



**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
February 19, 2004**

SUBJECT: TRANSPORTATION EQUITY ACT – A LEGACY FOR USERS (TEA-LU)

ACTION: SUPPORT – WORK WITH AUTHOR: H.R. 3550

RECOMMENDATION

H.R. 3550, TEA-LU – Would reauthorize the federal highway, public transportation, highway safety, and motor carrier safety program for six (6) years, from fiscal years 2004 through 2009.

SUPPORT-WORK WITH AUTHOR POSITION

ISSUE

Every six years the U.S. Congress acts to reauthorize America’s surface transportation programs. The next reauthorization bill is currently being crafted, given that the previous reauthorization bill expired on October 1, 2003 and an extension of that same bill will expire on February 29, 2004. The MTA is working with the appropriate authorizing Committees in both the U.S. House of Representatives and the Senate to ensure that its interests will be advanced by the next reauthorization bill adopted by Congress and signed into law by the President.

POLICY IMPLICATIONS

The reauthorization of America’s surface transportation programs will have a major impact on the MTA. The formula funding in the current reauthorization bill provides over \$500 million annually for the MTA. In addition, the reauthorization bill will identify specific MTA Reauthorization High Priority Highway and Transit Projects and other Priority Projects (Attachment A) important to improving the mobility of Los Angeles County residents.

The reauthorization bill being advanced by the Bush Administration, the Safe, Accountable, Flexible and Efficient Transportation Act of 2003, includes only \$247 billion over six years for America’s surface transportation programs and projects. If adopted as written, this reauthorization proposal would likely result in a decrease in formula funds received by the MTA.

OPTIONS

The MTA may consider not taking a position on TEA-LU because the bill's financial price, over \$370 billion, may entail leveraging additional taxes on motorists. Though no specific revenue source has been identified by the authors of TEA-LU, there is speculation that the federal gas tax would need to be indexed to fund the projects and programs detailed in the legislation. Board members may not want to endorse legislation that may increase the tax burden on Los Angeles County residents and all Americans. However, not supporting H.R. 3550 may be of concern to the authors of the bill, who are interested in securing the support of major transportation agencies, like the MTA.

FINANCIAL IMPACT

The reauthorization of TEA-21 will have a major impact on the MTA, with respect to both federal formula funding and the authorization of specific MTA projects. Every year the MTA receives over \$500 million dollars in formula funding derived from provisions of law authorizing America's surface transportation programs. Among these programs is the Congestion Mitigation Air Quality program, from which the MTA derives over \$100 million annually.

BACKGROUND

The Transportation Equity Act of the 21st Century (TEA-21) expired last year. On October 1, 2003 President Bush signed legislation extending the bill's provisions for five months. That bill expires on February 29, 2004.

Last year, the Chairman of the House Transportation and Infrastructure Committee, Rep. Don Young of Alaska, introduced the Transportation Equity Act – A Legacy for Users, more popularly known as TEA-LU. This bill would reauthorize the federal highway, public transportation, highway safety, and motor carrier safety programs for 6 years, from fiscal years 2004 through 2009.

On February 3, 2004 the House Transportation and Infrastructure Committee's Subcommittee on Highways, Transit and Pipelines is scheduled to mark-up TEA-LU (Attachment B). Knowledgeable sources have indicated that the placement of specific projects will be attempted during the House Transportation and Infrastructure Committee's full committee mark-up in the House, which may occur as early as the second week of February.

In the U.S. Senate, there are two committees of jurisdiction that craft the reauthorization bill. The Senate Environment and Public Works (EPW) Committee drafts the Highway provision and the Senate Banking Committee crafts the Transit provisions. The EPW Committee has drafted its portion of the reauthorization bill, while the Banking Committee has yet to determine when it will release its portion of the reauthorization bill. Sources in the Senate have

indicated that both the EPW and Banking Committee Chairmen will prefer to place individual projects in their respective bills during conference.

