FEDERAL TRANSPORTATION REAUTHORIZATION

TPB Reauthorization Principles - Draft

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Transportation Planning Board April 15, 2025



Surface Transportation Act Reauthorization(s)

- Foundation for Federal-aid Highway Program began with the Federal-Aid Road Act of 1916 and the Federal Highway Act of 1921. These Acts establish program specific funding outlays.
- Surface Transportation Assistance Act of 1978 combined funding for highways and public transportation for the first time.
- Surface transportation acts vary in scope, funding amounts, and periods of time. Congress has reauthorized the act with changes to scope, programs, and funding levels. Some of the key Acts include:
 - Transportation Equity Act (ISTEA) of 1992 1997
 - Transportation Equity Act for the 21st Century (TEA-21) 1998-2004
 - Safe, Accountable, Flexible, Efficient, Transportation Equity Act: Legacy for Users (SAFETEA-LU), 2005-09
 - Surface Transportation Extension Act of 2010-2011
 - Moving Ahead for Progress in the 21st Century Act (MAP-21), 2012-2014
 - Fixing America's Surface Transportation (FAST) Act, 2015-2020
 - Infrastructure Investment and Jobs Act (IIJA), 2022 2026



April 15, 2025

Transportation Act Reauthorization Process – Underway



2025 Surface Transportation Reauthorization Bill

Stakeholder Proposals for the Subcommittee on Highways and Transit

The Subcommittee on Highways and Transit (H&T) is formally requesting legislative proposals from stakeholders as the Committee on Transportation and Infrastructure begins efforts to reauthorize our Nation's surface transportation programs. Stakeholders interested in submitting legislative proposals to the Subcommittee must use this form to transmit their proposals. As the H&T Subcommittee begins evaluating submitted proposals, Committee staff may coordinate bipartisan meetings to further discuss your organization's submissions. Please note that you will be required to submit a letter at the end of this form which may cover all of your organization's priorities. Consolidated letters are preferred.

This form allows for the submission of 5 proposals. If your organization has more than 5 proposals, please submit the form as many times as may be necessary.

Please note that legislative text is not required but may accompany a submitted proposal, if applicable.

Reauthorization Timing

*Timeline updated based on what we're hearing

- 2025 Winter Committees form, nominees approved
- 2025 Winter/Spring Reauthorization Hearings
- Stakeholder Portal Open 3/31 to 4/30
- Member of Congress Portal May
- 2025 Spring & Summer Legislative Drafting
- 2025 Early Fall Bills released and Markups
- 2026 Winter Potential floor time (more likely in the House)
- 2026 Oct 1st IIJA expires
- 2026 November Midterm Flections



TPB Reauthorization Principles (2025) – Draft

- TPB has previously shared its input 2008 and 2015.
- Draft principles of 2025 consistent with previous core principles and reflective of current circumstances.
 - 1. Address The Fiscal Imbalance In The Highway Trust Fund (HTF)
 - 2. Strengthen Federal Commitment To Multi-modal Transportation Systems
 - 3. Promote Efficient And Effective Planning And Project Development
 - 4. Ensure Reliability Of Transportation Systems And Services
 - 5. Support And Strengthen Collaboration Across Jurisdictions



2025 TPB Principles on Federal Reauthorization



Federal (Transportation) Aid – Fiscal Imbalance

- Gasoline tax (18.4 c/g)
- Diesel fuel tax (24.4 c/g)



Not changed since 1993 Loss of purchasing power ~ 53%

- Sales tax on tractors and heavy trucks
- Excise tax on tires for heavy vehicles
- Annual use tax on heavy vehicles
- Interest on trust fund reserves

Highway Trust Fund \$

Outlay (programs and funding levels)

Highway Account
~80%

Transit Account
~20%

Funding distributed

Formula Grants
Specific programs
Eligibility requirements/Use restrictions

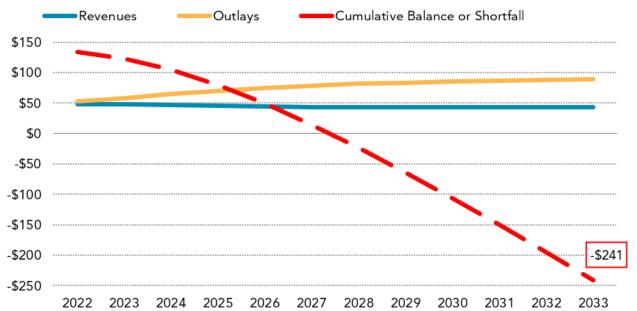
Competitive (discretionary) Grants

Funding Levels increasing: \$155B (1992) to \$674B (2022) Number of programs have increased More discretionary grant programs Highway/ Transit splits relatively unchanged



