Memorandum

To: EXECUTIVE BOARD MEMBERS

Serious drought. Help save water!

Date: December 11, 2015

From: GILES GIOVINAZZI Federal Transportation

Subject: FIXING AMERICA'S SURFACE TRANSPORTATION ACT (P.L. 114-094)

On Friday, December 4, 2015, President Barack Obama signed the Fixing America's Surface Transportation Act (the FAST Act, P.L. 114-094), a five-year authorization of highway, transit, safety and rail programs. The FAST Act includes approximately \$225 billion in contract authority over five years for the Federal-aid highway program, increasing funding from \$41 billion in federal fiscal year (FY) 2015 to \$47 billion in FY 2020 - a 15 percent increase. Approximately half of the increase will support two new freight-related initiatives (the remainder will provide small annual increases in core highway program funding):

- A new National Highway Freight program (FAST Act section 1116), funded at approximately \$1.2 billion a year that is distributed to the states by formula.
- A new discretionary program for Nationally Significant Freight and Highway Projects (FAST Act section 1105), funded at approximately \$900 million a year.

Recent analysis from the American Road and Transportation Builders states that under the FAST Act, "investment levels will exceed projected inflation by a total of \$1.7 billion over five years and beat projected construction material cost increases by \$1 billion over the same period. As a result, federal highway investment will see narrow increases in purchasing power through FY 2020, but the FAST Act's biggest impact on the highway construction market will be the stability it provides states and the private sector."

Executive Board Members December 11, 2015 Page 2 of 11

Federal-Aid Highway Apportionment Programs

California's FY 2015 FHWA Apportionments; FY 2016 Apportionments under the FAST Act; FY 2016–FY 2020 Annual Average Apportionments and Total FY 2016–FY 2020 Apportionments under the FAST Act (in \$ millions)

	NHPP	STP	HSIP	Roadway- Highway Crossings	CMAQ	Metropolitan Planning	TAP	National Freight	TOTAL
FY 2015	1,930.3	887.9	196.8	15.3	463.6	48.5	???	N/A	3,542.5
FY 2016 FAST Act	1,924.7	894.1	195.5	15.7	462.2	49.8	74.7 ¹	106.3	3,723.0
FAST Act 5 year Annual Avg.	2006.5	936.1	203.5	16.2	481.4	52.0	75.5	116.5	3,887.8
FAST Act FY 2016- 2020 TOTAL	10,032.5	4,680.5	1,017.6	82.1	2,407.0	259.8	377.3	582.4	19,439.2

In FY 2015, California received \$3.54 billion in Federal Highway Administration (FHWA) apportionment funding. For FY 2016, which began this October, California will receive \$3.72 billion; and California can expect to receive an annual average of \$3.88 billion in FHWA apportionment funding from FY 2016–2020.

The FAST Act largely keeps the MAP-21 apportionment programmatic structure intact with a few changes:

National Highway Freight Program. California will receive an annual average of approximately \$117 million from a new National Highway Freight Program (FAST Act section 1116). Eligible projects should contribute to the movement of freight on the National Highway Freight Network, and be identified in a freight investment plan of a State Freight Plan (The California Department of Transportation [Caltrans] may be able to use the "projects list" of the California Freight Mobility Plan for this purpose). States will also be able to obligate up to 10 percent of their National Highway Freight Program funds for improvements to freight rail or ports.

National Highway Performance Program. The FAST Act expands National Highway Performance Program (NHPP, FAST Act section 1106) eligibility to include funding for federalaid highway system bridges that are not on the National Highway System (NHS), and also to pay subsidy and administrative costs for Transportation Infrastructure Finance and Innovation Act (TIFIA) projects. Funding for locally owned on-system bridges was an important issue for California local agencies since the Highway Bridge Program was eliminated in MAP-21. In FY 2015, California received \$1.93 billion in NHPP apportionments; California would receive

¹ This is a combination of the FAST Act Surface Transportation Block Grant (STBG) Set-Aside and the STBG Recreational Trails Set-Aside; Under the FAST Act, the Transportation Alternatives Program is folded into these STBG Set-Asides.

Executive Board Members December 11, 2015 Page 3 of 11

\$10.03 billion in NHPP funding over five years (an annual average of \$2 billion) under the FAST Act.

