Transportation Reauthorization Update
February 23, 2012
Where are We on Transportation Reauthorization?

- 877 days since SAFTEA-LU expired
- House and Senate reached an agreement last October on a six month extension (March 31, 2012)
  - 8th extension
  - Funded at current levels for the full year ($47B)
  - Current extension expires in 37 days
  - Trust Funding expires in 219 days
Earlier this Month the Administration Released its 2013 Budget Proposal for U.S. DOT

• $478B over six years (50% larger than SAFTEA-LU)
• Significant increase for roads and bridges (34%), transit (105%) and safety (137%)
• Trust fund shortfall paid for with savings from ramping down wars in Iraq and Afghanistan
• Major focus on “advancing innovative programs and technological solutions”
• Creates an Assistant Secretary for Research and Technology
Transportation Finally on the Front Burner in Congress

- **House: American Energy & Jobs Infrastructure Act**
  - Approved by House T&I Committee at 2:45 AM February 2 on party line vote
  - Natural Resources Committee voted February 1 to use funds from ANWR, oil shale, offshore drilling to pay for a **five-year, $260 billion** bill
  - Full House may be take up bill next week

- **Senate: Moving Ahead for Progress in the 21st Century Act**
  - Approved unanimously by Environment & Public Works Committee in November
  - Finance Committee approved pay-fors from LUST, black liquor, and Medicare to cover $10B+ short tall on a **two-year, $109 billion** bill
  - Commerce Committee approved freight, safety titles along party lines
  - Banking Committee approved bipartisan transit title last week
  - Various titles will need to be combined before full Senate vote
  - Senate may take up bill next week

- House and Senate bills on collision course over funding mechanisms, length of bill, treatment of transit
House Bill: Top-Line Summary

- **$52 billion per year** to fund federal highway, transit and safety programs, consistent with current funding levels
- **Consolidates** or eliminates nearly 70 federal programs, including earmarks
- **Eliminates requirements** for states to spend highway funding on non-highway activities (i.e., transportation enhancements)
- **Expedites project approvals** by delegating authority to states, allowing federal agencies to review projects concurrently, condensing deadlines
- **Performance measures** include pavement and bridge condition, safety, congestion, transit, air quality and energy consumption, rural connectivity
- **Expands TIFIA** program, incentivizes State Infrastructure Banks, expands tolling authority, and encourages more private sector participation
- **Creates “alternative transportation account”** from previous “transit account” to fund transit, research, CMAQ, ferry boats and terminals
  - Funded through $40B General Fund transfer, eventually from energy proceeds
  - Controversy escalating over issue of dedicated funding for transit
House ITS Highlights

Strengthens Core Programs

- **National Highway System** - $17.4 billion per year
  - “Capital and operating costs for traffic management and traveler information monitoring, management, and control facilities and programs...”
  - “Infrastructure-based intelligent transportation systems capital improvements...”
- **Surface Transportation Program** - $10.5 billion per year
- **Congestion Mitigation and Air Quality (CMAQ)** - $2 billion per year
- **New Freight Mobility Policy**
  - National Freight Policy goals include “implementing new technologies to improve coordination and efficiency of movement of freight”
  - State Freight Plans require consideration of innovative technologies and operational strategies, including ITS, that improve freight safety and efficiency
- **Transit (Small Starts)**
  - Eligibility expanded for projects in defined corridors that demonstrate substantial investment in fixed transit facilities including transit stations, ITS technology, traffic signal priority, and off-board fare collection
House ITS Highlights

Performance Measures
- U.S. DOT required to develop performance measures for congestion, safety, air quality and energy consumption, other areas that will require ITS to both measure and improve system performance
- States required to set performance targets and report back annually on their progress towards meeting those targets
  ✓ Consistent with ITS America’s performance measures proposal

ITS Deployment
- **Technology & Innovation Deployment Program** – New $60 million per year program to provide competitive grants to accelerate adoption of “innovative technologies” across the surface transportation system
  ✓ Similar to but broader than the *Smart Technologies for Communities Act*
- Successfully amended by ITS Caucus co-chair Russ Carnahan (D-MO) to specifically fund the deployment and operation of ITS technologies
House ITS Highlights

Statewide and Metropolitan Planning Process

- Metro areas must consider projects and strategies as part of metropolitan planning process that promote efficient system management and operation, including through the use of intelligent transportation systems
  - Specific recommendation by ITS America
- Statewide planning process must consider projects and strategies to promote efficient system management and operation
  - Successfully amended to include ITS consideration by Rep. Carnahan
- The Carnahan ITS amendments also:
  - Add ITS to the list of solutions for which U.S. DOT must provide technical assistance and educational materials to states as they battle congestion;
  - Incorporate ITS into the congestion management process;
  - Authorize field operational tests in the highway research program for vehicle collision avoidance systems, vehicle voice interface systems, autonomous vehicles, and related safety research relating to driver behavior; and
  - Update definitions to reflect new technology enabling real-time ridesharing
House ITS Highlights

