

Pre-Decisional Discussion Draft

FAST Act FACT SHEET

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DATE: January 13, 2016

SUBJECT: Fixing America's Surface Transportation (FAST) Act Core Apportionment Programs

On Friday, December 4, 2015, President Barack Obama signed the Fixing America's Surface Transportation Act (the FAST Act, P.L. 114-094), a five-year authorization of highway, transit, safety and rail programs. The FAST Act includes approximately \$225 billion in contract authority over five years for the Federal-aid Highway Program, increasing funding from \$41 billion in federal fiscal year (FFY) 2015 to \$47 billion in FFY 2020 – an increase of 15%.

In FY 2015, California received \$3.54 billion in Federal Highway Administration (FHWA) apportionment funding. For FY 2016, which began this October, California will receive \$3.72 billion; and California can expect to receive an annual average of \$3.88 billion in FHWA apportionment funding from FY 2016–2020.

Federal-Aid Highway Apportionment Programs

The FAST Act retains most MAP-21 core apportionment program features but adds a new core program; while expanding certain eligibilities and creating new program set-asides.

National Highway Performance Program. The FAST Act expands National Highway Performance Program (NHPP, FAST Act section 1106) eligibility to include funding for federal aid highway system bridges that are not on the National Highway System (NHS); and also to pay subsidy and administrative costs for Transportation Infrastructure Finance and Innovation Act (TIFIA) projects. Funding for locally owned on-system bridges was an important issue for California local agencies since the Highway Bridge Program was eliminated in MAP-21. In FFY 2015, California received \$1.93 billion in NHPP apportionments; California would receive \$10.03 billion in NHPP funding over five years (an annual average of \$2 billion) under the FAST Act.

Surface Transportation Block Grant Program: The FAST Act renames the Surface Transportation Program the Surface Transportation Block Grant Program (STBG, FAST Act section 1109), and gradually increases the percentage of the STBG that is sub allocated by population from 50 percent in FY 2015 to 55 percent in FY 2020. However, California currently sub-allocates STP funds at a percentage higher than is required by the FAST Act. The FAST Act rewrites and simplifies the program's funding eligibility list and increases the ways STBG funds can be used for local roads and rural minor collectors. Additionally, under the FAST Act, the Transportation Alternatives Program (TAP) is folded into the STBG program as two set-aside programs called the "STBG Set-Aside" and the "STBG Recreational Trails Set-Aside". These two TAP STBG set-asides are

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funded nationally at a flat \$835 million in FY 2016 and FY 2017 and then \$850 million per year thereafter (this is a slight increase from the \$820 million that TAP received in FY 2015). Under the FAST Act, the current 50 percent sub allocation would apply to the new TAP STBG Set-Asides. Additionally, up to 50 percent of the sub allocated TAP STBG Set-Asides can be transferred to STBG. Further, the FAST Act also expands eligible recipients for funds to include nonprofits responsible for administration of local transportation safety programs. In FY 2015, California received \$887.9 million in STP apportionments; California would receive \$4.680 billion in STBG funding over five years under the FAST Act (an annual average of \$936.1 million). California would receive \$377.3 million in TAP STBG Set-Aside funding over five years under the FAST Act (an annual average of \$75.5 million).

Highway Safety Program Improvement Program. The FAST Act removes the ability to use Highway Safety Improvement Program (HSIP, FAST Act section 1113) funds for noninfrastructure safety programs, such as education and enforcement activities. The FAST Act also designates several new safety improvements eligible for funding including vehicle-to infrastructure communication and roadway improvements that provide separation between pedestrians and motor vehicles. In FY 2015, California received \$196.8 million in HSIP apportionments; California would receive \$1.02 billion in HSIP funding over five years under the FAST Act (an annual average of \$203.5 million).

Congestion Mitigation Air Quality (CMAQ) Improvement Program. The FAST Act makes a few changes to the CMAQ program (FAST Act section 1114): CMAQ funds can be used for attainment of ambient air quality standards in non-attainment areas, but also to maintain standards in an attainment area previously designated a non-attainment area(maintenance); the diesel retrofit program is expanded to include port-related off-road equipment and vehicles; low population density states are exempt from fine particulate matter(PM) 2.5 attainment requirements if the non-attainment area has no projects that are part of a transportation plan and vehicles are an insignificant contributor to PM 2.5 non-attainment. In FY2015, California received \$463.6 million in CMAQ apportionments; California would receive \$2.4 billion in CMAQ funding over five years under the FAST Act (an annual average of \$481.4 million).

Railway-Highway Crossings. In FY 2015, California received \$15.3 million in Railway-Highway Crossing apportionments; California would receive \$82.1 million in Railway-Highway Crossing funding over five years under the FAST Act (an annual average of \$16.2 million).

Metropolitan Planning. In FY 2015, California received \$48.5 million in Metropolitan Planning apportionments; California would receive \$259.8 million in Metropolitan Planning funding over five years under the FAST Act (an annual average of \$52 million).

National Highway Freight Program. The FAST Act creates a National Multimodal Freight Network (FAST Act section 8001), which, at least initially, specifically includes freight railroads, public ports based on tonnage, international border crossings, inland and intracoastal waterways, and the top fifty U.S. airports based on annual landed weight. And the FAST Act's National Multimodal Freight Policy (FAST Act section 8001) includes improving the movement of goods travelling across rural areas between population centers and between rural areas and population centers as national goals. The California Surface Transportation Consensus Principles noted that California is the nation's international trade leader and urged Congress to provide dedicated, sustainable funding for a contract authority freight program. California is receiving \$106 million in 2016 and will receive \$582 million in National Highway Freight Program funding over five years under the FAST Act (an annual average of \$116 million). In addition to National Highway Freight Program apportionments (FAST Act section 1116), the FAST Act creates a new contract authority discretionary program for Nationally Significant Freight and Highway Projects (NSFHP, FAST Act section 1105) National grant availability of \$4.5

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billion over 5 years; to be funded at approximately \$900 million a year. NOTE: This new program will require discussion and study as to the determination of categorical eligibility of proposed projects; study and implementation of screening and selection process; and prioritization of project scheduling in light of available funding.