NEXT STEPS

The Government Relations Department, in concert with our federal advocates, will be closely monitoring Congressional action related to TEA-LU. The Government Relations Department will coordinate efforts to ensure that the Los Angeles Congressional Delegation and California's two U.S. Senators have the most accurate and detailed information necessary to ensure that TEA-LU benefits the MTA.

Specifically, the Government Relations Department will work with TEA-LU's authors and supporters to ensure that the manner in which the formula funding in the bill is apportioned is beneficial to the MTA. If necessary, the Government Relations Department will encourage Members of Congress to draft and submit amendments to TEA-LU to advance MTA's programmatic and project priorities as outlined in its 2004 Calendar Year Legislative Program.

ATTACHMENT

- A. MTA High Priority Highway and Transit Projects and Other Priority Projects
- B. Summary of TEA-LU prepared by the House Transportation and Infrastructure Committee

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REGIONAL HIGH PRIORITY PROJECTS

(Note: Within Priorities, projects are in alphabetical order)

MTA LONG RANGE TRANSPORTATION PLAN
Alameda Corridor East: Construction Improvements & Traffic Light Synchronization & Upgrade
Los Angeles Eastside Light Rail Transit Project
Mid-City/Exposition Boulevard Light Rail Project from Downtown Los Angeles to Venice/Robertson
MTA Bus and Rail Capital Improvements (vehicles, equipment, facilities, security, rapid bus expansion and other capital needs)
Municipal Operators Bus Capital Improvements (vehicles, equipment, facilities, security, rapid bus expansion and other capital needs)
Route I-5 HOV Improvements from Route 134 to Route 170
Route I-5: Add 1 Mixed Flow and 1 HOV Lane from Rosemead (I-605) to Orange County Line
Route I-405 HOV Lanes from Route I-10 to Route US 101
HOMELAND SECURITY PROJECTS
Los Angeles World Airports (LAWA) Transportation Security Improvements (Green line /People Mover Extension/Remote Flyaway/Baggage Check-In Enhancements)

REGIONAL PRIORITY PROJECTS

MTA LONG RANGE TRANSPORTATION
Crenshaw Transit Corridor Improvement from Wilshire/Crenshaw to Metro Green Line/LAX
Los Angeles Countywide Retrofit Soundwall on Freeways with High Occupancy Vehicle Road Lane Improvements
Metrolink Capital Improvements and Service Expansion (SCRRA Project List)
Mid-City/Exposition Boulevard Light Rail Project from Venice/Robertson to Santa Monica
Route 57/Route 60 Interchange Reconfiguration Improvements
Route I-5 Interchange Improvements from Orange County Line to Rosemead Blvd. (Route 19)
Route I-5/Route 170/134 HOV Improvements (partial connector - southbound to northbound)
Route I-5/Route I-405 HOV Improvements (partial connector - southbound to northbound)
San Fernando Valley North-South Transit Corridor Improvement-

<u>MTA REGIONAL PARTNERS</u>
<u>TRANSIT</u>
ASI Paratransit Capital Improvements (vehicles, equipment, facilities, security, and other capital needs)
<i>Downtown Los Angeles Red Car Trolley Project</i>
Long Beach Transit Center Improvements
Los Angeles Countywide Transportation Demand Management Program, including Rideshare, Innovative Strategies & Alternatives, and New Technology
Los Angeles Countywide Goods Movement Access Improvements
Los Angeles Countywide Smart Shuttle Bus Purchases and Related Capital Improvements
Los Angeles Union Station Ramp Improvements (Metrolink)
Metro Red Line Subway extension from Wilshire/Western to Wilshire/Fairfax engineering, geological investigation and environmental clearances
Pasadena Gold Line Light Rail Extension from Pasadena to Claremont

<u>HIGHWAY PROJECTS</u>
Antelope Valley Freeway (SR-14)/Avenue G Interchange Improvements
Arbor Vitae Street Improvements
Avenue H Overpass Improvements
Gerald Desmond Bridge Replacement/Ocean Boulevard & Terminal Island Freeway Interchange Construction
Lakeland Grade Separation Project in Santa Fe Springs
LAX Roadway Access Improvements
Long Beach Airport Access Improvements and Integration
Los Angeles Countywide Community Transit Information and Security Centers

