

Overview of Climate-Related Provisions in the Federal Transportation Reauthorization Legislation, “Moving Ahead for Progress in the 21st Century Act” (MAP-21)

112th Congress - Pub. L. No. 112-141, signed into law by President Obama on July 6, 2012¹

Last updated September 7, 2012

(Note: Not all subtitles and Sections of the Act are included here, only those relating to efforts to reduce greenhouse gas emissions or adapt to climate change.)

“Moving Ahead for Progress in the 21st Century Act (H.R. 4348, “MAP-21”) authorizes \$118 billion for surface transportation programs for 27 months, an extension of current aggregate funding levels through fiscal year (FY) 2014. The bill makes significant changes to the legal framework that directs federal transportation funding, generally providing more flexibility to states and other recipients, while requiring the U.S. DOT, states, and metropolitan planning organizations (MPOs) to establish performance measures and targets to evaluate these investments. The additional flexibility also potentially weakens requirements and incentives for spending on sustainable transportation initiatives (for example by reducing dedicated funding for bicycle and pedestrian infrastructure and eliminating dedicated funding for repair), although it does not generally constrain such spending. This is the first significant change to that framework since the passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2005.

Funding:

MAP-21 authorizes \$118 billion for surface transportation programs for 27 months, an extension of current aggregate funding levels (plus inflation) through fiscal year (FY) 2014. The bill maintains public transit’s current funding levels and dedicated share of gas tax revenues for this time period, but does not address long-term transportation financing. Funding comes primarily from highway trust fund receipts, but to maintain funding levels, the bill also requires an additional \$21.2 billion in revenue transfers and offsets.

Core Programs:

MAP-21 restructures the overall federal-aid highway program around four “core” programs:

- **National Highway Performance Program**, combining former Interstate Maintenance, National Highway System programs, and funding from the Highway Bridge Program;
- **Surface Transportation Program**, combining the former Surface Transportation Program and elements of other eliminated SAFETEA-LU programs, including the Highway Bridge Program;
- **Highway Safety Improvement Program**, maintained as under SAFETEA-LU; and
- **Congestion Mitigation and Air Quality Program (CMAQ)**, maintained as under SAFETEA-LU.

¹ Summary based on enrolled text of H.R. 4348, as passed by House and Senate.

Key Changes to the Federal Transportation Legal Framework:

- **Requires establishment of performance measures and targets.** U.S. DOT is required to establish performance measures and minimum standards for the national highway performance program, the highway safety improvement program, CMAQ, and national interstate freight movement, within 18 months of enactment. Within one year of the final rule, states are required to set performance targets addressing the performance measures, and MPOs must set targets six months after state targets are established. The bill also establishes national transportation policy goals, including a goal of environmental sustainability.
- **Requires states and MPOs to address performance measures in planning and project selection.** Long-range plans are required to include performance targets, and transportation improvement programs (TIPs, used to select projects for funding) must discuss the anticipated effects of selected projects toward achieving the performance targets.
- **Expands TIFIA funding, eliminates competitive grantmaking process.** Funding for the Transportation Infrastructure Finance and Innovation Act (TIFIA) increases from \$122 million to \$750 million for FY 2013 and \$1 billion for FY 2014; the application process changes from a competitive grant to a rolling application where credit-worthy projects will receive funding as long as it is available.
- **Consolidates bicycle and pedestrian funding with other non-highway programs.** The Safe Routes to School, Transportation Enhancements, and Recreational Trails, which formerly received separate dedicated funding streams, are consolidated into a new Transportation Alternatives (TA) program (separate from the four core programs).
- **Creates new categorical NEPA exclusions and streamlines review.** The bill excludes projects receiving limited federal assistance, multimodal projects, and projects within an existing right-of-way from federally-mandated environmental review. It authorizes property acquisition for a federally funded project prior to completion of environmental review, and allows for one-time programmatic reviews of issues commonly arising in environmental reviews.
- **Increases ability for states to use CMAQ and TA funds for other uses.** States now have the ability to spend 50 percent of both CMAQ and TA funds for other uses, which had previously been capped at 10-20 percent for each program.
- Electric vehicle charging and natural gas fueling stations are expressly authorized uses of funding under CMAQ, surface transportation, and highway safety programs.
- **Eliminates dedicated “fix-it-first” funding** for highway/bridge maintenance and repair.
- Expands use of alternative financing mechanisms and private-sector investment to supplement traditional highway and transit grant funding.
- **Reauthorizes and reforms the National Flood Insurance Program**, including phasing out subsidies for “severe repetitive loss properties” and some other structures, allowing larger insurance premium rate increases, and allowing the Federal Emergency Management Agency (FEMA) to update flood insurance rate maps to reflect future changes in sea levels, precipitation, and intensity of hurricanes.
- **Reauthorizes and reforms the Emergency Relief Fund** by allowing the Secretary to fund projects to protect or maintain roadways. Also authorizes the Public Transportation Emergency Relief Program for projects that protect, repair, reconstruct, or replace equipment and facilities of a public transportation system that may be damaged by an emergency.

Table of Contents

Division A: Federal-Aid Highways & Highway Safety Construction Programs	4
Title I: Federal-Aid Highways	4
Subtitle A—Authorizations and Programs	4
Subtitle B—Performance Management	11
Subtitle C—Acceleration of Project Delivery	13
Subtitle D—Highway Safety	15
Subtitle E—Miscellaneous	15
Subtitle F—Gulf Coast Restoration	16
Title II: America Fast Forward Financing Innovation	17
Division B: Public Transportation	18
Division C: Transportation Safety and Surface Transportation Policy	20
Division D: Finance	20
Title I: Extension of Highway Trust Fund Expenditure Authority	20
Title II: Revenue Provisions	20
Division E: Research & Education	21
Title I: Funding	21
Title II: Research, Technology, and Education	21
Title III: Intelligent Transportation Systems Research	22
Division F: Miscellaneous	22
Title I: Reauthorization of Certain Programs	22
Title II: Flood Insurance	22
Subtitle A—Flood Insurance Reform and Modernization	22
Subtitle B—Alternative Loss Allocation	23
Division G: Surface Transportation Extension	24
Division H: Budgetary Effects	24

Note on numbering: When “Section” is used in this summary, it refers to the text of the Act, not to the way that it will be codified in the United States Code, *e.g.*, “Section 112” refers to Section 112 of H.R. 4348. In cases where the summary does refer to the United States Code, it provides the code title and section number, *e.g.*, 23 U.S.C. § 309.

