

Agenda Item IX.

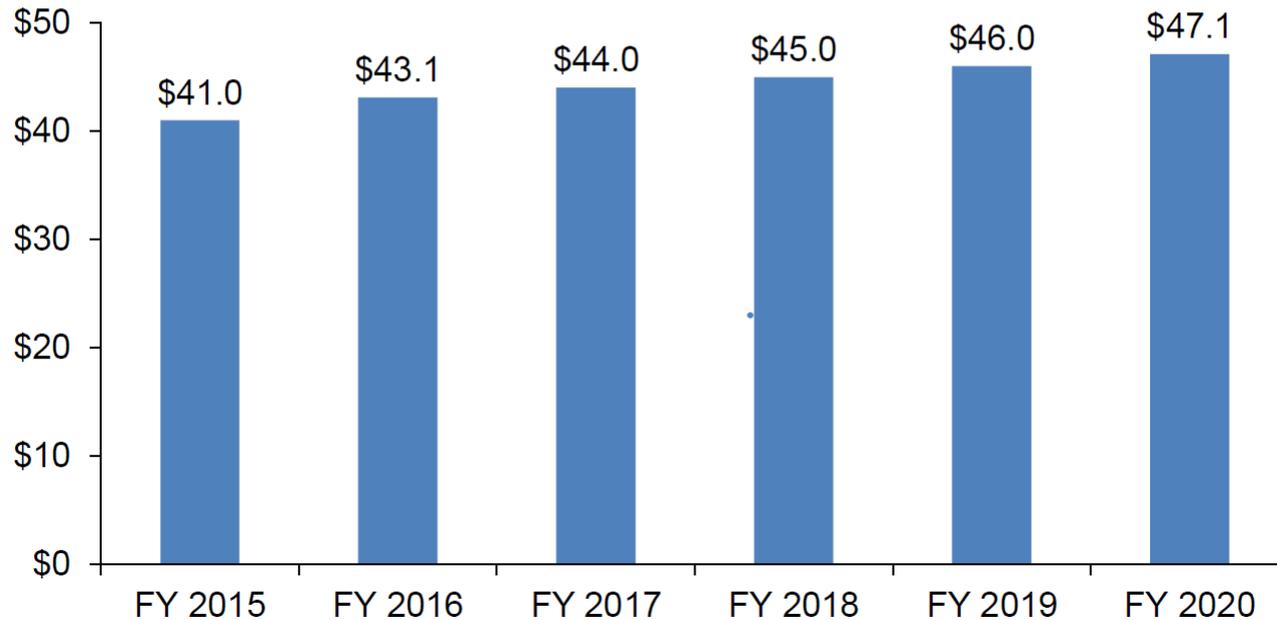
Fixing America's Surface Transportation Act (FAST Act)