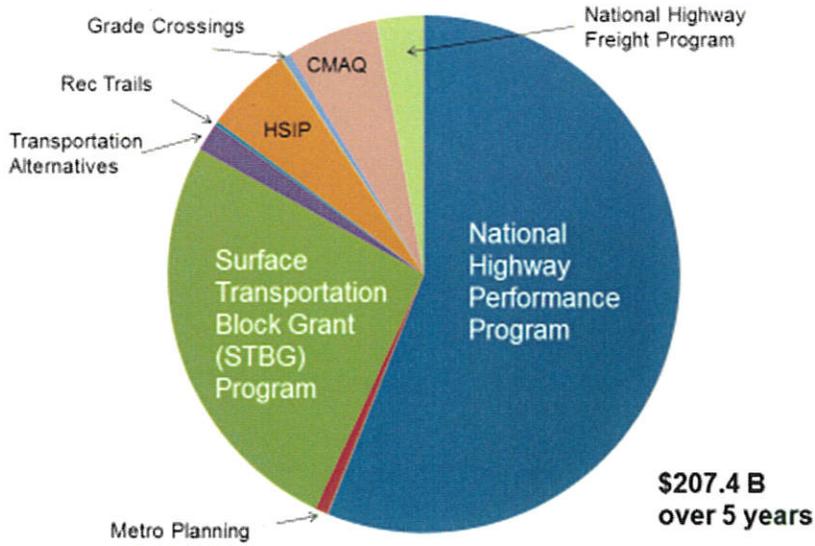
Nationwide Apportionment Totals & Percentage Increase from 2015 Levels by Program

Growth Varies by Program

Program	Avg. Annual Funding (millions)	Change from FY 2015
National Highway Performance Program	\$ 23,280	+6.3%
Surface Transportation Block Grant Program	11,654	+15.6
<i>Transportation Alternatives Set-aside</i>	[760]	+3.3
<i>Recreational Trails Program Set-aside</i>	[84]	0.0
<i>Surface Transportation Block Grant Program (net of TA & Rec Trails)</i>	[10,809]	+7.3
Congestion Mitigation & Air Quality Improvement	2,405	+6.1
Highway Safety Improvement Program	2,317	+5.7
Railway-Highway Crossings Program	235	+6.8
Metropolitan Planning	343	+9.5
National Highway Freight Program	1,249	NEW +100.0

Apportionment Distribution by Program

92% of Highway Funds Are Apportioned



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DATE: January 13, 2016

SUBJECT: Surface Transportation Block Grant Program (STBGP) under Fixing America's Surface Transportation (FAST) Act

PROBLEM STATEMENT:

Identify changes implemented by the FAST Act to the STBGP, formerly the Surface Transportation Program (STP). The Division of Transportation Programming is responsible for calculating the distribution of apportionments for the STBGP and STBGP set aside for the Transportation Alternatives Program (TAP). Therefore, the Department needs to decide on the level of apportionments that will be distributed to the regions that will best maintain the overall funding level under the FAST Act (compared with MAP-21). The Department also needs to determine if sub-allocation of the Regional Surface Transportation Block Grant Program (RSTP) and the Active Transportation Program (ATP) will continue as mandated under current State law.

RECOMMENDATION:

Distribute to the regions the percentages split specified by FAST Act for areas based on their relative shares of the State's population using the RSTP distribution formula mandated under current State law that considers a special rule for the federal-aid urban (FAU) and federal-aid secondary (FAS) systems.

Distribute the STBG set-aside for TAP as part of the Statewide ATP in accordance with the California Streets and Highways Code Sections 2380-2385.

BACKGROUND:

MAP-21 implemented major program restructure and consolidations to several programs, including Surface Transportation Program (STP). Each State is required to set-aside from its STP apportionment a proportionate share of funds for the State's Transportation Alternatives (TA) program; 2% for State Planning and Research (SPR); and, for off-system bridges, an amount not less than 15% of the State's FY 2009 Highway Bridge Program apportionment (which may not be taken from amounts sub-allocated based on population).

After set-asides, 50% of a State's STP apportionment is sub-allocated to the following areas in proportion to their relative shares of the State's population:

- Urbanized areas with population greater than 200,000;
- Areas with population greater than 5,000 but no more than 200,000;
- Areas with population of 5,000 or less.

Subject: Surface Transportation Block Grant Program under the FAST Act

The remaining 50% may be used in any area of the State.

Under the FAST Act, STP is renamed the Surface Transportation Block Grant Program. The set-asides for SPR and off-system bridges remain the same. Additionally, STBGP has two specified set-aside amounts:

1. “*STBG Set-Aside*” for TAP – the sub-allocation split is 50/50 each fiscal year subject to the same formula as STBG.
2. “*STBG Set-Aside-Recreational Trails*” – a State may opt out of the recreational trails program if the Governor of the State notifies the Secretary no later than 30 days prior to apportionments being made for any fiscal year.

The STBGP sub-allocation increases one percent per year from 51% in 2016 to 55% by 2020 to the following areas in proportion to their relative shares of the State’s population:

- *Urbanized areas with population greater than 200,000* – this portion is to be distributed among areas based on their relative population, unless the Secretary approves a joint request from the State and relevant MPOs) to use other factors.
- *Areas with population greater than 5,000 but no more than 200,000* – Projects in these areas are to be identified for funding by the State in consultation with regional planning organizations, if any.
- *Areas with population of 5,000 or less.*

The remaining may be used in any area of the State.