Surface Transportation Block Grant Program: The FAST Act renames the Surface Transportation Program the Surface Transportation Block Grant Program (STBG, FAST Act section 1109), and gradually increases the percentage of the STBG that is sub allocated by population from 50 percent in FY 2015 to 55 percent in FY 2020. However, California currently sub allocates STP funds at a percentage higher than is required by the FAST Act. The FAST Act also rewrites and simplifies the program's funding eligibility list and increases the ways STBG funds can be used for local roads and rural minor collectors.

Additionally, under the FAST Act, the Transportation Alternatives Program (TAP) is folded into the STBG program as two set-aside programs called the "STBG Set-Aside" and the "STBG Recreational Trails Set-Aside". These two TAP STBG Set-Asides are funded nationally at a flat \$835 million in FY 2016 and FY 2017 and then \$850 million per year thereafter (this is a slight increase from the \$820 million that TAP received in FY 2015). Under the FAST Act, the current 50 percent sub allocation would apply to the new TAP STBG Set-Asides. Additionally, up to 50 percent of the sub allocated TAP STBG Set-Asides can be transferred to STBG. Further, the FAST Act also expands eligible recipients for funds to include nonprofits responsible for administration of local transportation safety programs.

In FY 2015, California received \$887.9 million in STB apportionments; California would receive \$4.680 billion in STBG funding over five years under the FAST Act (an annual average of \$936.1 million).

California would receive \$377.3 million in TAP STBG Set-Aside funding over five years under the FAST Act (an annual average of \$75.5 million).

Highway Safety Program Improvement Program. The FAST Act removes the ability to use Highway Safety Improvement Program (HSIP, FAST Act section 1113) funds for noninfrastructure safety programs, such as education and enforcement activities. The FAST Act also designates several new safety improvements eligible for funding including vehicle-toinfrastructure communication and roadway improvements that provide separation between pedestrians and motor vehicles. In FY 2015, California received \$196.8 million in HSIP apportionments; California would receive \$1.02 billion in HSIP funding over five years under the FAST Act (an annual average of \$203.5 million).

Congestion Mitigation Air Quality (CMAQ) Improvement Program. The FAST Act makes only a few changes to the CMAQ program (FAST Act section 1114): CMAQ funds can be used not only for attainment of ambient air quality standards, but also to maintain standards in an attainment area; the diesel retrofit program is expanded to include port-related off-road equipment and vehicles; low population density states are exempt from fine particulate matter (PM) 2.5 attainment requirements if the non-attainment area has no projects that are part of a transportation plan and vehicles are an insignificant contributor to PM 2.5 non-attainment. In FY 2015, California received \$463.6 million in CMAQ apportionments; California would receive

Executive Board Members December 11, 2015 Page 4 of 11

\$2.4 billion in CMAQ funding over five years under the FAST Act (an annual average of \$481.4 million).

Railway-Highway Crossings. In FY 2015, California received \$15.3 million in Railway-Highway Crossing apportionments; California would receive \$82.1 million in Railway-Highway Crossing funding over five years under the FAST Act (an annual average of \$16.2 million).

Metropolitan Planning. In FY 2015, California received \$48.5 million in Metropolitan Planning apportionments; California would receive \$259.8 million in Metropolitan Planning funding over five years under the FAST Act (an annual average of \$52 million).

Innovative Financing/Federal Credit Assistance Programs

Section 2001 of the FAST Act cuts funding for the TIFIA federal credit assistance program from \$1 billion in FY 2015 to \$275 million in FY 2016 and FY 2017, \$285 million in FY 2018 and then \$300 million in FY 2019 and FY 2020. However, TIFIA eligibility has been expanded to include transit-oriented development (an important provision for some California local agencies) and to capitalize Rural Projects Funds if established by a State Infrastructure Bank.

The Caltrans January 12, 2015, letter to Congress and the California Statewide Federal Surface Transportation Reauthorization Consensus Principles (California Surface Transportation Consensus Principles) supported Congressional efforts to reform the Railroad Rehabilitation and Improvement Financing (RRIF) program to make it more accessible to borrowers.

Section 11607 of the FAST Act would allow a state or local dedicated revenue stream to be used as collateral for RRIF assistance, and section 11608 would allow "master credit agreement" arrangements under the RRIF program similar to those allowed under TIFIA. Section 11604 of the FAST Act expands eligibility for the program to include reimbursement for planning and design expenses, economic development and transit-oriented development projects (transit-oriented development projects must provide a 25 percent non-federal match).

Section 9001 of the FAST Act creates a National Surface Transportation and Innovative Finance Bureau to integrate current federal credit programs under TIFIA and the RRIF program with institutional capacity-building and project permitting and expediting efforts under one office, under an Executive Director at the Office of the Secretary of Transportation.

