

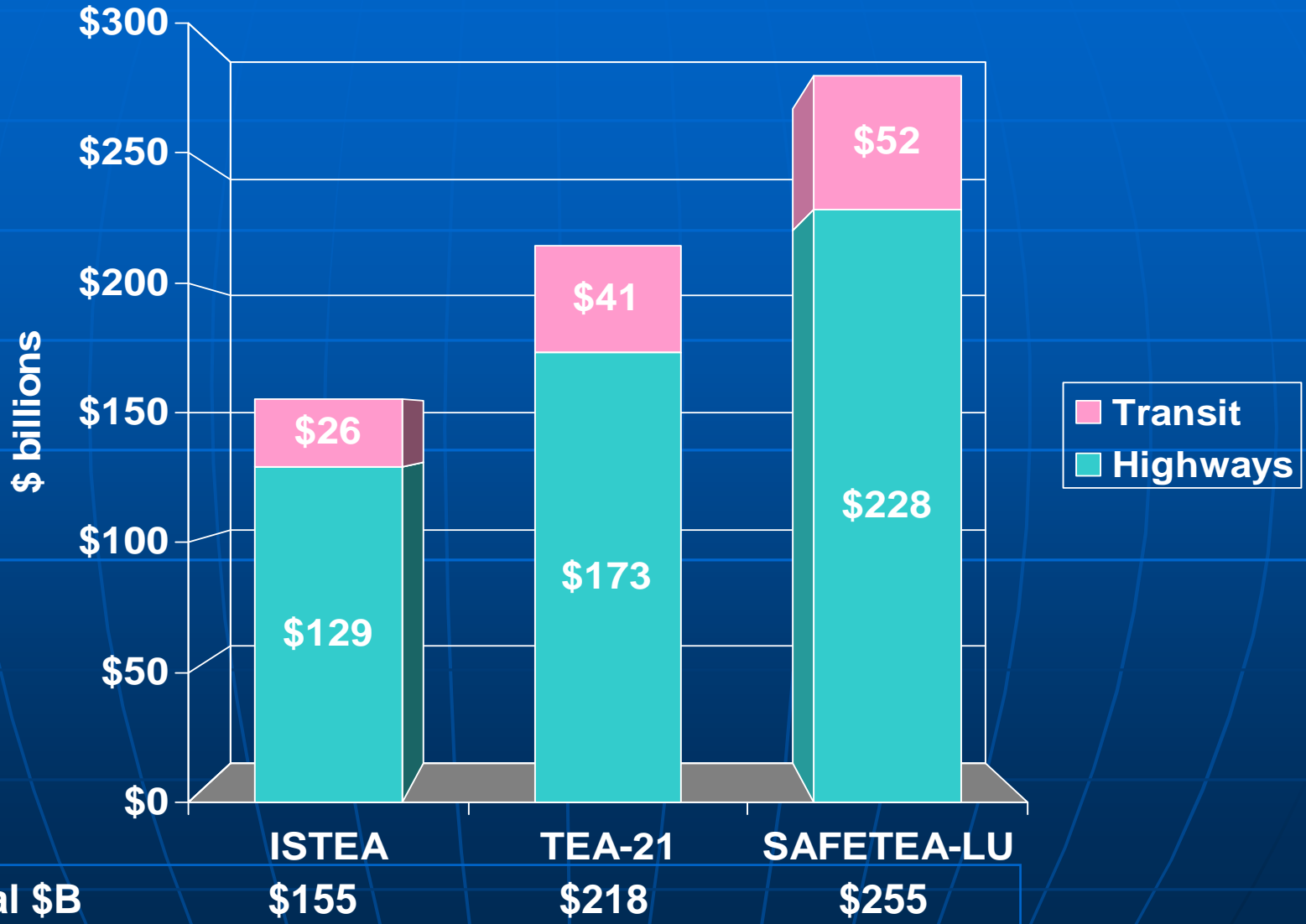
# **Surface Transportation Authorization Context & Issues**