CA Streets and Highways Code (S&H) Code Section 182.6

California law refers to subsection (d) of Section 133 of Title 23 of the United States Code for RSTP apportionment methodology. It also includes additional provisions - S&H Code Section 182.6(d) (1) and S&H Code 182.6(d) (2), which guarantee minimum funding to counties under the FAU and FAS programs of an amount no less than 110 percent that the county was apportioned under these programs in Fiscal Year (FY) 1990-91. This provision was based on, and designed to ensure federal compliance that required each State to obligate for areas under 5,000 population not less than 110 percent of the amount apportioned to the State for the FAS system for FY 1991. This federal provision was removed in MAP-21.

Without a change in state law, the State has customarily supplemented “state flexible funds” to counties whose population does not yield the minimum apportionments mandated by California law. Historically, nine smaller counties (Alpine, Inyo, Lassen, Modoc, Mono, Plumas, Sierra, Siskiyou, and Trinity) have received state flexible funds. Section 182.6 also includes various provisions concerning the administration of RSTP funding designed to ensure the full use of federal funds while maintaining the State formula distribution.

CA Streets and Highway Code (S&H) Code Sections 2380-2385

California law S&H Section 2380 established the Active Transportation Program (ATP). Section 2381(a) states that ATP shall be funded by state and federal funds which include 100 percent of the federal Transportation Alternative program funds and to be distributed:

- 40 percent to metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000, in proportion to their relative share of population through a competitive process in consultation with the Department and the California Transportation Commission (CTC);
- 10 percent to small urban and rural regions with populations of 200,000 or less, with projects competitively awarded by the CTC to projects in those regions;
- 50 percent to projects competitively awarded by the CTC on a statewide basis.

State law also directs that the California Transportation Commission (CTC) in consultation with the ATP Program Workgroup to develop guidelines and project selection criteria for the ATP program and to adopt an annual or multi-year program of projects.

Alternatives for Distribution:

Alternative 1 – Distribute STBGP by the percentages specified under the FAST Act for areas based on their relative shares of the State's population using the RSTP distribution formula mandated under current State law that considers a special rule for the FAU and FAS systems. State law may need to be amended to update reference to the STBGP sub-allocations in federal law.

Distribute the STBG set-aside for TAP as part of the Statewide ATP in accordance with the California Streets and Highways Code Sections 2380-2385.

Pros

- Continue the RSTP program without change. Once the federal notice for apportionment becomes available, Department can implement immediately.
- Smaller counties will continue to receive additional state flexible funds. For illustration purposes, Alpine County, based strictly on population would receive \$13,415, but because of the minimum guarantees under California law, Alpine received \$131,208 apportionment in 2014/15.
- Remaining STBGP to other areas of the state (State portion) would be higher if off-system bridges are funded through the National Highway Performance Program (NHPP).
- No new cost or staffing changes to Transportation Programming.

Cons

- Nothing significant

See attached high level apportionment distribution matrix comparing MAP-21 and FAST Act. This matrix retains off-system bridges funding from the statewide (any area) sub-allocation.

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Alternative 2 – Change current state law

- A. Sub-allocate based on federal formula and remove minimum guarantees. Possibly augment the RSTP program by a specified amount or percentage using some of State STBGP apportionment that is not subject sub-allocation.

Pros

- Non-urbanized and small rural counties could receive additional apportionment based on the size of augmentation. (Note: The Department has not done any analysis of this scenario)
- MPOs with population of over 200,000 could also receive additional apportionment from the augmentation.

Cons

- Would require change in state law and implementation could delay delivery of federal STBGP funds.
- Delay apportionment distribution to regions.
- Would require establishment of working group who will recommend changes in state law.
- Process will be lengthy.
- State share of the STBGP portion maybe reduced significantly.
- May require new costs and staff to various programs in the Department.

- B. Change administration of STBGP similar to ATP. All STBGP funding could be programmed through the SHOPP or STIP. The CTC would be required to administer the federal STBGP sub-allocations permissible under federal law.

Pros

- Clear distribution of STBGP sub-allocation after CTC adopt guidelines.
- Division of Programming will no longer have to provide annual and multi-year apportionment estimates.

Cons

- Would require change in state law and implementation could delay annual delivery of federal STBGP funds.
- Full implementation will be lengthy.
- CTC would need to adopt guidelines.
- Require change to various Department policy, guidelines and procedures.
- May require new costs and staff to various programs in the Department.

PROPOSED IMPLEMENTATION SCHEDULE:

Alternative 1 – Immediately after the federal apportionments are released and final consensus on the Administration proposal for FAST Act programmatic apportionment distribution

Alternative 2a and 2b – 6 months – 1 year or longer

Working DRAFT
SURFACE TRANSPORTATION BLOCK GRANT PROGRAM (STBGP)
Estimated Apportionment For Distribution
MAP 21 vs. FAST Act as Passed
For Discussion Purposes Only