Freight Provisions

The California Surface Transportation Consensus Principles and Caltrans November 20, 2015, letter to Congress requested: 1) the Primary Freight Network be extended beyond the existing 27,000 mile limit; 2) the designation of Critical Rural and Urban Freight corridors as part of the National Highway Freight Network; and 3) the creation of a National Multimodal Freight Network that looks beyond National Highway Freight Network highway miles and specifically includes freight railroads, public ports based on tonnage, international border crossings, inland and intracoastal waterways, and the top fifty U.S. airports based on annual landed weight. Caltrans also supported language that would list improving the movement of goods travelling

Executive Board Members December 11, 2015 Page 5 of 11

across rural areas between population centers and between rural areas and population centers as national freight policy goals.

The FAST Act creates a National Multimodal Freight Network (FAST Act section 8001), which at least initially, specifically includes freight railroads, public ports based on tonnage, international border crossings, inland and intracoastal waterways, and the top fifty U.S. airports based on annual landed weight. And the FAST Act's National Multimodal Freight Policy (FAST Act section 8001) includes improving the movement of goods travelling across rural areas between population centers and between rural areas and population centers as national goals.

Additionally, the FAST Act's National Multimodal Freight Network includes the National Highway Freight Network (FAST Act section 1116), which is comprised of the Interstate System, an expanded 41,000 mile Primary Highway Freight System, and state and metropolitan planning organization (MPO) identified Critical Urban and Rural Freight Corridors.

The California Surface Transportation Consensus Principles noted that California is the nation's international trade leader and urged Congress to provide dedicated, sustainable funding for a contract authority freight program. In addition to National Highway Freight Program apportionments (FAST Act section 1116), the FAST Act creates a new contract authority discretionary program for Nationally Significant Freight and Highway Projects (NSFHP, FAST Act section 1105) funded at approximately \$900 million a year. Eligibility requirements for the NSFHP program include:

- Projects must cost at least \$100 million.
- 10 percent of total funding is reserved for small projects and 25 percent is set-aside for rural projects.
- There is a \$500 million limit on non-highway multimodal projects.
- The federal share is limited to 60 percent of project cost, though other federal dollars can be used as a non-federal match as long as the total amount of federal dollars do not exceed 80 percent of project cost.
- Grant funds can be used to pay for the subsidy cost of a TIFIA loan.
- Within 60 days, Congress reserves the right to disapprove any project contained in the U.S. Department of Transportation (U.S. DOT) -approved list.

Public Transportation

Additionally, the total authorized funding for Federal Transit Administration (FTA) programs increases from \$10.7 billion in FY 2015 to \$11.8 billion in FY 2016 and rises to \$12.6 billion in FY 2020, for a total of \$61.1 billion over the life of the bill (this includes \$49 billion in Highway Trust Fund contract authority and \$12 billion from the General Fund). This represents a 10.2 percent increase in year one, and 15.1 percent by FY 2020.

Executive Board Members December 11, 2015 Page 6 of 11

(In 5 minions):											
	FY	FY	FY	FY	FY	FY	TOTAL				
	2015	2016	2017	2018	2019	2020					
FAST Act	8,595	9,348	9,734	9,733	9,939	10,150	48,904				
(Nationally)											
FAST Act	1,254	1,317	1,344	1,371	1,400	1,428	8,114				
(California) ²											

FTA Apportioned/Allocated (Highway Trust Fund Contract Authority) Programs (in \$ millions):

The Caltrans January 12, 2015, letter and the California Surface Transportation Consensus Principles asked Congress to restore funding for the Bus and Bus Facilities program to pre-MAP-21 levels and include a transparent and efficient discretionary element.

Sections 3016 and 3017 of the FAST Act provide a significant increase in funding for the Bus and Bus Facilities Program (49 U.S.C. § 5339) largely due to the creation of a new Bus and Bus Facility Competitive Grant Program. The Bus and Bus Facilities Formula Program increases from \$428 million in FY 2015 to \$465 million in FY 2020 (annual average funding of \$446 million). The FAST Act also provides \$268 million in FY 2016 for Bus and Bus Facility Competitive Grants, which grows to \$344 million by FY 2020 (annual average funding of \$304 million) and includes a \$55 million per year set-aside for low and no emission buses and a 10 percent rural set-aside.

