

ACEEE ENERGY EFFICIENCY POLICY FORUM

# Shifting Gears: Navigating Federal Transportation Funding and Priorities in a Changing Landscape

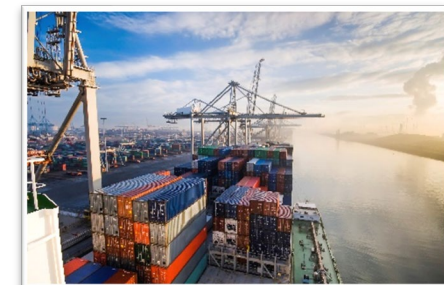
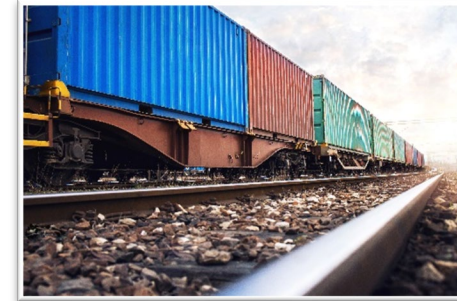
Washington, DC | Tuesday, December 3, 2024

**Joung Lee**

Deputy Director - Chief Policy Officer  
American Association of State Highway and Transportation Officials

# What Is AASHTO?

- Nonprofit association
- Founded in 1914
- Members include:
  - Transportation departments of the 50 states, the District of Columbia, and Puerto Rico
  - 50+ Associate Members from federal, state, and local agencies and other countries
- Covers all modes: aviation, rail, highways, transit, water, and active transportation