	MAP-21 (2015)	FAST Act (2016)	FAST Act (2017)	FAST Act (2018)	FAST Act (2019)	FAST Act (2020)
STBG Program Apportionment Estimate ⁽¹⁾	887,888,994	894,076,885	916,898,934	936,862,091	954,930,467	977,691,725
Less: 2% SPR Set-aside	(17,757,780)	(17,881,538)	(18,337,979)	(18,737,242)	(19,098,609)	(19,553,835)
TAP Set-aside ⁽²⁾	(18,453,613)					
Penalties (??)						
Adjusted STBGP for Distribution	851,677,601	876,195,347	898,560,955	918,124,849	935,831,858	958,137,891
REGIONS (Based on Population)	50%	51%	52%	53%	54%	55%
Add: \$30M from State Share before Oversight	30,000,000					
Less: Local Assistance Oversight Estimate ⁽³⁾						
Adjusted Regional Share before Oversight	455,838,801	446,859,627	467,251,697	486,606,170	505,349,203	526,975,840
STATE (Available to any Area)	50%	49%	48%	47%	46%	45%
Less: Additional Distribution to Region : \$30M	(30,000,000)	429,335,720	431,309,259	431,518,679	430,482,655	431,162,051
Off-System Bridges Set-aside ⁽⁴⁾ : \$74,908,951	(74,908,951)	(74,908,951)	(74,908,951)	(74,908,951)	(74,908,951)	(74,908,951)
NET Available to Any Area	320,929,850	354,426,769	356,400,308	356,609,728	355,573,704	356,253,100

Notes:

- (1) STP renamed as Surface Transportation Block Grant Program (STBGP).
- (2) Apportionment set-asides for TAP and Rec Trails are listed separately under the FAST Act.
- (3) Off-System Bridges - deduct from any area under FAST Act (See AASHTO 12/16/15 report, Fed Aid Program apportionment, page 23). Assume the same amount set-aside under MAP-21 unless State decides to fund off-system with NHPP.
- (4) Suballocation to Regions based on population. Additionally, CA S&H code 182.6 provides minimum guarantee funding for counties under the federal-aid urban (FAU) program and FAS program of an amount not less than 110 percent of the amount that the county was apportioned under these programs in FY 1990-91. To comply with these requirements, the State has customarily supplemented "state flexible funds" to counties whose population does not yield the minimum apportionments mandated by California law.
- (5) Local Assistance Oversight in FY 14/15: \$7,838,187

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DATE: January 15, 2016

SUBJECT: Transportation Alternative Program & Non-motorized Related Changes

PROBLEM STATEMENT / BACKGROUND

With the FAST Act, the Surface Transportation Program is renamed the Surface Transportation Block Grant Program (STBGP) and the Transportation Alternatives Program (TAP) is folded into a set-aside program of the STBGP.

The FAST Act provides funding at slightly increased funding levels and uses essentially the same programs for bicycle and pedestrian funding as MAP 21. Funding levels for the STBGP Set-aside, are set at \$835 million in the first two years and \$850 million in the last three. The FAST Act largely keeps the MAP-21 formula for distributing the funds at the state/local level the same. As in previous legislation, MPOs have the ability to flex funds. With the FAST Act, up to 50 percent of the suballocated portion of STP Set-aside could be transferred by MPOs to STBGP for other uses. Funding for the Recreational Trails Program is preserved at the 2009 level and is effectively a set-aside of the STBGSP

California's Senate Bill 99 (SB99), enacted in 2013, created the Active Transportation Program (ATP) and is largely unaffected by the FAST Act. SB99 directs ATP funds to be distributed 50 percent on a Statewide basis, 10 percent to all smaller urban and rural regions, and 40 percent to the nine largest Metropolitan Planning Organizations (MPO). SB99 is more restrictive on project eligibility than the FAST Act.

RECOMMENDATIONS FOR IMPLEMENTATION

Generally, Caltrans is in compliance with requirements of the FAST Act for the new STBGP Set-aside.

Caltrans should move ahead with ongoing bicycle, pedestrian, and transit connectivity activities in a manner consistent with FAST Act

- Use existing committees to advise the State on bicycle, pedestrian, accessibility, and transit connectivity related priorities, issues, projects, and funding needs.
- Continue to develop the California State Bicycle and Pedestrian Plan (CSBPP), now ensuring that it is consistent with the minimum content requirements outlined in the FAST Act. The CSBPP will also incorporate input from State modal plans, regional plans, and other sources. Follow on recommendations from the CSBPP Technical Advisory Group meetings and public outreach efforts to ensure success of the plan and to achieve its goals and objectives.
- Districts should coordinate with local and regional transportation agencies and NGOs to identify opportunities to provide safe and convenient non-auto transportation options, establish priorities, and leverage scarce resources (e.g., Public-Private Partnerships). Under the FAST Act, NGOs are also eligible to receive funds.

Eligibility

The FAST Act expands eligibility for STBGP Set-aside to Non-governmental Organizations (NGO) beyond the Recreational Trails Program. See "Eligible Entity Defined" Section 1109 Surface Transportation Block Grant Program

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Under the current ATP guidelines, NGOs can only compete for Recreational Trails Program eligible type projects. Currently, NGOs interested in applying for ATP funds must partner with a government agency meeting federal audit requirements with an established fund transfer mechanism. NGOs' abilities to meet federal requirements required to receive federal funding has been a major challenge and has thus far been unsuccessful.

Upon clarification from FHWA regarding an NGO's eligible to receive new STBGP Set-aside funding beyond Recreational Trail Program funds, ATP Program guidance may need to be revised if CTC allows NGOs to compete for all STBGP Set-aside funding under the ATP.

Annual Reporting

FAST Act now requires annual reports for the STBGP Set-aside showing the number of applications, aggregate amounts requested, projects types, along with the number of projects selected, aggregate cost and project locations. See "Reports" Section 1109 Surface Transportation Block Grant Program.

Currently, SB99 requires reporting for the ATP. MPOs and Caltrans submit reports to the California Transportation Commission (CTC) for Statewide and rural ATP funds; MPOs are required to submit semi-annual reports to CTC on the activities and progress made toward implementation and a final delivery report on funds they administer for the ATP.

ATP Guidance may need to be updated ensure reports provide the required federal information is submitted.

