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MEMORANDUM

TO: The I-35W Solutions Alliance Board of Directors

FROM: Robert J. Tennesen

RE: Legislative Report

DATE: August 9, 2012

New Starts – I-35W BRT Line

The I-35W Solutions Alliance sent a letter in July to the Metropolitan Council regarding use of New Starts/Small Starts funding for the I-35W BRT line, a copy of which was emailed to the distribution list. Attached is Arlene McCarthy's response.

Federal Transportation Reauthorization - Moving Ahead for Progress in the 21st Century (MAP-21)

A summary of the MAP-21 legislation by the U.S. Senate Committee on Environment and Public Works includes the following highlights:

- Reauthorizes the federal-aid highway program at the Congressional Budget Office's baseline level – equal to current funding levels plus inflation – for two fiscal years.
- Consolidates the number of federal programs by two-thirds, from about 90 programs down to less than 30, to focus resources on key national goals and reduce duplicative programs.
- Eliminates earmarks.
- Expedites project delivery while protecting the environment.
- Creates a new title called "America Fast Forward," which strengthens the Transportation Infrastructure Finance and Innovation Program (TIFIA) to leverage federal dollars further than they have been stretched before.
- Consolidates certain programs into a focused freight program to improve the movement of goods.

Programs include (but not limited to):

- *National Highway Performance Program* –consolidates the Interstate Maintenance, National Highway System and Highway Bridge programs.
- *Transportation Mobility Program* –replaces Surface Transportation Program.
- *National Freight Network Program* – new core program.
- *Congestion Mitigation and Air Quality Improvement Program (CMAQ)* – existing core program that provides funds to states for transportation projects designed to reduce traffic congestion and improve air quality; reforms the Transportation Enhancements program with more flexibility granted to the states on the use of funds.
- *Highway Safety Improvement Program (HSIP)* – substantially increases funding for this existing core program.
- *Transportation Infrastructure Finance and Innovation Program (TIFIA)* – leverages private and other non-federal investment in transportation improvements. MAP-21 modifies the TIFIA program by increasing funding for the program to \$1 billion per year, by increasing the maximum share of project costs from 33% to 49%, by allowing TIFIA to be used to support a related set of projects, and by setting aside funding for projects in rural areas at more favorable terms.
- *Projects of National and Regional Significance Program* – funds major projects of national and regional significance which meet rigorous criteria and eligibility requirements; authorizes \$1 billion in FY2013.

The bill establishes an outcome-driven approach that tracks performance and will hold states and metropolitan planning organizations accountable for improving the conditions and performance of their transportation assets. It also improves statewide and metropolitan planning processes to incorporate a more comprehensive performance-based approach to decision making. Utilizing performance targets will assist states and metropolitan areas in targeting limited resources on projects that will improve the condition and performance of their transportation assets.

http://epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=6d1e2690-6bc7-4e13-9169-0e7bc2ca0098

Legislature

A special legislative session to deal with flood relief issues is tentatively set for Aug. 24. It is expected that the special session will be short and focused exclusively on the issue of disaster relief. FEMA has approved aid to cover approximately 75% of the cost for needed repairs to public infrastructure damaged by this summer's flooding in Duluth. Federal disaster assistance is also coming, but the state is required to put up a share of the funding.

Candidate Forums

Dates and locations:

Burnsville	October 3	7:00 pm	Confirmed
Bloomington	September 19	7:00 pm	Confirmed
Richfield	Checking on availability		

We will know who the candidates will be after the primaries on August 14.

The Transportation Finance Advisory Committee (TFAC)

The Transportation Finance Advisory Committee will meet at 9:30 am on August 13 at 20 W. 12th Street, 5th Floor Veteran's Building, St. Paul. Agenda items include:

- Needs Analysis and Funding Gap (MnDOT and Metro Council)
- Conversation with Policy Makers (Gimse, Beard, Dibble and Morrow)
- Funding and Financing Options Lunch Program (Jack Basso)
- Cross-comparison with Other State Funding and Financing Initiatives (Ken Buckeye)
- Develop TFAC Funding and Financing Principles.

Future meetings will be held on September 14 and September 24.