

Program Changes Focused on Performance Key to Oberstar Plan for Transportation Bill

Snider, Adam

BNA's Daily Report for Executives

The Department of Transportation would undergo major program restructuring under the next surface transportation authorization, according to a handwritten outline of the bill being circulated by House Transportation Chairman James Oberstar (D-Minn.).

The two-page outline obtained by BNA offers a glimpse of Oberstar's vision for what he has repeatedly called a "transformational" authorization proposal that is expected to be unveiled in late May or early June.

Without referring to the outline, Oberstar said that he has received positive feedback to his authorization proposals. The Democratic caucus is "enthusiastic about the approach that I've taken in restructuring the programs" he told BNA May 7.

Because Congress is scheduled to be in recess the last week of June, **Oberstar said he would like a committee markup the first week of June, with floor consideration the following week.**

The outline, in block printing, contains no funding figures, and Oberstar has recently backed off of previous comments that the bill could cost \$450-500 billion over its six-year life (2562 Transportation Watch, 4/27/09). At an April 24 event, Oberstar said that work on "shape of the program for the future" should precede any funding discussions.

The Future of Transportation

Under the heading "the future of transportation," the framework seeks to create **a new undersecretary or assistant secretary for intermodalism** that would meet monthly with all modal administrators. The outline includes the phrases "national strategic plan" and "mega-projects" in the list of agencies that would take part in the monthly meetings.

It also includes a consolidation of DOT's 108 programs into four "major formula programs:" critical asset preservation, highway safety improvement, surface transportation program, and congestion mitigation and air quality improvement. The "surface transportation program" section suggests that metropolitan planning organizations receive suballocations based on population.

The document also says "problem" "equity bonus," noting that it is the largest highway program. Equity bonuses are paid to states to ensure a fair allotment of federal spending, and can include payments to guarantee states a certain return on their contributions to the federal Highway Trust Fund.

Discretionary Programs

On the second page, the document proposes creating a new competitive "metropolitan mobility/access" program.

The outline suggests that the new program would affect 68 largest metropolitan areas and references the \$78 billion in annual congestion costs estimated by the Texas Transportation Institute.

The program would include a six-year “target plan” and would require both annual progress reports and a six-year accountability report. The National Academies or its Transportation Research Board would evaluate and make recommendations, according to the framework. The outline also says that the new program “might have a formula element.”

Other discretionary programs also are listed in the outline, including projects of national significance, federal lands highways, and scenic byways.

Performance Emphasized

Under a “management structure” heading, the document urges a shift “from prescriptive to performance.”

It calls for DOT and states to design six-year targets for each of the four performance categories and annual benchmarks. The framework asks for annual reports to DOT and Congress as well as posting data online. DOT and states also would have to use “practical design solutions,” according to the outline.

It also mentions a restructuring of the Federal Highway Administration, including the creation of two new offices dedicated to “expedited project delivery,” and “liveability.”

Transit Equity

Oberstar's outline also includes a small section on transit, including “level decision-making factors between highway and transit choices/projects.”

The federal government pays for half of transit projects while it funds 80 percent of highway and bridge work, and transit advocates have been rallying for equal federal treatment.

The outline also suggests ending the cost-effectiveness index for transit projects and replacing it with a “greatly simplified review process.”

The transit note makes a goal of reducing project delivery time from 14 years to 6-8 years. Advocates have complained that the New Starts and Small Starts programs that fund transit projects are overly burdensome and significantly delay projects.