ITEM 9 – Information
April 15, 2025

Preliminary Input to Federal Transportation Reauthorization Process

Background: The federal transportation act, called the Infrastructure Investment Jobs Act, is set to expire on October 1, 2026. The US Congressional process to reauthorize the federal transportation bill is underway and is anticipated to be completed by September 2026. There is an opportunity for stakeholders to submit their inputs, by April 30, 2025, to an online portal established by the Congressional office. In keeping with past practice, TPB would be able to submit its reauthorization principles at this time. The draft authorization principles will be reviewed and members will have an opportunity to provide their suggested changes prior to submission.

ATTACHMENT A – April 2025 TPB Policy Principles for the Reauthorization of Federal Surface Transportation Programs

ATTACHMENT B – 2015 TPB Reauthorization Principles

ATTACHMENT C – 2008 - TPB Staff Memo - Authorization of the Federal Surface Transportation Act Letter

National Capital Region
Transportation Planning Board

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD
Policy Principles for the Reauthorization of Federal Surface Transportation Programs
April 9, 2025

Our nation's success and prosperity are the result of generations of innovators, leaders, and workers collaborating to facilitate commerce and grow our economy. One of the underpinnings supporting our growth and competitiveness is world-class transportation infrastructure that promotes commerce and provides essential connections for all people to safely and efficiently access economic opportunities and contribute fully to the nation's success.

The federal government has played a key role in supporting transportation investments throughout our history. The benefits of federal investment in a balanced, multi-modal transportation system have long been recognized as critical to our national interest, promoting economic competitiveness and providing access to opportunity for all. In addition, the federal government has a unique obligation to support interstate commerce and to meet critical emergency and security requirements and thus should make a significant financial investment in maintaining, operating, and building our transportation infrastructure.

As part of its interest and obligation to build, operate, and maintain a strong national, multi-modal surface transportation infrastructure, the federal government, through its Federal-Aid Highway Act of 1962, established Metropolitan Planning Organizations (MPOs) and required them to perform a continuing, comprehensive, transportation planning process undertaken cooperatively by the states and local governments (called the 3C process). The National Capital Region Transportation Planning Board (TPB) is the federally mandated MPO for the Washington, D.C. metropolitan area and it epitomizes a successful 3C process, stretching across two states and 21 local governments (including the District of Columbia), and it strives for an excellent surface transportation system in the National Capital Region.

The federal government's commitment to the nation's surface transportation infrastructure and its partnership with the state and local governments have manifested in various multi-year, multi-modal federal transportation bills, including the 2021 Infrastructure Investment and Jobs Act (IIJA), scheduled to expire October 1, 2026. As the current Congress begins work on reauthorizing the Federal Surface Transportation Act, the TPB respectfully submits the following consensus-based policy principles to guide reauthorization of the Federal Surface Transportation Programs. These principles are based on approaches to transportation infrastructure investment decisions that provide the National Capital Region with a robust transportation system to improve mobility, provide all people with safe and efficient access to economic opportunities, and reduce vehicle emissions that contribute to air pollution and climate change.

2025 TPB Principles on Federal Reauthorization

1. ADDRESS THE FISCAL IMBALANCE IN THE HIGHWAY TRUST FUND (HTF):

The HTF established in 1956 to fund transportation projects, relies primarily on gasoline and diesel taxes, whose growth has been insufficient to pay for the program's outlays.[1] Due to this structural imbalance between revenue and expenditure, the federal government has relied on general fund revenue transfers, creating uncertainty and underinvestment in the transportation system. Given the critical role of the surface transportation system to the nation's security and prosperity:

a. the HTF revenues must be reset to ensure they fully meet the current and future needs of the HTF outlays,
b. the baseline of HTF revenue must be at the current IIJA levels and keep up with inflation to support a world class transportation system,
c. all reasonable strategies for increased revenue that provides long-term stability and predictability should be pursued.