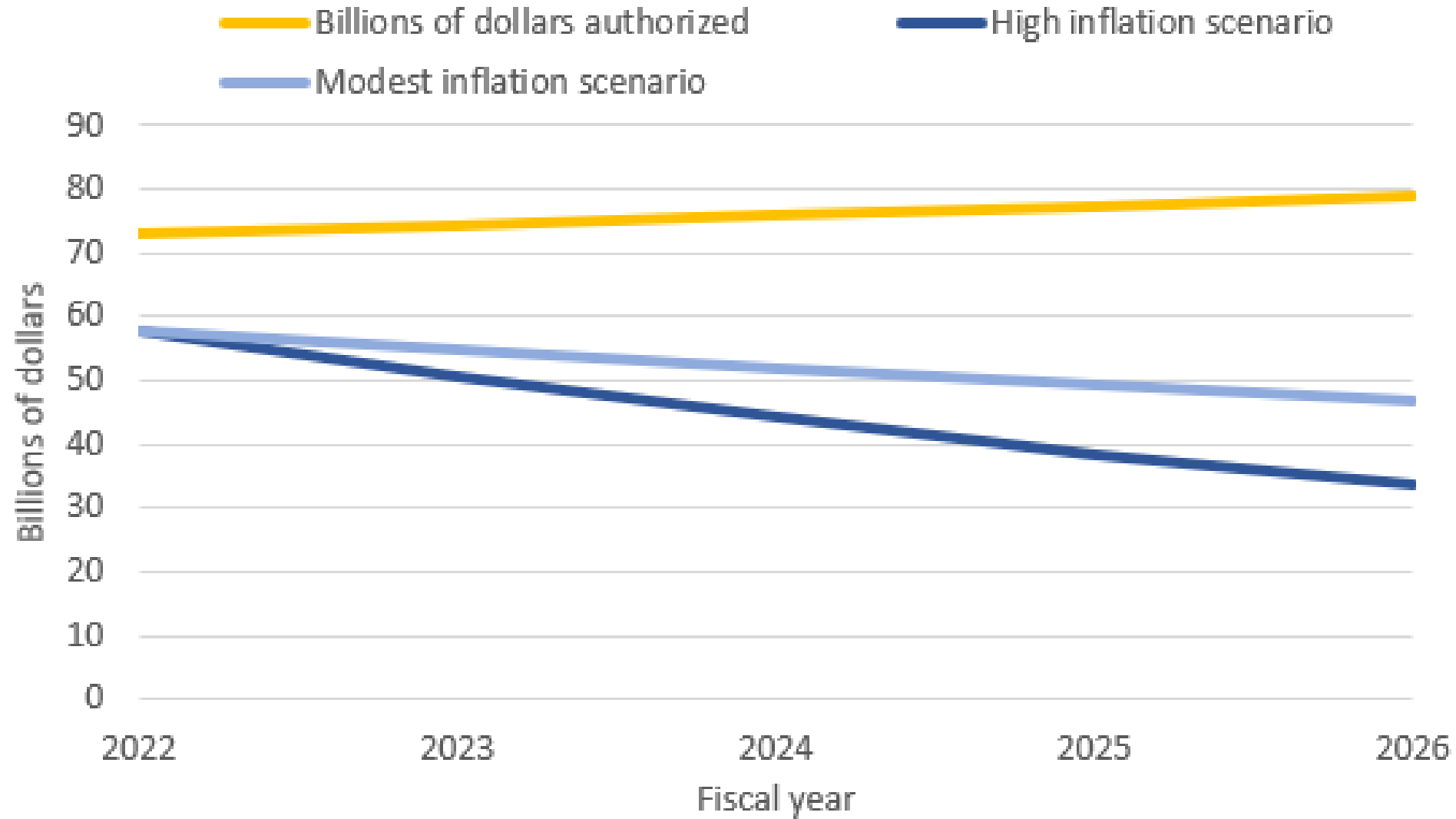


# Infrastructure Investment and Jobs Act (IIJA)/ Bipartisan Infrastructure Law (BIL)

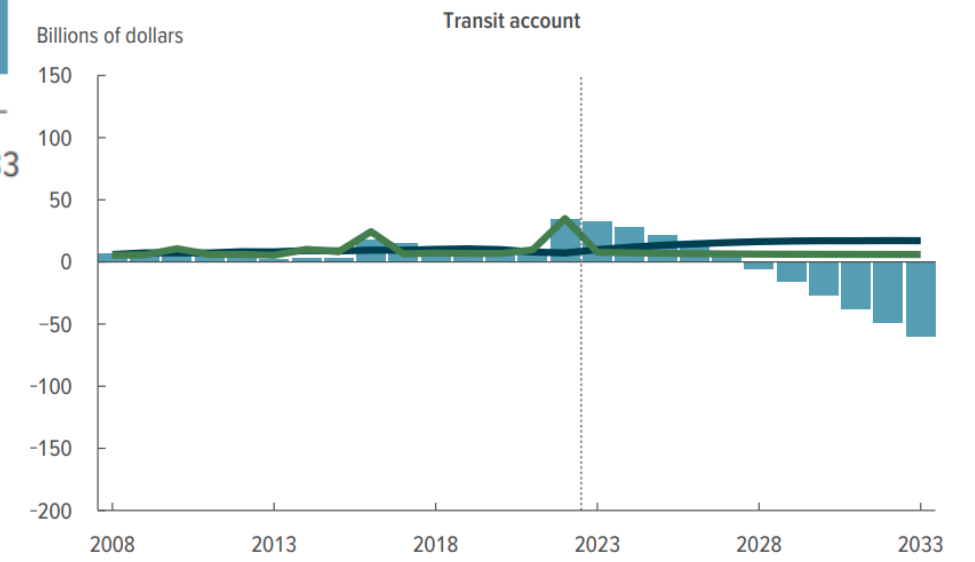
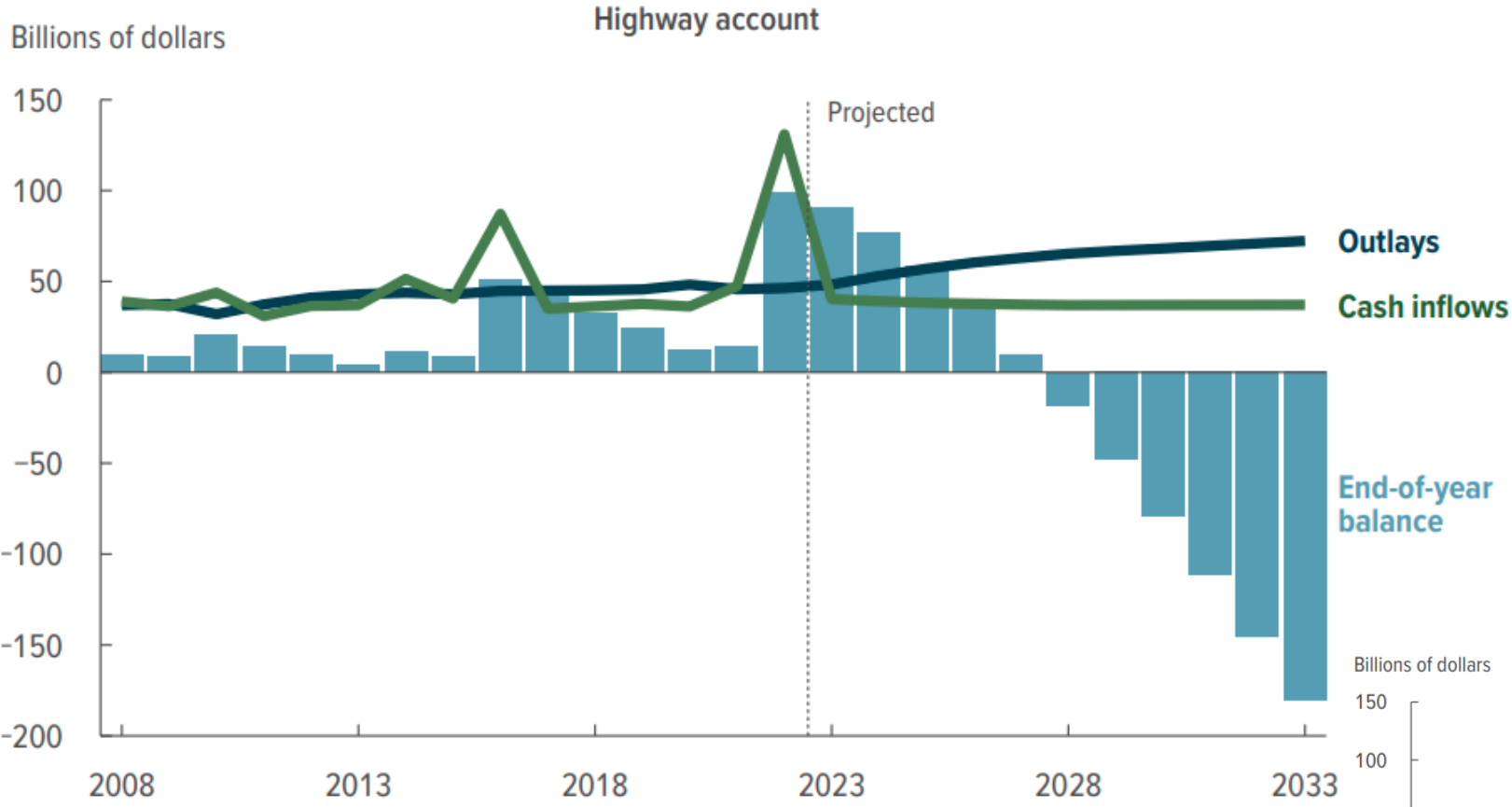
Funding Type, FFY 2022-2026	Amount
Total HTF Contract Authority	\$383 billion
Advance General Fund Appropriations	\$184.1 billion
<b>USDOT Total Budget Authority</b>	<b>\$567.1 billion</b>

AGENCY	In \$ billions (Contract Authority plus General Fund Advance Appropriations)							
	2021	2022	2023	2024	2025	2026	TOTAL	AVG
HIGHWAYS/FHWA	49.0	67.7	69.0	70.3	71.5	72.9	<b>351.3</b>	<b>70.3</b>
TRANSIT/FTA	12.8	17.6	17.9	18.2	18.5	18.9	<b>91.2</b>	<b>18.2</b>
RAIL/FRA	2.5	13.2	13.2	13.2	13.2	13.2	<b>66.0</b>	<b>13.2</b>
SAFETY/NHTSA	1.0	1.3	1.3	1.3	1.4	1.4	<b>6.7</b>	<b>1.3</b>
SAFETY/FMCSA	0.7	1.0	1.0	1.0	1.0	1.0	<b>5.1</b>	<b>1.0</b>

Figure 1: Infrastructure Investment and Jobs Act (IIJA)  
Funds Authorized for Highway by Fiscal Year and Amount  
Reduced by Construction Cost Inflation



Source: US Department of Transportation, Bureau of Transportation Statistics



## In order to maintain IJA funding levels after 2026...

- A five-year bill will need \$143 billion in additional HTF revenue to continue current levels.
- To continue advance General Fund appropriations programs in IJA, another \$195 billion will be needed.

