$40,824M	\$42,470M	\$195,892M
Exempt	\$739M	\$739M	\$739M	\$739M	\$739M	\$3,6954M
Total	\$35,903M	\$37,960M	\$40,199M	\$41,563M	\$43,209M	\$198,834M
<b>Mass Transit Category:</b>						
Firewall	\$7,646M	\$8,623M	\$8,975M	\$9,731M	\$10,338M	\$45,313M
Total	\$43,550M	\$46,583M	\$49,174M	\$51,294M	\$53,547M	\$244,148M

### **Purpose**

SAFETEA-LU extends the practice of establishing separate budget categories for highway and mass transit discretionary spending, establishing a budgetary “firewall” between each of those programs and all other discretionary programs.

### **Statutory References**

SAFETEA-LU Section(s): 8001-8005, 1102, 1105

Other: Sections 250-251 of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended; 23 USC 110

### **Features**

The highway category firewall includes the Federal-aid highway program obligation limitation and the contract authority for Highway Safety and Motor Carrier Safety in Titles II and IV of SAFETEA-LU. [8001, 250(c)(4)(B) of BBEDCA]

The mass transit category firewall includes both the programs funded from the Mass Transit Account of the Highway Trust Fund and those funded from the General Fund. [8001, 250(c)(4)(C) of BBEDCA)

If overall discretionary budget caps were in place (not so at the time of enactment of SAFETEA-LU), the highway and mass transit firewalls would protect the highway, highway safety, and transit programs that were within the firewalls from having to compete with other discretionary programs for room within those caps. Highway or transit program funding could still be reduced, but the reductions would not allow increases in other discretionary programs. This removes one of the principal motivations to restrict highway and transit spending in the budget /appropriations process.

Funding for the programs is also protected by the Rules of the House of Representatives which specify that, “It shall not be in order to consider a bill, joint resolution, amendment, or conference report that would cause obligation limitations to be below the level for any fiscal year set forth in section 8003 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, as adjusted, for the highway category or the mass transit category, as applicable.” [8004, House Rule XXI, clause 3].

The highway category firewall is established based on assumptions about future receipts to the Highway Account of the Highway Trust Fund. Beginning with FY 2007, when newer projections of receipts and actual receipts become available, the highway category firewall is adjusted accordingly. To smooth out the effects of any adjustments, the calculated adjustment will be split over two years. When the firewall is adjusted, equal adjustments are made to highway contract authority (called Revenue Aligned Budget Authority) and the Federal-aid highway obligation limitation. While the adjustment can be either positive or negative, no negative adjustment will be made in fiscal year if, as of October 1 of that year, the balance in the Highway Account is more than \$6 billion. [8002, 251(b)(1) of BBEDCA 1105(b), 1102(h)]

The guaranteed amount for highways has two components: the amount within the highway category budgetary firewall, adjusted as described above, and the authorizations for programs exempt from the obligation limitation—Emergency Relief and a portion (\$639 million per year) of the Equity Bonus. [8003(a) and 1102(b)]

The guaranteed amount for mass transit has a single component—the firewall amount. There is no provision for adjusting the mass transit category firewall.. [8003(b)]

#### **Revenue Aligned Budget Authority (RABA)**

Beginning in FY 2007, authorizations for Federal-aid highway and highway safety construction programs funded from the Highway Account of the Highway Trust Fund and the Motor Carrier Safety Assistance Program (MCSAP) will be adjusted whenever the highway firewall amount is adjusted to reflect changed estimates of Highway Account receipts. The additional authorizations are called RABA because they serve to align budget authority with the revised revenue. The adjustments to authorizations will be made in the same amounts and in the same years as the adjustments to the firewalls (see the Guaranteed Funding fact sheet). [1105, 23 USC 110]

If the adjustment is an increase, a portion of the increase in authorizations is reserved for the Federal-aid highway and highway safety construction programs allocated by the Secretary of Transportation—programs that are not apportioned by statutory formula—and to the Motor Carrier Safety Assistance Program. The amount reserved is determined by calculating the ratio of the authorizations for these programs to total authorizations from the Highway Account for Federal-aid highway and highway safety construction programs and MCSAP and applying this ratio to the additional authorizations. The resulting amount is divided among the various allocated programs in the same proportion that those programs receive authorizations exclusive of RABA. [1105, 23 USC 110(a)]

The remainder of the increased funding is distributed to the States proportional to their shares of Federal-aid highway and highway safety construction apportionments from the Highway Account. Each State's share is then divided proportionally among the following programs: Interstate Maintenance, National Highway System, Bridge Replacement and Rehabilitation, Surface Transportation Program, Highway Safety Improvement Program, and Congestion Mitigation and Air Quality Improvement. [1105, 23 USC 110(a)(2)]

A negative adjustment (reduction) is possible, but no reduction will be made in fiscal year if, as of October 1 of that year, the balance in the Highway Account is more than \$6 billion. When a reduction is made, it is applied proportionally to all Highway Account authorizations for Federal-aid highway and highway safety construction programs (except Emergency Relief) and to the MCSAP. [1105(b)]

*Special rule for RABA in 2007.*—If the RABA is positive for 2007, the first call on the additional funds will be to increase States' return on contributions to the Highway Account of the Highway Trust Fund to 92%. If any RABA remains after bringing the minimum rate of return up to 92% for all States, such funds would be distributed under the usual RABA procedures described above. If the amount of RABA is not sufficient to bring States up to a 92% return, all States with a return less than 92% (excluding RABA) are to receive a proportional share of the RABA. [1105(f)]

## FEDERAL-AID HIGHWAYS OBLIGATION LIMITATION

Year	2005	2006	2007	2008	2009
Limitation	\$34,422 M	\$36,032 M	\$38,244 M	\$39,585 M	\$41,200 M

### **Purpose**

A limitation is placed on Federal-aid highway and highway safety construction program obligations to act as a ceiling on the obligation of contract authority that can be made within a specified time period, usually a fiscal year, regardless of the year in which the funds are authorized. These limits are imposed in order to control the highway program spending in response to economic and budgetary conditions.

### **Statutory References**

SAFETEA-LU Section(s): 1102, 1105, 8002

Other: 23 USC 110(a)(2), 251b(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

### **Distribution of Limitation**

The majority of the limitation available for a single fiscal year and is distributed among the States based on each State's relative share of the total of apportioned funds subject to the limitation to all States for the fiscal year. [1102(c)(6)]

*Exempt Programs.*—Certain Federal-aid highway programs—Emergency Relief, a portion of the new Equity Bonus (\$639 million per year), demonstration projects authorized prior to TEA-21, and balances from a portion of the old Minimum Guarantee (\$639 million per year) and the old Minimum Allocation program—are exempt from the obligation limitation. [1102(b)]

*100% Programs.*—Prior to distribution, limitation is set aside for administrative expenses, the Highway Use Tax Evasion program, and the Bureau of Transportation Statistics at 100 percent of the funding available for these programs. Limitation is also set aside for the funds carried over from the prior year for allocated program [1102(c)(1)-(2)]

*Calculation of Ratio.*—After making the setasides for the 100% programs described above, the ratio is calculated of the remaining obligation limitation to the remaining contract authority subject to the limitation for which limitation has not yet been set aside.

*Special Limitation.*—Continues the practice of providing special “no year” limitation that is available until used for certain programs and expands the list of such programs. The Appalachian Development Highway System, the High Priority Projects program, Projects of National and Regional Significance, National Corridor Infrastructure Improvement program, Transportation Projects, and designated Bridge Projects (and in 2005, programs funded by section 117 of division H of the Consolidated Appropriations Act, 2005) receive limitation equal to the amount authorized for the program multiplied by the ratio. A portion of the Equity Bonus (\$2 billion per year) also receives special limitation. Special limitation is not subject to the August Redistribution described below. [1102(c)(4) & (g)]

*Allocated Programs.*—As in TEA-21, allocated programs for which limitation has not been set aside in earlier steps of the distribution each receive limitation equal to the amount authorized for the

program times the ratio. Contract authority in excess of the limitation provided is withdrawn (lopped off) from the program and combined with the amounts withdrawn from other allocated programs to be distributed to States by formula to be used like Surface Transportation Program funds. [1102(c)(5) & (f)]

*Formula Limitation.*—The remaining obligation limitation is distributed among the States based on each State's relative share of the total of apportioned funds subject to the limitation to all States for the fiscal year. [1102(c)(6)]

*August Redistribution.*—The law provides for a redistribution in August of each year of the obligation limitation from those States or programs unable to obligate their shares of the limitation to States or programs that are able to obligate more than their initial shares of the limitation.

#### Special Rules

*Research Programs.*—Obligation limitation for research programs authorized under section 5101(a) of SAFETEA-LU is available for 3 years.

*High Priority Projects.*—The treatment of obligation limitation for High Priority Projects is modified with obligation limitation assigned individually to High Priority Projects numbered 1-3676 and in aggregate to each State for projects numbered 3677-5173.

*Flexibility for FY 2005.*—For fiscal year 2005 only, obligation limitation set aside for the High Priority Projects program, Projects of National and Regional Significance, National Corridor Infrastructure Improvement program, and Transportation Projects may be used as formula limitation. Limitation so used is to be restored to its original purpose when the FY 2006 obligation limitation is distributed.

#### Adjustment of the Obligation Limitation

The special budgetary treatment accorded the highway program continues with funding levels based on estimated receipts to the Highway Account of the Highway Trust Fund. The levels will be adjusted as new receipt projections and actual receipts become available. Negative adjustments are possible, but will not be made in any year when, on October 1 of that year, the balance in the Highway Account of the Highway Trust Fund exceeds \$6 billion. [1102(h), 1105, 8002]

## EQUITY BONUS PROGRAM

Year	2005	2006	2007	2008	2009
Authorization*	\$7,428 M	\$6,873 M	\$8,327 M	\$9,175 M	\$9,093 M

\* Such sums as may be necessary are authorized. Amounts shown are estimates.

### **Program Purpose**

The Equity Bonus provides funding to States based on equity considerations. These include a minimum rate of return on contributions to the Highway Account of the Highway Trust Fund, and a minimum increase relative to the average dollar amount of apportionments under TEA-21. Selected States are guaranteed a share of apportionments and High Priority Projects not less than the State's average annual share under TEA-21. This program replaces TEA-21's Minimum Guarantee program.

### **Statutory References**

SAFETEA-LU Section(s): 1104, 1102

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years.