Sections 3015 and 3016 of the FAST Act also significantly increase funding for the State of Good Repair Program (49 U.S.C. § 5337). In FY 2015, the State of Good Repair Program received \$2.2 billion; the FAST Act funds this program at \$2.5 billion in FY 2016 growing to \$2.7 billion by FY 2020. This represents a 15.7 percent increase over current funding levels in FY 2016 and a 23.9 percent increase by FY 2020.

Under Sections 3004 and 3016 of the FAST Act, the Urbanized Area Formula (23 U.S.C. § 5307) program grows at a more modest rate, from \$4.46 billion in FY 2015 to \$4.54 billion in FY 2016 and rising to \$4.9 in FY 2020. This represents an increase of 1.8 percent in FY 2016 and 10.56 percent by FY 2020. The conference report also increases the Small Transit Intensive Cities (STIC) formula take down from the current 1.5 percent of 23 U.S.C § 5307 formula funds to two percent in 2019.

Sections 3007 and 3016 of the FAST Act significantly increase funding for Rural Area Formula grants (23 U.S.C. § 5311). In FY 2015, the Rural Area Formula Program received \$608 million; the FAST Act funds this program at \$620 million in FY 2016, growing by 10.78 percent over current levels by the fifth year of the bill to \$673.3 million. Appalachian Development and Indian reservation programs are continued, as well as the Rural Transit Assistance Program (RTAP).

² This figure does not reflect allocated Highway Trust Fund contract authority discretionary grant programs or FTA Capital Investments Grants (e.g., New Starts) funded from the General Fund.

Executive Board Members December 11, 2015 Page 7 of 11

Section 3005 and 3016 of the FAST Act increase authorizations for appropriations from the General Fund for FTA Capital Investment Grants (49 U.S.C. § 5309, the "New Starts", "Core Capacity" and "Small Starts" programs; these programs are not funded from the Highway Trust Fund) from \$1.9 billion in FY 2015 to approximately \$2.3 billion in FY 2016 through FY 2020. This is a 20.7 percent increase over the MAP-21 authorized funding level, but the funding level remains flat over the five years of the bill. Additionally, the FAST Act changes New Starts full funding grant agreement requirements by reducing the maximum federal share from 80 percent to 60 percent; however, other federal funds, including FHWA STBG funds, can still be used to supplement full funding grant agreements up to 80 percent. Additionally, the FAST Act would expand FTA Capital Investment Grant eligibility to joint public transportation and intercity passenger rail projects.

Section 3011 of the FAST Act also increases the domestic content requirement under Buy America laws from the current 60 percent to 65 percent in 2018, and to 70 percent in 2020, and it includes new language that requires the U.S. DOT, upon denial of a Buy America waiver, to issue a written certification that the item is produced in the U.S. in sufficient quantity and quality, along with other information.

Passenger Rail

FAST Act section 11101 authorizes \$8 billion of funding for Amtrak grants from FY 2016– FY2020: \$2.6 billion is authorized for Amtrak projects associated with the Northeast Corridor and \$5.5 billion for projects along the Amtrak National Network.

Caltrans January 12, 2015, letter requested Congress require Amtrak to provide timely information and greater transparency into revenues and costs related to state-supported rail corridors³ so that states can effectively manage services and verify proper implementation of Passenger Rail Investment and Improvement Act (PRIIA, P.L. 110-432) Section 209 requirements. Section 11204 of the FAST Act establishes an Amtrak State-Supported Route Committee comprised of representatives from Amtrak, U.S. DOT and states to "promote mutual cooperation and planning pertaining to the rail operations of Amtrak and related activities of trains operated by Amtrak on State-supported routes." The Committee may amend the PRIIA Section 209 cost allocation methodology. Additionally, Amtrak must provide monthly invoices to states for the operation of state-supported routes.

The Caltrans January 12, 2015, letter and the California Surface Transportation Consensus Principles requested Congress provide funding for high-speed and intercity rail capital investment grants. The FAST Act authorizes a total of \$2.2 billion from the General Fund over five years for rail funding through three primary programs:

• FAST Act sections 11102 and 11301 (Consolidated Rail Infrastructure and Safety Improvements) authorize \$1.1 billion for grants to assist in financing the costs of

³ California's three state-supported intercity passenger rail routes - the Pacific Surfliner, San Joaquin, and Capitol Corridor - are the second, third, and fifth busiest routes in the country, respectively and attracted nearly 5.4 million riders in the state fiscal year (SFY) 2013-14 compared to 4.2 million a decade earlier.