DIVISION A: FEDERAL-AID HIGHWAYS AND HIGHWAY SAFETY CONSTRUCTION PROGRAMS

Title I: Federal-Aid Highways

Subtitle A—Authorizations and Programs

Appropriations (Sec. 1101). This section authorizes appropriations for existing and new highway programs. The following sums are authorized to be appropriated out of the highway trust fund (not including the mass transit account; authorizations from this account are in Division B):

- \$37.5 billion for fiscal year (FY) 2013 and \$37.8 billion for FY 2014 for the national highway performance program, surface transportation program, highway safety improvement program, congestion mitigation and air quality program (CMAQ);
- \$750 million for FY 2013 and \$1 billion for FY 2014 for the Transportation Infrastructure Finance and Innovation Act;
- \$450 million for each FY 2013 and 2014 for the tribal transportation program;
- \$300 million for each FY 2013 and 2014 for the federal lands transportation program;
- \$250 million for each FY 2013 and 2014 for the federal lands access program; and
- \$190 million for each FY 2013 and 2014 for the territorial and Puerto Rico highway program.

The obligation ceiling for these programs is \$39.7 billion for FY 2013 and \$40.3 billion and FY 2014 (for a total of \$80 billion).

Apportionment (Sec. 1105). For FY 2013, each state’s combined apportionments for the programs below are equal to the combined apportionments that the state received for FY 2012. For FY 2014, each state’s share of combined apportionments for the programs below is equal to the proportion of total apportionments that the state received for FY 2012.

- CMAQ and metropolitan planning will receive funds based on a formula taking into account amounts apportioned to the state from the previous FY;
- the national highway performance program will receive 63.7 percent of funds remaining after distributing amounts for CMAQ and metropolitan planning;
- the surface transportation program will receive 29.3 percent of funds remaining after distributing amounts for CMAQ and metropolitan planning; and
- the highway safety improvement program will receive 7 percent of funds remaining after distributing amounts for CMAQ and metropolitan planning.

National Highway Performance Program (Sec. 1106). This section establishes a national highway performance program to provide support for the national highway system, including interstates. Projects under this section are eligible for funding if they support progress toward the achievement of national performance goals for improving infrastructure condition, safety, mobility, or freight movement on the national highway system. (See summary of Subtitle B below).

The Secretary will develop minimum standards and performance measures, including minimum standards for states to use in developing and operating bridge and pavement management systems; measures for states to use to assess the condition of pavements on the interstate and national highway system; measures for states to use to assess the condition of bridges on the national highway system; measures for states to use to assess the performance of the interstate and national highway systems; minimum levels for the condition of pavement on the interstate system; and the data elements that are necessary to collect and maintain standardized data to carry out a performance based approach.

If the condition of the interstate system in a state falls below the minimum status established by the Secretary of Transportation (Secretary) for two reporting periods then the state will be required to obligate funding to improve those assets. Similarly, if more than 10 percent of a state's national highway system bridge deck area is deficient for a three-year period, then the state must spend an amount equal to 50 percent of its 2009 bridge program funding on national highway system bridges.

State Asset Management Plan & Performance Measures (Sec. 1106). Section 1106 establishes a new requirement that, in order to receive full federal share of funding under this section, states must develop a risk-based asset management plan for the national highway system to improve or preserve asset conditions and system performance in line with national performance measures. These national performance measures will be set by the Secretary, and will include: minimum standards for states to use in developing and operating bridge and pavement management systems; measures for states to use to assess the condition of pavements on the interstate and national highway system; measures for states to use to assess the condition of bridges on the national highway system; measures for states to use to assess the performance of the interstate and national highway systems; minimum levels for the condition of pavement on the interstate system; and the data elements that are necessary to collect and maintain standardized data to carry out a performance based approach. States and MPOs will establish targets using the measures identified by the Secretary and include these targets in statewide transportation improvement programs (STIP) and transportation improvement programs (TIP).

State asset management plans must include strategies that lead to a program of projects that will make progress toward state targets for asset condition and performance of the national highway system, and that support progress toward achievement of the national goals. The plans must include: a summary listing and description of the condition of the pavement and bridge assets on the national highway system in the state; asset management objectives and measures; performance gap identification; lifecycle cost and risk management analysis; a financial plan;

and investment strategies. States are required to submit their plans to the Secretary. If the Secretary does not certify a state's plan, the Secretary must give the state a chance to address the deficiencies of the plan.

Within 18 months of enactment, the Secretary will establish a process to develop a state asset management plan. Within four years after the date of enactment of MAP-21 and biennially thereafter, each state will submit a report describing: the condition and performance of the national highway system; the effectiveness of the investment strategy document in the state asset management plan; progress in achieving performance targets; and the ways in which the state is addressing congestion at freight bottlenecks. If the state does not achieve or make significant progress toward achieving the targets for two consecutive reports, the next report would be required to contain a description of the actions the state would take to achieve the targets.

Emergency Relief (Sec. 1107). Section 1107 amends 23 U.S.C. § 125 to allow the Secretary to use not more than 5 percent of amounts from the emergency fund authorized by this section to carry out projects that the Secretary determines are necessary to protect the public safety or to maintain or protect roadways that are included within the scope of an emergency declaration by the Governor of the State or by the President, in accordance with this section, and the Governor deems to be an ongoing concern in order to maintain vehicular traffic on the roadway. In addition, the reconstruction or replacement of a bridge is not eligible if a construction phase is included in the current improvement program.

Surface Transportation Program (Sec. 1108). This section allows states to obligate funds for a variety of projects (including transit, carpool projects, fringe and corridor parking facilities) and programs (including electric vehicle and natural gas vehicle infrastructure, bicycle transportation and pedestrian walkways, modifications of public sidewalks, recreational trails projects), and projects and strategies designed to support congestion pricing (including electric toll collection and travel demand management strategies and programs). Many additional responsibilities were shifted to this program, including repair of federal-aid and off-system bridges, but without additional funding. This section also eliminates dedicated funding for transportation enhancement activities (these activities are funded under the new Transportation Alternatives program, see Sec. 1122).

Section 1108 also alters the allocation of apportioned funds. Of the funds apportioned to a state for a fiscal year under this section, 50 percent will be suballocated in proportion to the relative share of the population of the state in urbanized areas over 200,000 people, and in areas of the state other than urban areas with a population greater than 5,000. This percentage is down from 62.5 percent in SAFETEA-LU, but increases in program funding will result in a relatively consistent dollar amount for the duration of MAP-21. Fifty percent of this amount may be obligated in any areas of the state. Before obligating funding attributed to an area with a population greater than 5,000 and less than 200,000, a state must consult with the regional planning organizations that represent the area, if any.

States shall obligate for off-system bridges at least 15 percent of the amount of funds apportioned to the State for the highway bridge program for fiscal year 2009. The Secretary can reduce this amount if it is determined that the state has inadequate needs to justify the expenditure.