Each State's share of apportionments from the Interstate Maintenance (IM), National Highway System (NHS), Bridge, Surface Transportation (STP), Highway Safety Improvement (HSIP), Congestion Mitigation and Air Quality Improvement (CMAQ), Metropolitan Planning, Appalachian Development Highway System, Recreational Trails, Safe Routes to School, Rail-Highway Grade Crossing, Coordinated Border Infrastructure programs, the Equity Bonus itself, along with High Priority Projects will be at least a specified percentage of that State's contributions to the Highway Account of the Highway Trust Fund. The specified percentage, referred to as a relative rate of return, is 90.5% for 2005 and 2006, 91.5% for 2007, and 92% for 2008 and 2009.

States with certain characteristics will receive a share of apportionments and High Priority Projects that is the greater of the relative rate of return approach described above or their average annual share of total apportionments and High Priority Projects under TEA-21. This applies to States with:

- a population density of less than 40 persons per square mile and of which at least 1.25% of the total acreage is under Federal jurisdiction; or
- a total population less than 1 million; or
- a median household income of less than \$35,000; or
- a 2002 Interstate fatality rate greater than 1 per 100M VMT; or
- a State with an indexed State motor fuel tax rate higher than 150% of the Federal motor fuel excise tax rate as of the date of enactment of SAFETEA-LU

In any given year, no State is to receive less than a specified percentage of its average annual apportionments and High Priority Projects under TEA-21. These percentage floors are 117% for 2005, 118% for 2006, 119% for 2007, 120% for 2008, and 121% for 2009.

All but \$2,639,000,000 per year is programmatically distributed to the IM, NHS, Bridge, STP, HSIP, and CMAQ programs. Of the remainder, \$639,000,000 is exempt from the obligation limitation and \$2 billion receives special no year limitation. [1104, 1102]

**Eligible Use of Funds**

Amounts programmatically distributed to other programs take on the eligibilities of those programs. The remaining \$2,639,000,000 has the same eligibilities as STP funds, but is not subject to the STP safety setaside, the transportation enhancement setaside or the suballocations to sub-State areas.

**Federal Share**

The Federal share for the funds programmatically distributed to other programs have the same Federal share as those programs. For the remainder of the funds (\$2,639 million per year), the Federal share is determined under 23 USC 120, that is, the Federal share is generally 80 percent, subject to the sliding scale adjustment. When the funds are used for Interstate projects to add high occupancy vehicle or auxiliary lanes, but not other lanes, the Federal share may be 90 percent, also subject to the sliding scale adjustment.

## STATE INFRASTRUCTURE BANK PROGRAM

### **Program Purpose**

SAFETEA-LU establishes a new State Infrastructure Bank (SIB) program under which all States, Puerto Rico, the District of Columbia, American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands are authorized to enter into cooperative agreements with the secretary to establish infrastructure revolving funds eligible to be capitalized with Federal transportation funds authorized for fiscal years 2005-2009.

The new program gives States the capacity to increase the efficiency of their transportation investment and significantly leverage Federal resources by attracting non-Federal public and private investment. The program provides greater flexibility to the States by allowing other types of project assistance in addition to grant assistance.

### **Statutory References**

SAFETEA-LU Section: 1602

Other: 23 USC 610

### **Assistance**

SIBs provide various forms of non-grant assistance to public or private entities for eligible projects, including below-market rate subordinate loans, interest rate buy-downs on third party loans, and guarantees and other forms of credit enhancement. Any debt issued or guaranteed by the SIB must be of investment grade quality.

### **Funding**

States participating in the new SIB program may capitalize the account(s) in their SIBs with Federal surface transportation funds for each of fiscal years 2005-2009 as follows:

- Highway account – up to 10 percent of the funds apportioned to the State for the National Highway System Program, the Surface Transportation Program, the Highway Bridge Program and the Equity Bonus.
- Transit account – up to 10 percent of funds made available for capital projects under Urbanized Area Formula Grants, Capital Investment Grants, and Formula Grants for other Than Urbanized Areas
- Rail account – funds made available for capital projects under subtitle V (Rail Programs) of Title 49, United States Code.
- The State must match the Federal funds used to capitalize the SIB on an 80-20 Federal/non-Federal basis, except that for the highway account, the sliding scale provisions apply.

### **Eligible Use of Funds**

Projects eligible under Title 23, United States Code, capital projects as defined in section 5302 of Title 49, United States Code and any other projects related to surface transportation that the Secretary determines to be appropriate are eligible for assistance from the SIBs. Both the initial credit assistance funded with Federal capitalization grants, including the required non-Federal match, and any assistance funded with loan repayments and other recycled funds are subject to the requirements of Titles 23 and 49, as applicable.

### **SIBS Authorized by Prior Legislation**

States that established SIBs authorized by the NHS Designation Act and TEA-21 may continue to operate those SIBs.

## **HIGHWAY USE TAX EVASION PROJECTS**

Year	2005	2006	2007	2008	2009
Authorization	\$5M	\$44.8M	\$53.3M	\$12M	\$12M

### **Program Purpose**

The program funds projects to reduce motor fuel tax evasion.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(21), 1115, and 11141, 11145

Other: 23 USC 143

### **Funding**

Of the amount authorized \$2M annually is for intergovernmental activities relating to preventing tax evasion. Funds are also provided to the Internal Revenue Service (IRS). No funding is specifically provided for the States, although States are permitted to use up to ¼ of 1 percent of their Surface Transportation Program funding for fuel tax evasion activities. [1115]

### **Eligible Use of Funds**

Funds under this section may be used to:

- expand efforts to enhance motor fuel tax enforcement
- fund IRS staff activities related to motor fuel tax enforcement
- supplement motor fuel tax examinations and criminal investigations
- develop fuel tax data processing tools
- evaluate and implement registration and reporting requirements for motor fuel taxpayers
- reimburse States for supplementing existing fuel tax enforcement activities
- analyze and implement programs to reduce other highway use tax evasion
- support efforts between States and Indian tribes to address State motor fuel tax issues
- analyze and implement programs to reduce tax evasion associated with foreign imported fuel [1115]

### **Program Features**

The use of funds to support efforts to address State/Indian tribe motor fuel tax issues, and to implement programs to reduce evasion associated with foreign imported fuel are new eligibilities under this program. In addition, the Secretary and the Commissioner of the IRS are required, within 90 days, to enter into a new memorandum of understanding (MOU) supporting the joint efforts related to motor fuel tax compliance. This MOU is required to address:

- development of new reporting and data base requirements under SAFETEA-LU and the American Jobs Creation Act of 2004 relating to motor fuel enforcement, including recommendations of the Motor Fuel Tax Enforcement Advisory Commission created under section 11141
- completion of the data system relating to electronic reporting of transactions from carriers and terminal operators (ExSTARS)
- operation and maintenance of a terminal reporting system to analyze and track domestic and foreign fuel distribution trends and patterns
- sharing of analyses and information collected relating to fuel tax compliance/noncompliance within the disclosure limitations of section 6103 of the Internal Revenue Code

- development, operation, and maintenance of an electronic claims filing system and database, and an electronic database of heavy vehicle use tax payments.

The IRS is required to develop and maintain these systems under contract. The systems are to be available to State and federal revenue, tax, and law enforcement authorities subject to 26 USC 6103, confidentiality and disclosure of returns and return information. The IRS Commissioner is to provide an annual report to the Secretary on the status of these projects. In addition, the Commissioner and the States are to submit an annual report to the Secretary describing the projects, examinations, and criminal investigations funded under this program, as well as the yield from them.

**Federal Share**

The Federal share is 100 percent.

## TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA)

Year	2005	2006	2007	2008	2009
Authorization	\$122 M				

### **Program Purpose**

The TIFIA program provides Federal credit assistance to nationally or regionally significant surface transportation projects, including highway, transit and rail. The program is designed to fill market gaps and leverage substantial private co-investment by providing projects with supplemental or subordinate debt.

### **Statutory References**

SAFETEA LU Section(s): 1601

Other: 23 USC 601-609

### **Program Products**

The TIFIA credit program consists of three types of financial assistance, designed to address requirements throughout a project's life cycle.

- *Secured loans* are direct Federal loans to project sponsors offering flexible repayment terms and providing combined construction and permanent financing of capital costs.
- *Loan guarantees* provide full-faith-and-credit guarantees by the Federal Government to institutional investors, such as pension funds, that make loans for projects.
- *Lines of credit* represent contingent sources of funding in the form of Federal loans that may be drawn upon to supplement project revenues, if needed, during the first 10 years of project operations.

Senior project obligations must receive an investment grade rating. The total amount of TIFIA credit assistance may not exceed 33 percent of eligible project costs (or, if the TIFIA credit does not receive an investment grade rating, the amount of senior project obligations). The TIFIA credit instrument must be supported in whole or in part from user charges or other dedicated non-Federal funding sources that also secure the project obligations. Credit assistance must be repaid within 35 years after the project's substantial completion.

### **Funding**

Funded by contract authority, to remain available until expended, the funds are subject to the overall Federal-aid obligation limitation. Funds cover the subsidy cost (similar to a commercial bank's loan reserve requirement) of TIFIA credit assistance. The annual amount of available credit assistance is a function of available contract authority.

### **Eligible Use of Funds**

Any type of project eligible for Federal assistance through surface transportation programs under Title 23 or chapter 53 of Title 49, USC (highway projects and transit capital projects) is eligible for the TIFIA credit program. Eligibility is specifically extended to international bridges and tunnels as well as inter-city passenger bus and rail facilities and vehicles (including Amtrak and magnetic levitation systems).

Eligibility for freight facilities is clarified and expanded to include: public freight rail facilities or private facilities providing public benefit for highway users; intermodal freight transfer facilities; access to such freight facilities and service improvements to such facilities including capital investment for intelligent transportation systems (ITS). Freight projects may involve the combining of private and public sector

funds in private sector facility improvement. When located in a port terminal, only surface transportation infrastructure modifications necessary to facilitate direct intermodal interchange, transfer, and access into and out of the port are eligible.

Each project must meet certain objectively measurable thresholds to qualify, several of which were lowered by SAFETEA-LU. A project must cost at least \$50M or 1/3 of the State's annual apportionment of Federal-aid highway funds whichever is less. For intelligent transportation system projects, the minimum cost is \$15M. Freight projects with a common objective of improving the flow of goods may be combined to meet project thresholds. A project must be consistent with the State's long-range transportation plan and be included in the transportation improvement program.