Executive Board Members December 11, 2015 Page 8 of 11

improving passenger and freight rail transportation systems in terms of safety, efficiency or reliability. Funding under this section may be used for the deployment of railroad safety technology including positive train control (PTC) systems and certain workforce development and training activities.

- FAST Act sections 11103 and 11302 (Federal-State Partnership for State of Good Repair) authorize \$997 million for grants for capital projects to replace or rehabilitate qualified railroad assets to ultimately reduce the current state of good repair backlog.
- FAST Act sections 11104 and 11303 (Restoration and Enhancement Grants) authorize \$20 million each year from FY 2016 FY 2020 for operating assistance to initiate, restore, or enhance intercity passenger rail service.

Caltrans November 12, 2015, letter to Congress also requested specific provisions to expedite rail project delivery. FAST Act section 11503 requires U.S. DOT to apply the environmental streamlining measures in 23 U.S.C. § 139 to rail projects, and FAST Act section 1312 allows U.S. DOT grant recipients to provide funds to federal, state and tribal agencies for activities that would expedite the environmental review and permitting processes.

The Caltrans January 12, 2015, letter and the California Surface Transportation Consensus Principles requested that Congress provide funding for PTC Implementation. Section 3028 of the FAST Act authorizes \$199 million from the Mass Transit Account of the Highway Trust Fund in FY 2017 to assist in financing the installation of PTC systems by commuter railroads. Funding under this section may be used to provide grants, direct loans, and loan guarantees by September 30, 2018.

CEQA/NEPA Reciprocity

Section 1309 of the FAST Act creates a pilot program allowing up to five states that have assumed FHWA 23 U.S.C. § 327 "NEPA Assignment" authority (which currently includes California) to apply to conduct environmental reviews and make approvals for projects under state environmental laws and regulations (e.g., California Environmental Quality Act (CEQA)) instead of the National Environmental Policy Act (NEPA). The provision also allows Caltrans to select up to 25 local governments to participate in the program, whereby Caltrans would be required to ensure that "any environmental review, consultation, or other action required under NEPA, or the state program, or both, meet the requirements of such Act or program."

Caltrans will not be able to apply for this program until the U.S. DOT and the Council on Environmental Quality promulgate a rulemaking that establishes the criteria for states to demonstrate that their state laws are as stringent as NEPA.

High Occupancy Vehicle (HOV) Degradation

Federal law requires that HOV lanes have a minimum average speed of 45 mph 90 percent of the time over a 180-day period during peak hours. The most recent data indicates that 60 percent of California's HOV network is degraded under the current federal standard, but it also indicates

Executive Board Members December 11, 2015 Page 9 of 11

that "recurrent congestion" is not a primary source of degradation in California. Other variables such as inclement weather, traffic incidents, or unforeseeable nonrecurring congestion have a greater impact on HOV lane performance in California.

Caltrans requested relief from the current statutory HOV Degradation standard in its January 2015 letter to the California Congressional Delegation, and this issue was also mentioned in the California Surface Transportation Consensus Principles. Section 1411 of the FAST Act requires public authorities that operate degraded HOV facilities to submit a plan for U.S. DOT approval designed to bring the degraded facilities back into compliance with the statutory standard. Additionally, the FAST Act section 1411 also allows public authorities to apply to U.S. DOT for a waiver of the compliance requirements under certain conditions.

Alternative User Based Revenue Mechanisms and Innovation

Both the Caltrans January 12, 2015, letter and the California Surface Transportation Consensus Principles requested that the federal government explore innovative transportation revenue mechanisms, such as a road charge or other user-based revenues, and provide financial support to states willing to research or pilot innovative revenue programs.

In 2014, the California State Legislature passed Senate Bill 1077 (SB 1077) directing California to conduct a pilot program to examine the feasibility of a road charge as a replacement for the gas tax to pay for road maintenance and repairs. A technical advisory committee, comprised of representatives from diverse interests, is now working to study the potential for a road charge and will soon outline the parameters of a pilot program. Therefore, in its November 20, 2015, letter to Congress, Caltrans specifically requested language focused on state-sponsored demonstration projects rather than pure research.

Section 6020 of the FAST Act authorizes \$15 million in FY 2016 and \$20 million per year through 2020 specifically for grants to states demonstrating user-based alternative revenue mechanisms to maintain long-term Highway Trust Fund Solvency.

