



**Polly Kent, Policy Division
Michigan Department of Transportation**

Today's Topics



- Federal Reauthorization Update
- Transportation Funding Task Force



Federal Reauthorization Update

Federal Reauthorization 2011



- SAFETEA-LU extended through 9/30/11
 - Originally expired 9/30/09
 - Currently on 7th extension
- Federal aviation authorization now on 17th extension expiring 3/31/11

Administration's Proposal



- Obama Administration released broad outline of reauthorization in February
 - \$551 billion over six years (2012-17)
 - This includes \$50 billion in up front funding
 - Assumes \$231 billion in new revenue

Administration's Proposal



- Significant program consolidation to result in:
 - 6 highway programs
 - 6 transit programs
 - 2 rail programs
- Moves all transportation spending to the Highway Trust Fund

Administration's Proposal



	SAFETEA-LU	Admin Proposal	Percent Increase
Highways	\$228 B	\$336 B	48%
Transit	\$53 B	\$119 B	126%
Safety	\$7 B	\$12 B	87%
Rail	-	\$53 B	-
Infrastructure Bank	-	\$30 B	-
Total	\$286 B	\$551 B	93%

Administration also proposed one-time funding of \$2 billion for TIGER grants and \$3 billion for airports

Congressional Activity

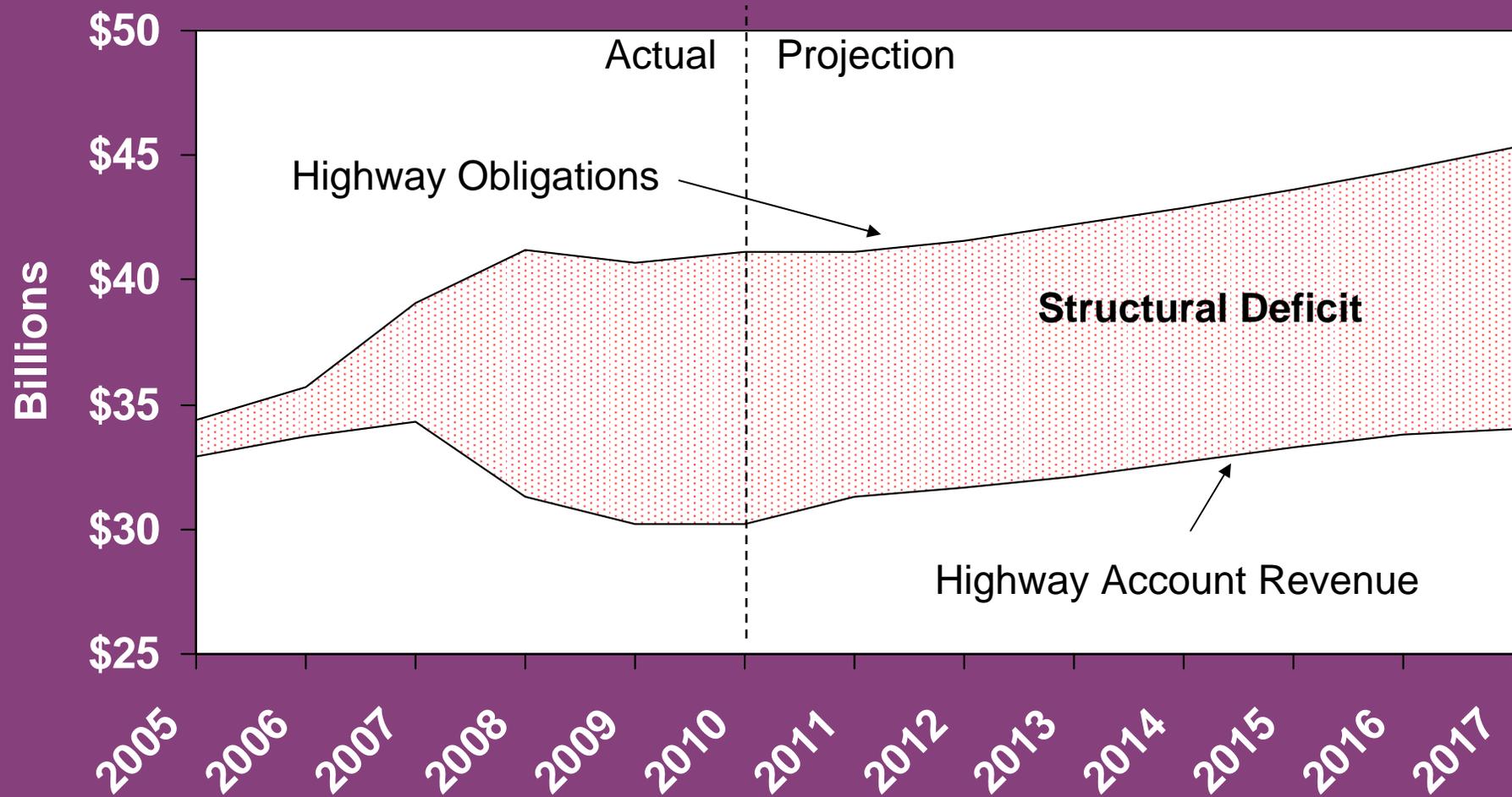


- Priorities of Rep. Mica (R, FL) New House T & I Chairman include:
 - Stabilizing the HTF (spending w/in its means)
 - Re-examine every \$ and every program
 - Innovative financing to maximize funds leveraged
 - Accelerate project delivery
- House already acted to make reducing transportation spending easier
- Senate likely to weigh in with a proposal soon

