

Federal-Aid Financing For Transportation Facilities

Federal Highway Administration
Georgia Division

Max Azizi

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Source of Funds

- Highway Trust Funds are the source of funds for all Federal-Aid Highway Programs
 - Gas Tax (18.4 cents/gallon)
 - 15.44 cents Highway account
 - 2.86 cents Mass Transit account
 - Diesel Tax (24.4 cents/gallon)
 - 21.44 cents Highway account
 - 2.86 cents Mass Transit account
 - Truck Sales

Authorization

- The most crucial step in financing the Federal-Aid Highway Program is Authorization.
 - Intermodal Surface Transportation Efficiency Act (1991)
 - Transportation Equity Act for the 21st Century (1998)
 - SAFETEA-LU (2005)

Authorization

- Authorization is upper limit of funding.
 - ISTEA: \$ 155 billion
 - TEA-21: \$218 billion
 - SAFETEA-LU: \$284 billion

Obligation Authority

- A legislative process to control Federal spending.
- Establishes the total amount of funds that may be obligated in one year.
- Revenue Aligned Budget Authority (RABA)

Federal Highway Administration Programs

- Interstate Maintenance
- National Highway System
- Surface Transportation Program
- Congestion Mitigation Air Quality Program
- Bridge Program
- Safety Program
- Earmarks

Interstate Maintenance (IM)

- Provides funding for resurfacing, restoring, rehabilitation and reconstruction on Interstate routes.
- May be used for construction of HOV lanes.
- May not be used on toll roads, or construction of additional Single Occupant Vehicle lanes.

National Highway System (NHS)

- Provides funding for improvements to rural and urban roads that are part of the NHS including the Interstate System and connections to major Intermodal terminals.

Surface Transportation Program (STP)

- Provides funding that maybe used by states or locals for projects on Federal Aid highways.
- Transportation Enhancement (TE)
 - 10% of the State's STP funds.
 - Provides funding to state and localities for transportation related improvements on all public roads, regardless of functional classifications and for cultural, aesthetic and environmental aspects of transportation system.
- Livable Community Initiatives (LCI)

Congestion Mitigation Air Quality Improvement Program (CMAQ)

- Provides funding for projects and programs in air quality non-attainment areas for ozone, carbon monoxide, and particulate matter (PM 10 and PN 2.5) that reduce transportation emissions.

Bridge Program

- Provides funding to states and localities for bridge improvements on all public roads, regardless of functional classifications.

Safety Program

- New core program introduced by SAFETEA-LU.
- Provides funding for projects and programs that improve traffic safety on all public roads.
- Funds may be used on any public road and publicly owned bicycle and pedestrian pathway or trail.

Earmarks

- Transportation projects identified by Congress.
- Two types: Authorization earmarks and Appropriation earmarks
- High priority projects included in these groups.

SAFTEA-LU Earmarks

- High Priority Projects
 - 232 Projects in Georgia (\$345 million)
 - Secured by all 15 members of Georgia delegation
- Transportation Improvement Projects
 - 18 Projects in Georgia (\$55 million)
 - Secured by Senators
 - 11 Recommended by the Governor
- Most projects locally sponsored
- Require 20% local match funds
- Only 20% of funds available each year
- GDOT/FHWA regional informational meetings

Federal Share

- Funds provided under Title 23 require state or local matching funds
- The ratio of Federal to state/local is 80/20

Reimbursable Program

- Not a grant program
- No cash up front
- Reimbursable program

Federal Functional Classification

- Roads classified as local and minor rural collector are eligible for Transportation Enhancement funds.

Federal Requirements

- Utilizing FHWA funds in any phase of a project requires meeting the provisions of Title 23 in all aspects of the project.

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Questions?