Qualified projects meeting the initial threshold eligibility criteria will be evaluated by the Secretary and selected based on the extent to which they generate economic benefits, leverage private capital, promote innovative technologies, and meet other program objectives.

## APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$470 M				

### **Program Purpose**

The Appalachian Development Highway System (ADHS) Program continues funding for the construction of the Appalachian corridor highways in 13 States to promote economic development and to establish a State-Federal framework to meet the needs of the region.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(7), 1116

Other: 40 USC 14501

### **Funding/Formula**

Funded by contract authority, to remain available until expended. [1116]

Funds are subject to the overall Federal-aid obligation limitation, and will receive no-year obligation authority prorated on the same basis as for other Federal-aid programs. [1102(c)(4) & (g)]

Funds will be apportioned among the 13 eligible States based on the latest available cost to complete estimate prepared by the Appalachian Regional Commission. [1116]

### **Eligible Use of Funds**

Funds shall be available to construct highways and local access roads under section 14501 of title 40, United States Code.

### **Program Features**

The Secretary of Transportation retains full oversight responsibilities for the design and construction of all Appalachian Development System Highways. [1904]

### **Federal Share**

The Federal share remains at 80 percent. Toll credits may not be used for the non-Federal share. [40 USC 14501, 1116(c)]

### **Feasibility Study**

From funds authorized for Surface Transportation Research under section 5101(a)(1) of SAFETEA-LU, the Secretary of Transportation will make a grant to the Appalachian Regional Commission to conduct a feasibility study for the creation of a system of inland ports and distribution centers in Appalachia. [5513(d)]

## COORDINATED BORDER INFRASTRUCTURE PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$123M	\$145M	\$165M	\$190M	\$210M

### **Program Purpose**

To improve the safe movement of motor vehicles at or across the land border between the U.S. and Canada and the land border between the U.S. and Mexico. This program replaces the TEA-21 Coordinated Border Infrastructure discretionary program which ends after 2005.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(11), 1303

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation, not transferable except as permitted for transfer to GSA (see below), and remain available until expended.

Funds are to be apportioned among border States based on factors related to the movement of people and goods through the land border ports of entry within the boundaries of the State as follows:

- 20% based on number of incoming commercial trucks
- 30% number of incoming personal motor vehicles and buses
- 25% based on weight of incoming cargo by commercial trucks
- 25% based on number of land border ports of entry

For FY 2005, \$140 million is provided for the combination of the National Corridor Planning and Development and Coordinated Border Infrastructure discretionary programs under Sections 1118 and 1119 of TEA-21 to be administered under the terms of those sections.. [1101(a)(19)]

### **Eligible Use of Funds**

States may use funds in a border region, defined as any portion of a border State within 100 miles of an international land border with Canada or Mexico, for the following types of improvements to facilitate/expedite cross border motor vehicle and cargo movements:

- improvements to existing transportation and supporting infrastructure
- construction of highways and related safety and safety enforcement facilities related to international trade
- operational improvements, including those related to electronic data interchange and use of telecommunications
- modifications to regulatory procedures
- international coordination of transportation planning, programming, and border operation with Canada and Mexico.

### **Program Features**

Projects in Canada or Mexico – a border State may use these funds to construct a project in Canada or Mexico if the project directly and predominantly facilitates cross-border vehicle and cargo movement at an international port of entry in the border region of the State. Canada/Mexico must assure that the project will be constructed to standards equivalent to those in the US, and be maintained and used over the useful life of the facility only for the purpose for which the funds were allocated.

Transfers to General Services Administration (GSA) – if a border State requests, the Secretary approves, and GSA agrees, up to 15% or \$5M (whichever is less) of the State’s border program funds may be transferred to GSA to carry out 1 or more eligible projects. The State must provide the non-Federal share directly to GSA.

**Federal Share**

The Federal share shall be determined in accordance with 23 USC 120.

## **HIGHWAY BRIDGE PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization*	\$4,188M	\$4,254M	\$4,320M	\$4,388M	\$4,457M

\*Authorizations shown here will be augmented by a portion of the Equity Bonus Program funds

### **Program Purpose**

The Highway Bridge Program provides funding to enable States to improve the condition of their highway bridges through replacement, rehabilitation, and systematic preventive maintenance.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(3), 1114

Other: 23 USC 144

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

The following funds are to be set aside from the authorized amounts prior to apportionment:

Bridge Discretionary – For fiscal year 2005, \$100 million for bridge projects at the discretion of the Secretary. [1114(e)]

Bridge Set-Aside – For each of fiscal years 2006-2009, \$100 million for bridge projects and dollar amounts designated in Section 1114(e)(2). Funds provided remain available until expended.

Off-System Bridges – A set aside of not less than 15% of the amount apportioned to each State in each fiscal year 2005 – 2009 will be used for bridge projects that are not on a Federal-aid highway or to complete the Warwick Intermodal Station (includes construction of a people mover between the Station and T.F. Green Airport). [1114(d)]

Apportioned funds are to be distributed according to the existing formula that is based on each State's relative share of the total cost to repair or replace deficient highway bridges. The following factors in the cost calculation for deficient bridges have been modified. The reference to "square footage" in the formula calculation has been replaced with the more generic term "deck area". The total cost of deficient bridges is no longer reduced by the total cost of bridges built to replace destroyed bridges and ferryboat services [1114(c)]

### **Eligible Use of Funds**

Eligible activities are expanded to include systematic preventative maintenance on Federal-aid and non-Federal-aid highway systems. States may carry out projects for the installation of scour countermeasures or systematic preventative maintenance without regard to whether the bridge is eligible for rehabilitation or replacement. [1114(b)]

### **Annual Report**

Not later than 1 year after enactment and annually thereafter, the Secretary will publish a report in the Federal Register describing construction materials used in new bridge construction and rehabilitation projects.

**Federal Share**

The Federal share for all projects, except those on the Interstate System, will be according to 23 USC 120(b). For those on the Interstate System, the Federal share will be according to 23 USC 120(a).

## CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM

Year	2005	2006	2007	2008	2009
Authorization*	\$1,667M	\$1,694M	\$1,721M	\$1,749M	\$1,777M

\*Authorizations shown here will be augmented by a portion of the Equity Bonus program funds

### **Program Purpose**

The Congestion Mitigation and Air Quality Improvement Program (CMAQ) provides funding for projects and programs in air quality nonattainment and maintenance areas for ozone, carbon monoxide (CO), and particulate matter (PM-10, PM-2.5) which reduce transportation related emissions. [23 USC 149(a)]

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(5), 1103(d), 1808

Other: 23 USC 149, 104(b)(2), 126(c)

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

Funds are apportioned according to a formula based on population and severity of pollution in ozone and carbon monoxide areas, similar to the formula under TEA-21, but weighting factors ~~areas~~ have been revised. [1103(d), 104(b)(2)]

A State may transfer CMAQ funds to its Surface Transportation, National Highway System, Interstate Maintenance, Bridge, Highway Safety Improvement, and/or Recreational Trails apportionment. The amount that may be transferred may not exceed 50% of the amount by which the State's CMAQ apportionment for the fiscal year exceeds the amount the State would have been apportioned if the program had been funded at \$1.35 billion annually.. 23 USC 126(c)

States and MPOs will give priority in distributing funds for projects and programs to diesel retrofits and other cost-effective emission reduction activities, and cost-effective congestion mitigation activities that provide air quality benefits.

### **Eligible Use of Funds** [1808(b)]

Eligibility is expanded to include projects and programs that:

- establish or operate advanced truck stop electrification systems
- improve transportation management systems and operations that mitigate congestion and improve air quality
- involve the purchase of integrated, interoperable emergency communications equipment
- involve the purchase of diesel retrofits that are for motor vehicles or non-road vehicles and non-road engines used in construction projects located in ozone or particulate matter non-attainment or maintenance areas and funded under 23 USC
- conduct outreach activities that provide assistance to diesel equipment and vehicle owners and operators regarding the purchase and installation of diesel retrofits

The following States are provided the flexibility to use CMAQ funds for the activities listed:

- Montana – operation of public transit activities that serve a non-attainment or maintenance area [1808(g)]
- Michigan – operation and maintenance of intelligent transportation system strategies that serve a non-attainment or maintenance area [1808(h)]
- Maine – operation of passenger rail service between Boston, MA and Portland, ME [1808(i)]
- Oregon – operation of additional rail service between Eugene and Portland [1808(j)]
- Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, and Ohio – purchase of alternative fuels (as defined in section 301 of the Energy Policy Act of 1992) or biodiesel [1808(k)]

The eligible use of program funds for States that receive the minimum apportionment is clarified to include projects that would be CMAQ-eligible if in a non-attainment or maintenance area or any project under the Surface Transportation Program. [1808(c)]

### **Program Features**

SAFETEA-LU adds new requirement that States and MPOs will give priority to projects and programs to diesel retrofits and other cost-effective emission reduction activities, and cost-effective congestion mitigation activities that provide air quality benefits.

The EPA is to publish a list of approved diesel retrofit technologies and the emission reduction effectiveness and cost effectiveness of the technologies.

States and MPOs are encouraged to consult with State and local air quality agencies in non-attainment and maintenance areas on the estimated emission reductions from proposed congestion mitigation and air quality improvement programs and projects.

An evaluation and assessment of CMAQ projects and programs to determine the direct and indirect impact of the projects on air quality and congestion is required. A cumulative database describing the impacts shall be maintained and disseminated.

### **Federal Share**

The Federal share remains at 80 percent.

## NATIONAL CORRIDOR INFRASTRUCTURE IMPROVEMENT PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$194.8M	\$389.6M	\$487M	\$487M	\$389.6M

### **Program Purpose**

A discretionary program that provides funding for construction of highway projects in corridors of national significance to promote economic growth and international or interregional trade. This program replaces TEA-21 section 1118, National Corridor Planning and Development program.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(10), 1302, 1953; 1102

### **Funding**

Funded by contract authority, to remain available until expended. Funds are subject to the overall Federal-aid obligation limitation. Projects will receive special no year obligation limitation that is available until used. In addition, an unspecified amount of funding is authorized from the General Fund, which would require appropriation action to become available [1102, 1953]

Funding for projects will be awarded through a selection process conducted by the Secretary that:

- requires States to submit an application
- gives priority to projects in corridors that are part of, or will be part of, the Dwight D. Eisenhower National System of Interstate and Defense Highways after completion, and to projects that will be completed within 5 years of allocation of funds for the project.

