

Fixing America's Surface Transportation (FAST) Act of 2015

- I. The FAST Act and the Highway Trust Fund (HTF)
 - a) The FAST Act provides \$281 billion over five years in contract authority.
 - b) The HTF required \$70 billion of general fund transfers to guarantee these funding levels. After the FAST Act ends in five years, it is estimated that the HTF will be insolvent again.
 - c) Minnesota Impact: Five years of predictable funding levels help our system planning process.

- II. Highway Funding
 - a) Highway Funding: Minnesota Apportionment for the FAST ACT core formula highway programs is shown in the table below.
 - b) Actual funding coming to the state is predicted to be 93% of these figures and is expected to arrive in February 2016. Funding increases 5% in FY 2016, then 2% per year after that.
 - c) Minnesota Impact: There are no immediate impacts to the current program. Any additional funds will be used to fund "shelf" projects.

	NHPP	STP/STBGP Program	HSIP	Railway Crossings	CMAQ	Freight Program	Total Apportionment
FY 2015	\$378 mill.	\$174 mill.	\$35 mill.	\$6 mill.	\$32 mill.	N/A	\$629 million
FY 2016	\$376 mill.	\$171 mill.	\$35 mill.	\$6 mill.	\$32 mill.	\$19 mill.	\$661 million
FY2017	\$385 mill.	\$175 mill.	\$36 mill.	\$6 mill.	\$33 mill.	\$18 mill.	\$675 million
FY 2018	\$392 mill.	\$179 mill.	\$37 mill.	\$6.3 mill.	\$33 mill.	\$20 mill.	\$690 million
FY 2019	\$400 mill.	\$183 mill.	\$37 mill.	\$6.5 mill.	\$34 mill.	\$22 mill.	\$705 million
FY 2020	\$409 mill.	\$187 mill.	\$38 mill.	\$6.6 mill.	\$35 mill.	\$25 mill.	\$722 million

- III. Highway program changes:
 - a) The Surface Transportation Program (STP) is the second largest highway formula program, providing 26% of highway funding. It is renamed the Surface Transportation Block Grant Program (STBGP). After the funding goes to the State DOT, STBGP funding is sub-allocated to Area Transportation Partnerships based on population.
 - b) Transportation Alternatives Program (TAP) is folded into STBGP. 100% of this funding goes to the ATPs in Minnesota. The optional Recreational Trails eligibility remains the same.
 - c) Minnesota impact: Shift in Distribution Formula for STBG to Minnesota
 - d) Minnesota impact: Shift for TAP to Set-aside and potential compliance issues with minimum funding levels in state statute.

IV. Two New Freight Programs:

- a) One of the formula programs provides funding directly to state DOTs.
 - 1. Each state requires a Freight Advisory Committee and State Freight Investment Plan before obligating funds for projects.
 - 2. 10% of this formula funding can be used for freight rail and ports.
- b) The second program is a \$1 billion/year competitive grant program for projects costing more than \$100M. Both are funded by the HTF.

V. Mass Transit Funding:

- a. 80/20 highway/transit funding split is preserved.
- b. Mass Transit formula program apportionment shows an increase of 5% in FY 2016, then 2% per year after that.
- c. Funding for 5339 Bus and Bus Facilities gets a boost from the reinstatement of a competitive grant bus program that includes a 10% rural set-aside. This funding will supplement the formula apportionment funding for buses.
- d. Minnesota Impact: A Bus Facilities funding increase was a MnDOT transit priority.

Mass Transit Formula Apportionment	5307/5340 Urbanized Form.	5311/5340 Non-Urbanized Form.	5339 Bus & Bus Facilities	Total Apportionment
FY 2015	\$60 million	\$15.4 million	\$6.6 million	\$101 million
FY 2016	\$61 million	\$15.6 million	\$6.7 million	\$106 million
FY2017	\$62 million	\$16 million	\$6.8 million	\$108 million
FY 2018	\$63.5 million	\$16.3 million	\$6.9 million	\$111 million
FY 2019	\$65.4 million	\$16.7 million	\$7 million	\$114 million
FY 2020	\$67 million	\$17.1 million	\$7.2 million	\$116 million

VI. Rail Provisions

- a. The FAST Act is the first surface transportation act that includes authorization for rail programs.
- b. Includes a number of rail safety provisions:
 - 1. State Rail Safety Plans are now required;
 - 2. Contains provisions that streamline the environmental permitting process for rail infrastructure projects.
 - 3. Trains carrying crude oil are now required to be equipped with electronically controlled brakes.
- c. Provides \$2 billion per year in funding over five years from annual general fund appropriations, not the HTF. About 50% of this funding is available in a competitive grant program for the national passenger rail network.
- d. Minnesota Impact: Twin Cities to Chicago Passenger Rail, NLX and the 2nd daily train to Chicago are well positioned to compete for capital investment funding from this source.