FEDERAL POLICY UPDATE: WILL THERE BE AN INFRASTRUCTURE PACKAGE?

CARON WHITAKER
POLICY SPECIALIST
CARON@CLWCONSULTING.NET
AGENDA

The Administration’s Infrastructure Package
- State of the Union
- The DOT Leaked draft

Does Congress have a plan?
- The Problem Solvers Caucus
- Senate Environment and Public Works
- House Transportation & Infrastructure Committee

Updates
STATE OF THE UNION

One pager released during speech
Axios and Politico released a leaked draft of an administrative principles relating to transportation.

Big Picture
- Doesn’t deal with funding source
- Based on $200 Billion of spending
- Defines Infrastructure broadly
- Fits with what we’ve heard before –BUT weights priorities
LEAKED (ALLEGED) ADMINISTRATION INFRASTRUCTURE PLAN

50% of the funds go to projects that leverage state, local or private funds.

- Federal funding up to 20% of projects
- Rewards states that put forth higher match with public or private funding
- Judged on ability to plan for (and pay for) maintenance and repair.

- Response:
  - Step towards devolution
LEAKED (ALLEGED) ADMINISTRATION INFRASTRUCTURE PLAN

- 25% to Rural Grant Program.
  - 80% as block grants to governors (not DOTs)
    - Expansive definition of infrastructure
  - 20% to rural performance grants based on states rural investment plans.

Response
- 25% = 50 billion
- Mixed about choice to go to Governor vs. DOT
10% to Transformative Projects.
- Run out of Commerce Department
- Judged on ability to improve economic development

Response:
- 10% = 20 Billion or 2 Billion a year (Bigger than TIGER but not huge)
- Through Commerce Department raises questions about ability to judge
LEAKED (ALLEGED) ADMINISTRATION INFRASTRUCTURE PLAN

Existing Programs

- 7.05% to existing credit programs.
- 5% Federal Capital Financing Fund
- Private Activity Bonds (2.95%)

Response

- Need direct investment.
- Helpful on the edges
DJ Gibbons - White House Lead on Infrastructure

“Repurposing”

- Transit small starts and new starts +
- Amtrak +
- What else? (TIGER) =
- ~$42 Billion over 10 years

Did say- won’t touch formula funding
SENATE INFRASTRUCTURE BILL

- Chairman Barrasso Environment and Public Works Committee
- Not Bi-Partisan

- Expect it to be:
  - $25 Billion dollar bill over 5 years,
  - Extend FAST Act for a few years
  - Focus on streamlining environmental regulations
• Retiring - feels can be more effective
• Worried about Devolution
• Wants to focus on fixing Highway Trust Fund
THE PROBLEM SOLVERS CAUCUS

- Made up of equal numbers Democrats and Republicans
- Infrastructure working group:
- Co-Chairs: Reps. Esty (D-CT) and Katko (R-NY)
- Reps Faso (R-NY), Lipinski (D-IL), Rosen (D-NV), Smucker (R-PA), Suozzi (D-NY) Welch (D-VT)
Main Agreements on Surface Transportation

- Find sustainable funding, options include:
  - Raising gas tax and index to inflation,
  - Excise taxes on petroleum and other fuels
    - Fees on electric vehicles
    - Create freight tax (similar to air freight tax)
    - Transition to Vehicle Miles Traveled fee

Improve Financing options

- Increase TIFIA, RIF (railroads), etc.
WHERE DOES THAT LEAVE US?

President Trump’s proposal DOA?

Among proponents of infrastructure momentum to talking about a Highway Trust Fund solution

- President Trump, Chairman Shuster, Problem- Solvers ALL open to talking about gas tax increase
- No one wants to lead.

Lessons for Bicycling and walking stakeholders

- Issue of funding may be used as a reason not to fund biking and walking
- A step closer to devolution?
Devolution

- Federal Program should only do what is federal- i.e. interstate commerce
- States and localities should do the rest.

Secretary Chao

Under President George HW Bush’s DOT authored National Transportation plan arguing for 50% federal/ 50% local split

- Connections to Heritage foundation has pushed for this
Early version of the FAST Act included funding scheme which lowered federal match for most roads.