2. STRENGTHEN FEDERAL COMMITMENT TO MULTI-MODAL TRANSPORTATION SYSTEMS:

To ensure the country has a world-class transportation system -- one that improves mobility, increases economic competitiveness, and reduces air pollution -- the transportation system should offer choices for people and business to access jobs and other opportunities that are needed to succeed in our economy. Such choices should include safe and reliable travel on our highways, in our public transportation systems, and via bicycle and pedestrian travel. As such:

a. federal funding programs must cover all modes of travel with funding available for planning, design, construction, operations, and maintenance of the system/service,
b. transportation agencies must have maximum flexibility to transfer federal funds among the different modes in order to maximize safety, reliability, mobility, and accessibility outcomes.

Additionally, metropolitan areas with their large population and constraints on land use, face unique challenges in addressing the mobility and accessibility needs to support its substantial economic activity. Multi-modal transportation systems are especially effective in such areas and are also a proven approach to addressing the mobility needs of lower-income households, and those with unmet mobility needs, who are less likely to own an automobile.

3. PROMOTE EFFICIENT AND EFFECTIVE PLANNING AND PROJECT DEVELOPMENT:

Efficiency in the project development process is important to address transportation system needs in a timely and cost-effective manner. As such an authorized transportation bill must:

a. streamline federal planning and environmental review processes, outlined in IIJA, that are aimed at ensuring timely delivery of transportation projects,
b. streamline various federal programs by combining programs with similar policy objectives, and
c. limit federal discretionary grants to projects of national interest.

Additionally, for transportation projects to be effective, the project's scope should be based on performance outcomes. As such, federal funding should promote a stronger adherence to the current federal principle of performance-based planning and programming by ensuring that performance outcomes of all modes of travel are fully considered.

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[1] See, for example, Congressional Budget Office, "The Status of the Highway Trust Fund: 2023 Update" (Testimony, Subcommittee on Highways and Transit Committee on Transportation and Infrastructure U.S. House of Representatives, Washington, D.C., October 18, 2023), https://www.cbo.gov/publication/59634.

4. ENSURE RELIABILITY OF TRANSPORTATION SYSTEMS AND SERVICES:

Severe weather has always and will continue to pose a threat to the surface transportation system. Climate change has caused the frequency and severity of such threats to increase in recent decades. Vehicles operations and the technology used pose safety and public health concerns. Given the critical nature of the surface transportation system for people's wellbeing and the nation's physical and economic security:

a. it is critical that federal policy and funding priorities support efforts to ensure that the transportation system and services reduce vehicle emissions and enhance resilience,
b. federal policy should ensure transportation projects and services are examined and fully address safety and health risks to the users and non-users of the system, with
c. an emphasis on protecting low-income households and those facing unmet mobility needs, who tend to be most impacted by extreme weather and polluted natural resources, such as air and water.

5. SUPPORT AND STRENGTHEN COLLABORATION ACROSS JURISDICTIONS:

The impacts of transportation systems and services are not limited to one jurisdiction or community. The fact that people and goods constantly move across jurisdictional borders is reflected in the interstate commerce approach the federal government has taken to the design, implementation and operations of surface transportation systems. Collectively, metropolitan areas in the United States account for the majority of the nation's gross domestic product (GDP), driving economic prosperity to both these regions and to the rest of the states where they are located. Inter-jurisdictional cooperation is especially vital for supporting low-income households and those facing unmet mobility needs, as a household's travel patterns often span multiple jurisdictions. MPOs bridge the gap in cross jurisdictional collaboration in planning and prioritizing transportation investments that are needed to ensure the current and future economic vitality of these regions. As such, federal policy and program requirements should:

a. reaffirm the MPO's role in the planning and programming process, and
b. provide MPOs with a stronger role in project development and programming process, including monitoring and reporting outcomes of investments.

