

HB

104

FISCAL NOTE

Revision Date:
Title: Air Quality Grants

Department Affected: DOT&PF
BRU: E&OS

Sponsor: Brown
Requestor: Brown

Component: Planning
Component Serial Number: #547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	3.0	0	0	0	0	0
CONTRACTUAL	12.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS. CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	15.0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	15.0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	15.0	0	0	0	0	0

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: \$0

ANALYSIS: (Attach a separate page if necessary)

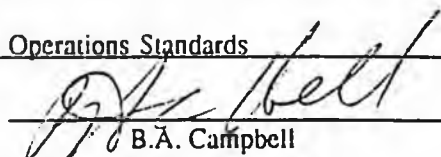
See attached.

Prepared by: Jeffery C. Ottesen

Phone: 465-2951

Division: Engineering and Operations Standards

Date: November 23, 1993

Approved by Commissioner: 

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: April 11, 1994

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

ANALYSIS (cont. from page 1):

The bill would require initial expenditures to adopt the implementing regulations. Thereafter, management of the grant program would require that a portion of the federal funds being distributed under this bill be used for administration of the program.

The initial expense would involve promulgating regulations under the Administrative Procedures Act. Funding requested would go for travel to public hearings, legal expenses, legal notice publishing costs and associated costs of completing the regulations. This is a one-time, non-recurring cost.

Under the bill's approach, a competitive grant process must be managed, and in some cases grantees may involve parties unfamiliar with the myriad requirements of this program. Thus the staff managing the program will have more tasks to perform, and could require substantially more oversight if the grant recipient must be trained in the many details applicable to the use of these funds. As these costs would be eligible expenses from these federal funds, we have not shown them as "new expenses", however, they will subtract from the funds available to eligible recipients.

HB 104 Local Air Quality Grants

Representative Kay Brown

Sectional Analysis

Section 1. (a) Amends Alaska Statute 44.42 to allow the Department of Transportation to make grants to municipalities and public and private nonprofit organizations for the purpose of improving local air quality. The subsection describes some of the types of projects that could qualify--public information campaigns, environmental education, subsidies for transit operations etc.

(b) Requires grant applications to include a detailed budget, a description of how the project will improve local air quality and a method of evaluating the effectiveness of the project.

(c) Provides that the grant applications be previously approved by the governing body of the municipality or the local school district if it is an educational project in public school facilities.

(d) Directs the department to adopt regulations pertaining to air quality grants.

(e) Allows the Legislature to appropriate money for grants from federal funds the state receives for congestion and air pollution mitigation.

H B 104 Local Air Quality Grants

Sponsor Statement

In the coming decades, economic development will be tied more and more to quality of life issues. Alaska, especially our cities, cannot expect to attract the high wage professional work force and industries of tomorrow unless we value and preserve our urban environment.

In FY 1994, Alaska will receive \$4 to 5 million in *federal* highway funds to be used exclusively for congestion and air pollution mitigation. This legislation will make it possible for at least some of that money (I suggest a minimum of 1%) to be transferred to local public and private non-profit groups for planning and implementing air quality education and enhancement projects.

HB 104

- *would allow the Department of Transportation to make grants to municipalities and public and private non-profit organizations for projects to improve local air quality. Projects could be informational, educational or programmatic. The money could be used for such things as subsidizing transit operations , air monitoring or for conversion of vehicles to alternative fuels.*
- *would require each project funded to include a method of evaluating its effect on the quality of the local air environment.*
- *would provide for project approval by the governing body of the municipality or by the local school board (for educational projects in public schools).*

HB 104 would empower local citizen organizations to plan and implement improvements to the air environment in their communities. It would give people a tool to help make our urban centers what they should be--the premier northern cities of the world!