**Nancy Ross  
NYSDOT  
June, 2009**

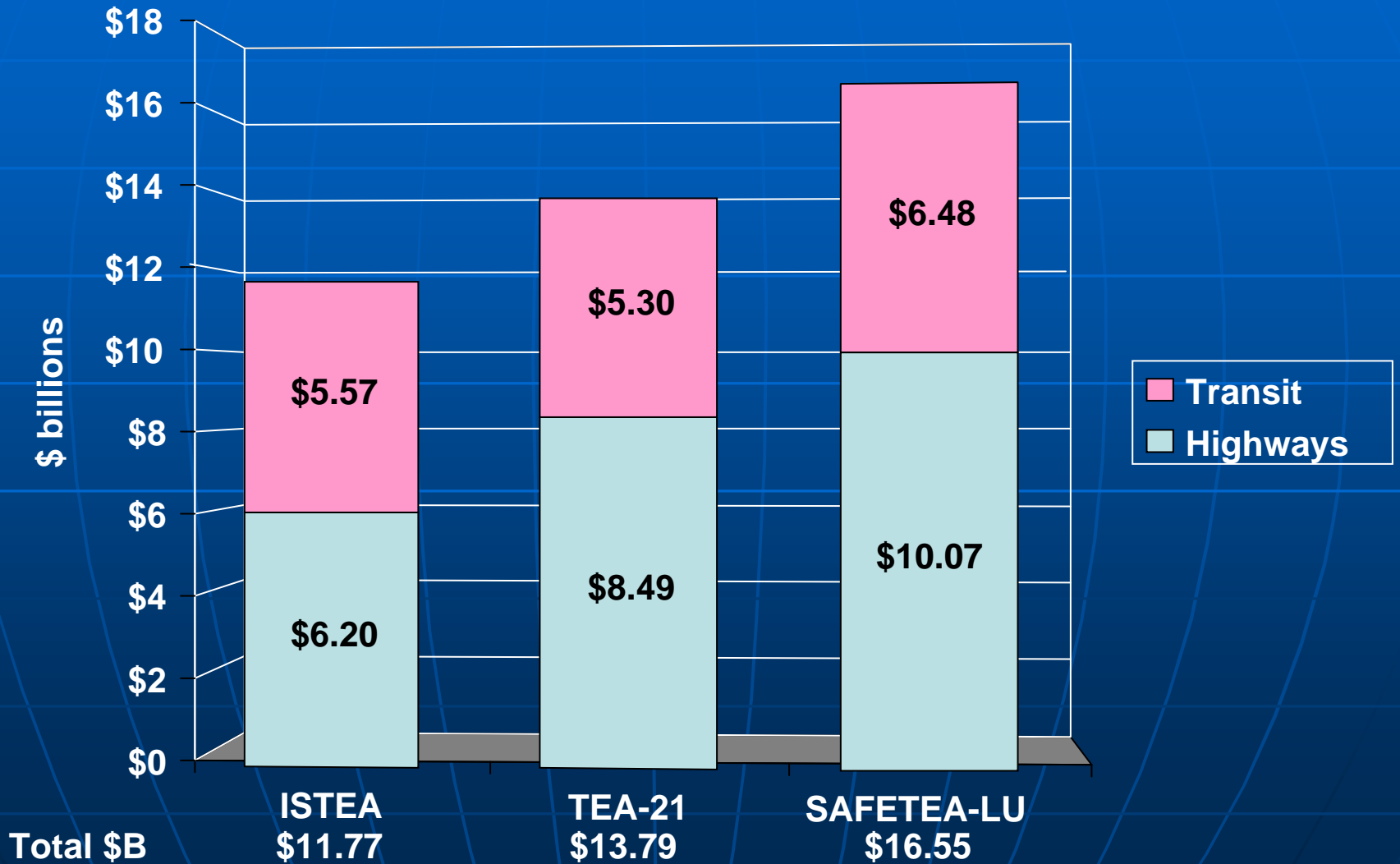
# Federal Funding is Key for Capital Program

- Federal funds comprise 50% of highway capital budget
- Federal funds comprise 25% of transit capital budget

# National SAFTETEA-LU Funding



# Steady Growth for New York



# NY's Share Eroding

	Highways	Transit
ISTEA 92-97	5.63%	21.2%
TEA-21 98-2003	5.16%	19.7%
SAFETEA-LU 04-09	4.63%	17.6%