National Bridge and Tunnel Inventory and Inspection Standards (Sec. 1111). This section consolidates elements of 23 U.S.C. § 144 and 23 U.S.C. § 151 (the Highway Bridge Program and National Bridge Inspection Program). The Secretary, in consultation with the states, shall continue to inventory, classify, and assign a risk-based priority for each bridge on a public road in the national highway system, and determine the cost of replacing each structurally deficient bridge identified with a comparable facility, or the cost of rehabilitating the bridge. The bill requires the Secretary to revise the inventories annually and each state to report element data for all bridges on the national highway system. For bridges not on the national highway system, the Secretary shall conduct a study on the benefits, cost-effectiveness, and feasibility of requiring element-level data collection for bridges not on the national highway system.

The Secretary shall also continue to establish inspection standards for highway bridges, which would detail how the inspection standards would be carried out by the states, establish a maximum time period between inspections, establish the qualifications for those charged with carrying out the inspections, and require each state to submit reports detailing the results of the inspections and providing current inventory data for all highway bridges and tunnels. If the states do not comply, the Secretary would require that the state dedicate funding to correct noncompliance. The Secretary would also work with the states to maintain a program to train appropriate personnel to carry out highway bridge and tunnel inspections.

Highway Safety Improvement Program (Sec. 1112). This section retains highway safety improvement requirements and requires states to adopt performance-related goals and targets and incorporate them into state and regional planning processes. Under the program, a state shall develop, implement, and update a state strategic highway safety plan that identifies and analyzes highway safety problems and opportunities, produces a program of projects or strategies to reduce identified safety problems, and evaluates the strategic highway safety plan on a regular basis. As part of this plan, states are required to have in place a safety data system with the ability to perform safety problem identification and countermeasure analysis. Based on this problem identification and analysis, states are required to adopt goals that address safety and focus resources on areas of greatest need. States are also required to coordinate with other state highway system programs, and establish an evaluation process to analyze and assess results achieved by highway safety improvement projects.

The Secretary shall issue guidance on the establishment of performance measures for states to use to assess serious injuries and fatalities per vehicle miles traveled, and the number of serious injuries and fatalities. The states and MPOs shall then set performance targets for highway safety, and include these targets in long range planning and programming (STIPs and TIPs). In addition, states must submit a report that describes the progress being made to achieve the

performance targets, implement highway safety improvement projects, and address the effectiveness of those improvements. If the state does not meet or show progress toward meeting the performance targets, the state would be required to obligate additional funds only for highway safety improvement projects, and submit an implementation plan report to the Secretary annually until it has met or made progress towards meeting those targets.

Once the Secretary establishes requirements for updating state plans, each state is required to update its strategic highway safety plans and submit the updated plans to the Secretary, along with a detailed description of the process used to update the plan.

Congestion Mitigation and Air Quality (CMAQ) (Sec. 1113). This section authorizes states to obligate CMAQ funds for programs to address particulate matter, as well as ozone and carbon monoxide emissions from transportation activities in nonattainment areas. States with nonattainment or maintenance areas for fine particulate matter 2.5 are required to obligate at least 25 percent of their CMAQ funds to projects that reduce fine particulate matter emissions in those regions. The section also expressly authorizes states to obligate CMAQ funds to establish electric vehicle charging stations and natural gas refueling stations. States are authorized to transfer up to 50 percent, up from about 20 percent, of their CMAQ funds to other programs, and to obligate funds to air quality projects in nonattainment areas without regard to the type of air quality the project addresses.

The Secretary shall issue guidance on the establishment of performance measures for states and MPOs to use to set performance targets for traffic congestion and on-road mobile source emissions. Those targets should be incorporated into long range planning and programming (STIP and TIPs).

Each MPO serving transportation management areas with populations over one million that contain nonattainment areas are required to develop performance plans that include a baseline level for traffic congestion and on-road mobile source emissions for which the area is in nonattainment or maintenance, describe progress toward meeting their targets for U.S. DOT performance measures, and provide descriptions of projects to be funded and how they contribute to meeting the congestion and emissions reduction targets. The plans are to be updated every two years.

This section also directs the Secretary, in consultation with EPA, to examine the outcomes of CMAQ projects funded under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU, the last transportation reauthorization, passed in 2005). This analysis will assess the emission reductions achieved and the air quality and human health impacts, in order to develop expanded evidence regarding the factors determining the air quality and health benefits of projects designed to reduce emissions.

National Freight Policy (Sec. 1115). This section establishes a national freight policy to strategically direct federal resources toward improving the national freight network's safety, resilience, efficiency, state of good repair, and contribution to U.S. economic competitiveness; and reducing congestion and the environmental impacts of freight movement. It directs the Secretary to establish a national freight network, consisting of the primary freight network, the rest of the interstate highway system, and a designated set of critical rural freight corridors.

Within one year of enactment, the Secretary shall designate a primary freight network, consisting of up to 27,000 centerline miles of existing roadways that are most critical to the movement of freight. This designation is to be based on an inventory of national freight volume conducted by the Federal Highway Administration, and to consider factors including the origins, destination, value, and tonnage of domestic freight movement; the annual average daily truck traffic on principle arterials; access to production and population centers; and network connectivity. The Secretary has discretion to designate an additional 3,000 centerline miles of existing or planned roads.

The bill authorizes states to designate roads within their borders as critical rural freight corridors if the road: is a rural principal arterial roadway and has a minimum of 25 percent of the annual average daily traffic of the road measured in passenger vehicle equivalent units from trucks; provides access to energy exploration, development, installation, or production areas; or connects the primary freight network, another critical rural freight corridor, or the interstate system to facilities that handle more than 50,000 20-foot equivalent units per year, or 500,000 tons per year of bulk commodities.

Within three years of enactment, the Secretary will develop and publish a national freight strategic plan that includes an assessment of the performance of the national freight network; an identification of highway bottlenecks on the national freight network that create significant freight congestion problems; forecasts of freight volumes for the next twenty years; a process for addressing multistate projects and encouraging jurisdictions to collaborate; and strategies to improve freight intermodal connectivity. That plan is to be updated every five years.

Within one year of enactment, the Secretary is also required to begin development of new tools and improvement of existing tools to support an outcome-oriented, performance-based approach to evaluating proposed freight-related and other transportation projects, including methodologies for systematic analysis of benefits and costs; and tools for ensuring that the evaluation of freight-related and other transportation projects consider safety, economic competitiveness, environmental sustainability, and system condition in the project selection process.

Prioritization of Projects to Improve Freight Movement (Sec. 1116). This section authorizes the Secretary to increase the federal share payable for any project to 95 percent (up from 90 percent) for interstate system projects and 90 percent (up from 80 percent) for other projects that demonstrate improvement in the efficient movement of freight, including progress towards performance targets for freight movement that are identified in a state freight plan.