ATTACHMENT B

TPB R21-2015
April 15, 2015

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD
777 North Capitol Street, N.E.
Washington, D.C. 20002

RESOLUTION TO APPROVE
POLICY PRINCIPLES FOR THE 2015 REAUTHORIZATION OF
FEDERAL SURFACE TRANSPORTATION PROGRAMS

WHEREAS, the National Capital Region Transportation Planning Board (TPB), which is the metropolitan planning organization (MPO) for the Washington Region, has the responsibility under provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) for developing and carrying out a continuing, cooperative and comprehensive transportation planning process for the Metropolitan Area; and

WHEREAS, since 2000 the TPB has been calling attention to the region's long-term transportation funding shortfall, and has documented its unmet preservation, rehabilitation and capacity expansion needs for the region's highway and transit systems; and

WHEREAS, federal funding for transportation infrastructure plays a significant role in the National Capital Region; projects such as the interstate system and the Metro system could never have been built without the leadership, long-standing commitment, and financial support of the federal government; and

WHEREAS, the Washington region continues to face the challenges of accommodating growth in people and employment, more pervasive congestion on highways and transit systems, and delays in completing critical rehabilitation needs and key expansion projects; and

WHEREAS, MAP-21 was enacted on July 6, 2012 as a two-year bill, and was extended on August 8, 2014 through May 31, 2015, which was the ninth time in the last decade that Congress has enacted a short-term extension of the federal highway and transit programs.

WHEREAS, it is anticipated that Congress will likely again enact a short-term extension prior to the May 31st expiration of MAP-21, but the need for sustained and long-term federal funding could remain unaddressed; and

WHEREAS, the lack of predictability in federal funding programs has undermined the ability of state and local implementing agencies to effectively plan and build transportation facilities that are vital to meet the challenges of the future; and

WHEREAS, the lack of sustained and adequate federal funding for transportation undermines economic growth in our region and across the nation and hinders our global competitiveness; and

WHEREAS, both Maryland and Virginia took historic steps in 2013 to address their transportation funding shortfalls by raising new revenues, and the District of Columbia took similar steps five years ago, but nonetheless, the inadequacy of sustainable federal funding remains a critical concern; and

WHEREAS, the TPB has regularly communicated its positions regarding federal transportation legislation to Congress, including policy principles in 2002 and 2008, and a letter on May 21, 2014 calling upon Congress to protect the Highway Trust Fund from insolvency; and

WHEREAS, at the November 19, 2014 meeting, the TPB directed staff to develop a set of policy principles for the reauthorization of the federal surface transportation program that the Board might communicate to the U.S Congress ; and

WHEREAS, on April 3, 2015, the TPB Technical Committee received a briefing and commented on draft proposed policy principles;

NOW, THEREFORE, BE IT RESOLVED THAT THE NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD approves the attached 2015 Policy Principles for the Reauthorization of Federal Surface Transportation Programs" and further,

BE IT RESOLVED THAT THE NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD calls on the United States Congress to reauthorize an enhanced federal surface transportation program for a full six-year period, consistent with the attached Policy Principles.

Adopted by the Transportation Planning Board at its regular meeting on April 15, 201

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD
2015 Policy Principles for the Reauthorization of
Federal Surface Transportation Programs

The federal government has an historic interest in transportation. The benefits of federal investment in a balanced, multimodal transportation system have long been recognized as critical to our national interest, promoting economic growth and providing access to opportunities for all individuals. In addition, the federal government has a unique obligation to support interstate commerce and to meet critical emergency and security requirements, and thus should provide an equitable contribution towards the cost of maintaining, operating and building our transportation infrastructure.

The National Capital Region Transportation Planning Board supports the following policy principles as a common-sense approach for reauthorization of the federal surface transportation programs.

1. **Increase Federal Transportation Funding**
   - A substantial increase in federal surface transportation funding levels is needed to address the current under-investment in the maintenance, operations and expansion of the nation’s transportation system.
   - All reasonable and predictable strategies for sustained long-term funding should be pursued, including:
     - Increases in federal fuel taxes or other user-based taxes and fees;
     - Indexing fuel taxes and user fees to inflation so as to maintain the buying power of transportation funds;
     - Implementing pricing strategies enabled by emerging technology for all modes of travel, including rates that vary by time of day, type of vehicle, level of emissions, and specific infrastructure segments used;
     - Incentivizing federal support and coordination of innovative financing techniques, including public/private partnerships;
     - Utilizing savings from tax reform legislation; and
     - Creation of national infrastructure banks or bonding programs.