Research Title

- Funding preserved at $110 million per year for ITS research, development, and operational testing – consistent with current levels
  - Authorizes funding to support consideration of systems management and operations, including ITS, within the statewide and metro planning process
  - Directs U.S. DOT to promote interoperability and efficiency of ITS technologies through the national ITS architecture and standards
- Technology and Innovation Deployment program does not compete for funding with ITS research – additional $60 million per year
- Highway Research program includes focus on reducing congestion, improving operations and enhancing freight productivity
  - Includes active traffic and demand management, accelerated deployment of ITS, arterial management and traffic signal operations, congestion pricing, real-time information, road weather management, and other ITS strategies
- One of ten Regional UTC’s to focus on intelligent transportation systems
House ITS Highlights

Transportation Financing

• Expands TIFIA Loan Program
  – Increased from $122 million to $1 billion
  – Threshold for ITS projects reduced from $50 million to $15 million
  – Master credit agreements allow applicants to receive funding for a program of projects
  – ITS projects only require an investment grade rating from one rating agency

• Expands State Tolling Authority
  – Provides states with authority to toll new and existing highway facilities while ensuring that existing Interstate lanes that are now toll-free remain toll-free
  – HOV to HOT lane conversions must include automated toll collection systems and establish policies to manage demand using variable pricing
  – Within two years, all toll facilities on the federal–aid highway system must implement technologies or business practices that provide for the interoperability of electronic toll collection programs
Moving Forward

• President has issued a veto threat
• Secretary has called it “the worst transportation bill ever” and has stated that it will take “us back to the horse and buggy age”
• Strong opposition from both the left and the right - unclear if leadership has the 218 votes necessary to pass
• Could be taken up as early as next week
  • More than 300 amendments offered
  • Could take weeks
Senate Bill Recap

MAP-21: Policy Priorities are Similar to House bill
- Program consolidation, more flexibility for states, expedited project delivery, performance measures, TIFIA expansion, no earmarks
- Strengthens ITS eligibility in core programs including new freight program
- Adds consideration of ITS to statewide and metropolitan planning process
- Creates new System Operations and ITS Deployment Grant Program

FREIGHT Act
- Encourages adoption of ITS and operational strategies to improve efficiency, provides grants for ITS projects that reduce congestion and improve safety

Federal Public Transportation Act
- Performance-based approach for statewide and metropolitan planning
- New funding for technology demonstration and deployment projects
- Encourages modern Bus Rapid Transit systems
- Funds can be used for operating expenses during “high unemployment”

Financing Title
Challenges to Enactment

- **Revenue/Energy Provisions in House Bill**
  - Administration opposition
  - Bipartisan Senate opposition
  - House Democratic opposition
  - Conservative think tank and stakeholder opposition

- **Senate Pay-fors**
  - One-time cash infusion doesn’t address Highway Trust Fund solvency

- **More Money vs. Long-Term Stability**

- **No Earmarks**

- **House-Senate Conference: Is there time for both Chambers to iron out differences?**
  - Current extension expires March 31, floor time in high demand
  - Campaign season already well underway
Be Part of the Solution…

Sponsor the Campaign for Intelligent Transportation Solutions

• ITS America-led campaign to champion high-tech solutions for transportation
  – Has improved Congressional and media relations
  – ITS industry at the table for key legislative debates
  – Has created new opportunities: Capitol Hill Tech Showcase, Smart Solution Spotlight, increased news coverage

• Need to capitalize on current momentum, continue making our voice heard in the crowded policy debate

• Sponsorship includes Legislative Steering Committee, Congressional Roundtable membership, other benefits

Call, Write, and Meet with your Congressmen and Senators
Come See us in Action at our 22nd Annual Meeting and Exposition
May 21 – 23, 2012

“Smart Transportation: A Future We Can Afford”
Washington DC Locale Creates a Great Opportunity for Policy Oriented Meeting

- Active participation from Members and their staff, US DOT, other federal agencies staff, and state and local governments
- Venue for making connections with customers, industry and business
- Congressional Fact-Finding Sessions
- Meet the Investors Workshop
- Student and first responder sessions

Ursula Burnes, Xerox
The Washington Corridor Showcases Important ITS Deployments
The Exhibition Hall Will Showcase Cutting Edge Technologies

- State of the art Exhibit Hall
- 100,000 square feet of exhibits
- Over 100 companies and organizations participating
- ITS State Chapters Pavilion
- Washington Corridor Pavilions highlighting the major initiatives across the three jurisdictions
- Dedicated Exhibit Hall hours
- 85% of the Hall already sold!
See you there!

Gaylord National Resort and Convention Center
May 21 – 23, 2012
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www.itsa.org/annualmeeting.html