AIR QUALITY PROJECTS AND ISTEA

- *Future economic development will be more and more dependent on quality of life issues. Transportation planning, community planning and economic development cannot be separated. Without concerted efforts to enhance the urban environment, we will not be able to attract and keep the high-wage professional work force of the next century.*
- *Local communities can positively impact the urban air environment through educational, informational and programmatic air quality projects. Such projects might include information campaigns, trip reduction programs, subsidies for transit operations and air quality monitoring projects to gather data for transportation planning. Another important area would be environmental education projects in local schools.*
- *\$5 million of ISTEA air pollution control and congestion mitigation funds will be come to Alaska in FY 94. Some of this money should be made available to local non-profits and municipalities for innovative air quality improvement projects.*
- *HB 104 will make local air quality improvement grants from federal ISTEA funds available to Alaska urban "non-attainment" areas.*

**MUNICIPALITY OF ANCHORAGE
1993 LEGISLATIVE PROGRAM**

LEGISLATIVE ISSUES

TITLE: HB 104 Local Air Quality Grants

In the coming decades, economic development will be tied more and more to quality of life issues. Alaska, especially our cities, cannot expect to attract the high wage professional work force and industries of tomorrow unless we value and preserve our urban environment.

In FY 1994, Alaska will receive \$4 to \$5 million in federal highway funds to be used exclusively for congestion and air pollution mitigation. This legislation will make it possible for at least some of that money to be transferred to local public and private non-profit groups for planning and implementing air quality education and enhancement projects.

This bill:

- *would allow the Department of Transportation to make grants to municipalities and public and private non-profit organizations for projects to improve local air quality. Projects could be informational, educational or programmatic. The money could be used for such things as subsidizing transit operations, air monitoring or for conversion of vehicles to alternative fuels.*
- *would require each project funded to include a method of evaluating its effect on the quality of the local air environment.*
- *would provide for project approval by the governing body of the municipality or by the local school board (for educational projects in public schools).*


HB 104 would empower local citizen organizations to plan and implement improvements to the air environment in their communities. It would give people a tool to help make our urban centers what they should be—the premier northern cities of the world.

**Contact: Jim Barnett, Assembly
Phone: 343-4750**

Federal Program Overview

Breakdown of FFY94 Apportionment Estimate of \$220 Million

Program Structure	FFY94 Estimate
Congestion Mitigation/Air Quality	4,800,000
Surface Transportation Program	115,300,000
Bridge	6,300,000
National Highway System	52,000,000
Interstate Maintenance	21,200,000
Hold-Harmless Estimate	15,300,000
Planning and Research	5,100,000





Printed on recycled paper.

A Summary

AIR QUALITY PROGRAMS AND PROVISIONS

of the Intermodal Surface Transportation Efficiency Act of 1991



U.S. Department
of Transportation
Federal Highway
Administration

Moving America
To jobs... To homes... To market



Publication No. FHWA-PD 92-022
HEP-41/8-92(40M)E

MESSAGE BY
ADMINISTRATOR T.D. LARSON



As we approach the 21st century, the transportation community is confronted by challenges as never before. Our mobility, which is essential to the Nation's economic and social well-being, is threatened by gridlock and the absence or

inadequate condition of needed facilities. At the same time, legitimate environmental concerns about the impact of transportation improvements have made the already complicated task even more difficult.

This dual challenge is illustrated by the Clean Air Act Amendments of 1990 (CAAA) and the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The CAAA, which the President signed on November 15, 1990, is essential to our effort to control air quality problems. Because emissions from motor vehicles contribute to air pollution, transportation officials must make a commitment to programs and projects that will help achieve national air quality goals. Although the CAAA is vitally important, it did not provide

significant funding to carry out these programs and projects.

That's where the ISTEA comes in. The President signed it on December 18, 1991, launching the first major restructuring of the Nation's surface transportation programs (highways and transit) since the start of the Interstate era in 1956. State and local officials now have an unprecedented range of choices for meeting their transportation needs. The ISTEA complements the CAAA by providing funding and the flexibility to use it in ways that will help us improve air quality through the development of a balanced, environmentally sound, intermodal transportation program.

The CAAA, with its ambitious standards and deadlines, places heavy accountability on State and local governments. At the same time it allows them a great deal of discretion in making the policy choices — for example, on land use and on our assumptions about how we go about the business of transportation in the late 20th century — to achieve improved air quality. The ISTEA, which gave State and local officials increased flexibility in transportation funding, underscored their responsibility.