For each project designated in section 1302, the Secretary shall allocate a portion of the amount designated for that project: 10% in 2005, 20% for 2006, 25% for 2007, 25% for 2008 and 20% for 2009.

In addition to the funding shown above for FY 2005, \$140 M is provided for the National Corridor Planning and Development and Coordinated Border Infrastructure programs combined under sections 1118 and 1119 of TEA-21 to be administered under the terms of those sections. [1101(a)(19)]

### **Eligible Use of Funds**

Highway construction projects in corridors of national significance will be selected with consideration of the extent to which:

- the corridor links two existing segments of the Interstate System
- the project facilitates major multi-state or regional mobility, economic growth, and development in areas underserved by highway infrastructure
- commercial traffic in corridor has increased since enactment of NAFTA and where traffic is projected to increase in the future
- international truck-borne commodities movement through the corridor
- the project will reduce congestion on an existing segment of the Interstate
- the project will reduce commercial and other travel time through a major freight corridor
- Federal funds will be leveraged

and the value of the cargo carried by commercial vehicle traffic in the corridor and the economic costs arising from congestion in the corridor

**Federal Share**

The Federal share will be in accordance with 23 USC 120.

## **DELTA REGION TRANSPORTATION DEVELOPMENT PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization	\$0	\$10 M	\$10 M	\$10 M	\$10 M

### **Program Purpose**

To support and encourage multistate transportation planning and corridor development, provide for transportation project development, facilitate transportation decisionmaking and support transportation construction in the eight States comprising the Delta Region (Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee).

### **Statutory References**

SAFETEA-LU Section(s): 1308, 1923

### **Funding**

Funded by contract authority, to remain available until expended. Contract authority is not subject for transfer and is subject to the overall Federal-aid obligation limitation. [1308]

Funds are distributed at the discretion of the Secretary of Transportation giving priority to projects that emphasize multimodal planning, including planning for operational improvements that—

- increase the mobility of people and goods
- improve the safety of the transportation system with respect to catastrophic natural disasters or disasters caused by human activity
- contribute to the economic vitality of the area in which the project is located.

### **Eligible Use of Funds**

Eligible uses are multistate highway planning, development and construction projects with projects selected on the basis of—

- whether the project is in an area under the authority of the Delta Regional Authority (DRA) and on a Federal-aid highway
- endorsement of the project by the State department of transportation
- evidence of the ability of the recipient of funds provided under the program to complete the project.

State departments of transportation and metropolitan planning organizations are eligible recipients of funds under this program.

### **Federal Share**

The Federal share is to be determined under 23 USC 120(b). Delta funds may be used as the non-Federal share of the costs of projects funded under 23 USC.

### **Transportation Assets and Needs of Delta Region** [1923]

The Secretary of Transportation is to enter into an agreement with the DRA to conduct a comprehensive study of transportation assets and needs for all modes of transportation, including passenger and freight transportation, in the eight-State Delta region. In conducting the study, the DRA is to consult with the Delta region's State and local governments and planning organizations. The DRA is to submit to the Secretary and the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee a final report on the results of the study along with any recommendations the DRA considers appropriate. Upon completion of the report, the

DRA is to establish a regional strategic plan to implement the recommendations of the report. Funding for the study and plan, \$500,000 for each of fiscal years 2005 and 2006, is contract authority, subject to the obligation limitation, available until extended, and may not be transferred.

## **EMERGENCY RELIEF PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization (HTF)	\$100 M				
Authorization (GF)	SSAMBN*	SSAMBN*	SSAMBN*	SSAMBN*	SSAMBN*

\* Such sums as may be necessary

### **Program Purpose**

The Emergency Relief program provides funds for the repair or reconstruction of Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of natural disasters or catastrophic failure from an external cause

### **Statutory References**

SAFETEA-LU Section(s): 1112, 1937

Other: 23 USC 125

### **Funding**

Funded by a permanent authorization of contract authority from the Highway Trust Fund with obligations not to exceed \$100 million per year, available until expended, and exempt from the Federal-aid highway obligation limitation. 23 USC 125

In addition to the permanent authorization, SAFETEA-LU authorizes from the General Fund of the Treasury such sums as may be necessary to supplement the permanent authorization in years when Emergency Relief allocations exceed \$100 million. Appropriation legislation would be necessary to make the additional funds available. [1112]

### **Devils Lake**

Emergency Relief funds are to be made available, without requiring any further emergency declaration, for the construction of necessary measures for the continuation of roadway services or the impoundment of water to protect roads at Devils Lake in North Dakota. The maximum amount of Emergency Relief funds to be provided for this purpose is \$10 million per year and an aggregate of \$70 million. This funding limitation does not apply to emergency relief in response to an eligible event occurring after the date of enactment of SAFETEA-LU or an authority under any other provision of law. [1937]

## CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$38M	\$55M	\$60M	\$65M	\$67M

### **Program Purpose**

This discretionary program provides funding for the construction of ferry boats and ferry terminal facilities.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(13), 1801

Other: 23 USC 147 & 129(c)

### **Funding/Formula**

Funded by contract authority, to remain available until expended. Funds are subject to the overall Federal-aid obligation limitation.

In addition to the authorizations provided in section 1101, there is funding authorized from the General Fund of the Treasury of such sums as may be necessary (ssambn) are provided to carry out the provisions of the program for fiscal years 2006 through 2009. These funds are subject to annual appropriation. [Section 1801]

For fiscal years 2005 through 2009, \$20M of each year's authorization is set aside for projects within the marine highway systems that are part of the NHS. Each year the \$20M setaside will be distributed in the following manner:

- \$10M to the State of Alaska
- \$5M to the State of New Jersey
- \$5M to the State of Washington

Priority shall be given to projects that:

- provide critical access to areas not well served by other modes of surface transportation
- carry the greatest number of passengers and vehicles
- carry the greatest number of passengers in passengers-only service

### **Eligible Use of Funds**

Funds shall be available to construct ferry boats and ferry terminal facilities within the States and territories of the United States. The ferry boat must operate on a route classified as a public road and not on the Interstate and be either publicly owned or operated or majority publicly owned. Except as permitted under 23 USC 129(c)(5), ferry operations cannot be operated foreign or international waters.

### **Program Features**

The Secretary is required to establish a national ferry database. The database must be compiled within 1 year of enactment of SAFETEA-LU, be updated every 2 years, and be readily available to the public. Funding to establish and maintain the database will be provided by a takedown of up to \$500,000 from Bureau of Transportation Statistic funds (section 5101). The database will contain information regarding routes, vessels, passengers and vehicles carried, funding sources, and other useful information. Using information collected through the database, the Secretary shall periodically update the report submitted under section 1207(c) of TEA-21.

### **Federal Share**

The Federal share remains at 80 percent.

## **HIGH PRIORITY PROJECTS PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization	\$2,966.4M	\$2,966.4M	\$2,966.4M	\$2,966.4M	\$2,966.4M

### **Program Purpose**

The High Priority Projects Program provides designated funding for specific projects identified in SAFETEA-LU. A total of 5,091 projects are identified, each with a specified amount of funding over the 5 years of SAFETEA-LU. [1701]

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(16), 1701, 1702, 1935, 1936, 1102,  
Other: 23 USC 117

### **Funding**

Funded by contract authority, available until expended. The funds designated for a project are available only for that project with the following exception: Funds allocated for a High Priority Projects numbered 3677 and higher may be obligated for any other High Priority Project in the same State except that no High Priority Project's authorized amount may be reduced. [1935]

Advance construction, using State funds until Federal funds are available, remains as an allowable method for States to construct high priority projects. High priority projects may also be advanced with funds apportioned under 23 U.S.C. 104(b) from a program under which the project would be eligible, and the funds are to be restored from future allocations of the high priority project funds for the project. [1936, 1701(c) and 23 USC 117(e)]

The High Priority Projects program is subject to obligation limitation that is set aside specifically for this program. The limitation is special no year limitation that remains available until used. The obligation limit is assigned individually to high priority projects numbered 1 – 3676 and in aggregate to each State for projects numbered 3677 or higher. The limitation provided to individual projects numbered 1 – 3676 may be obligated for any other project in section 1702 as long as it is restored to the individual project when limitation is distributed in the subsequent fiscal year. [1102(c)(4) & (g), 1102(j)]

For FY 2005 only, the obligation limitation set aside for the High Priority Projects program may be used as formula limitation. Any limitation used in this manner must be restored when the FY 2006 obligation limit is distributed. [1102(i)]

### **Eligible Use of Funds**

The funds are available only for the activities described for each project in Section 1702 of SAFETEA-LU, subject to the flexibility described above.

### **Federal Share**

The Federal share remains at 80% except in the States of Alaska, Montana, Nevada, North Dakota, Oregon, and South Dakota, where the sliding scale provision of 23 USC 120(b) applies, and project number 200 for which the Federal share is 90%. [1964, 1934 & 23 USC 117(c)]

## HIGHWAYS FOR LIFE PILOT PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$0	\$15M	\$20M	\$20M	\$20M

### **Program Purpose**

A new discretionary program that provides funding to demonstrate and promote state-of-the-art technologies, elevated performance standards, and new business practices in the highway construction process that result in improved safety, faster construction, reduced congestion from construction, and improved quality and user satisfaction.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(20), 1502

### **Funding**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

To participate in the program, States are required to submit an application that includes a description of the proposed project(s). Priority will be given to projects that:

- address Highways for LIFE performance standards for quality, safety and speed of construction
- deliver and deploy innovative technologies, manufacturing processes, financing, contracting, and performance measures
- include innovation that will lead to change in the administration of the State's transportation program
- are or will be ready for construction within 1 year of approval of the project proposal

### **Eligible Use of Funds**

A project is eligible if it:

- constructs, reconstructs or rehabilitates a route or connection on an eligible Federal-aid highway
- uses innovative technologies, manufacturing processes, financing or contracting methods that improve safety, reduce congestion due to construction, and improve quality
- meets additional criteria as determined by the Secretary

### **Program Features**

For the period 2005 – 2009 at least 1 project in each State shall be approved for program participation, if possible. The maximum number of projects that may be approved in any 1 fiscal year is 15.