...or a total of \$338 billion on top of existing HTF receipts.

# AASHTO Core Policy Principles for Reauthorization

- Ensure timely reauthorization of a long-term federal surface transportation bill
- Enact a long-term, sustainable revenue solution for the Highway Trust Fund
- Increase and prioritize formula-based federal funding provided to states
- Increase flexibility, reduce program burdens, and improve project delivery
- Support and ensure state DOT's ability to harness innovation and technology

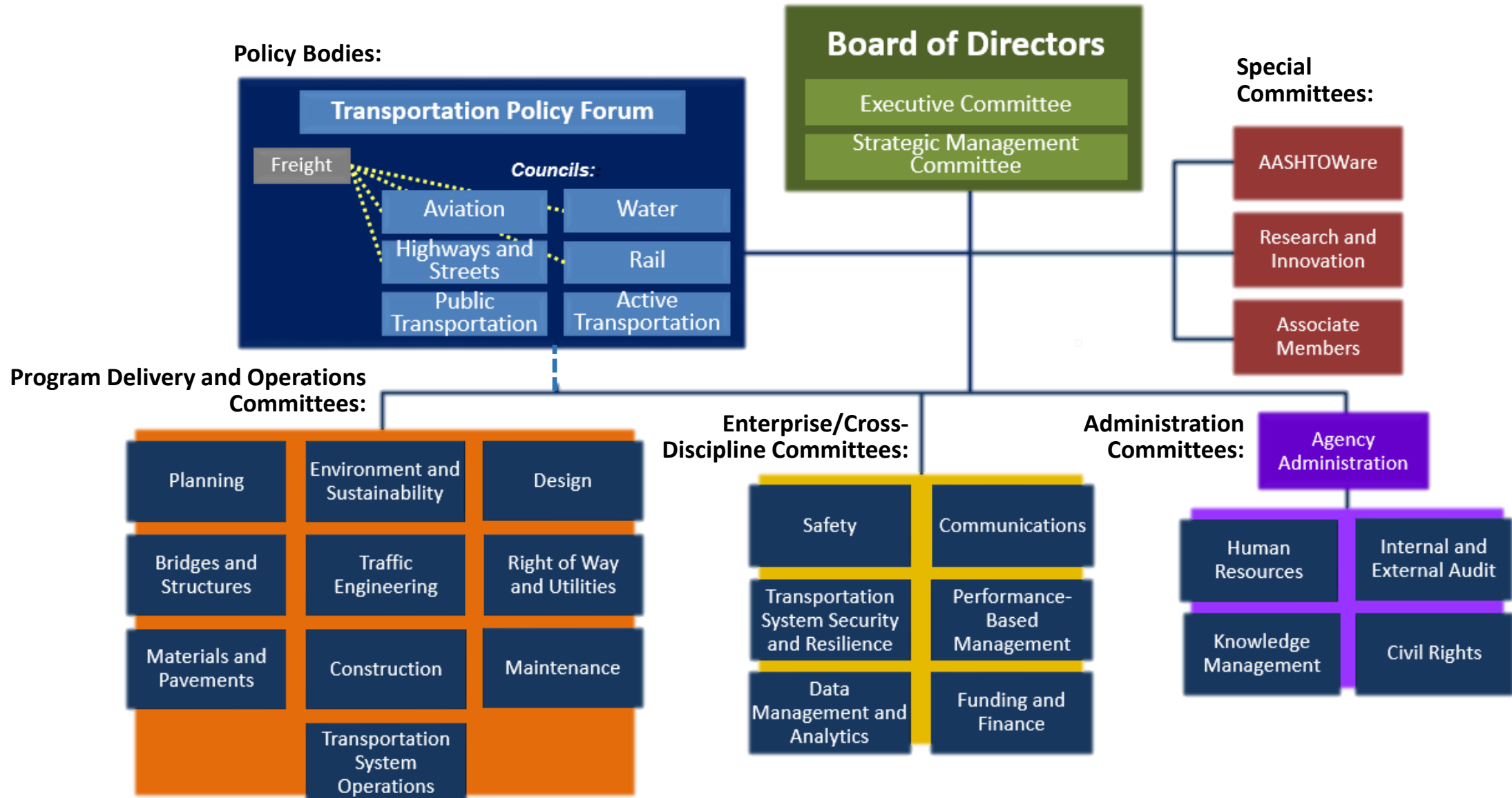


# Surface Reauthorization: Timeline

- **February 2024:** Formally kick off the IJA reauthorization effort at the TPF meeting; *2024 AASHTO Washington Briefing; Washington, DC*
- **February 2024 to October 2024:** Committees to develop and approve their policy recommendations white paper
- **October 2024:** TPF to review committee white papers; *2024 AASHTO Annual Meeting, Philadelphia, PA*
- **October 2024 to March 2025:** Modal Councils and Special Committee on Freight to develop and approve their policy recommendations white paper
- **March 2025:** TPF to review Modal and Special Committee white papers; *2025 AASHTO Washington Briefing; Washington, DC*
- **March 2025 to May 2025:** TPF to develop and review draft policy resolutions
- **May 2025:** TPF to deliberate on draft policy resolutions developed to date; *2025 AASHTO Spring Meeting*
- **August 2025:** TPF to hold a special session to finalize and adopt draft policy resolutions for Board consideration, amend white papers as necessary, and develop legislative outreach strategy; *Location TBD*
- **October 2025:** AASHTO Board of Directors to consider and formally adopt policy resolutions, and amend white papers as necessary; *2025 AASHTO Annual Meeting*
- **October 2025 to September 2026:** AASHTO members and staff to communicate and explain AASHTO's formal policy positions
- **September 2026:** IJA expires on September 30, 2026



# AASHTO Committee Structure



# Surface Reauthorization: Committee White Papers

PAPER #	PAPER NAME	LEAD COMMITTEES
1	Carbon Reduction, EV Charging, Resilience	<ul style="list-style-type: none"><li>• Environment and Sustainability</li><li>• Transportation System Security and Resilience</li></ul>