FAST Act

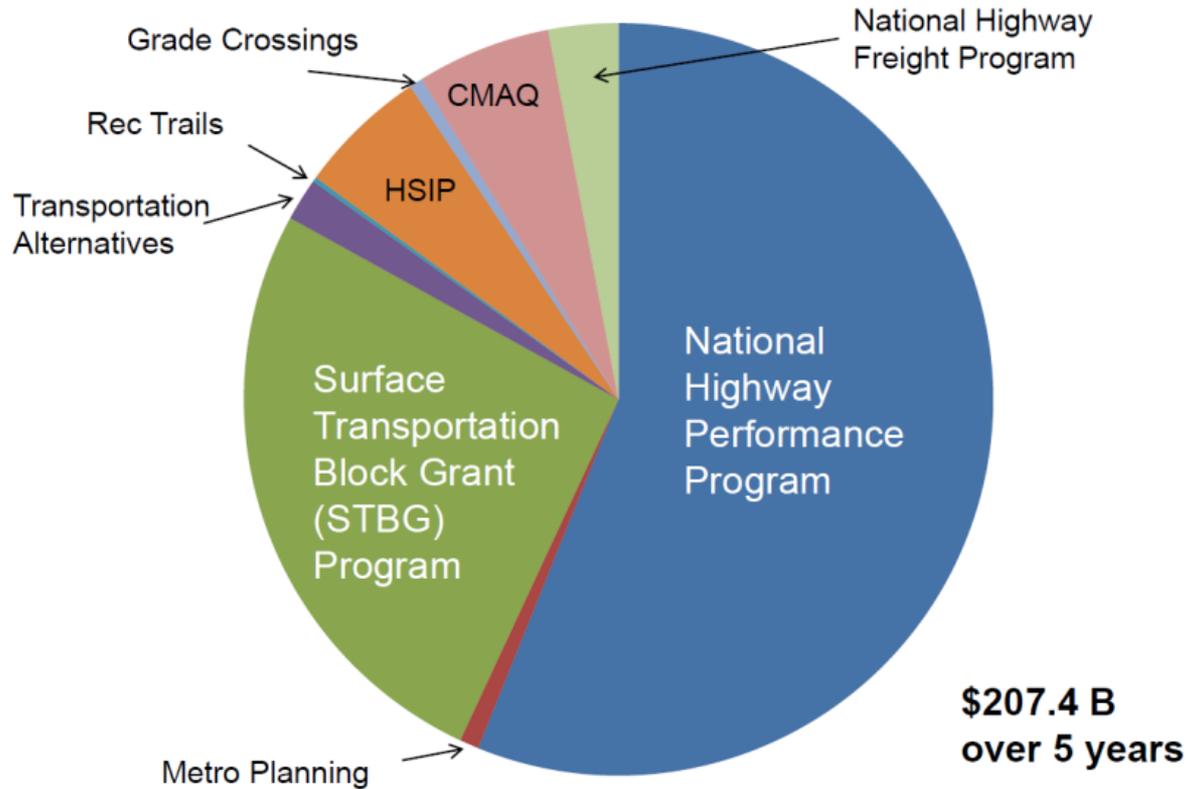
- Signed by President Obama on December 4, 2015
- First long-term authorization act in a decade
- Result of bipartisan cooperation and compromise
- Provides 5 years of funding certainty for infrastructure planning and investment
- Authorizes \$305 B (all modes) over FY 2016-2020
- \$70 B in transfers to keep the Highway Trust Fund solvent; fully “paid for” (offset) by unrelated savings

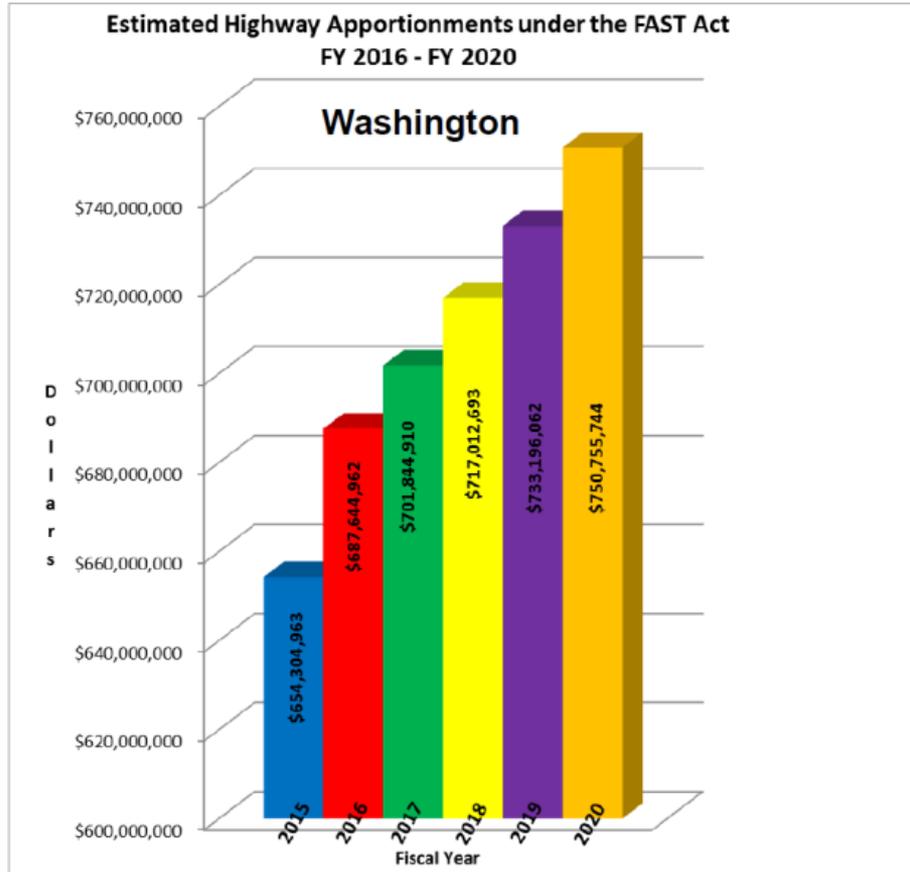
Highway contract authority grows each year