<table>
<thead>
<tr>
<th>Road Category</th>
<th>Federal Share</th>
<th>Local Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Highway System</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Federal aid roads</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Local roads</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>Recreational projects</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Disclaimer: I am reproducing this from memory. I am 100% sure on local roads percentages, less sure on names of road categories.
Transportation Empowerment Act of 2015 (not current)

- Reduces federal gas tax to 3.7 cents per gallon
  - Used only for major projects used for interstate commerce (interstate, etc.)
  - Eliminates Transportation Alternatives, CMAQ, Metro planning, etc.
- Cosponsored by 51Rs in House, 6 Rs in Senate

Problem:

- Every state gets more in federal transportation $$ than they pay in gas tax
- Because Highway Trust Fund includes transfers from general fund
THE COST TO DEVOLUTION

Minimum State Gas Tax Increase* Necessary to Maintain Current State Highway Program Funding Level Under the “Transportation Empowerment Act” (TEA)

*Or annual state revenue equivalent.

The “Transportation Empowerment Act” would cut the federal gas and diesel motor fuel tax which provides funding assistance to the states from 5.5 cents per gallon to 3.7 cents per gallon and 24.3 cents per gallon, respectively, over five years. Nationally, on average, federal funds provide 52% of the annual capital investment made in highway and bridge improvements by state transportation departments.
DEVOLUTION

Graphic Source: Transportation Governance, supra, at 29.
UPDATES

- New Legislation
- Bicycle Commuter Benefit
- Changes to AASHTO Structure
HR 4241: TRANSPORTATION ACCESS AND SYSTEM CONNECTIVITY ACT

- First step towards a connectivity performance measure- measuring how well does our transportation system connect residents to daily destinations- work, school, health care and groceries.
- Introduced by 4 members of the House Transportation & Infrastructure Committee-
  Reps. Esty (D-CT), R.Davis (R-IL), Lipinski (D-IL) , Comstock (R-VA)
HR 4241: TRANSPORTATION ACCESS AND SYSTEM CONNECTIVITY ACT

- Creates a pilot project to provide access data to:
  - 5 States and
  - 10 Metropolitan planning organizations (6 in MPOs with a population of <200,000)

**US DOT would:**
- Determine competitive process to pick States and MPOs
- Purchase and provide data
- Report to Congress how data effects changes in transportation
- Fund data purchase from administrative funds
# WHAT IS ACCESSIBILITY DATA?

## Mobility Data:
- Travel speed
- Level of service
- # of vehicles / persons pass through

Measured through a certain point

## Access Data:
- Autos: Road Network
- Transit: Routes, stations
- Bike/ped: facilities and conditions

Ability to travel between any origin and any destination.
ACCESSIBILITY EXAMPLE – NON WORK ACCESS IN NORTHERN VA

Figure 7. Existing non-work accessibility along the Norfolk-Virginia Beach Expressway, showing a hard break from north to south.
ACCESSIBILITY EXAMPLE – NON WORK ACCESS IN NORTHERN VA

Pedestrian projects increase walkability access for over 67,438 ppl to over 33,498 non-work destinations (within 3 miles)

Figure 8. Changes in non-work accessibility resulting from new pedestrian connections along the Norfolk-Virginia Beach Expressway.
What would this mean for bicycling and walking?

- Provides access data for states, and communities.
- Allows communities to creates a bike-ability score
- Can help communities:
  - Build and complete networks
  - Avoid decisions that block accessibility

Harder for bicycling-
- Where is biking allowed vs. where are most ppl comfortable biking
BICYCLE COMMUTER BENEFIT
Made up of councils on each mode including:

- Active Transportation Council
- Aviation Council
- Special Committee on Freight
- Highways and Streets Council
- Public Transportation Council
- Rail Council
- Water Council
Chair: Secretary Leslie Richards (PA)
Vice-Chair: Toks Omishakin (TN)

Steering Committee
- Rob Bedenbaugh, P.E. (SC)
- Ken Brubaker, P.E. (CO)
- Barb Chamberlain (WA)
- Ben Ehereh (ND)
- Charles Glass (MD)
- Kevin Marshia, P.E. (VT)
- Milly Ortiz (IA)
- Commissioner Victoria Sheehan (NH)
- Karla Sutliff (CA)
Council on Active Transportation shall:

- address issues related to bicycle, pedestrian, and other active transportation modes, including non-motorized access to the multimodal network,
- provide input on related policy issues and cross-cutting/multimodal issues to the Transportation Policy Forum,
- provide direction and assignments to the committees related to active transportation, and review and approve applicable technical documents on behalf of the association,
- promote and encourage technology and knowledge transfer by member states, and shall make recommendations regarding needed research,
- review and provide input on proposed federal policies of national concern,
- and identify key policy areas for review and discussion by the Transportation Policy Forum.
Thank you

Caron Whitaker
Policy Specialist
caron@clwconsulting.net