

Strategic Transportation Investments

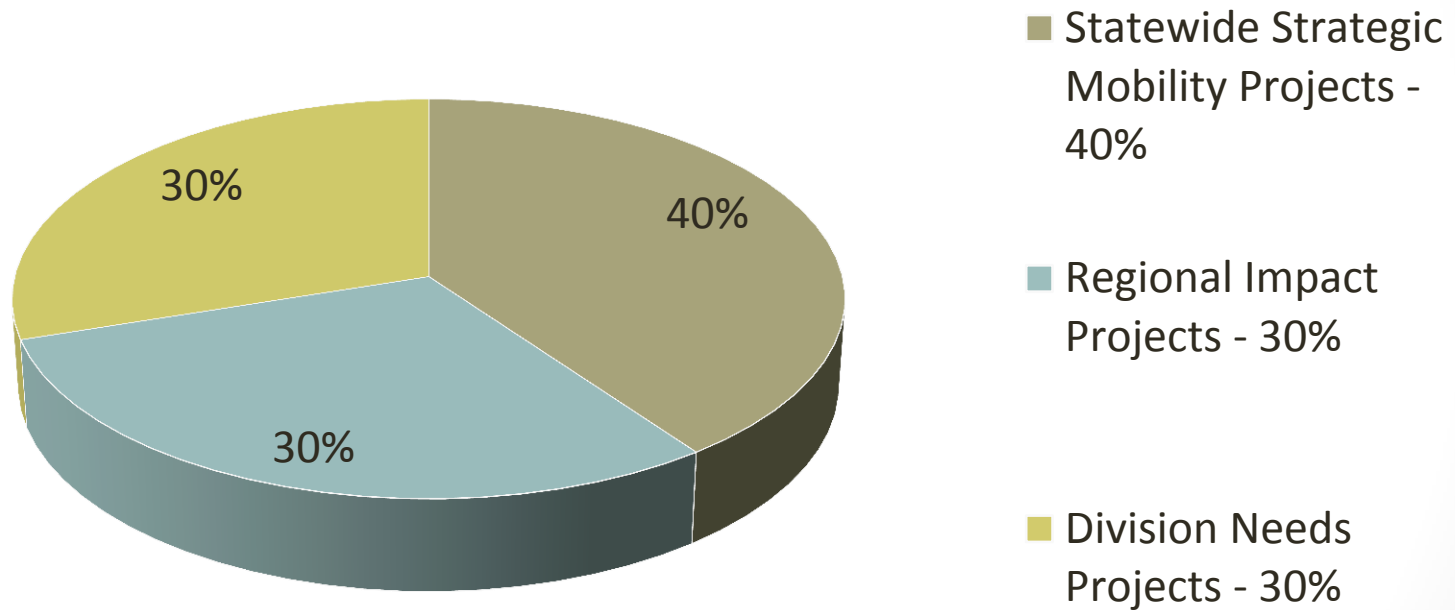
Overview of House Bill 817 (S.L. 2013-183)

As amended by
House Bill 92, Section 38 (S.L. 2013-410)

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- House Bill 817 is the first major change to the State's Transportation funding formula since enactment of the Highway Trust Fund Act in 1989.
- House Bill 817 creates a new ***Strategic Prioritization Funding Formula*** governing use of Highway Trust Fund and Federal aid funds for State transportation construction.
- Highway Trust Fund revenues and Federal Aid funds are subject to the new formula, except for listed exemptions.

Distribution of Funds



Definition: Statewide Strategic Mobility Projects

- Interstate highways and future interstate highways approved by the federal government
- Routes on the National Highway System as of July 1, 2012, excluding intermodal connectors
- Highway routes on the United States Department of Defense Strategic Highway Network
- Highway toll routes designated by State law or by the Department of Transportation, pursuant to its authority under State law
- Highway projects listed in G.S. 136-179, as it existed on July 1, 2012, that are not authorized for construction as of July 1, 2015
- Appalachian Development Highway System
- Larger commercial service airports, limited to \$500,000/project
- Freight capacity and safety improvements to Class I freight rail corridors