IMPACT OF FAST ACT ON PROGRAMS RELATED TO ACTIVE TRANSPORTATION

Complete Streets

The new law includes a critical provision for encouraging states and MPOs to adopt standards for the design of roads that safely and adequately accommodate all users, protecting pedestrian and bicyclists in addition to providing funding for highways and transportation infrastructure. See Section 1442 Safety for Users

California agencies have made considerable progress incorporating complete streets policies. Since 2008, Caltrans has had a Complete Streets policy (Deputy Directive 64-R2) with a robust implementation plan. Cities and counties are required by Assembly Bill 1358, 2008, to include complete streets policies as part of their general plan circulation element updates.

The *California Highway Design Manual* was updated in 2012 to incorporate Complete Streets. Considerable staff time and focus have been redirected toward developing criteria and proper analysis methods to ensure programs, such as SHOPP, include the right combination of features to develop Complete Streets. These efforts are used to help the State meet its Greenhouse Gas Emissions reduction targets by providing opportunities for active transportation and access to transit to reduce automotive vehicle miles traveled.

Design Guidance

The FAST Act allows local entities that are direct recipients of Federal dollars to use a design publication that is different than one used by their State DOT. FAST Act adds the AASHTO *Highway Safety Manual* and the National Association of City Transportation Officials (NACTO) *Urban Streets Design Guide* to the list of appropriate design manuals to use for Federally-funded projects. See Section 1404 Design Standards

In 2014, Caltrans officially endorsed the use of the NACTO *Guide* and provided *Design Flexibility in Multimodal Design* memo to holders of the Highway Design Manual outlining Caltrans philosophy of flexibility in design to support multimodal transportation projects on the State highway system.

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Safety

California has over 15 percent of its overall traffic fatalities related to bicycle and pedestrian crashes with motor vehicles. Approximately \$14 million annually will be awarded to States that meet this criterion. These funds can be used for law enforcement training, enforcement campaigns and education and awareness germane to bike and pedestrian issues. See "Eligibility" under Section 4005 National Priority Safety Programs.

Changes in the Highway Safety Improvement Program (HSIP) no longer funds non-construction activities (non-motorized promotion, education or enforcement). This change is somewhat made up for in a new non-motorized safety funding program to be administered by National Highway Traffic Safety Administration's National Priority Safety Programs.

How this program affects Caltrans and its administration are under investigation.

Performance Measures and Data Collection

The FAST Act leaves in place existing work from MAP 21 on Performance Measures and data collection. See Section 6028 Performance Management Data Support Program.

For bicycle and pedestrian purposes, data on these modes falls seriously behind the motorized modes. To be able to identify appropriate improvements and measure progress on these modes, processes should be identified and established to capture data. One of the greatest challenges facing the bicycle and pedestrian field is the lack of documentation on usage and demand. Without accurate and consistent demand and usage figures, it is difficult to measure the positive benefits of investments in these modes, especially when compared to the other transportation modes such as the private automobile.

In order to estimate existing and future bicycle and pedestrian demand and activity, counts and surveys should be conducted in a consistent manner similar to those being used by ITE and other groups for motor vehicle models. In addition, to save tax dollars, Caltrans should consider developing methods and procedures to capture information from external data and partner agencies.

FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

Fact Sheets

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DATE: January 11, 2016

SUBJECT: Surface Transportation Block Grant Program

PROBLEM STATEMENT/BACKGROUND:

(The Fast Act creates a new SURFACE TRANSPORTATION BLOCK GRANT PROGRAM that continues to fund eligible project types previously funded under the Transportation Alternatives Program (TAP) in MAP -21.

ACTION ITEM FOR IMPLEMENTATION/RECOMMENDATIONS FOR IMPLEMENTATION:

The SURFACE TRANSPORTATION BLOCK GRANT PROGRAM creates a new eligible entity defined as “a nonprofit entity responsible for the administration of local transportation safety programs”.

There is no additional guidance contained in the bill language to clarify this new entity type or what they may or may not be eligible to receive program funds for. Caltrans will need to request further guidance from FHWA to help identify this new eligible entity type.

IMPACT OF THE FAST ACT (Pros/Cons):

(To the extent that Divisions are able to provide information within the given timeframe, will implementing the FAST Act impose new costs, staffing requirements?)

CON:

1. Implementation has not historically dealt with non-government agencies. Allowing non-profit agencies to be eligible to receive federal funds will require Implementation to develop new/additional processes and training methods.
2. Continued funding for transportation alternative projects from the STP Block Grant set aside (estimated at \$78M +/-) will result in 100's of new projects created that will require CT staff to deliver.

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FAST Act White Paper - Draft

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DATE: January 15, 2016

SUBJECT: **Changes in FAST Act to Metropolitan Planning that effect Caltrans Office of Regional Planning**

PROBLEM STATEMENT:

FAST Act Section 1201 identifies the Bi-State MPO Region, Tahoe Regional Planning Agency (TRPA)/Tahoe Metropolitan Planning Organization (TMPO) as a Transportation Management Area (TMA) and thus will be eligible to receive Federal Transit Administration (FTA) 5303 Metropolitan Planning Funding from Caltrans. For the purpose of the FTA formula calculations, the California portion of the TMPO/TRPA population is identified in Section 1201 of the FAST Act as 145,000.

RECOMMENDATION:

Starting State Fiscal Year (FY) 2016-17, Caltrans Office of Regional Planning will amend its policy for the FTA 5303 formula to include TRPA/TMPO in the FTA 5303 allocations to the state's 18 MPOs. This will result in an annual allocation of approximately \$80,000+ in FTA 5303 funding for TRPA/TMPO.