The amount allocated for a Highways for LIFE project may be up to 20% but not more than \$5 million, of the total project cost. Such funds may be used as the non-Federal share of a project constructed under 23 USC.

A State may obligate up to 10 percent its apportionments for one or more of the Interstate Maintenance, National Highway System, Congestion Mitigation and Air Quality Improvement or Surface Transportation programs for projects approved under the Highways for LIFE program.

The Secretary may make grants and enter into cooperative agreements to foster the development, improvement and creation of innovative technologies and facilities to improve safety, enhance the speed of construction, and improve highway quality and durability.

A Highways for LIFE technology transfer program will be conducted. The information and technology used, developed, or deployed through Highways for LIFE will be made available to the transportation community and the public.

A process will be established for stakeholder input and involvement in the development, implementation, and evaluation of the Highways for LIFE Pilot Program.

The Secretary will monitor and evaluate the effectiveness of any activity carried out by the program.

**Federal Share**

The Federal share for projects approved under this program may be up to 100 percent. Program funds may be applied to the non-Federal share of the cost of construction of a project under 23 USC.

The Federal share for Technology Partnerships may be up to 80 percent.

## NATIONAL HISTORIC COVERED BRIDGE PRESERVATION

Year	2005	2006	2007	2008	2009
Authorization	\$0	\$10M	\$10M	\$10M	\$10M

### **Program Purpose**

To provide for the rehabilitation, repair, or preservation of covered bridges that are listed or eligible for listing on the National Register of Historic Places.

### **Statutory References**

SAFETEA-LU Section: 1804

### **Funding**

Funded by contract authority, available until expended and not transferable. Funds are subject to the overall Federal-aid highway obligation limitation. [1804, 1102]

### **Eligible Use of Funds**

Eligible uses of funds are the rehabilitation or repair of a historic covered bridge, or the preservation of such a bridge, including installation of a fire protection system, installation of a system to prevent vandalism or arson, or relocation of a bridge to a preservation site.

To the maximum extent practicable, projects under this program must be carried out in the most historically appropriate manner and preserve the existing structure of the historic covered bridge. The project must also provide for the replacement of wooden components with wooden components unless the use of wood is impracticable for safety reasons.

### **Project Selection**

The Secretary of Transportation will make grants based on applications from States that demonstrate the need for assistance in carrying out one or more eligible historic covered bridge projects.

### **Federal Share**

The Federal share is as determined under 23 USC 120. [1804]

## **IDLING REDUCTION FACILITIES IN INTERSTATE RIGHTS -OF-WAY**

### **Program Purpose**

This provision allows States to provide facilities in Interstate System rights-of-way that allow operators of commercial vehicle to reduce truck idling or provide alternative power to support driver comfort while parked in a rest or recreation area.

### **Statutory References**

SAFETEA-LU Section: 1412

OTHER: 23 USC 111

### **Program Features**

States may allow idling reduction facilities for commercial vehicles to be placed in rest or recreation areas, and in safety rest areas constructed or located on rights-of-way of the Interstate System. The idling reduction facilities may not reduce the existing number of truck parking spaces at a given rest or recreation area. States may charge a fee, or permit charging of a fee, for parking spaces actively providing idling reduction measures.

## INTERSTATE MAINTENANCE (IM) PROGRAM

Year	2005	2006	2007	2008	2009
Authorization*	\$4,884M	\$4,961M	\$5,039M	\$5,119M	\$5,199M

\*Authorizations shown here will be augmented by a portion of the Equity Bonus Program funds

### **Program Purpose**

The Interstate Maintenance (IM) program provides funding for resurfacing, restoring, rehabilitating and reconstructing (4R) most routes on the Interstate System.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(1), 1111

Other: 23 USC 119, 104(b)(4), 118(c)

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation. A State may transfer up to 50% of its IM apportionment to its National Highway System, Surface Transportation, Congestion Mitigation and Air Quality Improvement, Highway Bridge Replacement and Rehabilitation, or Recreational Trails apportionment.

The following funds are to be set aside from the authorized amounts:

Interstate Maintenance Discretionary - \$100 million for each fiscal year 2005 through 2009 to be distributed at the discretion of the Secretary of Transportation for projects for 4R work (including added lanes) on any route or portion thereof on the Interstate System. Excluded are projects on any highway designated as a part of the Interstate System under 23 USC 139 as in effect before the date of enactment of TEA-21 and any toll road on the Interstate System not subject to an agreement under 23 USC 119(c) as in effect on December 17, 1991. Funds are available until expended. [1111(a), 23 USC 118(c)]

Funds are apportioned to States based on the following factors:

- 33-1/3% based on lane miles on Interstate System routes open to traffic
- 33-1/3% based on total vehicle miles traveled on Interstate System routes open to traffic
- 33-1/3% based on State's annual contributions to the Highway Account of the Highway Trust Fund attributable to commercial vehicles.

Each State shall receive a minimum of 1/2 percent of combined IM and National Highway System apportionments.

### **Eligible Use of Funds**

Projects on routes on the Interstate System, except those added under 23 USC 103(c)(4)(A) that were not previously designated future Interstate under former 23 UCS 139(b), as well as any segments that become part of the Interstate System under Section 1105(e)(5) of ISTEA are eligible for funding. Construction of additional Single Occupancy Vehicle (SOV) lanes continues to be ineligible for IM program funds.

IM program funds may not be used on a facility where tolls are being collected under the Interstate System Reconstruction and Rehabilitation Pilot Program [TEA-21 1216(b)] or the Interstate System Construction Toll Pilot Program. [1604(c)(7)]

**Federal Share**

The Federal share will be in accordance with 23 USC 120.

## **INTERSTATE OASIS PROGRAM**

### **Program Purpose**

In order to This program requires the Secretary to establish standards for designating certain facilities near the Interstate System offering services to travelers as “Interstate Oases.”

### **Statutory References**

SAFETEA-LU Section: 1310

### **Program Features**

This provision requires the Secretary, within 180 days of enactment of SAFETEA-LU, and after consultation, to establish standards for designating a facility as an “Interstate Oasis”. In order to be eligible for designation the facility must, at a minimum:

- offer products and services to the public
- provide 24-hour access to restroom
- have parking for heavy trucks and automobiles.

In establishing the standards, facility appearance and proximity to the Interstate System are to be considered.

The Secretary is also required to design a logo for these facilities.

If a State decides to participate in the Interstate Oasis Program program, facilities meeting the standards established by the Secretary are eligible for designation.

## NATIONAL HIGHWAY SYSTEM (NHS) PROGRAM

Year	2005	2006	2007	2008	2009
Authorization*	\$5,911M	\$6,005M	\$6,111M	\$6,208M	\$6,307M

\*Authorizations shown here will be augmented by a portion of the Equity Bonus Program funds

### **Program Purpose**

The program provides funding for improvements to rural and urban roads that are part of the NHS, including the Interstate System and designated connections to major intermodal terminals. Under certain circumstances, NHS funds may also be used to fund transit improvements in NHS corridors.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(2), 1103, 6006

Other: 23 USC 103, 104(b)(1)

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

A State may transfer up to 50% of its NHS apportionment to its Interstate Maintenance, Surface Transportation (STP), Congestion Mitigation and Air Quality Improvement, Highway Bridge Replacement and Rehabilitation, or Recreational Trails apportionment. Up to 100% may be transferred to the STP if approved by the Secretary and if sufficient notice and opportunity for public comment is given.

The following funds are to be set aside from the authorized amounts:

Alaska Highway - \$30 million to be set aside in each of fiscal years 2005 through 2009 for the portion of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to Haines. [1103(b), 23 USC 218]

Territories - \$40 million to be set aside in each of fiscal years 2005 and 2006 and \$50 million to be set aside in each of fiscal years 2007 through 2009 for the territories of Guam, American Samoa, the Virgin Islands, and the Commonwealth of Northern Mariana Islands. [1103(c)]

Apportioned funds are to be distributed based on the following factors [104(b)(1)]:

- 25% based on total lane miles of principal arterials
- 35% based on total vehicle miles of travel on principal arterials
- 30% based on diesel fuel used on all highways
- 10% based on total lane miles of principal arterials per capita

Each State is to receive a minimum of 1/2% of combined NHS and Interstate Maintenance apportionments.

### **Eligible Use of Funds**

Expands NHS eligibility to include the following activities:

- Environmental restoration and pollution abatement [6006]
- Control of terrestrial and aquatic noxious weeds and establishment of native species [6006]

### **Federal Share**

The Federal share is governed by the provisions of 23 U.S.C. 120.

### **High Priority Corridors on the National Highway System**

The list of high priority NHS corridors established in section 1105 of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) is amended to modify corridor descriptions and identify additional corridors. The identification of evacuation routes is added as a purpose of this section. Such sums as may be necessary are authorized to carry out projects on the corridors designated in section 1105(c) of ISTEA, as amended, subject to appropriation, from the General Fund. [1304, 1105 of ISTEA, as amended]

## **RAILWAY-HIGHWAY CROSSINGS**

Year	2005	2006	2007	2008	2009
Authorization*	\$0	\$220M	\$220M	\$220M	\$220M

\*In 2005 funded from the 10-percent safety setaside each State's apportionment for the Surface Transportation Program. Beginning in 2006, funded from a setaside from the total amount authorized for the new Highway Safety Improvement Program.

### **Program Purpose**

To reduce the number of fatalities and injuries at public highway-rail grade crossings through the elimination of hazards and/or the installation/upgrade of protective devices at crossings.

### **Statutory References**

SAFETEA-LU Section(s): 1401

Other: 23 USC 130

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

Apportioned funds are to be distributed based on the following factors [1401, 23 USC 130(f)]:

- 50% based on the formula factors for the Surface Transportation Program in 23 USC 104(b)(3)(A)
- 50% based on the number of public railway-highway crossings

Each State is to receive a minimum of ½% of the program funds.

50% of each State's apportionment must be set aside for the installation of protective devices at railway-highway crossings. [1401, 23 USC 130(k)]

### **Eligible Use of Funds**

Continues the eligibilities of current law eligibility for the elimination of hazards at railway-highway crossings including:

- separation or protection of grades at crossings
- reconstruction of existing railroad grade crossing structures
- relocation of highways to eliminate grade crossings
- relocation of a portion of a railway, only if less costly than the above methods

Up to 2% of the funds apportioned to a State may be used for compilation and analysis of data for the required annual report to the Secretary on the progress being made to implement the railway-highway crossings program.