ATTACHMENT A

Los Angeles Countywide Transportation Enhancements for Bikeways and Pedestrian Space
<i>Maine Avenue Redesign, City of Baldwin Park</i>
Norwalk & Los Nietos Grade Separation Projects in Santa Fe Springs
Pacific Coast Highway Safety & Congestion Mitigation Improvements
<i>Passons Road Grade Separation Project in Pico Rivera</i>
Pioneer Blvd Grade Separation Project in Santa Fe Springs
Port of Los Angeles and Long Beach Demonstration Projects
Rosecrans/Marquardt Grade Separation Project in Santa Fe Springs
<i>Rosecrans Blvd. Corridor West Capacity and Operational Improvements</i>
Route I-5 Rail Crossing Improvements from Route I-605 to Route I-91
Route I-5 HOV Lanes from I-710 to I-605
Route I-10 HOV Lane Extensions (to Pacific Coast Highway)
Route 138 Corridor Improvements (specific recommendations forthcoming from Major Corridor Improvement Study), including Safety Improvements
Route US 101 HOV Lanes Between I-110 and State Route 23 Corridor Improvements (or other specific recommendation forthcoming from Major Corridor Improvement Study)
Route I-405/Crenshaw Blvd. Interchange Upgrade
Route I-405/Artesia Blvd. Interchange Upgrade
Route I-405/Western Ave. Interchange Upgrade
Route I-405 Upgrade at Del Amo Boulevard
Route I-710 Freeway Gap Closure
Route I-710 Freeway Rebuild, Rehabilitation & Capacity Enhancement Corridor Project (specific recommendations forthcoming from I-710 Major Corridor Improvement Study)
Santa Clarita Cross Valley Connector (Newhall Ranch Road/Golden Valley Road) between Route I-5/SR-126 Interchange and SR-14/Golden Valley Interchange
Santa Monica National Recreation Area Improvements
State Route 2 South Freeway Terminus Upgrade & Improvements to Glendale Boulevard
State Route 14 HOV Improvements from Pearblossom to Avenue L
State Route 14/I-5 HOV, Mixed Flow and Truck Lane Improvements (specific recommendations forthcoming from Major Corridor Improvement Study)
South Central Exposition Park Intermodal Urban Access Project
Westlake Village Street Improvements & Bike Path Construction

EXECUTIVE SUMMARY

TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS (TEA LU)

- **The House Transportation Committee bill reauthorizes the federal highway, public transportation, highway safety, and motor carrier safety programs for six years, from fiscal years 2004 through 2009.**
- **The House Transportation Committee bill provides a total of \$375 billion in new funding – a 72 percent increase over the total funding for TEA 21 (1998-2003), and a 52 percent increase over the total funding proposed in the administration's SAFETEA reauthorization bill.**
- **The House Transportation Committee bill will continue and protect existing U.S. jobs in the transportation sector and related industries. More than 1.3 million new jobs will be created under highway funding provisions of the House Transportation Committee bill.**
- **The House Transportation Committee bill increases the minimum guaranteed percentage of return each State will get back from Federal highway formula programs from 90.5 percent to 95 percent by 2009.**

COMPARISON OF FUNDING TOTALS BY AGENCY (IN MILLIONS)

AGENCY	TEA 21	SAFETEA	TEA LU
FEDERAL HIGHWAY ADMINISTRATION	\$174,000	\$195,060	\$298,700
FEDERAL TRANSIT ADMINISTRATION	\$41,000	\$45,810	\$69,200
FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION	\$1,300	\$2,830	\$3,300
NATIONAL HIGHWAY TRAFFIC SAFETY ADMIN.	\$1,700	\$3,415	\$4,200
TOTAL	\$218,000	\$247,115	\$375,400

SOME FUTURE ACTIONS OF CONGRESS ARE ASSUMED IN THIS BILL:

- 1) Adequate resources will be identified to pay for the increased programs.
- 2) The ethanol-related losses to the Highway Trust Fund resulting from the 5.2 cents per gallon subsidy and the diversion of 2.5 cents per gallon from the Highway Trust Fund to the General Fund will be addressed.