# “Equity” Bonus *Rate of Return*

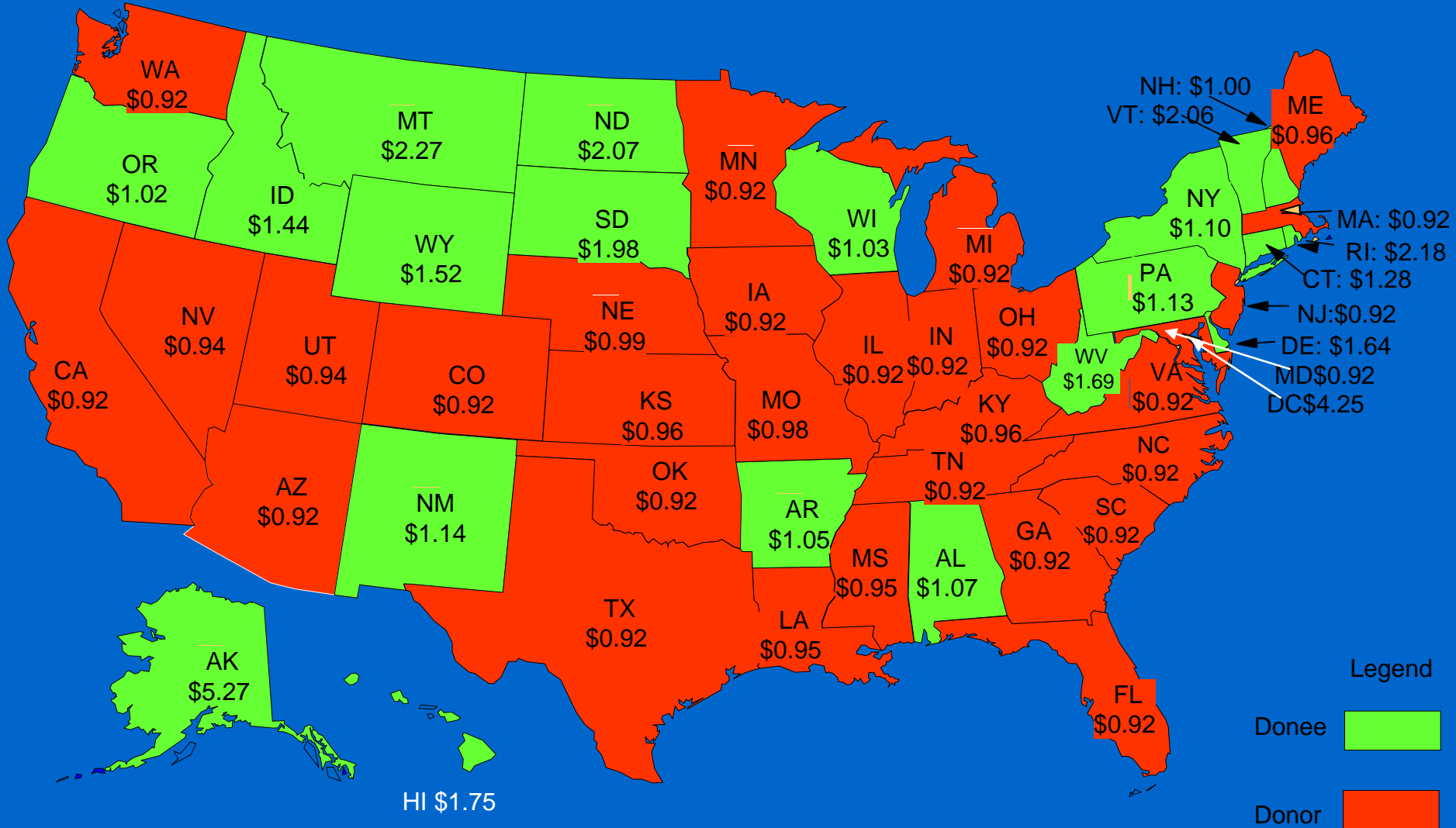
ISTEA	90.0
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TEA-21	90.5
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## SAFETEA-LU

- 2005 90.5
- 2006 90.5
- 2007 91.5
- 2008 92.0
- 2009 92.0

# Donor/Donee



# Transit Formula Programs

Program	NYS Share of Program (TEA-21)	Breakdown of funds among programs	
		TEA-21	SAFETEA-LU
Urbanized Formula	17.29%	91.23%	87.38%
Non-Urbanized Formula	4.22%	6.37%	9.79%
Elderly & Disabled	6.75%	2.40%	2.84%

# SAFETEA-LU

## Transit Capital Investment Program

Program	NYS Share of Program (TEA-21)	Breakdown of funds among programs	
		TEA-21	SAFETEA-LU
New Starts	1.56%	40%	41%
Fixed Guideway	31.87%	40%	37%
Bus/Bus Facility	5.18%	20%	22%