But ISTEA funding and changes in transportation patterns alone cannot solve the problem. Emissions reductions from transportation infrastructure investments are small. Greater mobile source emission reductions, particularly in the more serious nonattainment areas, will have to come from reducing the use of the automobile for all trips, including non-work trips. Consequently,

State and local elected officials will need to have the political will to make the tough decisions that will be necessary to adopt and implement the kinds of transportation control measures (TCMs) that will reduce the use of the single-occupant vehicle (SOV). In addition, States will need to aggressively pursue technological improvements for fleets that can make a difference, such as enhanced inspection and maintenance programs and alternative fuels.

Together, the CAAA and the ISTEA give officials the imperative and the resources to address air quality problems while they are still manageable — now, in the 20th century, instead of waiting for the 21st. However, both statutes are complex. This brochure is intended to help State and local officials understand how they can use the ISTEA's provisions to address air quality problems. A separate brochure will focus on the transportation implications of the CAAA.

Congress and the President, through these bold, forward-looking legislative initiatives, have given us the means to meet the challenge of improved air quality. Now it falls to all of us to get the job done. The Department and the Federal Highway Administration stand ready to assist you, our partners, in whatever way possible.

I encourage you to read this brochure as your guide to legislation that gives you the tools to make a difference. Then, together, I invite you to join in a combining effort to ensure that we meet the challenge squarely, effectively ensuring a cleaner, safer quality of life for coming generations.

CONTENTS

Overview	5
Funding Flexibility	6
Increased Funding Levels	10
Strengthened Planning Process	12
Strengthened Role of Metropolitan Planning Organizations	16
New Congestion Mitigation and Air Quality Improvement Program	16
Miscellaneous Provisions	18
Conclusion	20

OVERVIEW

The Federal Highway Administration (FHWA), with the release of its Environmental Policy Statement on April 20, 1990, revitalized its commitment to ". . . work vigorously to preserve and, where practicable, enhance our environment." A few months later, on November 15, the President signed the Clean Air Act Amendments of 1990 (CAAA), landmark legislation that has challenged the FHWA and the entire transportation community to meet that commitment by developing projects and programs that contribute to improved air quality.

Among the goals of the CAAA are providing for greater integration of the transportation and air quality planning processes; ensuring that transportation plans, programs, and projects conform with the State air quality implementation plans and contribute to attainment of the national ambient air quality standards (NAAQS); and reducing the growth in vehicle-miles-travelled and congestion levels in areas that have not attained the Environmental Protection Agency's air quality standards.

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), which the President signed on December 18, revamps the Nation's surface transportation programs (highways and transit) in a way that gives State and local officials added tools to improve air quality. These tools include increased funding, unprecedented flexibility to select the best mix of projects to meet local needs (whether highway, transit, or alternatives such as

high-occupancy vehicle lanes or bicycling), and enhanced metropolitan and statewide planning requirements.

This pamphlet summarizes the ISTEA provisions that can best help State and local officials as they work toward the CAAA's air quality goals. This summary is divided into six categories:

- Funding Flexibility
- Increased Funding Levels
- Strengthened Planning Process
- Strengthened Role of Metropolitan Planning Organizations
- New Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- Miscellaneous Provisions

FUNDING FLEXIBILITY

One of the most important features of the ISTEA is the flexibility it gives State and local officials in choosing among highway, transit, and other transportation alternatives. This flexibility will help State and local officials to choose the best mix of projects to address air quality without being influenced by rigid Federal funding categories or different matching ratios that favor one mode over the other.

Highway Program:

Surface Transportation Program and the National Highway System. While retaining programs from previous transportation legislation for bridges and interstate maintenance of highways with minor modifications, the ISTEA restructures the Federal-aid highway program by creating two broad funding categories.

- **The Surface Transportation Program (STP)** is funded at \$23.9 billion over 6 years with an 80% Federal share. This is the largest program in the ISTEA and is highly flexible, providing broad discretion for State and local governments to fund a wide variety of activities which could contribute to cleaner air. These activities can include highway and transit capital projects, carpool projects, bicycle and pedestrian facilities, planning, and research and development.
- **The National Highway System (NHS)** is funded at \$21 billion over 6 years with an 80% Federal share. Its purpose is to focus resources on roads that are most important to interstate travel and national defense, roads that connect with other modes of transportation, and roads that are essential for international commerce. Funds may be spent on transit projects if such projects:
 - are in the same corridor as, and in proximity to, a fully controlled highway designated to the National Highway System:

an 80% Federal match, to eliminate bias caused by unequal ability to leverage State and local funds.

