

# ISTEA Reauthorization Principles

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## **POLICY PRINCIPLES OF THE STATE AND TERRITORIAL AIR POLLUTION PROGRAM ADMINISTRATORS AND THE ASSOCIATION OF LOCAL AIR POLLUTION CONTROL OFFICIALS ON THE REAUTHORIZATION OF THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT**

### **Introduction**

When signed into law in 1991, the Intermodal Surface Transportation Efficiency Act (ISTEA) established a new course for transportation and set a sound precedent for integrating environmental concerns into the transportation decision-making process. ISTEA represented far more than a traditional transportation funding bill by not only acknowledging, but also seeking to resolve, the impacts of transportation on the environment, energy consumption and communities. In particular, ISTEA recognized that the link between transportation and the environment that clearly exists in reality must be accounted for in legislation.

The State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Official (ALAPCO) are acutely aware of the key role that transportation plays in our nation's economy. We endorse the fundamental principle that transportation and environmental goals need not be at odds with one another, but, rather, that our transportation system can flourish and our economy can grow without jeopardizing our environment and, in fact, that our transportation choices can contribute to improvements in our environment.

Today, however, transportation still remains a leading cause of air pollution in many areas across the country, contributing substantially to unhealthy levels of ozone, carbon monoxide and particulate matter (PM). Transportation sources are also very significant contributors of greenhouse gases and toxic air pollutants and play a role in the regional haze problem, as well. Further, if EPA promulgates its recent proposals to revise the existing ozone and PM10 National Ambient Air Quality Standards (NAAQS) and add a new standard for PM2.5, the role of the transportation sector in attaining the NAAQS will become even more significant.

The associations are pleased to acknowledge the strides that have been made since enactment of ISTEA, including the initial steps that have been taken to promote long-term behavioral changes through the funding of transportation control measures (TCMs) and alternative modes of transportation. However, many challenges remain if we are to achieve full integration of our environmental and transportation decision-making processes and ensure that transportation choices do not undermine our efforts

to attain and maintain clean and healthful air throughout our country.

As we move into the 21st century, we must ensure that our nation's surface transportation policy continues to build upon the solid foundation laid by ISTEA. A reauthorized ISTEA should maintain many of the principles set forth in the current ISTEA and improve upon the requirements that advance environmental and air quality goals. Solutions that enhance mobility can also have positive air quality impacts and may necessitate a shift away from a transportation system dominated by the single-occupant vehicle. Although we have made and continue to make great progress in reducing tailpipe emissions from motor vehicles, it is clear that the benefits of these technological advances can not keep pace with current and foreseeable trends of steadily increasing vehicle miles traveled (VMT). If we do not take proactive steps to reduce VMT, we will certainly see a reversal in our hard-earned air quality improvements early in the next century.

Accordingly, STAPPA and ALAPCO offer the following policy principles upon which a reauthorized ISTEA should be based:

### **1. STAPPA and ALAPCO Support Preserving the Links Between the Current ISTEA and the Clean Air Act**

ISTEA included crucial links to the Clean Air Act that must be maintained in a reauthorized ISTEA. The integration of transportation and air quality planning, which is essential to attainment and maintenance of health-based air quality standards, is enabled and supported by ISTEA's requirements for 1) coordination of metropolitan planning with the development of transportation measures included in the State Implementation Plan (SIP); 2) coordination among all Metropolitan Planning Organizations that have jurisdiction in each nonattainment area; 3) consideration of the environmental impacts of transportation decisions; 4) congestion management systems in larger urban areas, emphasizing the correct use of the existing transportation system, including travel demand reduction and alternatives to single-occupant-vehicle travel; 5) consideration of transportation-related air quality problems and fully developed transportation plans and programs in all nonattainment areas, regardless of size; 6) multimodal statewide transportation planning that is coordinated with metropolitan planning, provides for the needs of pedestrians and bicyclists and addresses the needs and requirements of the SIP; and 7) state Transportation Improvement Programs that conform to the SIP.

Because of ISTEA's vision of coordination and integration, transportation agencies and air quality agencies are working more closely together than ever before. A key tool for implementing the coordination required by ISTEA is the transportation conformity process. STAPPA and ALAPCO acknowledge the importance of the transportation conformity process to both the transportation and air quality communities as a mechanism to ensure that mobility needs as well as health-based air quality standards are met and that accountability for decisions is enhanced. Therefore, we support the explicit linkages contained in ISTEA to the transportation

conformity provisions of the Clean Air Act. The conformity process has improved working relationships between state and local air quality and transportation officials by requiring consultation and coordination among agencies. The process has made air quality and transportation planners more aware of each others' objectives; it has resulted in the inclusion in transportation plans and programs of additional projects that benefit air quality; and it has opened up the SIP development process to more input from the transportation community.

STAPPA and ALAPCO also support the existing requirement that transportation planning be conducted for a twenty-year horizon. The air quality impacts of many transportation infrastructure and policy decisions do not become evident for years. Such consideration of the long-term impacts of transportation projects is consistent with the need to maintain air quality standards once they are attained.