# 20 Year Transportation Capital Needs (2007 \$ in billions)

Asset Class / Program Area	Investment Level
State Highway Bridges	\$ 17.4
Local Highway Bridges	\$ 13.2
State Pavements	\$ 40.0
Selected Local Pavements	\$ 3.9
Traffic & Safety	\$ 1.2
Mobility	\$ 2.7
Pedestrian / Bicycle / ADA	\$ 2.0
Drainage / ITS / Guide Rail / Rest Areas / Fleet & Facilities	\$ 15.7
Public Transit Capital	\$ 6.5
Freight Rail, Passenger Rail, and Ports	\$ 5.2
Aviation	\$ 4.3
Local Capital Aid	\$ 8.6
NYSDOT Other *	\$ 4.5
<b>NYSDOT Capital Program Subtotal</b>	<b>\$ 125.2</b>
Illustrative Major Projects	\$ 50.0
<b>20 Year Total</b>	<b>\$ 175.2</b>

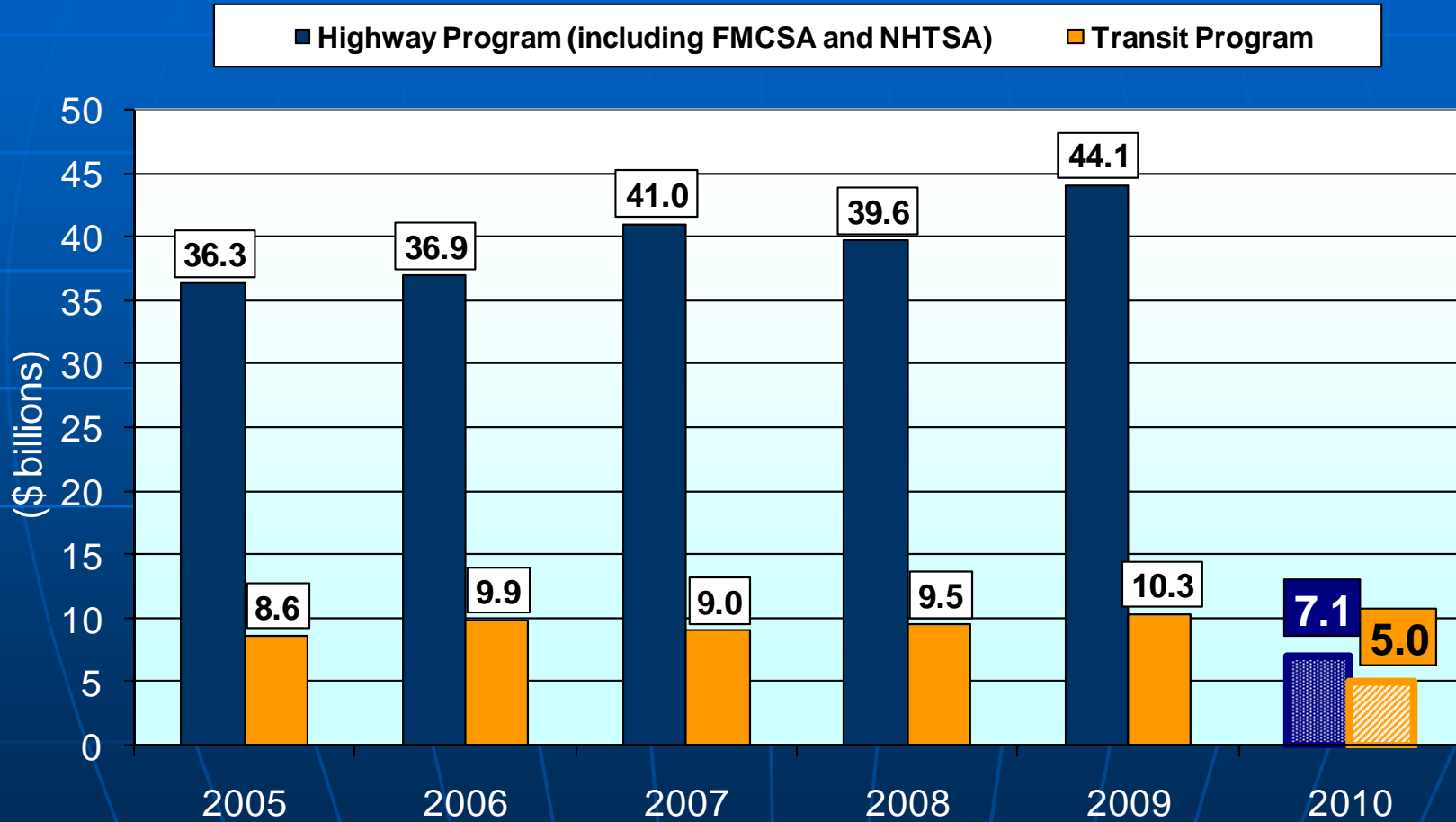
\* NYSDOT Other includes Capital Program Management, Bridge Inspection, Emergency Repairs, and Miscellaneous

