Reconnecting America
People • Places • Possibility

What MAP-21 Means for Complete Communities

By Sarah Kline
Policy Director

On July 6, 2012, President Obama signed the "Moving Ahead for Progress in the 21st Century Act" (MAP-21) into law. MAP-21 authorizes funding and sets policy for the federal highway and transit programs for FY2013 and FY2014. Despite many calls for increased transportation funding and fundamental reform of the federal program, MAP-21 did neither. Funding was maintained at current levels.

Congress did not address long-term funding challenges, such as the declining purchasing power of the federal gas tax, which has not been increased for almost 20 years. Similarly, Congress did not take on a fundamental re-thinking of the transportation program. Concepts such as multimodalism, fix-it-first and accountability did not take significant strides forward in MAP-21; in some cases the new law moves backward, such as the elimination of dedicated funding for road and bridge repair. While it does include performance measures for the first time, MAP-21 does not articulate a new national vision for transportation, and, for the most part, states, MPOs and transit agencies will largely continue to do business as they have in the past. MAP-21 expires in only two years, which means that implementation of the new law will be occurring almost simultaneously with the next reauthorization debate.

Here are some of the key features of MAP-21 for communities looking to provide transportation choices and transit-oriented neighborhoods for their residents:

- The transit program will continue to receive its historical share of the federal gas tax under MAP-21. However, use of the federal gas tax to support transit came under attack during development of MAP-21, and could be threatened again in the next reauthorization debate.
- MAP-21 retains the ability to flex highway program funds to transit purposes. Specifically, the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Program (CMAQ) and the National Highway Performance Program (NHPP – formerly the NHS Program) all allow funds to be used for transit to a greater or lesser extent.
- While the ability to use a portion of federal highway dollars for bicycle and pedestrian projects and other local transportation needs was retained, 50 percent of this funding will now go to states, and 50 percent to MPOs and local communities. The portion of the "Transportation Alternatives" funding allocated to the state can still be used on local projects, but local leaders will need to make a strong case for these funds.
- The time it takes to move a transit project through the New Starts process should be reduced under MAP-21. The new law also expanded the types of projects eligible for New Starts to include capacity improvements on existing transit lines. However, MAP-21 did not increase funding for the program, which will lead to increased demand for what is already a very competitive program.
- A new competitive grant program for TOD planning, funded at $10 million per year, provides an opportunity for communities to demonstrate interest in TOD and take proactive steps to achieve it. FTA will

Continued on Page 3

CONTINUED FROM PAGE 2

be soliciting applications from interested communities in the coming months.

- MAP-21 significantly reduces USDOT's ability to run competitive grant programs, and instead sends out most funding according to various formulas. This will increase the predictability of funding from year to year, but will reduce communities' ability to undertake projects such as construction of a transit center, introduction of a streetcar line, or renovation of a bus garage that require an infusion of funding over and above what the formulas provide in a particular year.
- In general, MAP-21 retained the prohibition against using federal transit funds to pay for operating expenses in areas over 200,000 in population, providing little help to communities facing transit fare increases and service cuts as a result of constrained local and state funding.
- Funding for low-interest loans under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program was greatly increased, from $122 million annually to $750 million in FY13 and $1 billion in FY14. In addition, the share of a project's cost that can be covered by TIFIA was raised from 33% to 49%. However, MAP-21 also eliminated all evaluation criteria for projects, other than credit-worthiness. In other words, USDOT will no longer evaluate the merits of a project that is applying for TIFIA funds; they will consider only the likelihood that the TIFIA loan will be paid back. Applications for TIFIA will be received on a rolling basis at USDOT, and loans will be granted on a first-come, first-served basis.

With passage of the new law, the onus now shifts to the USDOT, states, cities, transit agencies and MPOs to use the programs described above and others within MAP-21 to help make our communities more complete, with transportation choices and neighborhoods that are accessible to everyone.

BILL SADLER

CHRIS YAKE

Reconnecting America Staffers Honored

Reconnecting America Program Associate Bill Sadler was recently named to the 2012 Next American Vanguard Class and Reconnecting America Project Director Chris Yake made Mass Transit magazine's Top 40 Under 40 list.

Sadler was one of 43 people selected from nearly 200 applications by Next American City for this year's class. According to the announcement at Americancity.org, Next American Vanguard Class members were chosen for their bright ideas for cities, experience in the field and ambition for the future.

Yake was nominated to Mass Transit magazine's Top 40 Under 40 List by his peers and judged on criteria that included job commitment, industry involvement and contribution, achievement in his position and innovation in his field.

Yake is the third Reconnecting America staffer to be honored by Mass Transit magazine. Last year, Reconnecting America Chief Cartographer and New Media Director Jeff Wood was named to the list, and the year before, Policy Director Sarah Kline made the Top 40 Under 40 for her work as director of policy and government relations for the Washington Metropolitan Area Transit Authority.