

## Reauthorization of the Federal Surface Transportation Program

**Issue:** SAFETEA-LU, the federal program that funds a substantial number of county highway, bridge and transit projects, expired on September 30, 2009. Congress did not act prior to that date and there have been a series of short term extensions in order to keep the program running, the latest of which goes through March 4, 2011. Meanwhile, the new Congress will be reviewing the program and considering long-term options to improve the highway and transit programs. A major challenge is addressing how to increase funding for these programs at a time when many Members of Congress and the Obama Administration are reluctant to support an increase in the federal fuel tax.

**NACo policy:** The following are the critical issues that need to be addressed in the reauthorization:

- County governments own about 1.77 million miles of highways -- 45 percent of the nation's 4 million mile highway and roadway network.
  - County governments own 256,000 bridges, 44 percent of all bridges.
  - County governments own/operate about one-third of the nation's transit systems, including rail, bus, and van service.
1. **Funding** - NACo supports increased funding for the federal highway and transit program, including consideration of an increase or the indexing of the federal gasoline tax and the reinvestment of accrued interest generated by the Highway Trust Fund. Alternative sources of funding should be examined through pilot projects and research.
  2. **Surface Transportation Program** - The STP program should be increased and all funds should be distributed based on population.
  3. **Metro Congestion** - A new federal program should be created to reduce urban and suburban congestion in metro regions and each existing federal-aid highway program should have a component that reduces congestion.
  4. **High Risk Rural Road Program** - This program should be expanded dramatically and be funded at \$1 billion annually with substantial input by local officials on project funding decisions.
  5. **Bridge Program** - Retain the off-system bridge program at no less than current funding and increase overall investment in the federal bridge program to address the issue of the substantial backlog of deficient bridges.
  6. **Planning** - Planning funds for MPOs should be increased and MPOs in small-urbanized areas should have the same authority as large MPOs. Regional or rural planning organizations should be created and funded.

7. **Transit** - Substantially increase funding for public transportation to continue to develop and maintain a balanced transportation system in the United States that provides a variety of transportation options to our citizens. Congress should retain the current level of federal commitment to transit projects by maintaining existing federal – local matching requirements.
8. **Incident Management** - A new Incident Management Grant Program should be created to address accidents and broken down vehicles that are one of the main causes of congestion.
9. **Local Technical Assistance Program**-This program that provides training and technical transfer of best practices to county officials should be gradually increased to \$20 million annually.
10. **Streamline Project Delivery** - Implement reforms that will result in more timely and efficient delivery of projects while protecting the environment and citizen participation.

**Action needed:** County officials should contact their members of Congress to let them know how important reauthorizing the federal surface transportation program is to improving county highway, bridge and transit systems and begin exploring legislative changes that could assist counties in benefiting even more from the program.

**Background:** The multi-year reauthorization for the federal highway and transit programs expired on September 30, 2009 without any Congressional action. Since then, there have been six short term extensions to keep funding flowing, the latest of which expires on March 4, 2011. The current law, SAFETEA-LU, has provided about \$286 billion in funding for highway, transit and safety programs over the past five year period. In the House, the Transportation and Infrastructure Committee will consider both the highway and transit programs.

With the change of control in the House, the new chair of the committee is Representative John Mica(R-Fla.). He is less enthusiastic about a large increase in the highway and transit programs than his predecessor former Representative James Oberstar (D-Minn.) but nonetheless is a strong proponent for reforming the existing program. It is unclear how these reforms will impact county governments. Of concern to NACo was an earlier proposal to eliminate the federal bridge program, including the 15 percent set aside for off-system bridges.

In the Senate, the Environment and Public Works Committee, chaired by Senator Barbara Boxer (D-Calif.) is responsible for the highway program and the Banking Committee, chaired by Senator Tim Johnson (D-S.D.) is responsible for the transit program. The Senate committees have moved slowly, though there may be a draft of the highway section of the bill available in the next several months. In the meantime, the Obama Administration has announced its surface transportation proposal, which changes the existing program dramatically. They recommend a funding level of \$556 billion over six years, including \$336 billion for highways and bridges; \$119 billion for transit; \$53 billion for high-speed rail; and \$30 billion for a national infrastructure bank. The current Highway Trust Fund is expanded into a Transportation Trust Fund, which will include the existing highway and transit accounts and two new accounts for passenger rail and a national infrastructure bank. However, no new revenue sources are proposed for any of the program expansions.

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