Definition: Regional Impact Projects

- Statewide Strategic Mobility Projects
- All other U.S. highway routes not included in the definition of Statewide Strategic Mobility Projects
- All other N.C. highway routes not included in the definition of Statewide Strategic Mobility Projects
- Other commercial service airports, limited to \$300,000/project
- The State maintained ferry system, excluding passenger vessel replacement
- Rail lines that span two or more counties not included in the definition of Statewide Strategic Mobility Projects, excluding short-line railroads
- Public transportation service that spans two or more counties and that serves more than one municipality, limited to no more than 10% of any distribution region allocation. Includes commuter rail, intercity rail, and light rail

Definition: Division Needs Projects

- Statewide Strategic Mobility Projects and Regional Impact Projects
- All other State highway routes
- All other airports included in the FAA national plan, limited to an annual total of \$18,500,000.
- Other rail lines not already covered, excluding short-line railroads
- Public transportation service not already covered, including commuter rail, intercity rail, and light rail
- Multimodal terminals and stations serving passenger transit systems
- Federally funded independent bicycle and pedestrian improvements
- Replacement of State maintained ferry vessels
- Federally funded municipal road projects

Criteria: Statewide Strategic Mobility Projects

Ranked using the following **quantitative criteria**:

- Benefit cost
- Congestion
- Safety
- Economic competitiveness
- Freight
- Multimodal
- Pavement condition
- Lane width
- Shoulder width

10% percent project cap: No more than 10% of the funds in the Statewide Strategic Mobility category may be allocated to any project over a five year period.

Criteria: Regional Impact Projects

Ranked using a combination of criteria:

- **30% Local input**
- **70% Quantitative criteria**
 - Benefit cost
 - Congestion
 - Safety
 - Freight
 - Multimodal
 - Pavement condition
 - Lane width
 - Shoulder width
 - Accessibility and connectivity to employment centers, tourist destinations, or military installations

Criteria: Division Needs Projects

Ranked using a combination of criteria:

- **30% Local input**
- **70% Quantitative criteria**
 - Benefit cost
 - Congestion
 - Safety
 - Freight
 - Multimodal
 - Pavement condition
 - Lane width
 - Shoulder width
 - Accessibility and connectivity to employment centers, tourist destinations, or military installations

Criteria: Nonhighway Projects

Evaluated through a separate prioritization process established by the Department that includes all of the following:

- Minimum of four quantitative criteria.
- Local input
- A scale not to exceed 100 points, with no bonus points favoring any particular mode of transportation.

Other Funding Formula Provisions

- Formula variance with readjustments, over a five year period
- Incentives for local funding and tolling
- DOT is directed to publish on its website the criteria used to score projects
- DOT to issue a revised draft TIP by January 1, 2015, reflecting the effect of the new formula

Secondary Roads

- Creates a secondary road unpaved road paving program in the Highway Fund, distributed based on a DOT Statewide prioritization

State Aid to Municipalities/ Powell Bill Changes

- Provides that the Highway Fund is the sole source of funds for State Aid to Municipalities (Powell Bill) funds
- Holds harmless the amount allocated for State Aid to Municipalities by changing the amount of Highway Fund revenues allocated from 1¾ cents/gallon of the motor fuels tax to 10.4% of the net amount produced during each fiscal year
- Authorizes use of Powell Bill funds for greenways and bikeways
- Directs the Department to collect lane mile data from all municipalities eligible for Powell Bill funds, and report to the General Assembly by December 1, 2013

Toll/Turnpike Authority Changes

- Modifies the authorized Turnpike Authority project list to authorize nine projects, subject to prior consultation with the Joint Legislative Commission on Governmental Operations, and approved by the affected MPO and RPO
- Authorizes DOT or the Turnpike Authority to enter into up to three partnership agreements with private entities for projects
- Authorizes the Turnpike Authority to designate high-occupancy toll (HOT) lanes, provided the designation does not reduce the number of existing non-toll general purpose lanes
- Removes the route restriction on the Southeast Extension of the Triangle Expressway Turnpike Project

Transition Study and Reporting Requirements

- DOT to submit reports to the General Assembly on its recommended formulas for ranking projects in the new Strategic Prioritization Plan on August 15, 2013, October 1, 2013, and January 1, 2014.
- DOT to submit reports to the General Assembly on its transition to the new Strategic Prioritization Plan on March 1, 2014, and November 1, 2014.

Questions?