

## Transportation Reauthorization Bill

### Summary

- **FUNDING:** The Transportation Reauthorization Bill authorizes 6 years of funding for the highway, transit, and highway safety programs at funding levels consistent with the amount of revenue being deposited into the Highway Trust Fund.
- **REFORM:** The bill reforms the surface transportation programs by consolidating or eliminating approximately 70 programs that are duplicative or do not serve a Federal purpose.
- **STREAMLINING:** The bill streamlines the project delivery process by cutting bureaucratic red-tape, delegating more decision making authority to States, and setting hard deadlines for Federal agencies to approve projects.
- **LEVERAGING:** The bill leverages our existing Federal resources and adopts Federal policies that will entice the private sector to invest in transportation infrastructure.

### Status of the Highway Trust Fund

- In 2010, the Highway Trust Fund brought in \$35 billion in revenue. In that same year more than \$50 billion in spending was authorized from the Highway Trust Fund.
- Over the past three years Congress has transferred approximately \$35 billion in funding from the General Fund into the Highway Trust Fund because we consistently spend more than we collect in revenue.
- If we continue to spend at this rate the Highway Trust Fund will go broke in 2013.

### Importance of a 6-year bill

- State DOT's and public transit agencies need the predictability of a 6-year transportation bill to be able to plan major projects.
- The Highway Trust Fund can not support the current level of spending as some have proposed in a "2-year bill".
- Even if funding levels are only extended for FY 2012 at current levels, funding would have to be cut by 50 percent in 2013 to keep the Highway Trust Fund solvent.

### **Transportation Reauthorization Bill Funding**

- In order to ensure the long-term viability of the Highway Trust Fund, the Transportation Reauthorization Bill ties spending from the Highway Trust Fund to the revenue deposited into the Highway Trust Fund.
- The 6-year Transportation Reauthorization Bill authorizes \$230 billion in spending from the Highway Trust Fund between 2012 and 2017 – equal to the revenue deposited into the Highway Trust Fund for that 6-year period.
- In addition to the funding authorized out of the Highway Trust Fund, this bill will continue the tradition of authorizing funding to be appropriated out of the General Fund for certain programs.

### **Surface Transportation Program Reform**

- There are currently over 100 Federal surface transportation programs.
- The bill consolidates or eliminates nearly 70 programs by consolidating duplicative programs and eliminating programs that do not serve a Federal purpose.
- States will no longer be required to spend highway funding on non-highway activities; but they will be permitted to fund those activities if they choose to.
- States will be provided the flexibility to spend funding on projects they choose, but will be held accountable for those decisions through performance measures.

### **Streamlining the Project Delivery Process**

- The bill will cut bureaucratic red tape by allowing Federal agencies to review transportation projects concurrently.
- Where practical, project approval authority will be delegated to State agencies.
- Bureaucratic delay will be reduced by setting and enforcing hard deadlines for Federal agencies to make decisions on permits and project approvals.
- The bill will expand the list of activities that qualify for Categorical Exclusions – an approval process that is faster and simpler than the standard process.

### **Better Leverage Existing Resources**

- The bill will provide additional funding for the TIFIA loan program to meet demand for low interest loans for transportation projects. The bill will also allow half of the project cost to be funded through TIFIA and accelerate the application process.
- Existing lanes on the Interstate Highway System will remain toll-free, but States will be allowed to toll any new lanes they build on the Interstate. The bill will also allow States the flexibility to toll non-Interstate highways.
- The bill encourages States to create and capitalize State Infrastructure Banks to provide loans for transportation projects at the State level.

### **Federal Highway Program**

- Nearly all of the Federal highway funding will be distributed to State DOTs through formula programs designed to preserve existing highways, build new highway capacity, and address congestion, freight mobility, and highway safety.
- The focus of the Federal highway program will be on the Interstate Highway System and the National Highway System – the highways that facilitate interstate travel and interstate commerce.

### **Transit**

- The bill removes current barriers that prevent the private sector from offering public transportation services.
- The bill will provide more of a focus on transit programs that benefit suburban and rural areas and will improve transit options for the elderly and disabled.

### **Highway and Motor Carrier Safety**

- The bill will prioritize safety funding by holding highway and motor carrier safety programs harmless from any spending cuts in the bill.
- The bill will ensure that Federal regulators keep unsafe trucks and buses off the road while allowing companies that operate in a safe and responsible manner to continue to do so.