Activities funded under this program are also eligible for funding under the broader Highway Safety Improvement Program.

### **Program Features**

Most requirements of the program remain unchanged, including the following:

Each State is required to conduct and systematically maintain a survey of all highways to identify those railroad crossings that may require separation, relocation, or protective devices, and establish

and implement a schedule of projects for this purpose. At a minimum this schedule is to provide signs for all railway-highway crossings. [23 USC 130(d)]

A railroad participating in a hazard elimination project is responsible for compensating the State transportation department for the net benefit to the railroad of the project. The net benefit is determined by the Secretary of Transportation, but may not exceed 10 percent of the project cost. [23 USC 130(b)-(c)]

The Secretary of transportation is required to report to Congress on the progress being made by the States implementing projects under this program.

**Federal Share**

The Federal share is 90 percent. [1401, 23 USC 130(f)(3)]

## **REAL-TIME SYSTEM MANAGEMENT INFORMATION PROGRAM**

### **Program Purpose**

To provide the capability to monitor, in real-time, the traffic and travel conditions of the major highways of the United States and to share that information to improve surface transportation system security, address congestion, improve response to weather events and surface transportation incidents, and to facilitate national and regional highway traveler information.

### **Statutory References**

SAFETEA-LU Section(s): 1201

### **Funding**

No separate funds are authorized for this program. States may use their National Highway System, Congestion Mitigation and Air Quality Improvement program, and Surface Transportation program apportionments for activities related to the planning and deployment of real-time monitoring elements that advance the goals of the program to the extent that such activities are eligible for funding under the source program.

### **Program Features**

The purposes of the program are to:

- establish, in all States, a system of basic real-time information for managing and operation the surface transportation system
- identify longer range real-time highway and transit monitoring needs and develop plans and strategies for meeting the needs
- provide the capability and means to share the data with State and local governments and the traveling public.

Within 2 years of the date of enactment of SAFETEA-LU, the Secretary of Transportation is to establish data exchange formats to ensure that the data provided by highway and transit monitoring systems, including statewide incident reporting systems, can be readily exchanged to facilitate nationwide availability of information.

As States and local governments develop or update regional intelligent transportation system architectures as described in 23 CFR 940.9, they shall explicitly address real-time highway and transit information needs and the systems needed to meet those needs. States shall also incorporate the data exchange formats established by the Secretary.

The term “statewide incident reporting system” is defined as a statewide system for facilitating the real-time electronic reporting of surface transportation incidents to a central location for use in monitoring the event, providing accurate traveler information, and responding to the incident as appropriate.

## **RECREATIONAL TRAILS PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization	\$60 M	\$70M	\$75M	\$80M	\$85M

### **Program Purpose**

The Recreational Trails program provides funds to the States to develop and maintain recreational trails and trail-related facilities for both nonmotorized and motorized recreational trail uses.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(8), 1109

Other: 23 USC 104(h) & 206

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid highway obligation limitation.

Before apportioning funds to the States, there will be a takedown of \$840,000 each fiscal year (2005-2009) for program research, technical assistance, and training expenses. Funds will be distributed to the States by formula as follows:

- 50% of the amount will be apportioned equally among eligible States;
- 50% of the amount will be apportioned among eligible States proportionate to the amount of non-highway recreational fuel used in each State during the preceding year.

### **Eligible Use of Funds**

Funds are available to develop, construct, maintain, and rehabilitate trails and trail facilities. Trail uses include hiking, bicycling, in-line skating, equestrian use, cross-country skiing, snowmobiling, off-road motorcycling, all-terrain vehicle riding, four-wheel driving, or using other off-road motorized vehicles.

New eligible activities include:

- purchase and lease of construction and maintenance equipment;
- acquisition of easements and fee simple title to property;
- development of trail safety and trail environmental protection programs;
- provide trail-related training;
- State costs (not to exceed 7% of annual apportionment) for administering the program;
- assessment of trail conditions for accessibility and maintenance.

### **Program Features**

States must meet minimum funding between motorized, non-motorized and diverse trail use:

- 40% for diverse trail use;
- 30% for non-motorized recreation
- 30% for motorized recreation
- The ability for a State recreational trails advisory committee to waive the set-asides for non-motorized and motorized recreation has been eliminated by SAFETEA-LU.

States are encouraged to enter into contracts and cooperative agreements with youth conservation and service corps to perform trail construction and maintenance.

**Federal Share**

The Federal share will be in accordance with section [23 USC 120(b)] (i.e. the sliding scale provision), but funds from other Federal programs outside the U.S. Department of Transportation may be used to fulfill the non-Federal share requirement, except that the combination of the U.S. DOT other Federal agency share may not exceed 95 percent.

Upon approval, planning and environmental assessment costs incurred prior to project approval may be credited toward the non-Federal share cost of the project.

Recreational Trails program funds may be used to match other Federal program funds for purposes that would be eligible under the Recreational Trails program.

## SAFE ROUTES TO SCHOOL PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$54 M	\$100 M	\$125 M	\$150 M	\$183 M

### **Program Purpose**

To enable and encourage children, including those with disabilities, to walk and bicycle to school; to make walking and bicycling to school safe and more appealing; and to facilitate the planning, development and implementation of projects that will improve safety, and reduce traffic, fuel consumption, and air pollution in the vicinity of schools.

### **Statutory References**

SAFETEA-LU Section(s): 1101(A)(17), 1404

### **Funding/Formula**

Funded by contract authority, to remain available until expended. Contract authority is not subject for transfer and is subject to the overall Federal-aid obligation limitation.

Each year after deducting \$3 million for the administrative expenses of the program, the Secretary shall apportion the funds to States based on their relative shares of total enrollment in primary and middle schools, but no State will receive less than \$1 million.

Funds are to be administered by State departments of transportation to provide financial assistance to State, local, and regional agencies, including non-profit organizations, that demonstrate the ability to meet the requirements of the program.

### **Eligible Use of Funds**

For infrastructure related projects, eligible activities are the planning, design, and construction of projects that will substantially improve the ability of students to walk and bicycle to school. These include sidewalk improvements, traffic calming and speed reduction improvements, pedestrian and bicycle crossing improvements, on-street bicycle facilities, off-street bicycle and pedestrian facilities, secure bike parking, and traffic diversion improvements in the vicinity of schools. Such projects may be carried out on any public road or any bicycle or pedestrian pathway or trail in the vicinity of schools.

Each State must set aside from its Safe Routes to School apportionment not less than 10 percent and not more than 30 percent of the funds for noninfrastructure-related activities to encourage walking and bicycling to school. These include public awareness campaigns and outreach to press and community leaders, traffic education and enforcement in the vicinity of schools, student sessions on bicycle and pedestrian safety, health, and environment, and training, volunteers, and managers of safe routes to school programs.

Each State receiving program funds must use a sufficient amount of the funds to fund a full-time position of coordinator of the State's safe routes to school program.

### **Program Features**

Using funds set aside for the administrative costs of the program, the Secretary shall

- Make grants to a national nonprofit organization engaged in promoting safe routes to school to operate a national safe routes to school clearinghouse, develop information and educational

programs on safe routes to school, and provide technical assistance and disseminate techniques and strategies used for successful safe routes to school programs.

- Establish a national safe routes to school task force, composed of leaders in health, transportation, and education, to study and develop a strategy for advancing safe routes to school programs nationwide. The Secretary is to report to Congress by March 31, 2006, on the results of the study and a description of the strategy developed, along with information regarding the use of program funds for infrastructure and noninfrastructure purposes.

**Federal Share**

The Federal share is 100 percent.

## NATIONAL SCENIC BYWAYS PROGRAM

Year	2005	2006	2007	2008	2009
Authorization	\$26.5M	\$30M	\$35M	\$40M	\$43.5M

### **Program Purpose**

The program recognizes roads having outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities and provides for designation of these roads as National Scenic Byways, All-American Roads or America's Byways.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(12), 1802

Other: 23 USC 162

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

Grants and technical assistance are provided to States and Indian tribes to implement projects on highways designated as National Scenic Byways, All-American Roads, America's Byways, State scenic or Indian tribe scenic byways; and to plan, design, and develop a State or Indian tribe scenic byway program.

### **Eligible Use of Funds**

Funds shall be available for:

- an activity related to the planning, design, or development of a State or Indian tribe scenic byway program;
- development and implementation of a byway corridor management plan;
- safety improvements to accommodate increased traffic; improvements that enhance access; protection of resources adjacent to the byway;
- development and implementation of a marketing program;
- development and provision of tourist implementation; and construction of bicycle and pedestrian facilities, interpretive facilities, overlooks and other enhancements for byway travelers.

Passing lanes are no longer an eligible use of funds.

### **Federal Share**

The Federal share remains at 80 percent. A Federal land management agency may use agency funds as the non-Federal share.

### **America's Byways Resource Center**

The Center provides technical support and conduct educational activities for National Scenic Byways, All-American Roads, and America's Byways. Funds are available to provide proactive, technical and on-site assistance that includes training, communications, publications, conferences, meetings, and other appropriate assistance to local officials and organizations associated with the byways program. Funding provided by authorizations of \$1.5 M for FY 2005 and \$3 M for each FY 2006 – 2009. Funds are available until expended, and subject to the overall Federal-aid obligation limitation. Federal share is 100 percent. Funds are not transferable. [1803]

## SURFACE TRANSPORTATION PROGRAM (STP)

Year	2005	2006	2007	2008	2009
Authorization*	\$6,860M	\$6,270M	\$6,370M	\$6,473M	\$6,577M

\*Authorizations shown here will be augmented by a portion of the Equity Bonus Program funds

### **Program Purpose**

The Surface Transportation Program provides flexible funding that may be used by States and localities for projects on any Federal-aid highway, including the NHS, bridge projects on any public road, transit capital projects, and intracity and intercity bus terminals and facilities.

### **Statutory References**

SAFETEA-LU Section(s): 1101(a)(4), 1103(f), 1113, 1603, 1960, 6006

Other: 23 USC 133, 104(b)(3), 140

### **Funding/Formula**

Funded by contract authority, to remain available for 4 years. Funds are subject to the overall Federal-aid obligation limitation.