BACKGROUND:

TMPO/TRPA was designated as an MPO in 1999 by the Governors of California and Nevada under the authority provided in federal regulations. Previous to FAST Act, TMPO/TRPA had not received FTA 5303 Metropolitan Planning Funding (the only MPO of 18 MPOs in the State that did not receive FTA 5303 funding).

ALTERNATIVES:

none

PROPOSED IMPLEMENTATION SCHEDULE:

July 1, 2016

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DATE: Last Updated on January 11, 2016

SUBJECT: Congestion Mitigation and Air Quality (CMAQ) Improvement Program under Fixing American's Surface Transportation Act (FAST Act)

PROBLEM STATEMENT:

Identify changes to the CMAQ program under the FAST Act.

RECOMMENDATION:

The FAST Act does not significantly alter the requirements under Moving Ahead for Progress in the 21st Century (MAP-21) and therefore California should continue to manage and apportion CMAQ funds in accordance with the California Streets and Highways Code Section 182.7.

BACKGROUND:

Program Purpose

The purpose of the CMAQ program remains unchanged. The purpose is to fund transportation projects or programs that will contribute to attainment or maintenance of the National Ambient Air Quality Standards for ozone, carbon monoxide, and particulate matter. The two program goals of improving air quality and relieving congestion continue under the FAST Act.

Project Eligibility

Project eligibility provisions under the FAST Act remain in large part unchanged, but expanded to include vehicle-to-infrastructure communication equipment and projects that reduce emissions from port-related freight operations.

Apportionment

California's apportionment formula, which is guided by the California Streets and Highways Code Section 182.7, is not affected by the FAST Act.

Performance Plan

**SUBJECT: Congestion Mitigation and Air Quality (CMAQ) Improvement Program
Apportionment under Fixing American's Surface Transportation Act (FAST Act)**

The FAST Act does not add new requirements beyond MAP-21, other than adding language specifying that the CMAQ performance plans for metropolitan planning organizations over one million in population must include a description of progress made in achieving the targets for air quality and traffic congestion.

Priority for Use of Funds in PM2.5 Areas

The FAST Act does not add new requirements beyond MAP-21, other than the following: 1) new language that affects PM2.5 nonattainment and maintenance in low population density states and 2) eligibility of port-related equipment and vehicles. The new language does not significantly affect California.

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FAST ACT FACT SHEET

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DATE: January 15, 2016

SUBJECT: FAST Act: air quality conformity and integration of environmental into planning

PROBLEM STATEMENT:

Policy: The Fixing America's Surface Transportation (FAST) Act introduces support for port-related activities; intercity bus services; tourism; and vehicle-to-infrastructure communication. It also now requires performance measures and targets for statewide planning.

Staffing: The FAST Act introduces new considerations for metropolitan transportation planning and statewide transportation planning, which could incrementally increase staffing needs. The FAST Act also introduces a new option for streamlining of planning and environmental processes; if Caltrans pursues the option, it will require a shift of resources to the planning phase, and it could result in an overall increase in planning and environmental staffing needs.

Air quality conformity: The FAST Act only indirectly affects Caltrans' activities related to air quality conformity and compliance with the federal Clean Air Act. Some new areas of emphasis align well with Caltrans' new Mission, Vision and Goals.

Integration of environmental into planning: The FAST Act provides an option to incorporate various kinds of planning outcomes by reference during the environmental phase. This option will require changes to the planning process. Note the comment above about a shift (and increases?) in staffing.

- Section 1114, Congestion mitigation and air quality improvement program (CMAQ), addresses funding eligibility for the CMAQ Program. It introduces new categories for eligibility, such as port-related projects and equipment, and vehicle-to-infrastructure communication equipment. This section does not alter air quality conformity processes. The Division of Programming is best able to address the implications of the CMAQ language in the FAST Act.
- Section 1201, Metropolitan transportation planning, adds intercity bus, commuter vanpools, public ports, and travel and tourism for inclusion in metropolitan transportation planning processes. Each of these has indirect implications for air quality conformity: reducing vehicle emissions can help regions meet conformity, while increasing vehicle emissions can have the opposite effect. Intercity bus and commuter vanpools can reduce vehicle emissions. Including public ports in metropolitan transportation planning may do the same. An emphasis on travel and tourism could potentially increase emissions.
- Section 1202, Statewide and nonmetropolitan transportation planning, similarly adds intercity bus, commuter vanpools, public ports, and travel and tourism for inclusion in Statewide and nonmetropolitan transportation planning processes. Similar results are expected. The FAST Act also now requires performance measurement and target-setting. This is in keeping with Caltrans' Strategic Management Plan.

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- Section 1305, Integration of planning and environmental review, provides an option to incorporate planning-level decisions in the environmental process. This could include planning decisions such as purpose and need, preliminary screening of alternatives, and others; planning analyses from a planning product; system- and corridor-wide planning evaluations; and other planning outcomes. To incorporate planning outcomes by reference at the environmental phase will require changes to the planning process. Caltrans will need to discuss internally whether any potential benefits are enough to justify fulfilling these new requirements during planning. This will not change air quality conformity processes, but there is the potential to streamline other environmental processes.

RECOMMENDATION:

Caltrans should continue implementing its Strategic Management Plan, which will help in meeting the FAST Act's new performance measurement and target-setting requirements for statewide transportation planning.

Caltrans should continue its ongoing air quality conformity processes as established by the Clean Air Act.

Caltrans should evaluate at a Department level whether to change how planning is conducted by imposing new requirements in order to achieve streamlining and other benefits during the environmental stage. Such a change would need to yield sufficient benefits to justify the shift in resources. A pilot may help determine the benefits, and whether this could be used in select cases.