2. **Fund Priority Needs**
   - An explicit program focus, with enhanced funding, is needed to put and keep the nation's transportation infrastructure in a state of good repair.
   - Federal transportation policy should provide for increased federal funding focused on metropolitan congestion and other metropolitan transportation challenges, with stronger partnerships between federal, state, regional and local transportation officials.
   - The federal commitment to balanced multi-modal transportation systems must be reaffirmed including by restoring parity between the transit commuter benefit and the parking commuter benefit. As communities seek to reduce dependency on driving and serve non-drivers, alternatives must be developed and supported. In particular, federal funding for public transit and safe pedestrian and bicycle infrastructure should be enhanced.

3. **Promote Effective Planning and Project Development**

- More timely, detailed, and flexible requirements to comply with MAP-21's mandate for performance based planning and programming should be promulgated. Adequate and timely federal support, including funding, should be provided to the states and metropolitan areas to adopt and implement the program requirements.
- The current set of performance measures outlined in MAP-21 should be allowed time to take effect and be evaluated before enhancements are considered.
- Streamlining federal planning and environmental review processes, outlined in MAP-21, that are aimed at ensuring timely delivery of transportation projects, should be supported.
- Given the critical role of goods movement in our economy and the demands of freight on our infrastructure, a national freight program should be a key component of a long-term reauthorization act.

ATTACHMENT C

National Capital Region Transportation Planning Board

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MEMORANDUM

Date: September 11, 2008

To: Transportation Planning Board

From: Ronald F. Kirby
Director, Department of
Transportation Planning

Re: Current Study and Legislative Proposals for the 2009 Authorization of the Federal Surface Transportation Act

The Problem:

There is growing consensus that the current structure of federal transportation funding is ill-suited to addressing pressing needs for system maintenance, new infrastructure, and the increasingly urgent problems of congestion, rising energy costs, and global warming.

The Congressional Budget Office and the Office of Management and Budget are projecting a deficit in the Highway Trust Fund (HTF) for FY 2009 in the order of $3.2 billion. Since SAFETEA-LU overcommitted funds available for surface transportation, a 34% cut in 2009 highway funding would be necessary to balance the HTF if additional revenues are not identified. A proposal expected to be approved shortly by the Congress would restore $8.017 billion to the HTF that was transferred to the General Fund in 1998.

The current SAFETEA-LU legislation expires on September 30, 2009. Therefore, the impending reauthorization of transportation funding provides an important opportunity to address these funding problems, and also to address other urgent transportation issues, such as rising congestion and global warming. This opportunity has been recognized throughout the transportation sector and has been reflected in several sets of proposals for restructuring the federal program. It has also received attention from national lawmakers involved in climate change legislation, which has already included transit funding within its scope. The development of national climate change legislation on a similar timeframe to the 2009 transportation reauthorization may lead to the kind of linkage that was seen between ISTEA of 1991 and the Clean Air Act Amendments of 1990.

Proposals to Date:

SAFETEA-LU, the current transportation reauthorization bill, mandated the creation of two independent commissions to study the problems highlighted above and to provide recommendations regarding current transportation funding and system development: the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission.

Final Report of the National Surface Transportation Policy and Revenue Study Commission

The National Surface Transportation Policy and Revenue Study Commission was the first of the two commissions to be created, release recommendations and complete its charge. The Commission includes transportation stakeholders from both the public and private sector, and was charged with completing a comprehensive study of the national surface transportation system and the Highway Trust Fund and developing a conceptual plan with alternative approaches to ensure that this system continues to serve the needs of the United States.

Early in 2008, the Commission released its final report, which outlined its recommendation for a new 10 program nationally-focused transportation funding structure that departs significantly from the current model. The Commission explicitly states that "the current Federal surface transportation programs should not be "re-authorized" in their current form."

The 10 new recommended programs are intended to replace the 108 different programs under SAFETEA-LU and include national asset management, freight, congestion relief for metropolitan mobility, safety, rural and small city access, intercity passenger rail, environmental stewardship, environmentally-friendly alternative fuels, federal lands, and research, development, and technology. The asset management program splits maintenance and operation of the current system apart from other priorities in order to ensure that all existing infrastructure would be efficiently and cost-effectively kept in a state of good repair. The Commission also recommends that a distinct program be established to fund projects that reduce congestion in the largest metropolitan areas (of 1 million or more in population). The planning and project selection authority is recommended to be vested in a metropolitan transportation agency, such as the MPO for the region. The primary method of funding these new programs is through a recommended increase in the Federal fuel tax, user fees for both transit and roads, and an exploration of methods such as congestion pricing.