Eligible projects include: construction, reconstruction, rehabilitation, and operational improvements directly relating to improving freight movement; intelligent transportation systems and other technology to improve the flow of freight; efforts to reduce the environmental impacts of freight movement on the primary freight network; railway-highway grade separation; geometric improvements to interchanges and ramps; truck-only lanes; climbing and runaway truck lanes; truck parking facilities eligible for funding under Section 1401; real-time traffic, truck parking, roadway condition, and multimodal transportation information systems; improvements to freight intermodal connectors; and improvements to truck bottlenecks.

State Freight Plans (Sec. 1118). This section directs the Secretary to encourage states to develop comprehensive freight plans. Freight plans will include an identification of significant freight system trends, needs, and issues affecting the state; a description of the freight policies, strategies, and performance measures that will guide the freight-related transportation investment decisions of the state; a description of how the plan will improve the ability of the state to meet national freight goals; evidence of consideration of innovative technologies and operational strategies, including intelligent transportation systems, that improve the safety and efficiency of freight movement; and an inventory of facilities with freight mobility issues, such as truck bottlenecks, within the state, accompanied by a description of the strategies the state is employing to address them.

Projects of National and Regional Significance (Sec. 1120). This section authorizes \$500 million out of appropriations for FY 2013 (to remain available until expended) to carry out projects of national and regional significance. Under this section, only state departments of transportation, a group of state DOTs, or a transit agency may apply for funds. The Secretary is required to submit a report with a comprehensive list of projects, compiled from lists submitted by state DOTs. The report should specify what criteria the projects meet.

Transportation Alternatives (Sec. 1122). This section consolidates funding for several programs, including Transportation Enhancements, Safe Routes to School, and Recreational Trails programs, into a new program. Projects eligible for funding under this section include: constructing, planning, and designing bicycle and pedestrian facilities (including conversion of abandoned railroad corridors); community involvement activities; and environmental mitigation activities. In addition, this section authorizes funding for recreational trails; safe routes to school projects; or planning, designing, or constructing boulevards and other roadways largely in the right of way of former interstate routes or other divided highways.

For this program, the Secretary will determine an amount for each FY that is equal to two percent of the amount authorized to be appropriated from the highway trust fund to carry out chapters 1, 2, 5, and 6 of title 23 of the U.S. Code. The Secretary shall then allocate these funds to each state in the same proportion as states received Transportation Enhancement funds. States are required to suballocate 50 percent of the funding to specific areas in the state in proportion to the state's population; the other 50 percent may be obligated in any area. A state

may transfer this non-suballocated funding to any other program. States, MPOs, and other entities receiving funds must establish competitive processes for selecting projects.

Subtitle B—Performance Management

National Goals and Performance Management Measures (Sec. 1203, out of bill order for purposes of clarity). This section sets national goals for the federal-aid highway program, and requires the Secretary to establish performance measures and standards for the national highway performance program, highway safety improvement program, CMAQ, and national freight movement within 18 months of enactment of MAP-21. In addition, states are required to set performance targets for the performance measures established by the Secretary within one year of the final rulemaking and MPOs must set performance targets within six months after the state targets are set.

National goals for the federal-aid highway program include:

- safety;
- infrastructure condition;
- congestion reduction;
- system reliability;
- freight movement and economic vitality;
- environmental sustainability; and
- reduced project delivery delays.

To make progress toward the achievement of the above national goals, the Secretary, in consultation with state departments of transportation, MPOs, and other stakeholders, will promulgate a rulemaking that establishes performance measures and standards within 18 months of enactment.

For the national highway performance program, the Secretary will establish: minimum standards for states to use in developing and operating bridge and pavement management systems; measures for states to use to assess the condition of pavements on the interstate and national highway systems; measures for states to use to assess the condition of bridges on the national highway system; measures for states to use to assess the performance of the interstate and national highway systems; minimum levels for the condition of pavement on the interstate system; and the data elements that are necessary to collect and maintain standardized data to carry out a performance based approach.

For the highway safety improvement program, the Secretary shall establish measures for states to use to assess serious injuries and fatalities per vehicle mile traveled, and the number of serious injuries and fatalities.

For CMAQ, the Secretary shall establish measures for states to use to assess traffic congestion and on-road mobile source emissions.

For national freight movement, the Secretary shall establish measures for states to use to assess freight movement on the Interstate system.

Within one year of the final rulemaking, each state is required to set performance targets for the above performance measures. States may provide different performance targets for urbanized and rural areas. MPOs must establish performance targets within six months after the state establishes targets. Within four years of enactment of MAP-21, each state shall begin submitting biennial reports to the Secretary that describe the condition and performance of the National Highway System in the state, the effectiveness of the investment strategy document in the state asset management plan for the national highway system, progress in achieving performance targets, and the ways in which the state is addressing congestion at freight bottlenecks.

Metropolitan Transportation Planning (Sec. 1201). The bill maintains the requirement that metropolitan planning organizations (MPOs) be established for all urbanized areas with a population over 50,000. More than one MPO may be designated within an existing metropolitan planning area if the governor and the existing MPO determine that there is a need for an additional MPO. In national ambient air quality standards nonattainment and maintenance areas, metropolitan transportation plans must be updated every four years instead of five, and MPOs in the area are required to consult with each other regarding the metropolitan transportation plans and transportation improvement programs.

This section requires MPOs to set performance targets in their metropolitan transportation plans, based on the federal performance measures established under section 1203, in coordination with public transportation providers and the state, and no more than 180 days after state performance targets are set. Transportation plans must contain a description of the performance measures and performance targets used in assessing the performance of the transportation system, and MPOs must submit a system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to the performance targets.

MPOs may voluntarily elect to develop multiple scenarios for consideration as part of the development of the metropolitan transportation plan. MPOs that opt to develop multiple scenarios shall be encouraged to consider: potential regional investment strategies for the planning horizon; assumed distribution of population and employment; a scenario that maintains baseline conditions for the performance measures; a scenario that improves the baseline conditions for as many of the performance measures as possible; revenue constrained scenarios based on the total revenues expected to be available over the forecast period of the plan; and estimate costs and potential revenues available to support each scenario. In addition, MPOs may evaluate scenarios developed under this paragraph using locally-developed measures (or metrics).

MPOs must develop a transportation improvement program (TIP) that contains projects consistent with the current metropolitan transportation plan, reflects the investment priorities established in the current metropolitan transportation plan, and is designed to make progress

toward achieving the performance targets. The TIP shall include, to the maximum extent practicable, a description of its anticipated effect on achievement of the performance targets established in the metropolitan transportation plan, linking investment priorities to those performance targets.

Statewide and Non-metropolitan Transportation Planning (Sec. 1202). States are required to establish performance targets that address the performance measures established by the Secretary under section 1203. The selection of performance targets is to be coordinated with MPOs to ensure consistency, to the maximum extent practicable.