Highway Authorizations from Trust Fund (billions)



92% of Highway Funds Are Apportioned





(before post-apportionment set-a-sides; before penalties; before sequestration)

National Highway Freight Program | **NEW**

- \$1.2 B / year (average), apportioned to States by formula
- Eligible activities include construction, operational improvements, freight planning and performance measures
- Highway focus, but $\leq 10\%$ for rail/port/intermodal projects
- No State freight plan, no freight formula \$ (beginning FY 2018)
- Federal share is determined under 23 USC 120
- Repeals special Federal share for freight projects

Natl. Significant Freight & Hwy. Projects | **NEW**

- \$900 M/year (average) for competitive grants or TIFIA loans for projects >\$100 M (reduced for States w/ small programs)
- Eligible activities:
 - Highway freight projects on National Highway Freight Network
 - NHS highway/bridge projects, projects in National Scenic Areas
 - Freight rail/intermodal/port projects (\leq \$500 M over 5-year period)
 - Rail-highway grade crossing or grade separation projects
- States, large MPOs, Tribes, localities, and FLMAs may apply
- OST selects projects; Congress has 60 days to disapprove
- Set-asides for rural areas and projects below cost threshold

Nationally Significant Freight and Highway Project Grant Program

- \$800 million is available in FY16:
 - 10 percent (\$80 million) is set aside for small projects, minimum grant is \$5 million;
 - 25 percent (\$200 million) is set aside for freight projects in rural areas;
 - The remaining \$520 million may be granted for projects costing \$100 million or more (the minimum award is \$25 million).
 - Not more than \$500 million over the five year program may be granted to intermodal, freight rail and port projects that improve freight movement on the NHFN. Grade separation projects are not subject to this limitation.
- It is likely that the USDOT Freight and Highway Grant selection process will be simplified in FY16 and that grant applications will be due in spring 2016.
- Projects must begin construction no later than 18 months after the date of obligation of funds.

Planning & Performance

- More consultation and participation
 - Enables participation by public ports, private transportation providers
 - Encourages MPO consultation with other types of planning activities
- Changes to selection criteria for MPO officials
- Other changes to planning and performance
 - TIPs/STIPs/long-range plans must include facilities that support intercity transportation
 - New planning considerations: resiliency/reliability, stormwater mitigation, and enhancement of travel/tourism
 - Long-range State plan must describe perf. measures and targets
 - Consequence (reporting) for State making insufficient progress toward freight targets

FAST Act

Key Takeaways:

- ◆ 5-Year Bill & Funding Plan (w/increases)
- ◆ New Freight Program (formula and grant)
- ◆ MPO Process enhanced/refined
- ◆ Performance target setting & monitoring retained from MAP-21

FAST Act

Governor to Convene STP Formula Group

- ◆ Formula of STP split (66% State / 34% MPO regions) has been in place prior to MAP-21
- ◆ Other MPO regions, cities, counties engaging on this topic
- ◆ Member discussions on this topic?