Interim Report of the National Surface Transportation Infrastructure Financing Commission

The National Surface Transportation Infrastructure Financing Commission mandated under SAFETEA-LU was established after the first commission had begun developing their positions. It is currently still working to analyze future highway and transit needs and the finances of the Highway Trust Fund, and to eventually make recommendations for alternative approaches to financing transportation infrastructure, such as ways to augment or replace the Highway Trust Fund. This commission will look specifically into the financing element of a new transportation funding structure rather than developing a new policy model.

The Commission, including members from think tanks, banks, consulting firms, and government, recently released an interim report that presents the Commission's assessment of current problems with transportation funding. It also broadly discusses how the Commission will move forward to analyze options and reach recommendations for its final report expected to be completed in 2009. The Commission identified several main issues to frame its recommendations, such as an inadequate fuel tax, which is expected to decline as fuel efficiency goes up, maintenance costs that are competing with necessary expansion, and transportation demand that is quickly outpacing required investment. The Commission states that all of these issues have compounded to prevent state and local governments from making necessary capacity enhancements. One particular focus for the Commission is to explore the role of user fees and pricing mechanisms.

Proposed Infrastructure Banking Legislation

The funding issues hampering transportation development have also been taken up by U.S. lawmakers outside of the formal transportation reauthorization discussion. The House Transportation and Infrastructure and House Budget Committees recently held a joint hearing on the introduction of several new pieces of legislation that would authorize new funding mechanisms and practices specifically for infrastructure investments. These pieces of legislation include the National Infrastructure Development Act of 2007, the National Infrastructure Bank Act of 2007, the Build America Bonds Act of 2007, and RIDE 21.

The first, the National Infrastructure Development Act of 2007, would provide for a self-sustaining revolving fund fed by user charges and other dedicated revenue and would provide funding for a variety of infrastructure projects, including highways, transit, and wastewater treatment. The second, the National Infrastructure Bank Act of 2007, would set up a national bank that would select projects of at least $75 million in total costs and then develop a financing package comprised of grants, loans, and bonds. The Build America Bonds Act of 2007 would authorize a similar banking mechanism as the National Infrastructure Bank, but would issue Build America bonds, which are exempt from federal, state, and local taxes. The final piece of legislation, RIDE 21, would authorize states or interstate compacts to issue bonds to finance high-speed passenger rail infrastructure.

Proposed Climate Change Legislation

Some of the climate change legislative proposals under consideration by the House and Senate include direct provisions for funding transportation projects that meet goals for reducing greenhouse gas emissions. For instance, the most prominent piece of climate change legislation to date, the Lieberman Warner Climate Security Act, included a provision of 1% of funds raised through the auction of carbon emissions allowances specifically for mass transit.

Under an amendment to the Lieberman Warner bill from Senator Cardin of Maryland, a Transportation Sector Emission Reduction (TSER) Fund would be created and funded through the auction of emission allowances. Under this plan, the percentage of allowances to be auctioned with proceeds deposited in the TSER fund and dedicated to public transportation and transportation alternatives gradually rises from 1% in 2012 to 2.75% in 2022-2050. The use of the funds is grouped into three categories of grants:

a) 65% of TSER funds to maintain or improve public transportation and associated measures (such as planning activities, transit enhancements, bicycle/pedestrian projects, GHG-reducing lighting and HVAC for stations) to currently designated recipients in section 5307(a) of title 49.
b) 30% for construction of new public transit projects to state and local governments
c) 5% for transportation alternatives and travel demand reduction projects to state and local authorities, including regional planning organizations and MPOs. Activities would include VMT reduction, bicycle/pedestrian infrastructure, telecommuting and carpool projects that do not include new highway capacity, transportation and land-use scenario analysis, and travel and land-use data collection related to GHG measurements.