INCREASED FUNDING LEVELS

The CAAA significantly expanded State and local transportation air quality planning requirements. The ISTEA provides an expanded Federal source of funding which can be used for transportation projects that reduce mobile source emissions and improve air quality. Increased funding levels are also available for transportation planning and research.

Highway Funds:

The ISTEA provides a \$120.8 billion highway program over 6 years.

Mass Transit Funds:

The mass transit program receives \$31.5 billion over 6 years with an 80% Federal share for capital programs and 50% for operating expenses.

Metropolitan Planning Funds (PL):

Metropolitan planning (PL) funds from FHWA are more than doubled, from \$47 million in FY91 to \$117 million in FY92. The previous 1/2% set aside for PL funds is increased to 1% of the funds authorized for the National Highway System, Surface Transportation Program, Congestion Mitigation and Air Quality Improvement Program,

Interstate Maintenance Program, and Bridge Program.

In addition, metropolitan planning is an eligible activity under the National Highway System and Surface Transportation Program.

Funds for metropolitan planning from the Federal Transit Administration (FTA) are increased by 25%, from \$35 million in FY91 to \$45 million in FY92.

Highway Planning and Research (HP&R) Funds:

Highway planning and research (HP&R) funds are increased from 1.5% to 2% of the major program funds. Not less than 25% of these funds must be used for research, development, and technology transfer activities; unless otherwise approved by the Secretary.

In addition, statewide planning is an eligible activity under the National Highway System and Surface Transportation Program.

Transit Planning and Research Funds:

Planning and research are funded at 3% of the total amount of transit funding provided. A total of \$945 million is authorized over 6 years. Of these funds, \$420 million is to be used for planning grants to MPOs. A new State Planning and Research Program (\$187 million over 6 years) and a National Planning and Research Program (\$291 million over 6 years) are established.

STRENGTHENED PLANNING PROCESS

The ISTEA requires States and Metropolitan Planning Organizations to carry out a comprehensive transportation planning process in order to better coordinate the best mix of transportation projects which will improve air quality.

Metropolitan Planning Process:

Planning emphasis. The urban transportation planning process is strengthened by increasing the emphasis on multi-modal considerations, land use and development decisions, and transportation-related air quality problems.

Planning boundaries. Planning boundaries are required to cover the urbanized area and the area expected to become urbanized within the 20-year planning forecast period. The boundaries may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census.

In air quality nonattainment areas, the planning boundaries are expanded to coincide with the nonattainment boundaries, except as otherwise provided by agreement between the affected MPO and the Governor. This will include the "donut" shaped area located outside the urbanized planning boundaries, but within the nonattainment boundaries. If boundaries are revised, it is incumbent on the MPO and the State to determine how conformity in the nonattainment area outside the planning area will be ensured.

Transportation management areas (TMAs). Urbanized areas over 200,000 in population are to be designated as transportation management areas (TMAs). They are to include congestion management systems (CMS) that provide for effective management of new and existing transportation facilities through the use of travel demand reduction and operational management strategies. The DOT is required to provide an appropriate phase-in schedule for the CMS, and to designate other areas as TMAs if requested by the Governor and the MPO or affected local officials.

For TMAs classified as ozone and carbon monoxide nonattainment areas, Federal funds may not be programmed for any highway or transit project that will result in a significant increase in carrying capacity for single-occupant vehicles (SOVs) unless the project is part of an approved congestion management system.

The Secretary is required to certify every 3 years that each MPO in each TMA is carrying out its responsibilities under applicable provisions of Federal law. This includes not only the provisions of the ISTEA, but other Federal laws such as the CAAA of 1990.

Abbreviated plans and programs for certain areas. Abbreviated metropolitan planning procedures set forth in ISTEA may be prescribed in areas under 200,000 in population which are in attainment for ozone and carbon monoxide.

Abbreviated metropolitan planning procedures set forth in ISTEA may not be prescribed in areas under 200,000 in population which are in ozone

and carbon monoxide nonattainment areas. These areas must follow the same planning procedures as areas with populations over 200,000.