Finally, STAPPA and ALAPCO support the existing requirement that federal funds may not be used in ozone and carbon monoxide nonattainment areas within transportation management areas (TMAs) for projects that result in an increase in capacity for single-occupant vehicles unless the project is part of an approved congestion management system. This requirement provides an important tool for metropolitan areas to manage transportation demand and growth in VMT, which is crucial to attaining and maintaining healthful air. STAPPA and ALAPCO recommend that this requirement be extended to current and future PM nonattainment areas within TMAs, as well.

**2. STAPPA and ALAPCO Support Strengthening the Congestion Mitigation and Air Quality Improvement Program by 1) Placing a Greater Emphasis on Funding Projects that Yield Sustainable Air Quality Benefits, 2) Expanding the Program to PM10 Nonattainment and Maintenance Areas, Areas That Violate or Contribute to Violations of Any New/Revised Ozone or PM NAAQS and Areas At Risk of Violating an Ozone, PM or Carbon Monoxide NAAQS and 3) Increasing Funding for the Program.**

STAPPA and ALAPCO strongly support the continuation of the Congestion Mitigation and Air Quality Improvement (CMAQ) program as a discrete source of funding explicitly set aside for transportation projects identified as necessary to meet air quality objectives and for projects that result in long-term air quality improvements. The value and importance of this program -- which reinforces the interrelationship between the transportation and air quality planning processes by specifically recognizing and, more importantly, seeking to ameliorate the transportation sector's impact on air quality -- can not be overstated.

With respect to project eligibility under CMAQ, STAPPA and ALAPCO believe that a greater emphasis must be placed on projects that result in sustainable air quality improvements. Accordingly, CMAQ eligibility criteria should be revised to ensure that projects effectively yielding significant air quality benefits, as well as those clearly contributing to achievement of emission reductions (e.g., projects that seek to

affect behavioral changes that will lead to emission reductions, such as public outreach and education programs), receive the highest priority when CMAQ funds are awarded. Further, any measure identified in a SIP or maintenance plan as necessary to reduce pollution from mobile sources for the purpose of attaining or maintaining a NAAQS should qualify for CMAQ funding.

STAPPA and ALAPCO support the eligibility of PM10 nonattainment and maintenance areas, in addition to ozone and carbon monoxide nonattainment and maintenance areas, for CMAQ funds. In addition, should EPA promulgate any new or revised ozone or PM NAAQS, STAPPA and ALAPCO firmly believe that all areas that violate or contribute to violations of the new/revised standards should be eligible for CMAQ funds immediately upon their designation or identification. Such eligibility is so important, that additional funds should be made available for the CMAQ program as new areas are designated or identified, so that there are sufficient resources for CMAQ projects in all eligible areas. Areas that are at risk of violating an ozone, PM or carbon monoxide standard should also be eligible for CMAQ funding.

STAPPA and ALAPCO further endorse an increased federal commitment of resources to the CMAQ program prior to the identification or designation of additional eligible areas under new or revised ozone or PM standards. The CMAQ program has provided essential funds for implementing TCMs identified in SIPs, as well as other transportation measures necessary for nonattainment areas to demonstrate conformity. CMAQ has provided funding for innovative air quality projects that have potential long-term air quality benefits but are typically unable to successfully compete for funds; many of these projects, such as carpooling and vanpooling programs and public education and outreach efforts, would not otherwise go forward.

Finally, STAPPA and ALAPCO are concerned that in many areas CMAQ funds have not been obligated in full or in a timely manner. Given the role of transported air pollution and precursors in many areas of the country, it is essential that all areas eligible for CMAQ take steps to use these funds in full and in a timely manner, not only to address their own air quality problems, but also so that downwind areas might benefit from these CMAQ projects. To ensure full spending of CMAQ funds, STAPPA and ALAPCO recommend that a reauthorized ISTEA provide incentives for states to be more aggressive in their utilization of these funds. The associations also recommend that any area eligible for CMAQ funds be precluded from not spending these funds in the event that the total level of federal transportation funds obligated for spending in the state in a given year is less than the annual appropriation (i.e., CMAQ funds should not be left unspent so that more highway funds can be spent under a scenario of limited obligation).

### **3. STAPPA and ALAPCO Support Full and Flexible Funding**

ISTEA provided increased flexibility with respect to the use of highway funds for

projects that yield air quality benefits. However, due to historical patterns and political constituencies, the overall allocation of transportation funds continues to favor highway projects. STAPPA and ALAPCO are concerned that funding inequities remain and believe that a reauthorized ISTEA must be more proactive in effecting changes to these historical patterns.

STAPPA and ALAPCO believe that all funds authorized under a reauthorized ISTEA should be flexible with respect to mode choice -- thus giving metropolitan areas the ability to fund whatever combination of projects best meets their needs -- and should address institutional barriers that serve to prevent maximum flexibility to fund transportation alternatives. For example, STAPPA and ALAPCO support a state or local area's ability to provide operating assistance for mass transit agencies by utilizing funds from the Surface Transportation Program of ISTEA. Although numerous nonattainment areas rely upon increased transit ridership to help reduce VMT, vehicle trips and emissions, STAPPA and ALAPCO are concerned that many transit agencies are reducing service and will continue to do so if they are unable to draw on Surface Transportation Program funds for transit operating assistance.