Big Challenge Ahead



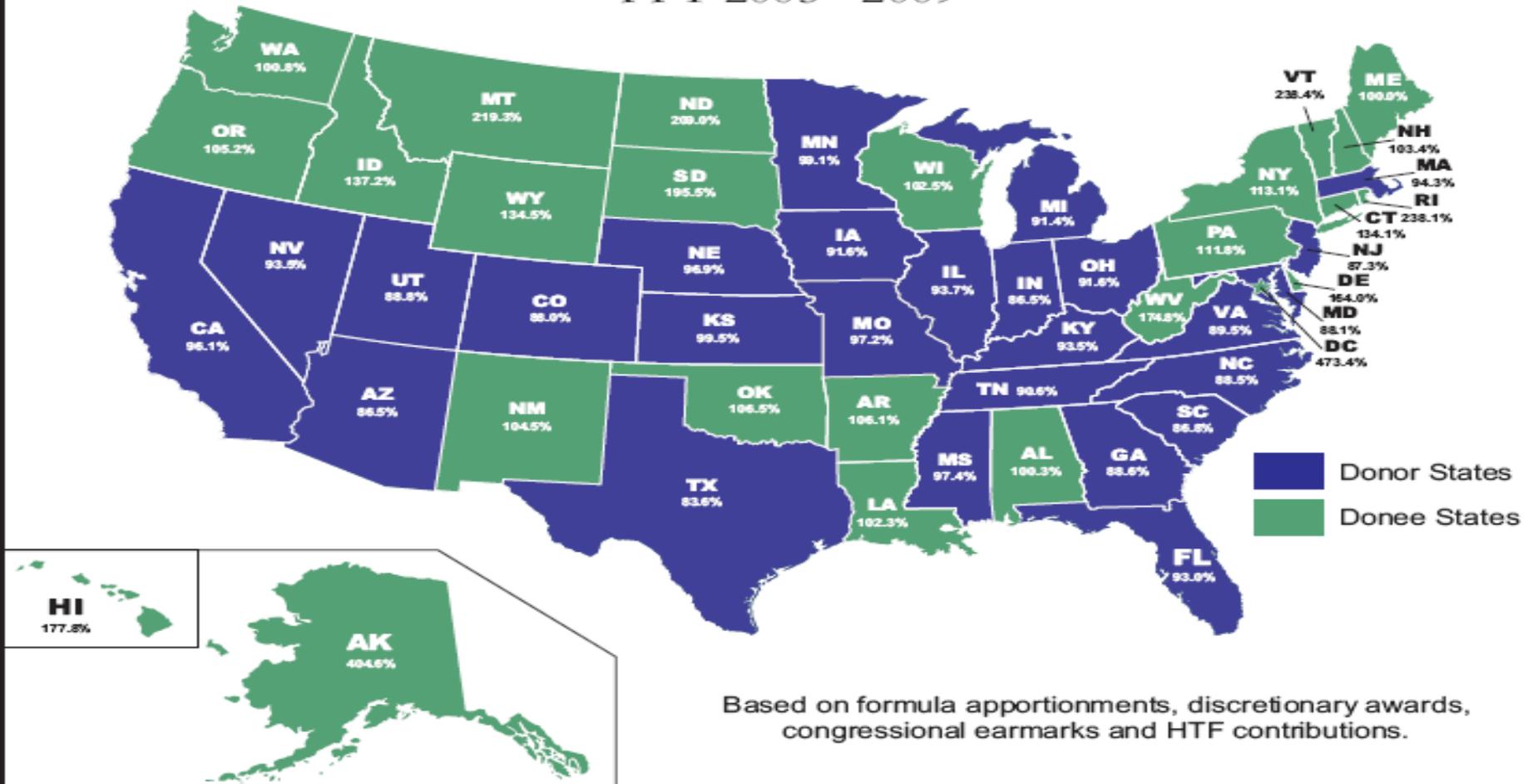
Revenue insufficient to maintain current investment level



What's Important to Michigan



Cumulative Rate of Return FFY 2005 - 2009



Based on formula apportionments, discretionary awards, congressional earmarks and HTF contributions.

Increasing return of federal transportation taxes could bring in \$100 million

What's Important to Michigan



- Recognize border infrastructure as unique national resources and fund them accordingly



What's Important to Michigan



- Revise transit programs to create more funding opportunities for areas lacking rapid transit





Transportation Funding Task Force

Transportation Funding Task Force (TF2)



What does a “Good” System look like?

- Roads and bridges in good condition
- Local roads preserved in current condition
- Improve safety
- Replace old buses with more fuel efficient vehicles
- Implement transit alternatives
- Reduce freight travel time & increase reliability
- Reinstate curtailed aviation programs
- Create Aviation Economic Development fund



TF2 Recommended Efficiencies



- Review Bonding & Bond Refinancing for Savings
- Reclassify MTF Funds to “Trust Funds”
- Eliminate Reporting Redundancies
- Create Corridor Authorities
- Encourage Regionalism
- Stabilize Transit Funding
- Ensure state match for federal funding
- Performance factors and incentives
- Eliminate diversions from MTF
- And many others





Questions?

MDOT Mission Statement

Providing the highest quality
integrated transportation services
for economic benefit and
improved quality of life.