



BIPARTISAN POLICY CENTER

November 8, 2011

The Honorable Barbara Boxer
Chair
Senate Committee on Environment and Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

The Honorable James Inhofe
Ranking Member
Senate Committee on Environment and Public Works
456 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairwoman Boxer and Ranking Member Inhofe:

Over the last three years, the National Transportation Policy Project (NTPP) of the Bipartisan Policy Center (BPC) has urged that Congress, in developing legislation to authorize the nation's surface transportation programs, establish the basis for a true performance-based program, implementing principles of national goals, outcomes, and accountability. We are pleased that the bill you have introduced, Moving Ahead for Progress in the 21st Century (MAP-21) proposes essential and groundbreaking first steps toward such a reformed national surface transportation program.

One of these important steps is that MAP-21 would incorporate performance management into a reformed transportation planning process by requiring that transportation plans and transportation improvement programs (TIPs) use a "performance-driven, outcome based approach" and that such a performance-based approach would be the basis of transportation decision-making to support national goals, including the development of policies, programs, and investment priorities. As NTPP has urged, national goals are clearly and specifically articulated in this portion (Subtitle B of Title I) of MAP-21.

MAP-21 is also transformative in its proposals consolidating highway programs; emphasizing the preservation and restoration of existing surface transportation systems and facilities, in the new "National Highway Performance Program"; contemplating state asset management planning that includes strategies leading to a "program of projects"; focusing attention on national freight and goods movements; and using federal funds effectively to leverage investment from other private and public sources (Title III, "America Fast Forward Financing Innovation"). These are reform initiatives that NTPP has long advocated for and strongly supports.

NTPP believes that these important steps could be substantially strengthened by the following enhancements to the current provisions of MAP-21:

- Principles of performance management, targets, and goals are contained in programmatic portions of MAP-21, specifically, in the proposed National Highway

Performance Program, as well as in Subtitle B. However, there does not seem to be a clear relationship between the goals and performance principles incorporated into the highway performance program, and those that are articulated in the transportation planning process. Performance management should be consistent in planning and program implementation.

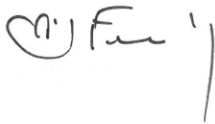
- In the bill the goals of the highway performance program would be national but the targets contained in each state's "performance-driven" asset management plan and the standards and metrics that established consistent with those plans would be selected by each of the states and as a result would be disjointed. We believe that these elements of asset management should be national in scope and that there should be consistency in the implementation of this newly consolidated federal program.
- In its description of the national highway system MAP-21 fails to define a core national interest system. Everything that is eligible today would be eligible under the new highway programmatic framework. In a time of constrained resources there should be a clearer focus on national priorities, consistent with the national goals articulated in the performance management portion of this bill. There should be clarity between areas of primary federal interest and of state and local responsibility.
- The new apportionment system contained in MAP-21 would institutionalize state shares received, pursuant to SAFETEA-LU, with each state assured a floor of 95 percent of its estimated motor fuels tax revenue. In that regard these provisions continue the existing disconnect between federal funding and national goals. NTPP has suggested that in order for performance measures and accountability to be effective a connection should be gradually established between apportionment and performance. MAP-21 represents an opportunity to begin that process of transformation.
- There are no real accountability provisions in MAP-21 that would serve to enforce the performance management principles of the bill and therefore no way to ensure compliance in the planning, programming, and application of federal highway funds. While we recognize that MAP-21 recommends important first steps in incorporating performance management in the federally-required transportation planning process and that these principles should be carefully tested through effective reporting mechanisms, NTPP believes that the effectiveness of these new planning requirements could be reinforced by introducing a program of incentives or rewards for states and metropolitan planning organizations (MPOs) in connection with their effective reporting of goals, outcomes, and performance measures in their decision-making processes. In addition, the principles of a performance

management system might be tested through a targeted pilot program that supports the application of outcome-based planning efforts.

- While, as noted, MAP-21 would take important steps in recognizing the importance of freight and goods movement to the national economy, this program should contain a significant element of competition between programs and projects of particular importance. A competitive, mode-neutral program is critical to supporting and incentivizing corridor-based investments that present the most cost-effective strategies for improving the performance of the national freight network. Critical bottlenecks often require significant multi-state investments. To that end, NTPP believes that a significant portion of the funds in what is proposed to be a wholly highway formula program should be distributed on a competitive mode-neutral basis through the existing program of “Projects of National and Regional Significance.” Concerns about possible abuses of executive discretion could be overcome by introducing a decision-making framework that combines executive branch analysis and recommendation (pursuant to Congressionally-driven criteria) and legislative branch final selections.
- Increased leveraging of federal funds, the foundation of the programmatic recommendations of Title III of MAP-21, assumes that states, metropolitan regions, and localities will have greater flexibility to innovate, in attracting other sources of investment capital. To that end, federal barriers to state flexibility and innovation should be removed. One such barrier that should be removed by MAP-21, with proper oversight to prevent abuse, is the prohibition on tolling the Interstate Highway System.

The bill that you have presented to Committee offers the promise of significant and fundamental reform of federal surface transportation programs. NTPP believes that your important initiative could be further improved by the proposals contained in this letter, and we appreciate your consideration of them as this bill moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Emil Frankel". The signature is written in a cursive style with a large initial "E" and a long vertical stroke at the end.

Emil Frankel
Director of Transportation Policy

cc: Members of the Senate Environment and Public Works Committee