Comparison of Funding Levels
Apportioned Federal Highway Programs

State	6 Year Funding		
	TEA 21	SAFETEA	TEA-LU
Alabama	3,341,968,630	3,526,997,745	4,470,648,638
Alaska	1,960,964,286	2,069,120,226	2,593,721,928
Arizona	2,778,946,027	3,050,813,563	4,080,072,991
Arkansas	2,193,453,500	2,300,264,106	2,928,354,204
California	15,273,463,726	16,806,102,784	22,256,986,623
Colorado	2,007,568,401	2,310,409,548	3,384,827,297
Connecticut	2,498,327,427	2,650,466,042	3,305,770,978
Delaware	728,428,392	776,761,974	963,040,353
Dist. of Col.	651,044,411	694,574,783	861,163,571
Florida	7,821,137,646	8,588,931,659	11,164,669,016
Georgia	5,910,288,580	6,311,837,624	8,258,233,517
Hawaii	851,748,417	905,582,869	1,126,957,484
Idaho	1,273,863,938	1,348,490,413	1,680,096,168
Illinois	5,563,015,825	5,938,465,409	9,280,674,111
Indiana	3,962,324,182	4,115,342,629	6,054,306,924
Iowa	1,977,325,247	2,096,850,372	2,916,545,479
Kansas	1,927,824,584	2,044,166,050	2,550,620,212
Kentucky	2,912,770,102	3,096,311,332	4,074,292,485
Louisiana	2,670,531,346	2,836,811,485	3,712,658,151
Maine	876,267,325	922,911,414	1,176,558,626
Maryland	2,659,318,115	2,921,336,320	3,796,768,616
Massachusetts	3,090,511,398	3,273,384,855	4,133,729,744
Michigan	5,305,598,517	5,516,553,661	7,714,235,465
Minnesota	2,465,274,809	2,624,693,785	4,681,813,086
Mississippi	2,043,841,261	2,163,511,350	2,837,674,147
Missouri	3,970,096,450	4,117,407,739	5,510,246,551
Montana	1,634,847,150	1,732,598,930	2,161,398,659
Nebraska	1,275,793,358	1,360,439,858	1,788,318,678
Nevada	1,193,301,386	1,272,667,510	1,707,262,086
New Hampshire	851,374,284	904,728,898	1,123,909,888
New Jersey	4,353,183,704	4,748,320,476	6,223,320,571
New Mexico	1,626,229,567	1,725,450,699	2,151,602,815
New York	8,486,587,169	9,057,022,236	11,238,663,508
North Carolina	4,668,385,915	4,999,950,766	6,787,283,085
North Dakota	1,078,988,867	1,151,916,960	1,426,492,639
Ohio	5,779,848,982	6,097,306,161	9,336,150,855
Oklahoma	2,533,581,202	2,709,312,927	3,562,609,050
Oregon	2,038,880,248	2,130,722,602	2,715,952,529
Pennsylvania	8,302,006,159	8,695,859,103	10,859,673,170
Rhode Island	985,963,500	1,041,086,034	1,296,969,807
South Carolina	2,745,246,873	2,938,228,495	3,844,023,965
South Dakota	1,199,921,376	1,252,800,133	1,556,233,157
Tennessee	3,776,320,462	3,953,716,312	5,207,063,330
Texas	12,636,947,044	14,020,986,767	18,708,665,870
Utah	1,296,075,964	1,373,877,505	1,835,329,244
Vermont	752,642,127	802,448,346	995,475,483
Virginia	4,271,063,968	4,495,275,685	6,100,714,221
Washington	2,949,752,201	3,133,868,958	4,247,516,171
West Virginia	1,859,855,804	1,968,305,710	2,463,981,410
Wisconsin	3,277,559,291	3,477,053,055	4,399,217,203
Wyoming	1,149,126,680	1,221,689,996	1,513,131,441
Total	167,439,385,823	179,273,733,859	238,765,625,202