A state's long-range transportation plan must include a description of the state's performance measures and targets that will be used in assessing the performance of the transportation system, as well as a system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to the performance targets.

Similarly, STIPs are required to include, to the maximum extent practicable, a discussion of their anticipated effect on achievement of the performance targets established in the statewide transportation plan, linking investment priorities to those performance targets. STIPs are also required to discuss how funding priorities are projected to affect performance target attainment.

States may establish and designate regional transportation planning organizations to enhance the planning, coordination, and implementation of statewide strategic long-range transportation plans and transportation improvement programs, with an emphasis on addressing the needs of nonmetropolitan areas of the state.

Subtitle C—Acceleration of Project Development

This subtitle contains provisions to streamline project approval. Section 1302 authorizes acquisition of real property in anticipation of a federally funded transportation project prior to completion of procedural requirements under the National Environmental Policy Act (NEPA), as long as the acquisition itself does not have an adverse environmental impact, limit the choice of reasonable alternatives, or prevent the lead agency from conducting an objective NEPA-based decision process. A provision in existing law allowing states to use federal funds to pay costs associated with rights-of-way acquired for projects in advance of federal approval is expanded to cover all interests in land.

Section 1304 authorizes up to 100 percent federal financing for projects that the Secretary determines:

- contain innovative project delivery methods that improve work zone safety;
- contain innovative technologies, manufacturing processes, financing, or contracting methods that improve the quality, extend the service life, or decrease the long-term costs of maintaining highways and bridges;
- accelerate project delivery while complying with other applicable federal laws; or
- reduce congestion related to highway construction.

Examples of such project elements include:

- prefabricated bridge elements;
- in-place recycling technology;
- digital 3-dimensional modeling; and
- contractual provisions that offer a contractor an incentive payment for early completion of the project.

In each fiscal year, states are allowed to use this provision for up to 10 percent of their total funding apportionment, and the federal funding share for any particular project may be increased by up to 5 percent of the total project cost.

Section 1305 directs the Secretary to undertake a rulemaking to enable greater use of programmatic approaches to environmental reviews to eliminate repetitive discussions of the same issues and focus analysis on issues that are ripe for review. Section 1306 establishes a process and accelerated deadlines for completing environmental review, and provides for financial penalties for agencies that fail to make required decisions under the timeline. Section 1308 limits judicial challenges to project approval to 150 days, down from 180 days under SAFETEA-LU. Section 1309 establishes a four-year timeline, enforced with financial penalties, for completion of reviews, permit approvals, and studies required for complex projects.

Section 1311 authorizes states and MPOs to adopt programmatic mitigation plans that federal agencies may rely on when complying with their NEPA requirements. Section 1312 makes small changes to the authority of states to permanently assume responsibility for administering categorical exclusions under NEPA, subject to termination if the Secretary determines that a state is not adequately carrying out its responsibilities. Section 1313 makes permanent a pilot program that authorizes the Secretary, at the request of a state, to turn over responsibility for NEPA compliance to the state on a project specific basis. Section 1314 authorizes the lead agency on a multimodal project to apply a categorical exclusion designated under the implementing regulations or procedures of a cooperating authority for other components of the project if the project is funded under a single grant agreement administered by the lead authority; the project has components that require the expertise of a cooperating authority to assess the environmental impacts of the components; the component of the project to be covered by the categorical exclusion of the cooperating authority has independent utility; and the cooperating authority determines that the categorical exclusion applies to the components.

Section 1315 creates a new categorical exclusion under NEPA for projects undertaken to replace or repair transportation infrastructure within two years of a declaration of a state of emergency by the state's governor, with the approval of the Secretary, or the President. Section 1316 creates a new categorical exclusion for projects within an existing operational right-of-way. Section 1317 creates a new categorical exclusion for projects that receive less and \$5,000,000 of federal funds or with total cost of less than \$30,000,000 and less than 15 percent federal funding.

Section 1318 requires the Secretary to solicit requests for new categorical exclusions from state

DOTs, transit agencies, MPOs, and other government agencies within 60 days of enactment, and to publish a proposed rulemaking proposing new categorical exclusions within 120 days of enactment.

Subtitle D—Highway Safety

Section 1401 addresses long term parking projects for commercial motor vehicles on the national highway system. The Secretary shall work with each state to evaluate the capability of the state to provide adequate parking and rest facilities for commercial motor vehicles engaged in interstate transportation, assess the volume of commercial motor vehicle traffic in the state, and develop a system of metrics to measure the adequacy of commercial motor vehicle parking facilities in the state.

This section also allows states to establish electric vehicle charging stations or natural gas vehicle refueling stations at any parking facility funded or authorized under this Act. Charging or refueling stations shall be eligible for the same funds as are available for the parking facilities in which the stations are located.

Section 1402 withholds 2.5 percent of a state’s federal highway funds if it fails to enforce an open container law or repeat intoxicated driver law, and Section 1403 increases the minimum penalty requirements for state DUI laws to qualify for linked federal funds, making an ignition interlock device an absolute requirement if any driving privileges are restored within one year.

Subtitle E—Miscellaneous

Subtitle E makes numerous technical or minor adjustments to the federal-aid highways program.

Section 1501 adds real-time ridesharing programs, which may include electronic transfers of funds, to the legal definition of “carpool project.” Section 1502 authorizes the Secretary to assign responsibility to states for projects on the interstate system, except for projects in certain high-risk categories. Section 1508 authorizes 100 percent federal financing for emergency repairs to minimize damage, protect facilities, or restore essential traffic accomplished within 180 days after a natural disaster or catastrophic failure, and for any repairs or reconstruction on federal land transportation facilities, federal land access transportation facilities, and tribal transportation facilities. Section 1512 authorizes state authorities to toll all non-interstate highways and new lanes on interstates. It also requires all toll facilities to implement interoperable electronic toll collection systems within four years of enactment. Section 1518 extends the Buy America requirements under current law to all highway projects for which at least one contract is federally funded.

Appropriations and Repeals (Secs. 1519-1528). Section 1519 authorizes \$3 million in FY 2013 and FY 2014 for a number of safety information clearinghouses, work zone safety grants, and the operation of lifesaver program to reduce road hazards through information and education programs. It also repeals the following federal highway appropriations, programs, and provisions:

- an equity bonus provision designed to ensure that a given state receives federal-aid highway apportionments in proportion to the amount of taxes paid into the highway trust fund by highway users in that state (23 U.S.C. § 105);
- a provision designed to align highway expenditures with revenues (23 U.S.C. § 110);
- high priority projects under Transportation Equity Act for the 21st Century and SAFETEA-LU (23 U.S.C. § 117);
- interstate discretionary transportation projects (23 U.S.C. § 118(c));
- cash advances to states for federal-aid highway projects (such advances would be rendered unnecessary by the TIFIA provisions of title III of this Act (23 U.S.C. § 124));
- the national bridge inspection program (folded into the National Bridge and Tunnel Inventory program, Sec. 1111) (23 U.S.C. § 151);
- the program for access highways to public recreation areas on certain lakes (23 U.S.C. § 155);
- safety incentive grants for the use of seat belts (23 U.S.C. § 157);
- reimbursements for sections of the interstate highway system constructed without federal assistance (23 U.S.C. § 160); and
- the Secretary's authority to regulate state management systems for federal highway maintenance, safety, congestion, and others (23 U.S.C. § 303).