BACKGROUND:

The federal Clean Air Act is intended to help achieve cleaner air nationwide. Air quality standards have been put in place nationally, and regions of the country must follow procedures to demonstrate how they will meet those air quality standards, i.e., "meet conformity." A portion of the Clean Air Act focuses on "transportation conformity" requirements – how air quality standards must be met by regional and state transportation agencies. Transportation reauthorization can have implications for transportation conformity requirements. In the case of the FAST Act, it only indirectly affects Caltrans' activities related to air quality conformity.

Air quality conformity is performed at the regional level (by regional transportation agencies), and at the project level (by agencies such as Caltrans who serve as the lead agency for the National Environmental Policy Act). There is the potential to streamline the process for complying with environmental laws by addressing environmental considerations more fully during the planning phase. The FAST Act provides this option. It also requires that a series of conditions be met during planning in order to take advantage of the option. The conditions include, for instance, that the planning product/process include: consultation; public notice; and "...broad multidisciplinary consideration of systems-level or corridor-wide transportation needs and potential effects, including effects on the human and natural environment." It will be challenging to identify an appropriate funding source for this level of pre-programming activity. The Federal Highway Administration's implementing regulations will help determine how useful this option may be.

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DATE: January 13, 2016

SUBJECT: FAST Act section(s) 1113, 1406, 1442, 4002, 4005, 4006, 4010, 4011, 6017, and 6028.

Background:

Section 1113 (Highway Safety Improvement Program):

- Removes non-infrastructure projects from eligibility to use Highway Safety Improvement Program (HSIP) Funds.
- Eliminates the requirement to collect Model Inventory of Roadway Elements (MIRE) data for unpaved gravel roads, however elimination of such roads within the National Tribal Facility Inventory must be done with consent of tribal authority.

Section 1406

- Reduces the number of reporting cycles for performance measures for states to meet state set performance measures from two to one.

Section 1442

- Adopts standards for safe and adequate accommodation of all users including nonmotorized users.

Section 4002

- New activity to conduct biennial survey on automated traffic enforcement systems

Section 4005

- Increase use of funds for projects eligible under section 402, U.S. Code.
- Allows for grant allocation if State is in the lowest 25% of all States for motorcycle deaths.
- Awarding of grants intended to decrease pedestrian and bicycle fatalities and injuries.

Section 4006

- Develops process to identify and mitigate possible systemic issues

Section 4010

- Creates 'State granted awards' list reporting activity.

Section 4011

- Amends funding for data collection and evaluation of data results.

Section 4015

- Establishes effective start date of October 1, 2015 for changes made in sections 4002, 4005, and 4011.

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Section 6017

- Bureau of Transportation Statistics. Amends sec. 6302 of USC 49 to reauthorize the Bureau of Transportation Statistics.

Section 6028

- Collection and management of data for performance-based planning and programming.

Impact on the Program:

1113

The loss of flexibility within the HSIP program. Current efforts are underway to use funding to cover expenses such as Automated Collision Diagram (ACD) software technical assistance contract, curve warning sign project and Traffic Investigation Quality Assurance (TIQA) study would be ineligible. In addition, impacts proposed funding for the Strategic Highway Safety Plan, which is required by federal statute.

The changes to MIRE requirements are insignificant.

1406

The only impact would be failure to attain performance goals. The level of the goals is determined by each state, so it should be possible to set reasonably attainable goals.

1442

No impact.

4002

Additional resources required conduct and analyze survey. Estimate 0.2 PY's.

4005

Additional resources to manage additional funding. Estimate 0.3 PY's.

4006

No impact.

4010

No impact.

4011

No impact.

4015

See impacts listed for Sections 4002 and 4005.

6017

No impact.

6028

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Additional resources may be required to gather and provide data for performance-based planning.

Action Items for Implementation / Recommendations for Implementation:

There are no action items required regarding Section 1113 that are different than MAP 21 mandated activities.

Caltrans will need to account for additional resources for the additional workload caused by the above sections. Resource needs could be minimal. Resources could be re-directed from other programs as well.

FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

Fact Sheets

PREPARED BY: Chiu Liu, Division of Local Assistance
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DATE: January 15, 2016

SUBJECT: Highway Safety Improvement Program

PROBLEM STATEMENT/BACKGROUND

23 USC 148 and USC 120 were slightly modified by the FAST ACT. Four subcategories were added which brings a total of 28 subcategories.

"Safety project under any other section" in item (10) of section (a) in 23 USC 148, was removed which included using HSIP funds for non-infrastructure purposes like enforcement and education.

Subsection (b) was added to 23 USC 148 concerning "commercial vehicle safety best practices", but this section has no impact on LA HSIP.

Subsection (k) for tribal road was added to 23 USC 148, and this subsection has no impact on our LA HSIP. Tribal roads were already included in our program as being eligible.

ACTION ITEM FOR IMPLEMENTATION/RECOMMENDATIONS FOR IMPLEMENTATION:

Adding the 4 subcategories doesn't affect the LA HSIP because we have been supporting most of the subcategories as being eligible for HSIP funding. Consideration may be given to other items listed in the subcategories as being eligible but will be vetted through the Local HSIP Advisory Committee.

Local HSIP allowed HSIP funds to be used for non-infrastructure purposes (enforcement or education) but had to be tied to the project location. This portion will be removed from our Guidelines as being eligible in the next Cycle this year. The impact to local agencies will be none, as this provision was never utilized in the prior two cycles by the local agencies when it was available.

IMPACT OF THE FAST ACT (Pros/Cons):

Impact on the LA HSIP is minimal.