# National Funding Gap

- \$179 b needed per year to improve highways and bridges
- In 2006, the nation invested \$78.7 b
- \$59 b needed per year to improve transit
- In 2006, the nation invested \$13.3 b

Source: AASHTO 2009 Bottom Line Report

# Reduced Highway Trust Fund-Supported Highway and Transit Program Levels Beyond 2009



Source: AASHTO

# Financial Outlook: Challenges for 2011-2015

- Highway Trust Fund can “maintain its historical performance for the next 15 years.”

TRB Special Report 285: The Fuel Tax and Alternatives for Transportation Funding

- No easily identifiable funding source to increase transportation resources
  - Increase or index gas tax
  - Identify new tax/user fee revenue
  - Use General Fund revenue

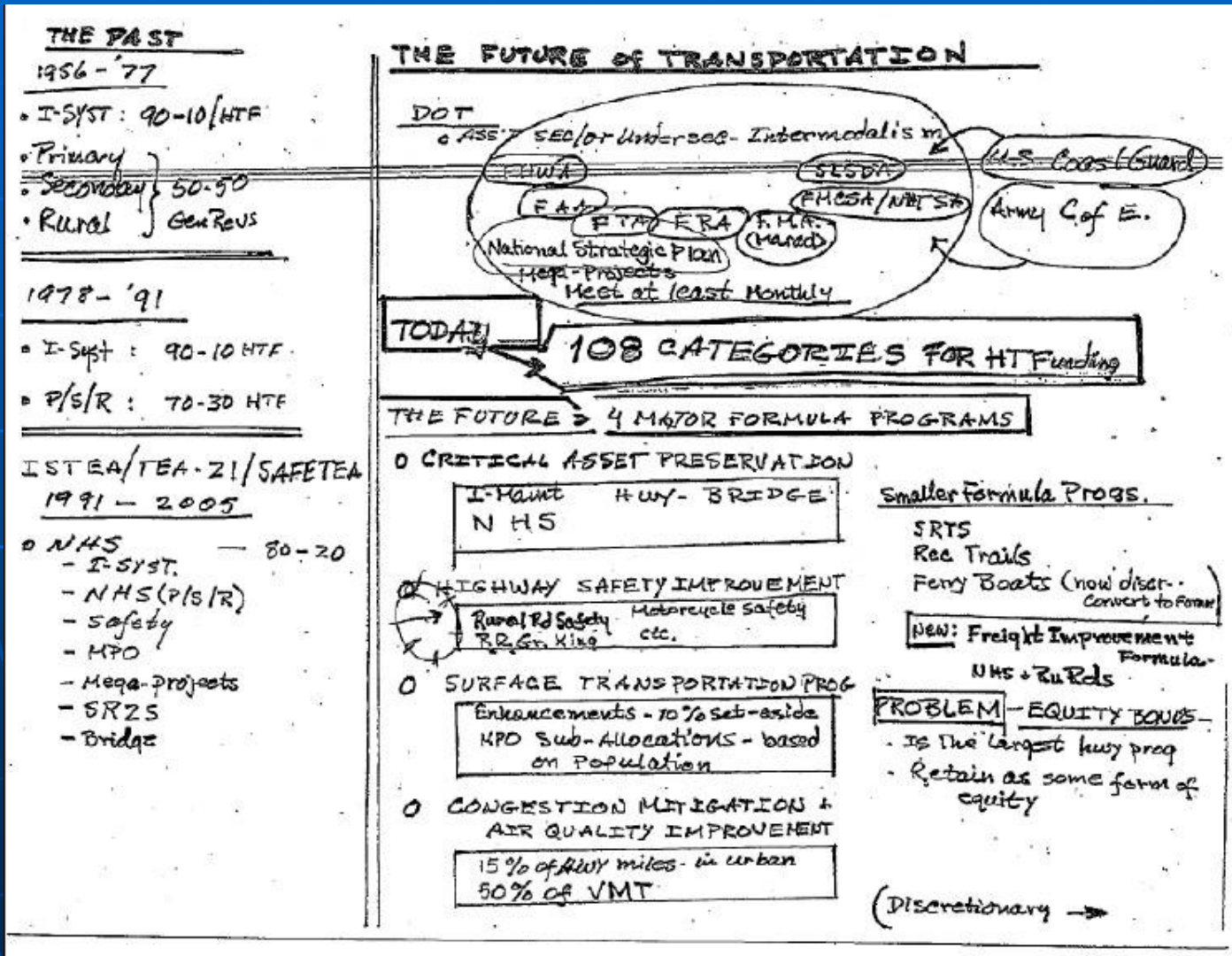
# NYS Reauthorization Policy

- Funding
- Program Structure

# Funding

- Strong federal role
- Double federal funding to \$575 b
  - Highways- \$375 billion
  - Transit- \$123 billion
  - Freight- \$42 billion
  - Intercity Passenger Rail- \$35 billion
- Diversified portfolio of revenue

# Program Consolidation: Chairman Oberstar's Placemat



# Fix it First

- Bridge Program
- Transit Program
- CMAQ
- Projects of National and Regional Significance
- Interstate Reconstruction

# Bridges

- If Bridge program is subsumed into Asset Protection Program, needs-based bridge formula should also be subsumed.
- Retain both structurally deficient and functionally obsolete formula factors.

# Transit

- Retain Transit as a stand-alone program
- Support APTA program consolidation
  - Simplifies Fixed Guideway program
  - Meets the needs of the oldest and largest systems

# CMAQ

- Retain as a stand-alone program
- Continue emphasis on air quality
- Extend time period to use CMAQ for operations beyond three years, as long as net air quality benefit can be demonstrated

# Interstate Reconstruction

- Major Interstate reconstruction needs nationwide
- NY: I 81, Gowanus, others
- Primary focus should be reconstruction of existing system
- Decommissioning?

# Projects of Regional and National Significance

- NY examples:
  - Tappan Zee Bridge