Section 1522 permanently extends the public transit vehicle exemption from axle weight restrictions (23 U.S.C. § 127). Section 1527 authorizes states, MPOs, transit agencies, and other recipients that receive multiple federal grant awards for a single multimodal project to request that the Secretary designate a single modal administration to be the lead administering authority for the overall project. Section 1528 allows 100 percent federal financing for Appalachian development highway system projects during FY 2012 through 2021.

Subtitle F—Gulf Coast Restoration

Section 1602 creates a Gulf Coast restoration trust fund and dedicates 80 percent of all post-enactment administrative and civil penalties paid by responsible entities in relation to the Deepwater Horizon oil spill under Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1321) to the trust fund. The funds are available for expenditure, subject to the approval of the Secretary of Treasury, without any further legislative authorization or appropriation. Thirty-five percent of the trust fund will be distributed to the Gulf Coast states in equal shares for ecological and economic recovery projects. Thirty percent will be disbursed to the new Gulf Coast Restoration Council to carry out its comprehensive restoration plan. Thirty percent will be distributed to the states based on their miles of shoreline affected by the oil spill; inverse proportion to the average distance from Deepwater Horizon of the nearest and farthest points on the shoreline that experience oiling; and the average population of Gulf Coast counties in the state. Two and a half percent shall be allocated to the fisheries and ecosystem endowment and the Gulf Coast ecosystem restoration science, observation, monitoring, and technology program in equal portions. The remaining 2.5 percent shall be made available to Gulf Coast states in equal shares, exclusively for grants to establish centers of excellence to conduct research on the Gulf Coast region.

Title II: America Fast Forward Financing Innovation

This title expands the Transportation Infrastructure Finance and Innovation Act (TIFIA) program (codified as 23 U.S.C. §§ 601-609) and amends some of its technical requirements. The program provides federal credit instruments to state and local governments and to publicly-sponsored private entities carrying out highway projects. Federal credit instruments include secured loans, loan guarantees, and lines of credit. The title expands the authorization for TIFIA from \$122 million annually under SAFETEA-LU to \$750 million in FY 2013 and \$1 billion in FY 2014. Of the amounts made available to carry out this chapter, the Secretary may not use more than 0.5 percent for each fiscal year for administrative purposes. The loans would be available only where there is a dedicated revenue stream from the project or program of projects to serve as security for the loan. The provision allows states to use revenue from tolls to repay the federal credit instrument, and to leverage public-private partnerships in order to improve highway infrastructure.

Eligibility Generally

Section 2002 amends project eligibility requirements in 23 U.S.C. §§ 601, 602, which are primarily determined by the creditworthiness of the project. The competitive application process is eliminated, and instead, applicants will be accepted on a rolling basis until the full amount appropriated is expended, at which time applicants could wait until the next fiscal year or until funds otherwise become available. Entities seeking financial assistance under this program must provide credit ratings from two credit rating agencies in order to demonstrate the credit worthiness of the project. Projects are required to conform to the National Environmental Policy Act and to Title VI of the Civil Rights Act of 1964. No funding shall be obligated to a project that has not received a categorical exclusion, finding of no significant impact, or record of decision pursuant to NEPA.

Secured Loans and Loan Guarantees

Section 2002 also amends the secure loan program (23 U.S.C. § 603). The Secretary is empowered to enter into agreements with one or more obligors to make secured loans, subject to risk assessments based on credit ratings agencies, the proceeds of which would be used to finance or refinance eligible projects. The secured loan cannot account for more than 49 percent of the total project costs (up from 33 percent under SAFETEA-LU). The loan repayment is repayable in whole or part from tolls, user fees, or other dedicated revenue sources. Interest rates cannot exceed the rate on U.S. treasury bonds with a comparable maturity and issue date. The interest rate is halved for rural infrastructure projects. The Secretary is authorized make loan guarantees, if he or she determines that the cost is substantially the same as a secured loan.

Lines of Credit

The Secretary is authorized to enter into agreements to provide direct loans to parties managing highway projects. Unlike SAFETEA-LU, proceeds from these loans may be used to service debt from financing other projects, which will enable more transit agencies to access these TIFIA loans. The Secretary is required to consult with the director of the office of management and

budget for risk assessment of such a loan. The Secretary shall establish fees to cover all or most of the administrative cost to the Department of issuing the loans. These loans will be charged at minimum the interest rate for comparable U.S. Treasury bonds.

DIVISION B: PUBLIC TRANSPORTATION

The overall authorization for transit is \$21.3 billion total for FY 2013 and FY 2014 from the mass transit account.

This Division repeals a number of grant programs, including:

- job access and reverse commute formula grants (49 U.S.C. § 5316);
- new freedom program (49 U.S.C. § 5317);
- alternative transportation in parks and public lands (49 U.S.C. § 5320); and
- various pilot programs included in SAFETEA-LU and TEA-21.

Individual programs:

- **Pilot Program for Transit Oriented Development Planning (Sec. 20005).** This section authorizes the Secretary to make grants to a state or local governmental authority to assist in financing comprehensive planning associated with an eligible transit-oriented development project (\$10 million for each FY 2013, 2014).
- **Urbanized Area Formula Grants (Sec. 20007).** The urban area grants program is reauthorized and modified (\$4.4 billion for FY 2013; \$4.5 billion for FY 2014). Operating assistance remains an ineligible expense for most urbanized areas over 200,000 in population, but grants may be made for transportation systems that operate 75 or fewer buses during rush hour in an amount not to exceed 75 percent of the share of the apportionment which is attributable to such systems within the urbanized area as measured by vehicle revenue hours. For systems public transportation systems that operate between 76 and 100 buses during rush hour, grants may be made up to 50 percent of the share of the apportionment.
- **Fixed Guideway Capital Investment Grants (Sec. 20008).** The capital investment grant program from SAFETEA-LU is reauthorized as the fixed guideways capital investment grant program (\$1.9 million each for FY 2013, 2014). Under this section, the Secretary may make grants to state and local governments to assist in financing new fixed guideway capital projects or small start projects, including Bus Rapid Transit projects, and core capacity improvement projects. The Secretary shall use an expedited technical capacity review for applicants who have successfully completed at least one project in the above categories. In order for new fixed guideway projects and core capacity improvement projects funded under this section to advance from the project development phase to the engineering phase to the construction phase, the Secretary must determine that the project meets the applicable requirements under this section, and that there is a reasonable likelihood that the project will continue to meet the requirements under this section. This section also authorizes the Secretary to establish and implement a pilot program to demonstrate whether innovative project development and delivery methods or innovative financing arrangements can expedite project delivery for certain new fixed guideway capital projects and core capacity improvement projects.
- **Mobility of Seniors and Individuals with Disabilities (Sec. 20009).** The Transportation for Elderly Persons and Persons with Disabilities program and New Freedom program under SAFETEA-LU are consolidated into the Mobility of Seniors and Individuals with Disabilities program with increased funding. Requirements from the previous programs remain (\$254.8 million for FY 2013; \$258.3 million for FY 2014).