Documentation (Transportation Plan, Transportation Improvement Program). For ozone and carbon monoxide nonattainment areas, the MPO must coordinate the development of a long-range transportation plan with the process for development of the TCMs of the State Implementation Plan (SIP).

MPOs are required to consider the effects of *all* transportation projects within the metropolitan area, regardless of funding source.

MPOs are required to provide a reasonable opportunity for public comment on the long-range plans and transportation improvement programs (TIP).

Financial plans are required to demonstrate how the transportation plan and TIP can be implemented with anticipated revenues. Transportation Improvement Programs may include only those projects where full funding availability can reasonably be anticipated within the time period contemplated for its completion.

The TIP must be consistent with the long-range transportation plan. Additional planning requirements under the ISTEA for prioritization of projects in the TIP within 3-year time periods complement the priority and 3-year emission reduction requirements applying to the more serious nonattainment areas put forth in the CAAA of 1990.

Distribution of PL funds to MPOs. In addition to population, status of planning, and metropolitan transportation needs, States must now consider attainment of air quality standards in developing a formula for distribution of PL funds to MPOs.

Statewide Planning Process:

Statewide transportation plans and transportation improvement programs. The State must establish a statewide planning process, including the development of a long-range statewide transportation plan and TIP. Statewide TIPs must include projects which are consistent with the long-range statewide transportation plan, the metropolitan area TIPs, and, in ozone and carbon monoxide nonattainment areas, projects which conform with the applicable SIP.

The statewide transportation plan must be coordinated with the development of the metropolitan transportation planning activities.

Earmarked funds. The State's apportioned funds earmarked under 23 U.S.C. 307(c)(1) for planning and research (2%) are available to carry out the statewide planning requirements as well as metropolitan planning requirements.

STRENGTHENED ROLE OF METROPOLITAN PLANNING ORGANIZATIONS

The MPOs, especially those in urbanized areas over 200,000 in population, are given a stronger role in the project selection process.

Redesignation of the MPO is mandated if one of two special conditions is met:

- The redesignation request is made by a unit or units of local government representing 25% of the affected population in any urbanized area whose population is more than 5,000,000 but less than 10,000,000, or;
- The redesignation request is made by a unit or units of local government representing 25% of the affected population in any urbanized area which is an extreme nonattainment area for ozone or carbon monoxide.

If more than one MPO has authority in a metropolitan area or an area which is designated as nonattainment for ozone or carbon monoxide, the MPOs must consult with each other and the State(s) in the coordination of plans and programs.

NEW CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM (CMAQ)

The ISTEA created a major new program to deal with transportation-related air pollution. The Congestion Mitigation and Air Quality

Improvement (CMAQ) program directs funds to projects and programs in certain nonattainment areas that meet the classifications contained in the CAAA of 1990. The projects and programs must either be included in the SIP or be good candidates to contribute to attainment of the National Ambient Air Quality Standards (NAAQS). The NAAQS are standards for levels of pollutants developed by the Environmental Protection Agency (EPA) in response to a requirement of the Clean Air Act Amendments of 1970.

Project Eligibility:

The FHWA and FTA are required to consult with the EPA on whether or not projects and programs are likely to contribute to attainment of the NAAQS. However, TCMs in the SIP are eligible without further consultation with the EPA.

Projects which include new capacity for single-occupant vehicles are not eligible, except where the project consists of a high-occupancy vehicle (HOV) facility available to SOVs at other than peak periods.

If a State does not have any ozone or carbon monoxide nonattainment areas, the funds may be used as if they were STP funds. The FHWA guidance encourages States that have attained the NAAQS for ozone and carbon monoxide to use the funds in small particulate (PM-10) nonattainment areas, if such nonattainment is mobile source related, before using them in other parts of the State.

- the Section 3 funding request is less than \$25 million, or less than one-third of the total project cost.

Transit projects financed entirely with funds made available under Title I of the ISTEA are excluded from these requirements.

CONCLUSION

The CAAA bring transportation decisions into the context of achieving and maintaining cleaner air. The ISTEA provides increased funding levels and program flexibility to help transportation officials meet some of the challenges brought on by the CAAA. The provisions within these two pieces of legislation will, more than ever before, make State, local, and air quality officials better able to work together in attaining our Nation's goal of cleaner air.