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Fixing America's Surface Transportation (FAST) Act Fact Sheet

Date: January 8, 2016

Subject: Pavement Program

Background:

On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation (FAST) Act, which authorizes and funds Federal highway, highway safety, transit, and rail programs for five years from 2016 through 2020. The new law continues funding for pavement projects through the National Highway Performance Program (NHPP) at about the same levels from 2015, increasing about 2% each year until 2020. NHPP dollars are eligible to be expended on non-national highway system (NHS) bridges that are on a federal-aid highway.

The FAST Act does not significantly change the provisions for pavement performance management established under MAP-21 and the Notice of Proposed Rulemaking (NPRM) regarding pavement condition performance measures.

Issues/Impacts

- The funding for pavement projects under NHPP increases only 2% per year from 2015, which may not be adequate to meet the current pavement funding needs on the state highway system (SHS) over the next five years.
- The FAST Act allows states to use NHPP funding for non-NHS bridges that are on federal-aid highways, which would reduce funding available for pavement projects.
- Pavement performance measures, establishment of targets, timelines for establishing targets, performance report requirements, and penalties have been developed under MAP-21 and the NPRM for pavement condition performance measures. The performance measures include: percentage of good and poor pavements on the interstate system; and percentage of good and poor pavements on the non-interstate NHS.
- In order to comply with these requirements and timelines, specific data is needed that is not currently collected and analyzed for the state highways and local roads that are on the NHS. FAST does not include provisions for funding the activities and efforts needed to comply with the new requirements. The Pavement Program will need resources to coordinate the development and implementation of the new performance measures and targets, to collect and analyze the data, and develop and submit the performance reports. A method will need to be developed to compare data before and after the change in order to accurately measure pavement performance, assess pavement needs, and determine pavement budget and programming needs for the 5-Year Maintenance Plan and the 10-Year SHOPP Plan.
- Resources are also needed to collect and analyze data for local roadways, and to report on performance.
- Coordination with relevant MPO's may be required in establishing targets for pavement performance measures.
- The performance measures for pavements developed under the MAP-21 NPRM need to be defined further in order for Caltrans to successfully implement (e.g., what kind of cracking, types of rutting, etc.).
- More comments will be provided as needed when the FAST Act NPRM process begins to develop more guidance and direction to implement the sections regarding pavements and pavement performance measures.

FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

Fact Sheet

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DATE: January 15, 2016

SUBJECT: National Highway Performance Program flexibility

PROBLEM STATEMENT/BACKGROUND:

FAST Act Section 1102 National Highway Performance Program (NHPP) added flexibility for States to use NHPP funding for bridges that are on a Federal-aid highway, but not on the National Highway System (NHS). This flexibility is available so long as the condition of the States NHS bridges does not have more than 10 percent of the total deck area being structurally deficient.

This introduces uncertainty of available revenue to address on Federal-aid, non NHS bridges. The issue of determining the NHS vs. on Federal-aid, non-NHS funding split needs to be developed.

ACTION ITEM FOR IMPLEMENTATION/RECOMMENDATIONS FOR IMPLEMENTATION:

Once Asset Management is implemented, a continuing determination of the condition of the total State NHS bridges will need to occur to determine if the State has the flexibility under the NHPP to provide funding for Federal-aid, non NHS bridges. If the flexibility is available, recommend that the determination of funding for Federal-aid, non NHS bridges be calculated by percentage of structurally deficient deck area of Federal-aid non NHS bridges to Federal-aid on system bridges.

IMPACT OF THE FAST ACT (Pros/Cons):

Pros:

1. On Federal-aid, non NHS bridges have a potential revenue source under NHPP.

Cons:

1. Funding may not be available under Title 23 U.S.C. Sec. 199 (f)(2) (A).
2. The flexibility determination is based upon a 3 year period, making the availability of funding based upon old information.

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Fixing America's Surface Transportation (FAST) Act Fact Sheet

Date: January 5, 2016

Subject: Bridge Maintenance Programs

Background:

Performance Management: The Fixing America's Surface Transportation (FAST) Act does not affect any of the performance management requirements established under MAP-21.

Bridge funding: *National Highway Performance Program* (NHPP) dollars are eligible to be expended on non-national highway system (NHS) highway bridges that are on a federal-aid highway. The current off-system Bridge set-aside under the original *State Transportation Program* (STP) which has been renamed to the *Surface Transportation Block Grant Program* (STBGP) is retained.

Freight and Goods Movement: The FAST Act facilitates commerce and the movement of goods by refocusing existing funding for a *National Highway Freight Program* (NHFP) and a *Nationally Significant Freight and Highway Projects Program* (NSFHPP) which will for the first time provide a dedicated source of Federal funding for freight projects, including multimodal projects.

FAST creates a national Multimodal Freight Network, which includes a National Highway Freight Network consisting of all interstates, an additional 41,000 primary freight network highway miles identified under MAP-21 and other State identified highway segments.

Environmental Impacts: FAST establishes a pilot program for states with NEPA assignment to substitute their State environmental review law(s) for NEPA.

Impacts:

Performance Management: None

Bridge funding: The eligibility of expending NHPP dollars on non-NHS highway bridges that are on a federal-aid highway will allow the funding allocated to local agencies to be used for bridges on local roads that are not NHS but are federal aid routes.

Freight and Goods Movement: The creation of the NHFP and the NSFHPP should create a significant opportunity for impacted SHOPP Transportation Permit Requirements for Bridges program. Within the State Highway System we have numerous bridges that are non-standard for vertical clearance or bridge strength for freight vehicles. These programs provide a means to specifically address these issues in support of creating a National Multimodal Freight Network.

Environmental Impacts: Historically, bridge projects are known for their long and extensive environmental processes which often delay projects significantly regarding delivery. If California participates in the pilot program to substitute State environmental review law(s) for NEPA it is assumed that this may reduce the process and make better use of environmental resources.