- **Rural Areas (Sec. 20010).** The formula grants for rural areas are reauthorized with some modifications, including: limiting the amount used for administration, planning, and technical assistance; a new set-aside for an Appalachian development public transportation assistance program; new formula funding for tribal transit; and inclusion of miles travelled by in-service transit vehicles (vehicle revenue miles) and amount of low income individuals alongside population and land area as elements of the allocation formula (\$599.5 million for FY 2013; \$607.8 million for FY 2014).
- **Research, Development, Demonstration, and Deployment Projects (Sec. 20011).** The discretionary research, development, demonstration, and deployment project grants are reauthorized and clearly articulate eligible projects (\$70 million each for FY 2013, 2014). This section also authorizes funding for low- or no-emission vehicle deployment projects in a nonattainment or maintenance area (formerly the Clean Fuels Grant Program).
- **Technical Assistance and Standards Development (Sec. 20012).** Under this section, \$7 million is authorized for each FY 2013 and 2014 for the Secretary to make grants and enter into contracts, cooperative agreements, and other agreement to carry out activities that include technical assistance and the development of voluntary and consensus-based standards and best practices by the public transportation industry.
- **Private sector participation (Sec. 20013).** This section requires the Secretary to better coordinate public and private sector-provided public transportation services, promote more effective utilization of private sector enterprise, financing, and operational capacity to deliver costly and complex new fixed guideway capital projects, and promote transparency and public understanding of public-private partnerships affecting public transportation.
- **Bus Testing Facilities (Sec. 20014).** This section reauthorizes \$3 million for each FY 2013 and 2014 for bus testing facilities, and requires the Secretary to implement bus “pass/fail” standards. A passing test score indicates that the amounts made available under this chapter may be expended to acquire a new bus model.
- **Human Resources and Training (Sec. 20015).** The human resources and training grant programs are reauthorized with new criteria for project eligibility and selection (\$5 million for each FY 2013 and 2014). This section also reauthorizes the national transit institute, funded at \$5 million each for FY 2013, 2014 (formerly a separate program).
- **Public Transportation Emergency Relief Program (Sec. 20017):** This section authorizes such sums as are necessary for projects that protect, repair, reconstruct, or replace equipment and facilities of a public transportation system that is in danger of suffering damage as a result of an emergency.
- **Transit Asset Management (Sec. 20019):** This section establishes a transit asset management system. Recipients for financial assistance under this chapter must develop a transit asset management plan, establish performance targets, and submit reports on transit condition to be included in the national transit database.
- **Public Transportation Safety Program (Sec. 20021):** This section authorizes the Secretary to create and implement a national public transportation safety plan. The plan shall include performance criteria, minimum safety performance standards, and a public transportation safety certification training program. Recipients will also be required to develop a public transportation agency safety plan. In addition, eligible states will have in effect a state safety oversight program, which will establish a state safety oversight agency to oversee the safety aspects of fixed guideway projects. This section also requires the Secretary to undertake a bus safety study.
- **Bus and Bus Facilities Formula Grants (Sec. 20029):** This section authorizes \$422 million in FY 2013 and \$427 million in FY 2014 for formula grants to replace rehabilitate and purchase buses and related equipment, and construct bus related facilities.

General Provisions (Sec. 20016). This section articulates the government share for certain projects, including costs incurred by providers of public transportation by vanpool; stipulates that projects must use US manufactured products; and states that a recipient of assistance under this chapter may allow the incidental use of federally funded alternative fueling facilities and equipment by non-transit public entities and private entities.

DIVISION C: TRANSPORTATION SAFETY AND SURFACE TRANSPORTATION POLICY

Title I: Motor Vehicle and Highway Safety Improvement Act of 2012

This title retains most of the existing national highway transportation safety administration (NHTSA) grant programs, and creates an incentive grant program to encourage states to make texting while driving and use of a cell phone by drivers under the age of 18 primary traffic offenses. All NHTSA grant programs total 8.5 percent of the total allocation for highway safety.

Title II: Commercial Motor Vehicle Safety Enhancement Act of 2012

This title contains several provisions to enhance commercial trucking safety. Specifically, it creates a clearinghouse of drug and alcohol test results by commercial drivers, increases the Department's ability to act against carriers whose operations have been suspended due to safety violations and then resume operations under a new name, and requires that electronic on-board recorders be used on all trucks and buses. Grants to states to carry out these programs shall total \$215 million in FY 2013 and \$218 million in FY 2014.

DIVISION D: FINANCE

This division extends highway related taxes and includes provisions to raise revenue or provide offsets equal to roughly \$21.2 billion over 10.5 fiscal years. These provisions, when combined with the extension of highway-related taxes, would fully fund the bill.

Title I: Extension of Highway Trust Fund Expenditure Authority and Related Taxes

This title provides financing mechanisms for MAP-21, extending highway trust fund expenditure authority through FY 2014, and extending highway-related taxes through FY 2016.

Title II: Revenue Provisions

This title provides the \$21.2 billion needed to fill the gap between the \$118 billion total authorization and \$96.8 billion available from the highway trust fund.

Subtitle A authorizes \$2.4 billion to be transferred from the leaking underground storage tank trust fund (LUST) to the highway trust fund.

Subtitle B makes adjustments to federal pension rules. When combined with revenues from imported car tariffs, taxation of “roll-your-own” cigarettes, and several other modifications, these changes are designed to offset the \$18.8 billion transfer from the treasury to highway trust fund (see below) over the ten year budget window.

Subtitle C appropriates \$6.2 billion from the treasury to the highway trust fund for FY 2013 and \$10.4 billion for FY 2013, and \$2.2 billion from the treasury to the mass transit account for FY 2014 (total of \$18.8 billion in general revenue transfers).