Prior to the apportionment of STP funds, the following sums are to be set aside from the authorized amounts:

Operation Lifesaver – \$560,000 is to be set aside for fiscal year 2005. For fiscal years 2006 through 2009, the Operation Lifesaver Program will be funded by a separate authorization of \$560,000 each year for that program. [1103(f)]

Rail-Highway Crossing Hazard Elimination in High Speed Rail Corridors – \$5.25 million is to be set aside for fiscal year 2005. For fiscal years 2006 through 2009, The Hazard Elimination Program will be funded by a separate authorization for that program (\$7.250M for 2006, \$10M for 2007, \$12.5M for 2008 and \$15M for 2009). From this Hazard Elimination funding, there is a setaside for the Minneapolis/St. Paul – Chicago Segment of the Midwest High Speed Rail Corridor. [1103(f)]

On-the-Job Training/Supportive Services – An amount not to exceed \$10 million will be set aside for each of fiscal years 2005 through 2006 for the administration of this program. [23 USC 140(b)]

Disadvantaged Business Enterprise Training - An amount not to exceed \$10 million will be set aside for each of fiscal years 2005 through 2006 for the administration of this program. [23 USC 140(c)]

Apportioned funds are to be distributed based on the following factors:

- 25% based on total lane miles of Federal-aid highways
- 40% based on vehicle miles traveled on lanes on Federal-aid highways
- 35% based on estimated tax payments attributable to highway users in the States into the Highway Account of the Highway Trust Fund (often referred to as “contributions” to the Highway Account)

Each State is to receive a minimum of ½% of the funds apportioned for STP.

### **Eligible Use of Funds**

Continues existing STP eligibilities and adds the following:

- Advanced truck stop electrification systems [1113]
- Projects relating to intersections that: have disproportionately high accident rates; have high congestion; and are located on a Federal-aid highway [1113]
- Environmental restoration and pollution abatement – on a 4R project the expenditures for this activity may not exceed 20 percent of the total cost of the project. [6006]
- Control of terrestrial and aquatic noxious weeds and establishment of native species [6006]

### **Program Features**

For FY 2005, the setasides for Safety programs, Transportation Enhancements (TE) and the allocations to sub-State areas continue, except the ability to use STP funds from the set aside for areas with less than 5,000 population on rural minor collectors does not continue.

For 2006 and thereafter—

- The Safety setaside is eliminated as the new Highway Safety Improvement Program takes over the funding of the safety programs. [1113(b)]
- The TE setaside is modified to be the greater of 10% of the State's STP apportionment or the dollar amount of the TE setaside for the State for 2005. [1113(c)]
- 62.5 percent of the amount remaining after the TE setaside is divided among sub-State areas based on population. [1113(b)]

The provision requiring States to make available obligation authority to urbanized areas over 200,000 population in two 3-year increments (2004-2006 and 2007-2009) is extended. [1113(d)]

State of Alaska – in any fiscal year up to 15 percent of the State's STP apportionment may be transferred to the Denali Access System. Such a transfer of STP funds will have no effect on the TE setaside. [1960]

### **Federal Share**

The Federal share is determined under 23 USC 120.

## **TRANSPORTATION, COMMUNITY, AND SYSTEM PRESERVATION (TCSP) PROGRAM**

Year	2005	2006	2007	2008	2009
Authorization	\$25M	\$61.25M	\$61.25M	\$61.25M	\$61.25M

### **Program Purpose**

The TCSP Program is intended to address the relationships among transportation, community, and system preservation plans and practices and identify private sector-based initiatives to improve those relationships.

### **Statutory References**

SAFETEA-LU Section: 1117.

### **Funding**

Funded by contract authority; funds are not transferable. Funds are subject to the overall Federal-aid highway obligation limitation. [1117, 1102]

Funds are to be allocated by the Secretary to States, metropolitan planning organizations, local and tribal governments, ensuring an equitable distribution to a diversity of populations and geographic regions.

### **Eligible Use of Funds**

Funds may be used to carry out eligible projects to integrate transportation, community, and system preservation plans and practices that:

1. Improve the efficiency of the transportation system of the United States.
2. Reduce the impacts of transportation on the environment.
3. Reduce the need for costly future investments in public infrastructure.
4. Provide efficient access to jobs, services, and centers of trade.
5. Examine community development patterns and identify strategies to encourage private sector development.

Eligibility is broadly defined as a project eligible for assistance under title 23 or chapter 53 of title 49, or any other activity the Secretary determines to be appropriate to implement transit-oriented development plans, traffic calming measures, or other coordinated TCSP practices.

### **Project Selection**

The Secretary of Transportation will make grants based on applications from States, tribal, regional, and local governments, with priority consideration given to applicants that:

- Have instituted coordinated preservation or development plans that promote cost-effective investment and private sector strategies,
- Have instituted other TCSP polices such as those addressing high-growth areas, urban growth boundaries, “green corridors” programs that provide access to major highway corridors for controlled growth areas,
- Address environmental mitigation, and
- Encourage private sector involvement.

### **Federal Share**

The Federal share payable on account of any TCSP project or activity shall be 80% or subject to the sliding scale rate. [23 USC 120(b)]

## **TRUCK PARKING FACILITIES**

Year	2005	2006	2007	2008	2009
Authorization	\$0	\$6.25M	\$6.25M	\$6.25M	\$6.25M

### **Program Purpose**

The Truck Parking Facilities program is a pilot program that provides funding to address the shortage of long-term parking for commercial vehicles on the National Highway System.

### **Statutory References**

SAFETEA-LU Section: 1305

### **Funding**

Funded by contract authority, to remain available until expended. Funds are subject to the overall Federal-aid obligation limitation and are not transferable.

States, metropolitan planning organizations (MPOs), and local governments are eligible recipients of program funds. To receive funds, a State, MPO or local government must submit an application.

Funding priority will be given to applicants that:

- demonstrate a severe shortage of commercial vehicle parking in the corridor
- have consulted with affected State and local governments, community groups, providers of commercial vehicle parking, and motorist and trucking organizations
- demonstrate that their proposed projects are likely to have positive effects on highway safety, traffic congestion or air quality

### **Eligible Use of Funds**

Funds shall be available for projects on the NHS that may include the following activities:

- constructing safety rest areas that include commercial vehicle parking
- constructing commercial vehicle parking facilities adjacent to commercial truck stops and travel plazas
- opening existing facilities to commercial vehicles
- promoting the availability of publicly or privately provided commercial vehicle parking on the NHS using ITS systems and other means
- constructing turnouts for commercial vehicles
- making capital improvements to public commercial vehicle parking facilities to allow year-round use
- improve the geometric design of interchanges to improve access to parking facilities

### **Report to Congress**

A report on the results of the pilot program shall be submitted to Congress not later than 3 years after enactment of SAFETEA-LU.

### **Federal Share**

The Federal share will be in accordance with sections 120(b) and 120(c) of 23 USC.

## WORK ZONE SAFETY PROVISIONS

Year	2005	2006	2007	2008	2009
Authorization:					
Work Zone Safety Grants	\$0	\$5 M	\$5 M	\$5 M	\$5 M
National Work Zone Safety Clearinghouse	\$0	\$1 M	\$1 M	\$1 M	\$1 M

Several provisions in SAFETEA-LU address safety in highway construction work zones.

### **Work Zone Safety Grants** [1409]

Under the Work Zone Safety Grants program, the Secretary will make grants to nonprofit and not-for-profit organizations to provide training to prevent and reduce work zone injuries and fatalities.

Grants may be used for:

- construction worker training to prevent injuries and fatalities
- development of guidelines to prevent work zone injuries and fatalities
- training for State and local governments, transportation agencies, and other groups implementing these guidelines

The funds are contract authority, available for 4 years and subject to the Federal-aid highway obligation limitation. The Federal share is 80 percent and funds may not be transferred.

### **National Work Zone Safety Information Clearinghouse**

Under this program, the Secretary will make grants to a national nonprofit foundation for the operation of the National Work Zone Information Clearinghouse to be used for assembling and disseminating, electronically or otherwise, information relating to the improvement of work zone safety. Program funds are contract authority, available until expended and subject to the Federal-aid highway obligation limitation. The Federal share is 100 percent and funds may not be transferred. [1410 & 358(b) of P.L. 104-59]

### **Worker Injury Prevention and Free Flow of Vehicular Traffic**

The Secretary is to establish, within one year from SAFETEA-LU's enactment, regulations requiring highway workers to wear high visibility garments. [1402]

### **Temporary Traffic Control Devices**

Projects may not be approved on Federal-aid highways or under the Federal Lands Highway program unless proper temporary temporary traffic control devices to improve safety in work zones will be installed and maintained during construction, utility, and maintenance operations on the portion of the highway to be improved by such projects. Installation and

maintenance of the devices must be in accordance with the Manual on Uniform Traffic Control Devices.

The Secretary of Transportation, after consultation with appropriate Federal and State officials, is to issue regulations establishing the conditions for the appropriate use of , and expenditure of funds for, uniformed law enforcement officer, positive protective measures between workers and motorized traffic, and installation and maintenance of temporary traffic control devices during construction, utility, and maintenance operations.

[1110]

## **STEWARDSHIP AND OVERSIGHT PROGRAM**

### **Program Purpose**

The Stewardship and Oversight Program monitors the effective and efficient use of resources to best meet the transportation needs of the nation with a specific focus on financial integrity and project delivery.

### **Statutory References**

SAFETEA-LU Section: 1904

Other: 23 USC 106

### **Program Elements**

Value Engineering Analysis - States are required to provide a value engineering analysis or other cost-reduction analysis for:

- each project on the Federal-aid system with an estimated total cost of \$25 million or more
- a bridge project with an estimated total cost of \$20 million or more
- any other project designated by the Secretary

The Secretary may require 1 or more analysis for a major project

Value engineering is a systematic process of project review and analysis conducted during the concept and design phases by a multi-disciplined team not involved in the project. The process is to provide recommendations for:

- providing the needed functions safely, reliably, and at the lowest overall cost
- improving the value and quality of the project
- reducing the time to complete the project

Oversight Program - is established to monitor the effective and efficient use of funds and be responsive all areas relating to financial integrity and project delivery.

- Financial integrity – requires an annual review of elements of the State transportation departments' financial management systems that affect projects, and development of minimum standards for estimating project costs and periodic evaluation of the States' practices for estimating project costs, awarding contracts, and reducing project costs.
- Project delivery – requires annual reviews of a State's project delivery system.
- Responsibility of the States – the States will be responsible for determining that sub-recipients of Federal funds have adequate project delivery systems, and sufficient accounting controls. The Secretary will periodically review the monitoring of sub-recipients by the State.
- Specific oversight responsibilities – the Secretary retains full oversight responsibilities for the design and construction of all Appalachian development highways.