2	Funding, Finance, Program Structure	<ul style="list-style-type: none"><li>• Funding and Finance</li></ul>
3	Performance-based Management, Planning, Data	<ul style="list-style-type: none"><li>• Performance-based Management</li><li>• Planning</li><li>• Data Management and Analytics</li></ul>
4	Project Delivery, Permitting, Buy America	<ul style="list-style-type: none"><li>• Bridges and Structures</li><li>• Construction</li><li>• Design</li><li>• Environment and Sustainability</li><li>• Materials and Pavements</li><li>• Right of Way and Utilities</li></ul>
5	Research and Innovation	<ul style="list-style-type: none"><li>• Research and Innovation</li></ul>
6	Safety	<ul style="list-style-type: none"><li>• Safety</li></ul>
7	Transportation System Operations	<ul style="list-style-type: none"><li>• Maintenance</li><li>• Traffic Engineering</li><li>• Transportation System Operations</li></ul>
8	Workforce and Equity	<ul style="list-style-type: none"><li>• Agency Administration</li><li>• Human Resources</li><li>• Civil Rights</li></ul>

# Surface Reauthorization: Council White Papers

- Active Transportation
- Freight
- Highways and Streets
- Passenger Rail
- Public Transportation
- Special Committee on Freight

## Carbon Reduction, EV Charging, Resilience

- Carbon Reduction formula program
- Incentives and flexibility for statewide strategy
- National Electric Vehicle Infrastructure (NEVI) formula and Charging and Fueling Infrastructure (CFI) discretionary grant programs
- EV charging infrastructure on public rights of way
- PROTECT formula and discretionary grant programs
- “Lo/No” emission bus and ferryboat grant programs

# Policy Outlook for 2025

- Re-empower the Formula Program and State Decision-making
- Deliver Faster Results by Reforming Administration of Discretionary Grant Programs
- Fix August Redistribution of Federal-aid Highway Program Dollars
- Modernize Highway Trust Fund User Fees and “Do No Harm” to Crucial Transportation Funding
- Reduce Regulatory Burden Including Avoiding New Requirements Beyond Statute
- Streamline and Provide Certainty on Project Delivery
- Ensure Strong and Coordinated Federal Support for Disaster Response and Recovery

# Thank You!

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