Finally, STAPPA and ALAPCO support full funding for our nation's transportation system. Our ability to meet a variety of transportation needs depends upon our ability to spend up to the full level authorized. Such full funding will increase opportunities for the funding of projects that have positive air quality benefits.

#### **4. STAPPA and ALAPCO Support the Planning Requirements of ISTEA**

STAPPA and ALAPCO support the existing planning requirements of ISTEA -- particularly those related to air quality -- and urge that a reauthorized ISTEA include provisions requiring that planning process outcomes be used to decide whether to fund transportation projects.

STAPPA and ALAPCO support the existing requirement in the metropolitan planning regulations that, regardless of funding source, all regionally significant transportation projects be included in transportation plans and programs and be analyzed for their air quality impacts. This requirement has eliminated the potentially environmentally detrimental scenario where projects funded solely with state, local or private funds move forward even if they have adverse air quality impacts.

The Major Investment Study provisions of ISTEA -- which require areas to engage in significant consideration and analysis of transportation alternatives, including measures that have a positive air quality impact -- should also be continued.

In addition to preserving the existing planning requirements of ISTEA, STAPPA and ALAPCO recommend that several of these requirements be augmented. A reauthorized ISTEA should be expanded to require that areas implement transportation projects that are consistent with the planning process and make sense over the long term, including, but not limited to, projects that improve air quality,

advance mode choice alternatives to the single-occupant vehicle and consider impacts on land use and development. A reauthorized ISTEA should also include funding guidelines so that federal funds invested in transportation contribute to the achievement of a variety of national goals, including those related to clean air.

Finally, STAPPA and ALAPCO support the direction taken in ISTEA to ensure opportunities for public participation so that all stakeholders in transportation decisions are ensured an opportunity for involvement in resolving transportation problems specific to a particular area. We believe, however, that a reauthorized ISTEA should continue to build upon the public participation requirements included in ISTEA to ensure, among other things, adequate time for the public to review and comment on policy and planning documents and background materials and otherwise make planning agencies more accountable for their decisions.

#### **5. STAPPA and ALAPCO Support the Requirement That Transportation Plans and Programs Be Financially Constrained**

STAPPA and ALAPCO support the current ISTEA requirement that transportation plans and programs be financially constrained. This requirement is critical to ensuring that projects necessary to meet air quality objectives are included in a transportation plan and then implemented. Prior to ISTEA, air-quality-beneficial projects that were included in the transportation plan or program often were a lower priority and not implemented due to insufficient funds. A reauthorized ISTEA should continue to require that transportation plans for air quality nonattainment areas include a financial plan that demonstrates how the long-range plan can be implemented and identifies resources from the public and private sectors that are reasonably available to carry out the transportation plan and program. In evaluating transportation systems for emissions impacts, only projects reasonably expected to be funded should be included.

#### **6. STAPPA and ALAPCO Support Providing Incentives That Further the Goals of the Clean Air Act and Efforts to Reduce Greenhouse Gas Emissions**

The allocation of funds under a reauthorized ISTEA should support the goals of the Clean Air Act, as well as national transportation and energy conservation goals. In addition, because transportation is the largest single source of greenhouse gas emissions in our country, a reauthorized ISTEA should also contribute to national efforts to reduce greenhouse gas emissions. By favoring highways and single-occupant vehicles -- the most polluting and least energy-efficient modes -- current funding allocation methods have the effect of providing an incentive to increase road capacity and VMT.

A reauthorized ISTEA should 1) ensure that states receive adequate funds to plan and implement transportation system changes and improvements to meet the goals of the Clean Air Act and 2) include incentive programs to reward states for providing modal choice (e.g., incentives for reducing VMT per capita and/or increasing average

vehicle occupancy). These two measures would contribute to meeting the goals of the Clean Air Act and reinforce any commitments to reduce greenhouse gas emissions. Finally, funding mechanisms under a reauthorized ISTEA should not penalize states that have successfully reduced vehicle trips or VMT.

### **7. STAPPA and ALAPCO Support Funding of Transportation-Related Air Quality Planning Activities**

Implementation of ISTEA continues to require that state and local air pollution control agencies undertake significant, resource-intensive activities related to planning (including ongoing coordination with transportation agencies, VMT projections and other analyses) and the implementation of TCMs and other transportation strategies. Funds generated through permit fees assessed under Title V of the Clean Air Act can be used by state and local air agencies for certain stationary-source related permitting activities. A similar source of revenue should be available to carry out important ISTEA- and transportation-related planning efforts. Accordingly, STAPPA and ALAPCO recommend that a reauthorized ISTEA create such a revenue source and ensure that it is reliable and sustainable.

### **8. STAPPA and ALAPCO Support Continuation of Transportation Enhancement Activities**

STAPPA and ALAPCO support the continuation of Transportation Enhancement Activities under the Surface Transportation Program of ISTEA. Many of the projects that have been funded as transportation enhancements provide air quality benefits and advance mode choice, including pedestrian and bicycle facilities.