

MEMORANDUM

DEPARTMENT OF TRANSPORTATION

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DATE: September 20, 2012

TO: Transportation Commission

FROM: Laurie Freedle, Budget Director

SUBJECT: SAFETEA-LU vs MAP-21 and the FY13 Budget

This agenda item illustrates the financial impacts of MAP-21 when compared with SAFETEA-LU. In addition, staff presents the extent to which CDOT can mitigate impacts to programs for the FY13 budget.

SAFETEA-LU vs MAP-21

Using the FY13 budget as a baseline, here are the changes to federal funding levels of programs:

<u>Program</u>	<u>SAFETEA-LU</u>	<u>MAP-21</u>	<u>Difference</u>
Highway Safety Improvement Program (HSIP)	\$20,149,488	\$26,890,559	\$6,741,071
State Planning and Research	\$13,156,179	\$12,455,114	(\$701,065)
Transportation Alternatives (Enhancement and Safe Routes to School)	\$14,039,150	\$10,224,947	(\$3,814,203)
STP-Metro	\$50,501,875	\$49,281,783	(\$1,220,092)
CMAQ	\$47,229,533	\$43,275,530	(\$3,954,003)
Metropolitan Planning (FHWA and FTA Combined)	\$7,327,648	\$7,448,110	\$120,462
Total Excluding Metro Planning *	\$145,076,225	\$142,127,933	(\$2,948,292)

*Metropolitan Planning funds cannot be transferred to other programs and do not have cross-program eligibility.

It is staff's opinion that this will be the magnitude of change to anticipate throughout MAP-21 and any extensions thereof.

FY13 Budget Implementation of MAP-21

Because HSIP has more funding than previously anticipated and there is the ability to transfer funds from this program to other programs, TC can choose to mitigate most of the impact to other programs. Unfortunately, there is \$2,948,292 that cannot be absorbed, based on current predictions of final federal obligation limitation numbers. Although funding cannot be shifted into the Transportation Alternatives Program, there is sufficient flexibility in the National Highway Performance Program funding of these projects through a transfer from HSIP to NHPP.

Until we receive final obligation limitation information, there is no certainty how the numbers will end up. If limitation is higher than anticipated, there could be no need to transfer funding. Therefore, staff suggests that the budget be left as passed until this information is received.

However, it is useful to both staff and the impacted programs to understand how the TC would wish to proceed if obligation limitation is received as predicted, or in some amount where these programs would be reduced. Some options include:

Allow programs to be funded as indicated in MAP-21—this option would be harmful to the programs that are already programmed to the FY13 anticipated level, and could result in the HSIP program struggling to allocate unanticipated funding in a timely manner.

Transfer the “excess” HSIP funds to NHPP and reduce or eliminate deficits in other programs—this is a more advantageous use of the funding for all involved. If this course is chosen, then the TC would need to direct how to allocate the transferred HSIP funds.

Alternatives include funding some programs entirely and leaving others with a portion of their deficit, or spreading the transferred funds across the programs by percentage of deficit. There are, of course, numerous other alternatives that could be proposed and discussed.

<u>Program</u>	<u>Surplus/Deficit</u>	<u>Staff Recommendation</u>	<u>Apply Percent</u>
Highway Safety Improvement Program (HSIP)	\$6,741,071		
State Planning and Research	(\$701,065)	\$701,065	\$487,744

Transportation Alternatives (Enhancement and Safe Routes to School)	(\$3,814,203)	TBD by STAC	\$2,653,612
STP-Metro	(\$1,220,092)	TBD by STAC	\$848,841
CMAQ	(\$3,954,003)	TBD by STAC	\$2,750,874
Total Excluding HSIP	(\$9,689,363)	\$6,741,071	\$6,741,071

Staff recommendation is to make SPR whole, as this is funding that is dedicated to funding DTD projects that are ongoing. For the remainder of the deficit, it is recommended that TC consider the opinion of STAC on this matter, since all other affected programs are allocated to MPOs and TPRs for their competitive project selection.