Tools for Change: The Clean Air Act Amendments and the Intermodal Surface Transportation Efficiency Act

This paper describes the key planning and transportation control reforms contained in the Clean Air Act Amendments of 1990 (CAAA) and the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The reforms discussed in this paper are contained in sections 108, 110, 174, 176, and 304 of the CAAA and sections 134 and 135 of ISTEA.

Through the Clean Air Act Amendments of 1990 (CAAA) and the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Congress has taken significant steps toward ensuring that transportation planning decisions result in cleaner air. The CAAA requires states to integrate their air quality and transportation planning processes by: establishing better coordination between state transportation and air quality planning and setting a firm schedule for states to attain air quality standards.

ISTEA strengthens these reforms by requiring that local and state transportation plans be consistent with state air plans, introducing incentives to control transportation demand, and removing the traditional federal inducements to building new roads.

For the past four decades, federal funding policies have rewarded the creation and maintenance of highways and reinforced automobile-dependent lifestyles, providing much less support for access to other means of transportation, such as transit, bicycling, and walking. The Highway Act of 1956 under President Eisenhower provided for the construction of the Interstate Highway System. Now nearing completion, this monumental effort contributed to current land use patterns and to the dominance of the automobile in transportation planning.

During the boom in suburban development, little thought was given to the development of transit infrastructure or alternatives to the automobile. Consequently, as businesses and jobs have moved from central business districts to outlying suburban areas, new economic centers have been underserved by public transit and workers have become dependent on automobiles. Meanwhile, urban areas with older central business districts must cope with crumbling infrastructure while they suffer transit fare increases and service cuts.

Transportation decisions that favor new highways have contributed to suburban sprawl and urban decline, and traffic congestion in metropolitan areas has grown worse. For example, the Illinois Public Action Coalition has found that congestion on Chicago-area freeways and toll roads increased by 34 percent over the last decade. Our failure to effectively integrate transportation, land use policies, and infrastructure investments has created a dependence on automobiles we cannot sustain. Meanwhile, policies to provide people with alternatives to driving alone have been almost nonexistent.

The CAAA and ISTEA help solve our transportation and air quality problems by mandating coordinated planning to meet a wide range of mobility, environmental, and community goals and providing increased and more flexible funding for public transit, cleaner fuels, and alternative travel modes, such as telecommuting, ride sharing, walking, and bicycling. Together, the two laws

Purpose

Background: Statutory Requirements and Legislative Framework

require that state and local transportation improvement programs (TIPs) conform to state implementation plans (SIPs) for cleaner air. "Conformity" requires transportation plans, programs, and projects to contribute to the attainment of better air quality. Further, under ISTEA, transportation decisions must be made according to a list of specific considerations pertaining to community quality, environmental protection, economic efficiency, and energy conservation.

Such a broad perspective for transportation decisions requires the active participation of many players: citizens, elected officials acting through their metropolitan planning organizations (MPOs), state departments of transportation (DOTs), other state and local governments, transit operators, transportation management associations, members of the business community, environmental and labor groups, and public interest groups.

The Clean Air Act Amendments of 1990

Air quality standards have been in place for well over a decade. However, in December of 1990, Congress amended the Clean Air Act to include much stricter requirements for meeting these standards.

Perhaps the most important and far-reaching provision of the CAAA is the requirement that state transportation plans conform to state air plans. Although such a provision has been in the Clean Air Act since 1977, it was never formally interpreted to mean that transportation plans as a whole must conform to air plans, only that transportation plans had to list the transportation control measures (TCMs) listed in the air plans. The CAAA broadens the interpretation by prohibiting the expenditure of any funds on projects in a transportation plan or program unless on the whole the plan and program conform to the state air plan. They must meet the state plan's purpose of eliminating and reducing air quality violations.

The CAAA requires greatly increased attention to mobile source emissions (pollution from motor vehicles) as part of the new requirements for ozone control plans.

The CAAA also requires greatly increased attention to mobile source emissions as part of the new requirements for ozone control plans. Mobile sources (cars, buses and trucks) account for 88 percent of carbon monoxide and 50 percent of oxides of nitrogen and volatile organic compounds (VOCs), which are the major contributors to ground-level ozone, smog, global warming and related health problems. (In California, VOCs are known as reactive organic gases.) Traffic congestion and mobile source pollution compromise the environment, damage human health, and take a heavy financial toll through fuel consumption, car maintenance costs, and lost productivity.