Address The Fiscal Imbalance of HTF

Highway Trust Fund Account Projections Billions of dollars, fiscal years 2022 to 2033



Source: Congressional Budget Office. 2023. Baseline Projections, May 2023: Highway Trust Fund Accounts. Washington, DC. Notes: Revenues include interest on trust fund reserves and cumulative balance includes general revenue transfers. While the trust fund cannot legally incur negative balances, the figure shows cumulative shortfall of fund balances assuming spending amounts consistent with CBO's baseline. Some of the taxes that are credited to the Highway Trust Fund are scheduled to expire on September 30, 2028. However, these estimates reflect the assumption that all of the expiring taxes credited to the fund will continue to be collected after fiscal year 2028.

Source: Tax Policy Center

- Since 2008, Congress has transferred general revenues (including \$118 billion in the IIJA of 2021).
- General fund transfers will enable the trust fund to meet spending obligations through 2027 and shortfalls will reappear if no action is taken.
- The Congressional Budget Office projects that, by 2033, HTF outlays will exceed trust fund reserves for a cumulative shortfall of \$241B.
- General Fund transfers are uncertain subject to congressional appropriations, outside of trust fund constraints.



April 15, 2025

Multimodal Transportation System

- Multimodal options improves mobility, increases economic competitiveness, and reduces air pollution.
 - ~23% commute travel on transit; ~45% non-commute trips rideshared auto trips.
 - Highest forecast growth in daily trips (Visualize 2045) Bike/Walk (39%) followed by transit (28%).
 - Have been able to address and meet CO, PM2.5, Ozone (1 hour and 8 hour) federal standards while make progress towards region's carbon emissions reduction goals.
- Federal funding programs must cover all modes of travel with funding available for planning, design, construction, operations, and maintenance of the system/service.
- Transportation agencies must have maximum flexibility to transfer federal funds among the different modes - maximize safety, reliability, mobility, and accessibility outcomes.



Photo credit: Philip Nelson: Chinatown



Photo source: ArlingtonTransportationPartners.Com



Efficient and Effective Project Development

- Streamline federal planning and environmental review processes backlog of investments and pace of growth merit timely delivery of transportation projects
- Streamline various federal programs by combining programs with similar policy objectives (E.g., Charging and Fuel Infrastructure Grant, Carbon Reduction Program, Climate Pollution Reduction Grant, National Electric Vehicle Infrastructure, Congestion Mitigation Air Quality, Congestion Relief)
- Limit federal discretionary grants to projects of national interest (E.g., Nationally Significant Freight and Highway Projects [INFRA], National Infrastructure Project Assistance [Mega])
- Projects are effective when focus is on performance outcomes.
 Stronger adherence of federal funding to performance-based planning and programming.



Photo credit: simplexsystemcontrols.com

Reliability of Transportation Systems and Services

- Reliable travel critical to people's wellbeing and the nation's physical and economic security.
- Consistently cited as people and business' top priority and expectation in the region.
- Current federal underinvestment in maintaining infrastructure in a state of good repair (SGR) has to be addressed.
- Current SGR investment and efforts being challenged by increased severity and frequency of threats from nature and humans.
- Federal role crucial in reducing vehicular emissions of pollutants that affect human health and weather-related impacts on infrastructure (e.g., heat, rain, wind)
- Low-income households and underinvestment communities face unmet mobility needs and tend to be most impacted by extreme weather and polluted natural resources, such as air and water.



Reliability

Photo credit: Shutterstck.com

Collaboration Across Jurisdictions

- Metropolitan areas in the United States account for the majority of the nation's gross domestic product (GDP).
- Multi-jurisdictional trade and travel underpins metropolitan areas functionality.
- Transportation system planning, design and operations reflective of cross jurisdictional, multi-community mobility needs yields service and cost efficiencies.
- Metropolitan planning organizations (MPOs) ensure cross jurisdictional consultation and collaboration.
- Federal policy and program requirements should affirm and strengthen role of MPOs.



Next Steps

- Provide comments to Kanti and Lyn by April 25, 2025
- Staff to upload to portal by April 30, 2025
- Staff to transmit final version to the region's Congressional Delegation by early May



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