U.S. Department of Transportation Proposals

In August 2008, the US Department of Transportation issued its plan for "completely overhauling the way US transportation decisions and investments are made." The plan, entitled "Refocus. Reform. Renew. A New Transportation Approach for America" is focused on three areas of greatest federal interest: transportation safety; the Interstate Highway System and other nationally significant corridors; and mobility in metropolitan areas. In this last focal area Secretary of Transportation Mary Peters emphasizes the importance of pricing, technology, and private sector participation:

> "The massive congestion problem in our urban areas demands urgent and strong federal focus. We can use federal dollars to encourage state and local officials to pursue congestion-relief strategies we know can provide almost immediate relief from traffic and from high gasoline prices, if we are willing to use them. Already forward-leaning Governors and Mayors are leading a quiet revolution by taking advantage of dynamic road pricing, cutting-edge technologies, and a creative private sector."

Testimony to House Transportation and Infrastructure Committee, Panel on Transportation Challenges in Metropolitan Areas

On April 9, 2008, I was invited to provide testimony to the House Transportation and Infrastructure Committee regarding transportation reauthorization from the perspective of metropolitan areas. (A copy of this testimony was included in the letters packet for the April 16th, 2008 TPB meeting.) My testimony noted that the mid-twentieth century goals of interstate highway construction and transit system recapitalization have been accomplished, and that a new federal program structure is needed to address current transportation challenges. Three major goals were noted as national priorities around which a new federal program could be structured:

a) Preservation and operation of the existing system
b) High value investments in new infrastructure capacity
c) Support for metropolitan areas to address pressing congestion, environmental and social challenges.

Metropolitan Mobility Caucus

On July 9, 2008, Congresswoman Ellen Tauscher (D-CA) and Congressman Tom Petri (R-WI) issued a Dear Colleague letter inviting other members of the House of Representatives to join a newly formed Metropolitan Mobility Caucus. This Caucus will focus on issues of urban infrastructure and mobility, such as congestion and its effects on economic development and air pollution. In the development of the next reauthorization of the highway bill, the Caucus will advocate for stronger partnerships between federal, state, and local transportation officials; greater use of transit and intercity passenger rail; regional mobility goals; and performance standards.

The Caucus will hold its first briefing on these issues on July 21, 2008, hosted jointly by the Association of Metropolitan Planning Organizations (AMPO) and the American Planning Association (APA). I have been invited to participate on a panel with other MPO and APA representatives to discuss the role of MPOs in the transportation planning process.

While the members of the Caucus may span the entire House, members of the House Transportation and Infrastructure (T&I) Committee are likely to be the main participants. Congresswoman Eleanor Holmes Norton (D-DC), Congressman Jim Moran (D-VA) and Congressman Chris Van Hollen (D-MD) from the Washington region have already agreed to join the Caucus.

Common Themes

There are a number of common themes in the above studies and proposals concerning the restructuring of federal transportation programs:

1. Significant increases in resources are needed for the maintenance, operation and improvement of the nation's transportation system; as a nation we are under-investing in transportation.

2. Fundamental changes are needed in the current approach to funding surface transportation infrastructure; current federal surface transportation programs should not be "reauthorized" in their current form.

3. Current planning, programming, and environmental processes are overly cumbersome and inefficient; numerous opportunities exist for simplification, consolidation, and streamlining of federal transportation programs.

4. Investment decisions should be based on a rigorous analysis of costs and benefits, supporting system-wide solutions regardless of mode or intermodal status.

5. An explicit program focus is needed to put and keep the nation's infrastructure in a state of good repair.

6. A declining percentage of total surface transportation expenditures (local, state and federal) comes from the fuel tax; absent major tax increases the fuel tax is inadequate over the long term.

7. Technology innovations are enabling new pricing strategies across all modes of travel, including rates that vary by time of day, type of vehicle, level of emissions, and specific infrastructure segments used; the feasibility and potential of these strategies need to be examined.

8. The application of tolling and congestion pricing to the transportation system should be facilitated so as to attain the greatest efficiency from the system.

9. Federal transportation policy should take a fresh approach to metropolitan problems, including stronger partnerships between federal, state and local transportation officials and greater use of public transportation, including inter-city passenger rail, to meet regional mobility goals.