  - I 86/I 99 Corridor
  - Peace Bridge
  - Cross Harbor Tunnel
- States need a mechanism to fund projects that benefit multi-state region, where burden to build falls on one state

# Align Transportation, Energy, and Climate Change Policies

- NY has lowest per capita gas consumption of any state
- Equity Bonus rewards gas consumption
- Equity Bonus is now the largest highway program
- Need a new approach

# Performance Measures

- Mandate development of performance measures by stakeholders
- Develop and support robust data systems
- Then and only then set goals and objectives and utilize performance measures

# Climate Change

- Formula modifications
- Priority consideration for funding
- Non-financial or process incentives.

# Climate Change Formula Factors

- Avoid factors that reward fuel consumption
- Establish factors that Reward Energy Efficiency
  - Use of renewable (non-petroleum based) energy
  - Urban trip lengths and passenger miles of travel
  - Ratio of passenger miles of travel to vehicle miles of travel

# Climate Change

## Priority Consideration for Funding

- Discretionary programs such as Projects of National Significance
- Redistribution of Obligation Authority
- New Congestion or Metropolitan Mobility Program

# Climate Change Other Incentives

- Use of CMAQ beyond 3<sup>rd</sup> year
- Privatization of rest areas
- Tolling/congestion pricing
- Leeway on fiscal constraint
- Flexibility to move funds among programs/silos
- Qualitative program and project conformity analyses

# Other Issues

- Suballocation
- Freight
- Metro Mobility

# Secondary Issues

- One DOT
- Codify Parity for Transit Check
- Truck Size and Weight
- Project Development Process
- Clean Pass
- 10 Year Rule
- CVISN Tweaks
- Modify MOE for Toll Credits

# Sidebar: Rescissions

- **\$8.5 b rescission scheduled for Sept 30, 2009**
- **NY rescission is \$400 m**
- **Repeal \$8.5 b rescission**
- **Prevent enactment of additional rescissions**

# Conclusion

- Reauthorization is a multi-faceted effort.
- NY well positioned on national, regional and state level to be players in reauthorization.
- We need your support.