DIVISION E: RESEARCH AND EDUCATION

Title I: Funding

This subtitle makes the following authorizations for each of the fiscal years 2012 and 2013:

- highway research and development program - \$115 million;
- technology and innovation deployment program - \$62.5 million;
- training and education - \$24 million;
- intelligent transportation systems - \$100 million;
- university transportation centers - \$72.5 million; and
- bureau of transportation statistics - \$26 million.

The federal share for all of these projects is 80 percent except where otherwise provided.

Title II: Research, Technology, and Education

This title amends the existing surface transportation research program (renamed as the surface transportation research, development, and technology program), which has been used to fund studies of climate change vulnerability, to improve the dissemination of research products and to accelerate deployment of new technologies, but primarily keeps the existing programs intact (Sec. 52002). The Secretary is authorized to create prize programs, granting financial awards to those who advance transportation research. Section 52003 establishes the objectives of the research programs, with a heavy emphasis on increasing safety, decreasing lifecycle costs, and improving environmental planning. Sections 52006, 52007, and 52008 repeal the international highway transportation program, the surface transportation environmental cooperative research program, and the national freight cooperative research program, respectively. Finally, the Secretary is required to establish a bureau of transportation statistics (BTS) as part of the research and innovative technology administration (Sec. 52011). The purpose of the BTS is to track transportation statistics in order to facilitate federal, state, and local decision-making. The provision includes the creation of a national transportation library, an advisory council on transportation statistics, and a national electronic atlas database.

Title III: Intelligent Transportation Systems Research

This title establishes a program to develop and promote the use of intelligent transportation systems (ITS) research products (Sec. 53001). The Secretary is authorized to create deployment incentives and use funds to promote ITS through the dissemination of appropriate documentation. Finally, the subtitle directs the Secretary to establish a national architecture and standards for the deployment of intermodal ITS technology (Sec. 53005).

DIVISION F: MISCELLANEOUS

Title I: Reauthorization of Certain Programs

Among other reauthorizations, Section 100123 of Subtitle C accelerates increases in disaster recovery state contributions under the federal medical assistance percentages.

Title II: Flood Insurance²

Subtitle A—Flood Insurance Reform and Modernization

Section 100203 extends the national flood insurance program through September 30, 2017. Section 100204 increases flood insurance coverage for multi-family properties to the level made available to commercial properties. The category of properties that will no longer be eligible for subsidized insurance rates is expanded to include any severe repetitive loss property; any property that has incurred flood-related damage in which the cumulative amounts of payments under this title equaled or exceeded the fair market value of such property; any business property; any property that sustains damage greater than 50 percent of the property value or undergoes improvement greater than 30 percent of the property value after the date of enactment (Sec. 100205). Subsidized rates are also denied to properties not insured on the date of enactment; properties purchased after the date of enactment; policies that have lapsed in coverage due to a deliberate choice of the policy holder; and any prospective insured who refuses to accept any offer for mitigation assistance by the Federal Emergency Management Agency (FEMA) Administrator.

Section 100206 directs the FEMA Administrator to establish new areas of residual risk, located behind a levee, dam, or other flood control structure; and within an unimpeded 100-year floodplain. These areas will be eligible for federal flood insurance, but exempt from certain land use and control requirements and subject to a distinct rate structure. Section 100207 modifies the premium adjustment procedure such that any increase in premium rates to reflect elevated risk must be phased in over five years, with 20 percent of the adjustment being made each year.

² For more information on the flood insurance provisions, please see Georgetown Climate Center's "Analysis of How the Flood Insurance Reform Act of 2012 (H.R. 4348) May Affect State and Local Adaptation Efforts," <http://www.georgetownclimate.org/analysis-of-the-flood-insurance-reauthorization-and-reform-law-2012>

Section 100210 sets minimum deductibles of \$1500 for policies covering up to \$100,000 in damage and \$2000 for policies covering damage exceeding \$100,000 for properties substantially not improved since 1975, and at \$1000 for policies covering up to \$100,000 in damage and \$1250 for policies covering damage exceeding \$100,000 for properties that have been substantially improved since 1975.

Reserve Fund (Sec. 100212). This section establishes a reserve fund to be kept separate from other FEMA funds and available to pay claims and for claim adjustment expenses. The fund balance must be at least one percent of the total loss exposure and the FEMA Administrator is authorized to hold a higher percentage as deemed appropriate based on pertinent risk factors. The FEMA Administrator is authorized to establish, raise, and decrease insurance premium to achieve and maintain the designated reserve ratio. Until the designated reserve ratio is achieved, at least 7.5 percent of the total funds needed to satisfy the reserve ratio must be added to the fund each year.

National Flood Mapping Program (Secs. 100215-100225). Section 100216 directs the FEMA Administrator to update flood insurance rate maps (FIRMs) using the most accurate topography and elevation data available. Updated FIRMs shall include all populated areas and areas of possible population growth located within the 100-year floodplain; all populated areas and areas of possible population growth located within the 500-year floodplain; areas of residual risk, including areas that are protected by levees, dams, and other flood control structures; and the level of protection provided by flood control structures. When updating maps, FEMA is directed to consider “any relevant information...relating to the best available science regarding future changes in sea levels, precipitation, and intensity of hurricanes.”

Section 100219 removes the limitation on state financial contributions for updating flood maps, formerly set at 50 percent. Section 100223 directs representatives of the national flood insurance program to participate in state disaster claims mediation programs, sets qualifications for state mediators, and makes several other technical amendments regarding the federal role in such programs. Section 100225 provides for mitigation assistance grants to states, communities, and property owners, for activities that are consistent with mitigation plans approved by the FEMA Administrator.

Subtitle B—Alternative Loss Allocation

Section 100252 provides for the establishment within 540 days of enactment of a Named Storm Event Model designed to generate post-storm assessments that determine losses with at least 90 percent accuracy. Section 100253 provides for the establishment within 180 days of enactment of an Alternative Loss Allocation Formula for Indeterminate Claims administered by the Secretary of Homeland Security.

DIVISION G: SURFACE TRANSPORTATION EXTENSION

Title I extends federal-aid highway program authorizations through the end of FY 2012.

Title II extends various highway safety grants through FY2012.

DIVISION H: BUDGETARY EFFECTS

Section 120001 prevents the budgetary effects of MAP-21 from being entered on the scorecards for statutory and Senate PAYGO, which requires that all legislation affecting direct spending or tax changes be budget neutral in each fiscal year.

The Georgetown Climate Center is grateful to all of the funders who make our work possible, including the Rockefeller Brothers Fund, Emily Hall Tremaine Foundation, Rockefeller Foundation, Kresge Foundation, Energy Foundation, Barr Foundation, Oak Foundation, Surdna Foundation and Thomas W. Haas Foundation.

Prepared by Cassandra Powers and Gabriel Weil.

For more information, please contact Cassie Powers at powers@law.georgetown.edu

GEORGETOWN CLIMATE CENTER