ATTACHMENT B

Apportioned Federal Highway Programs
Year by Year Funding Totals

State	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TEA LU Six Year Total
Alabama	548,357,140	610,963,094	676,194,088	726,738,929	774,851,161	803,641,771	878,259,606	4,470,848,638
Alaska	320,784,363	359,150,667	397,490,303	427,208,759	455,491,216	486,734,132	485,640,832	2,593,721,928
Arizona	469,858,233	520,481,395	593,451,995	648,080,922	716,806,206	789,884,489	841,367,984	4,080,072,991
Arkansas	359,428,082	398,306,099	440,832,240	473,784,015	505,149,899	530,512,058	578,769,902	2,928,354,204
California	2,577,969,640	2,839,249,997	3,912,757,582	3,535,311,366	3,910,210,965	4,199,755,501	4,589,701,213	22,258,986,623
Colorado	354,936,655	431,791,197	484,031,595	537,847,474	594,862,208	638,695,943	697,966,620	3,384,827,297
Connecticut	408,763,787	457,747,573	506,620,130	544,489,385	580,536,268	697,414,731	618,982,792	3,305,770,978
Delaware	119,069,947	133,351,459	147,589,059	158,621,196	169,122,379	174,039,429	180,316,931	963,040,353
Dist. of Col.	108,458,716	119,244,659	131,976,112	141,841,186	151,231,494	155,626,366	161,241,723	861,163,571
Florida	1,317,950,662	1,424,239,813	1,598,551,930	1,773,401,851	1,961,460,989	2,106,703,882	2,302,310,542	11,164,869,016
Georgia	974,955,359	1,058,130,567	1,160,167,529	1,310,894,585	1,449,907,478	1,567,270,963	1,701,862,676	8,268,233,517
Hawaii	139,336,760	156,046,939	172,708,692	185,619,786	187,908,363	203,682,325	211,008,190	1,128,957,484
Idaho	208,679,753	232,641,828	257,480,190	276,728,580	295,046,691	303,624,945	314,576,243	1,680,096,188
Illinois	910,164,724	1,183,904,829	1,327,139,940	1,474,147,117	1,630,472,008	1,751,205,714	1,913,804,503	8,280,674,111
Indiana	634,893,878	772,327,883	885,788,201	961,669,270	1,063,648,809	1,142,410,212	1,248,482,669	6,054,306,924
Iowa	323,466,286	372,054,038	417,067,117	463,265,605	512,392,279	550,334,065	601,432,376	2,916,545,479
Kansas	315,330,398	353,182,425	390,890,825	420,109,528	447,921,998	460,944,844	477,570,594	2,550,620,212
Kentucky	478,720,896	523,428,592	582,021,437	646,491,902	715,046,679	767,996,830	839,305,045	4,074,282,485
Louisiana	437,509,972	478,269,485	530,439,884	588,591,185	646,491,902	715,046,679	767,996,830	3,796,768,616
Maine	143,534,289	156,641,214	175,578,938	188,703,290	201,253,413	216,165,889	236,226,862	1,176,858,628
Maryland	448,262,819	484,341,185	542,939,361	603,090,708	667,033,978	718,426,718	782,646,688	3,796,768,616
Massachusetts	508,317,788	561,600,294	621,782,299	689,269,912	712,500,854	749,690,244	819,506,342	4,133,729,744
Michigan	846,759,827	994,079,444	1,103,138,616	1,225,333,185	1,355,272,778	1,455,628,445	1,590,782,986	7,714,235,465
Minnesota	403,602,972	467,243,374	529,339,388	582,522,708	622,622,708	663,479,932	704,550,482	3,481,813,086
Mississippi	334,208,818	367,319,368	406,537,133	449,414,694	497,072,547	533,878,127	583,455,188	2,837,674,147
Missouri	637,444,037	697,243,374	761,819,991	823,345,170	885,958,442	948,335,541	1,013,816,226	4,861,813,086