One hundred areas in 33 states and the District of Columbia fail to meet national clean air standards. Ten states have been classified by the U.S. Environmental Protection Agency (EPA) as having "severe" nonattainment areas. The states with metropolitan regions designated as "severe" are California, Connecticut, Illinois, Indiana, Maryland, New Jersey, New York, Pennsylvania, Texas, and Wisconsin (Los Angeles, Calif., is in its own separate "extreme" category).

Nonattainment areas are required to develop air quality plans and take particular steps on a specific timetable to demonstrate reductions in ground-level ozone and carbon monoxide. Penalties for noncompliance include the freezing of federal transportation funds and/or the imposition of a federal implementation plan (FIP) to help attain air quality standards.

States that contain areas with moderate ozone air quality must submit air plans that demonstrate a 15 percent reduction in VOC emissions by 1996. VOCs are precursors of ozone pollution that react with heat and light from the sun to produce ground-level ozone pollution. States containing areas with serious,

severe, or extreme air quality nonattainment must also submit air plans demonstrating emission reductions averaging three percent per year for each consecutive three-year period after 1996.

The failure of a nonattainment area to achieve compliance on schedule can result in the freezing of federal transportation funds unless such funds are spent on safety programs or projects that will improve air quality (Section 176(a)). A partial list of eligible projects includes capital expenditures for public transit, construction of bus or high-occupancy vehicle (HOV) lanes, traffic flow improvements that achieve a net reduction of emissions, park-and-ride lots at transit stops, and programs to limit vehicle use in high-traffic areas through tolls, parking surcharges, or other congestion pricing measures to control the social and environmental costs of driving.

EPA gives states with nonattainment areas 18 months to revise deficient air plans after EPA's initial review. If that deadline is missed, the nonattainment areas may either have their federal funding withheld or be required to reduce emissions from industry and businesses at a rate that could negatively affect their ability to expand or add new industrial facilities. If after 24 months an area is still in nonattainment, both sanctions kick in. The EPA may also apply the sanctions statewide at that time.

If the Clean Air Act is the stick to force better coordination of transportation and air quality planning, ISTEA is the carrot to induce reform. The most significant change in the federal law is the restructuring of Title 23, the Highways Title of the United States Code, to allow funds formerly restricted to road projects to be spent on all modes of surface transportation, including measures to control demand for new roads. ISTEA also requires the evaluation of all proposed projects against the backdrop of a comprehensive long-range planning process that considers the mobility goals of communities and states in the context of their goals for environmental protection, community quality, economic growth, and energy efficiency.

More than any previous surface transportation act, ISTEA removes traditional barriers to transit, bicycle, and pedestrian projects, such as inequitable match ratios for road and transit projects, more stringent alternative analysis requirements for transit projects than for highways, and overemphasis on new construction to the detriment of system maintenance and preservation. Under the new law, the federal-state match ratio for all transportation projects is the same—80:20 in most cases. Transit capital investment to comply with the Americans with Disabilities Act and the Clean Air Act is actually favored with a 90:10 match ratio. Alternatives analysis procedures must be the same for transit and road projects. And the construction of new capacity on roads is restricted unless it can be demonstrated to help attain clean air goals.

To assure a dedicated source of funds for transportation projects that help meet CAAA goals, a new \$6 billion program, the Congestion Mitigation and Air Quality Improvement program (CMAQ) was created by ISTEA specifically to combat air quality problems through the wider use of TCMS.

ISTEA provides \$119 billion for highways under Title 23, \$58 billion of which can be "flexed" to transit, bicycle, and pedestrian projects. ISTEA also authorizes a substantial increase of funds for transit under Title 49 of the U.S. Code, the Urban Mass Transportation Act of 1964. However, it is unlikely that this fact alone will dramatically strengthen the role of transit in local and state transportation decisions: While most funds under Title 23 are virtually assured

The Intermodal Surface Transportation Efficiency Act of 1991

through the Highway Trust Fund, transit funds are much more vulnerable to the annual appropriations battle. Appropriation levels over the next several years are likely to be lower than the amounts authorized in ISTEA. Only comprehensive planning with a strong component of public involvement can ensure that transportation funds are spent to reduce air pollution.