Additionally, section 6004 of the FAST Act creates a new program entitled Advanced Transportation and Congestion Management Technologies Deployment, to be funded at \$60 million annually. This program provides grants to eligible entities to develop model deployment sites for large-scale installation and operation of advanced transportation technologies.

The FAST Act also provides explicit funding eligibility for the installation of vehicle-toinfrastructure communication equipment within all major FHWA apportionment programs including NHPP, STBG, HSIP and CMAQ (FAST Act sections 1113, 1114 and 1407).

Performance Management

Both the Caltrans January 12, 2015, letter and the California Surface Transportation Consensus Principles requested that Congress allow MAP-21 performance management rulemakings to run their course, and avoid enacting new policies that will delay the implementation of these rules or undermine the work that has been already done.

Executive Board Members December 11, 2015 Page 10 of 11

The FAST Act does not make significant changes to the performance management policy requirements included in MAP-21. This includes no new national-level performance measures beyond what is currently being developed through the federal rulemaking process.

However, FAST Act section 1406 changes from two to one the number of reporting cycles after which penalties are imposed against State Departments of Transportation (State DOTs) that do not meet their performance targets.

Additionally, FAST Act section 1113 modifies the requirement for State DOTs to collect Model Inventory of Roadway Elements (MIRE) data on public roads that are gravel or otherwise unpaved. The FAST Act also includes new provisions (FAST Act section 6028) to enable the U.S. DOT to better support the State DOTs, MPOs, and FHWA in the collection and management of data for performance-based planning and programming. These data-related activities are funded at \$10 million per year over the five year duration of the FAST Act.

Right-of-Way Reform/Zero-Emission Vehicles

The Caltrans January 12, 2015, letter encouraged Congress to review current federal statutory and regulatory requirements imposed on federal-aid and Interstate right-of ways, and stated that modest policy reforms in this area would foster greater partnership between state, local and other public agencies and facilitate additional private sector transportation investment. For example, Caltrans requested that Congress allow the private sector to deploy zero-emission vehicle infrastructure along Interstate and federal-aid highways.

Section 1424 of the FAST Act enables FHWA to establish a pilot program allowing five states to utilize innovative approaches to maintaining right-of-ways for federal-aid highways. Section 1413 of the FAST Act directs the U.S. DOT, within one year of enactment, to designate national electric vehicle charging and hydrogen/propane/NG fueling corridors.

In its January 12, 2015 letter, Caltrans also requested explicit authority to transfer park-and-ride lots on federal-aid routes to local agencies that plan to make capital improvements, integrate them fully into the regional transit systems, and in some cases, construct transit-oriented developments around them. Section 1423 of the FAST Act enables State DOTs to relinquish park-and-ride lot facilities or portions of these facilities on federal-aid routes to local agencies.

Tribal Transportation

The California Surface Transportation Consensus Principles supported establishing a Tribal Self-Governance program at U.S. DOT that will streamline grant funding and administration between the federal and tribal governments, and an increase in funding for the Tribal Transportation Program. Section 1121 of the FAST Act creates a Tribal Transportation Self-Governance Program; and section 1101 increases Tribal Transportation Program funding from \$450 million in FY 2015 to \$465 million in FY 2016 growing to \$505 million in FY 2020 (a five-year total of \$2.425 billion; an annual average of \$485 million).

Executive Board Members December 11, 2015 Page 11 of 11

Rescission

FAST Act Section 1438 rescinds \$7.6 billion of unobligated contract authority on July 1, 2020, which would be derived from Federal-aid highway program categories other than the HSIP, Railway-Highway Crossings Program, Metropolitan Planning, and sub allocated portions of STBG. In addition, non-exempt program dollars are required to be rescinded on a proportional basis. According to the American Association of State Highway and Transportation Officials (AASHTO) as of the end of FY 2015, \$15.2 billion of unobligated contract authority was carried by all states.

FAST Act Implementation Strategy

- In October 2015, Caltrans convened a small Surface Transportation Reauthorization and Implementation Working Group that includes California transportation stakeholders, local and tribal government organizations, Caltrans, California State Transportation Agency, California Transportation Commission staff. The Working Group is meeting on December 11, and will meet regularly, perhaps as often as biweekly or weekly to:
- Coordinate technical analysis/whitepapers etc. necessary to implement the newly enacted law (i.e., work through and analyze what the bill does).
- Develop a consensus with stakeholders on a state legislative implementation proposal.
- Develop a communications/messaging strategy for how the new law will be implemented.
- Form working/technical subgroups to address the long-term implementation\issues.