Montana	289,267,215	311,241,359	339,001,323	378,569,842	411,907,267	444,335,220	478,318,878	2,161,398,659
Nebraska	209,054,944	234,148,765	259,148,240	282,002,510	311,907,267	335,003,473	368,108,421	1,788,318,878
Nevada	185,084,410	218,474,643	244,026,888	271,067,726	299,801,951	322,001,675	351,899,409	1,707,262,086
New Hampshire	139,901,966	155,628,940	172,242,838	185,117,820	197,373,158	203,111,567	210,437,567	1,123,909,888
New Jersey	728,047,251	793,866,374	869,937,414	948,616,486	1,033,341,913	1,117,430,040	1,203,335,541	6,223,320,571
New Mexico	266,027,852	297,930,792	329,740,117	354,367,862	377,649,365	398,834,927	402,859,755	2,161,602,815
New York	1,369,521,309	1,556,209,119	1,722,361,655	1,851,108,488	1,973,655,100	2,031,036,991	2,104,294,159	11,236,663,508
North Carolina	772,217,345	865,831,202	970,594,072	1,078,095,588	1,192,421,472	1,280,718,273	1,399,632,481	6,787,283,085
North Dakota	178,386,883	197,525,342	218,614,626	234,955,654	250,510,612	257,793,937	267,092,288	1,428,492,639
Ohio	938,157,691	1,190,981,613	1,335,073,136	1,462,959,072	1,640,218,420	1,761,673,932	1,925,244,582	9,336,150,855
Oklahoma	464,770,830	514,393,243	564,437,050	616,883,455	672,225,311	730,351,454	790,351,454	3,562,609,050
Oregon	333,547,969	367,228,940	406,437,050	436,917,819	465,736,424	496,802,200	542,930,088	2,716,952,529
Pennsylvania	1,361,481,676	1,503,730,617	1,664,280,156	1,788,683,455	1,907,099,480	1,962,546,338	2,033,333,124	10,859,673,170
Rhode Island	161,266,734	179,590,416	198,764,832	213,622,307	227,764,722	234,366,736	242,840,795	1,296,969,807
South Carolina	457,881,181	490,369,393	549,696,894	610,586,772	675,336,015	725,343,510	792,691,361	3,844,023,965
South Dakota	196,867,381	215,460,412	238,487,782	256,325,255	273,294,730	281,240,479	291,364,499	1,558,233,157
Tennessee	610,339,579	682,612,375	755,493,183	820,724,142	907,757,255	974,975,151	1,065,601,225	5,207,063,330
Texas	2,162,598,910	2,366,802,482	2,675,346,360	2,971,694,246	3,286,825,466	3,530,209,356	3,857,987,961	18,708,665,970
Utah	210,751,716	238,047,757	262,137,890	281,174,928	302,052,365	345,889,800	378,016,468	1,895,329,244
Vermont	123,073,695	137,842,727	152,559,848	163,963,546	174,616,408	179,901,065	186,389,869	995,475,483
Virginia	693,472,744	776,247,888	869,404,628	969,060,829	1,071,801,859	1,151,166,982	1,258,052,401	6,100,714,221
Washington	481,064,589	541,841,557	607,998,434	674,677,664	746,223,403	801,478,980	875,697,104	4,247,516,171
West Virginia	304,620,645	341,185,617	377,913,147	405,639,357	432,707,088	445,287,590	461,348,600	2,463,961,410
Wisconsin	536,062,166	600,322,709	664,417,655	714,082,219	761,366,531	792,717,283	866,320,795	4,399,217,203
Wyoming	188,016,695	209,622,150	231,692,304	249,226,025	266,725,509	273,451,192	283,314,261	1,513,131,441
Apportioned	27,648,231,530	31,236,069,867	34,822,764,867	38,259,665,867	41,861,864,867	44,483,349,867	48,101,889,867	238,765,625,202