Major Projects – recipients of funds for a project with an estimated total cost of \$500 million or more, and recipients of funds for other projects as identified by the Secretary, must submit a project management plan and an annual financial plan for each project.

- Project management plan – plan will document the procedures and processes that are in effect to allow the project management to effectively manage the scope, costs, schedules, quality, and Federal requirements applicable to the project. The role of the agency leadership and management team in the delivery of the project will also be documented.
- Financial plan – will be based on detailed estimates of the cost to complete the project. The plan will also provide for the annual submission of updates that are based on reasonable assumptions of future increases in project costs.

## **METROPOLITAN PLANNING**

### **Program Purpose**

The metropolitan planning process establishes a cooperative, continuous, and comprehensive framework for making transportation investment decision in metropolitan areas. Program oversight is a joint Federal Highway Administration/Federal Transit Administration responsibility.

### **Statutory References**

SAFETEA-LU Section(s): 1107, 6001

Other: 23 USC 104, 134

### **Funding/Formula**

The Metropolitan Planning Program is funded by a takedown of 1.25 percent from the Surface Transportation, Interstate Maintenance, Congestion Mitigation and Air Quality Improvement, Highway Bridge Replacement and Rehabilitation, and National Highway System programs, and transit authorizations. [1107]

Funds set aside from the highway programs are distributed to the States based on the population in urbanized areas or portion of urbanized areas in the State compared to all States. [104(f)(2)]

### **Continuing Provisions**

Significant continuing provisions include:

- Local officials, in cooperation with the State and transit operators, remain responsible for determining the best transportation investments to meet metropolitan transportation needs.
- MPOs are responsible for adopting the long range transportation plan (Plan); Governor and MPO approve the transportation improvement program (TIP).
- The Plan and TIP remain separate documents.
- A 20-year planning perspective, air quality conformity, fiscal constraint, and public involvement established under ISTEA.
- Plan must contain: operational and management strategies to improve the performance of existing transportation facilities; investment and other strategies that provide for multimodal capacity increases based on regional priorities and needs; and proposed transportation and transit enhancement activities. [6001(i)]
- A Congestion Management System is still required in Transportation Management Areas (TMAs) (urbanized areas larger than 200,000 population).
- The planning process in TMAs requires DOT certification.

### **Key Modifications**

Modifications to the metropolitan planning process include the following:

#### **Metropolitan Planning in General**

- MPOs will be encouraged to consult or coordinate with planning officials responsible for other types of planning activities affected by transportation, including planned growth, economic development, environmental protection, airport operations, and freight movement. [6001(g)]
- The metropolitan planning process is to promote consistency between transportation improvements and State and local planned growth and economic development patterns. [6001(h)]

- Safety and security of the transportation system are separate planning factors that are to be considered during the metropolitan planning process. [6001(h)]
- A State will have 30 days to reimburse an MPO for planning expenses after request from the MPO for reimbursement

#### Long Range Transportation Plan (Plan)

- Will be updated every 4 years (unless the MPO chooses to do so more frequently) in non-attainment and maintenance areas. Attainment areas remain on a 5-year update cycle. [6001(i)]
- Intermodal connectors are added as a transportation facility. [6001(i)]
- Include a discussion of potential environmental mitigation activities along with potential sites to carry out the activities to be included. The discussion is to be developed in consultation with Federal, State, and tribal wildlife, land management, and regulatory agencies. [6001(i)]
- Transit operators are to be included in the cooperative development of funding estimates for the financial plan section. [6001(i)]
- MPOs are required to consult with State and local agencies responsible for land use management, natural resources, environmental protection, conservation, and historic preservation concerning development of the Plan. [6001(i)]
- Representatives of users of pedestrian walkways, bicycle transportation facilities, the disabled are specifically added as parties to be provided with the opportunity to participate in the planning process. [6001(i)]
- The MPO is to develop a participation plan in consultation with interested parties that provides reasonable opportunities for all parties to comment. [6001(i)]
- To carry out the participation plan, public meetings are to be: conducted at convenient and accessible locations at convenient times; employ visualization techniques to describe plans; and make public information available in an electronically accessible format, such as on the Web. [6001(i)]
- The Plan is to be published and made available electronically, such as on the Web. [6001(i)]

#### Transportation Improvement Program (TIP)

- Will be updated every 4 years. [6001(j)]
- Will contain: priority list of projects and strategies for 4 years; financial plan; and descriptions (type of work, termini, length, etc.) of each project in the TIP. [6001(j)]
- Investments in pedestrian walkways and bicycle transportation facilities are to be included in the published annual listing of projects. [6001(j)]

#### Transportation Management Areas (TMAs)

- Must be certified not less than once every 4 years. [6001(k)]
- The phase-in schedule for compliance with the congestion management system may not be sooner than 1 year after identification of a TMA. [6001(k)]

#### Transportation Conformity

- MPOs shall make a conformity determination not later than 2 years after the date on which EPA finds a new motor vehicle emissions budget to be adequate, approves an implementation plan that establishes an emissions budget, or develops an implementation plan that establishes or revises an emissions budget. [6011(a)]

- Transportation plans and programs and associate conformity determinations shall be made every 4 years unless the MPO elects to update a transportation plan or program more frequently or when SIP actions trigger a new conformity determination. [6011(b)]
- In general, conformity finding must be based on the last year (20<sup>th</sup>) of the transportation plan. With agreement of the MPO and applicable air quality agency, conformity may be based on the latest of the following periods: 1) the 10<sup>th</sup> year of the transportation plan; 2) the latest year that the SIP contains a motor vehicle emissions budget; 3) the year after the completion date of a regionally significant project if the project is included in the TIP or the project requires approval before the conformity determination. [6011(c)]
- A conformity determination is to be accompanied by a regional emissions analysis for the last year (20<sup>th</sup>) of the transportation plan and for any year shown to exceed emissions budgets by a prior analysis. [6011(c)]
- Transportation control measures (TCMs) may be substituted without a SIP revision or new conformity determination if the substitute TCMs were developed through a consultation process. [6011(d)]

### **Implementation**

Implementation of the modifications to statewide and metropolitan planning processes will be in accordance with the following:

- The Secretary will issue guidance on a schedule for implementation of the changes made to the transportation planning process.
- State and MPOs will not be required to deviate from their established plan and program update cycles to implement these changes.
- State or MPO plan or program updates shall reflect the changes beginning July 1, 2007.

### **Federal Share**

The Federal share will be in accordance with 23 USC 120(b).

## STATEWIDE PLANNING

### **Program Purpose**

The statewide planning process establishes a cooperative, continuous, and comprehensive framework for making transportation investment decisions throughout the State and is administered jointly by the Federal Highway Administration and the Federal Transit Administration.

### **Statutory References**

SAFETEA-LU Section(s): 6001

Other: 23 USC 135

### **Funding**

The State Planning and Research program is funded by a 2 percent setaside from each State's apportionments for the Interstate Maintenance, National Highway System (NHS), Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement, and Bridge programs plus the new Highway Safety Improvement Program (HSIP) and a portion of funds so set aside may be used for planning activities.

Statewide planning is an eligible activity for additional funding under the STP and NHS programs.

### **Continuing Provisions**

Significant continuing provisions include:

- Federal reliance on the statewide transportation planning process as the primary mechanism for cooperative transportation decision making throughout the State.
- Coordination of statewide planning with metropolitan planning
- Emphasis on fiscal constraint and public involvement in the development of the Statewide Transportation Improvement Program (STIP).
- Emphasis on involving and considering the concerns of Tribal governments in planning.
- State development of statewide transportation plans and programs.
- Plan and program shall be developed in consultation with affected local officials with responsibility for transportation in non-metropolitan areas, but this process will not be reviewed or approved by the Secretary.

### **Key Modifications**

Modifications to the statewide planning process include the following:

#### **Statewide Planning in General**

- Will be coordinated with metropolitan planning **and** with statewide trade and economic development planning activities and related multi-state planning efforts.
- Two or more States may enter into planning agreements or compacts and the right to alter, amend or repeal these compacts is reserved.
- Will consider and implement projects, strategies and services that support the economic vitality of non-metropolitan areas.
- Safety and security of the transportation system are separate planning factors that are to be considered during the statewide planning process.
- Will promote consistency between transportation improvements and State and local planned growth and economic development patterns.
- Should consider coordination of planning activities between States

### Long Range Statewide Plan

- Will be developed in consultation with State, tribal, and local agencies responsible for land use management, natural resources, environmental protection, conservation, and historic preservation. Consultation will involve comparison of transportation plans to State and tribal conservation plans or maps, and to inventories of natural or historic resources (if available).
- Include a discussion of potential environmental mitigation activities along with potential sites to carry out the activities to be included. The discussion is to be developed in consultation with Federal, State, and tribal wildlife, land management, and regulatory agencies
- Should include capital, operations and management strategies, investments, procedures, and other measures to ensure the preservation and most efficient use of the existing transportation system.
- Representatives of users of pedestrian walkways, bicycle transportation facilities, the disabled are specifically added as parties to be provided with the opportunity to participate in the statewide planning process
- To enhance the public participation process, the State should: conduct public meetings at convenient and accessible locations at convenient times; employ visualization techniques to describe plans; and make public information available in an electronically accessible format, such as the Web
- Should be published or made available electronically, such as on the Web

### State Transportation Improvement Program

- Shall cover a period of 4 years and be updated every 4 years (more frequently if the governor elects to do so).
- Representatives of users of pedestrian walkways, bicycle transportation facilities, the disabled are specifically added as parties to be provided with the opportunity to participate in the planning process.
- Shall include an annual list of project for which funds have been obligated in the preceding year, the list will be published or made available through the cooperative effort of the State, transit operators and MPO for public review, and the list is to be consistent with the funding categories identified in each MPO TIP.
- Shall be reviewed and approved every 4 years if based on a current planning finding.

### **Implementation**

Implementation of the modifications to statewide and metropolitan planning processes will be in accordance with the following:

- The Secretary will issue guidance on a schedule for implementation of the changes made to the transportation planning process.
- State and MPOs will not be required to deviate from their established plan and program update cycles to implement these changes.
- State or MPO plan or program updates shall reflect the changes beginning July 1, 2007.

### **Federal Share**

Federal share remains at 80 percent.