A Shift of Focus From Projects to Process

A substantial challenge for some metropolitan areas is the requirement that their boundaries must at least include the boundaries of the nonattainment area [23 USC 134(c)].

ISTEA contains a comprehensive set of planning requirements for MPOs and state DOTs. ISTEA mandates the establishment of public involvement processes that give citizens a role in developing transportation plans and programs well before the approval stage. A few key planning requirements in ISTEA are summarized below; a more detailed discussion of them is the topic of the STPP Resource Guide paper "New Rules: Transportation Plans and Programs Under ISTEA" (May 1992).

Section 134(g)(3) of ISTEA requires MPOs for nonattainment areas to coordinate the development of their long-range plans (LRPs) with the development of the state implementation plans required by the Clean Air Act. A substantial challenge for some metropolitan areas is the requirement that their boundaries must at least include the boundaries of the nonattainment area (23 USC 134(c)).

ISTEA requires states to coordinate their transportation planning with the transportation planning activities of metropolitan areas and to develop the transportation portion of the state implementation plan (23 USC 134(j)).

Metropolitan Planning and Transportation Management Areas. The metropolitan planning process must address 15 factors listed in ISTEA, many of which have a direct impact on planning for clean air. The most basic of these is the requirement that the planning process address the overall social, economic, energy, and environmental effects of transportation decisions. In a sense, all of the other factors in the list are the means to address this one.

ISTEA also requires the planning process to attempt to solve transportation needs by using existing facilities more efficiently before building new capacity. No longer can the solution to a given transportation problem be presumed to require the construction of new facilities. The metropolitan plan must include transportation system management (TSM) strategies that increase the usefulness of the existing system and transportation demand management (TDM) strategies that reduce the travel volumes the system must accommodate. This provision reinforces the funding preference given to TCMs over new construction by the CAAA.

The planning process must also consider the effect of transportation policy decisions on land use and the consistency between transportation and land-use plans. This is a significant boon for clean air because the interaction of land use and transportation infrastructure determines the viability of transit, pedestrian, and bicycle access to the transportation system.

Another important new provision in ISTEA is the designation of urbanized areas with over 200,000 population as **Transportation Management Areas (TMAs)**. Within these areas, many of which overlap with nonattainment areas, the transportation planning process must include a congestion management system (CMS) "that provides for effective management of new and existing transportation facilities . . . through the use of travel demand reduction and operational management strategies" [23 USC 134(i)]. TMAs are entitled to strengthened project selection rights and a percentage of suballocated funds from the Surface Transportation Program [23 USC 133(d)]. By request of the governor and affected MPO, any area may be designated a TMA, entitling it to greater

project selection authority but not to a percentage of suballocation funds.

Statewide Planning Factors and Management Systems. ISTEA represents the first federal mandate for statewide transportation planning, which in light of the CAAA's conformity requirements is appropriate because significant air quality planning takes place at the state level. Most of the requirements for the state planning process are similar to those for the metropolitan planning process, with some differences and a few additions reflecting the roles of state DOTs.

Section 303 of ISTEA requires states to develop management systems for highway pavement of federal-aid highways, bridges on and off federal-aid highways, highway safety, traffic congestion, public transportation facilities and equipment, and intermodal transportation facilities and systems. States are to develop and implement these systems in metropolitan areas in cooperation with MPOs. To ensure that the management systems adequately reflect responsibilities for both planning and implementation, new means of state-local cooperation will need to be established. The establishment of these management systems also requires the states to think through the management and operation of existing facilities and to place decisions about construction of new facilities in a broad management context.

The early and extensive involvement of citizens in transportation decisions will help implement the intentions of the CAAA and ISTEA. If public involvement is not adequate, the CAAA also includes a broad provision entitling citizens to litigate against public agencies and individuals under certain circumstances to force compliance with the requirements of the CAAA. Section 304(a) allows citizens to bring a suit against the EPA administrator for failure to carry out any duty that is not discretionary. Citizens may also sue any individual and/or governmental unit for violating any emission standard or limitation. The first test of this right has already arrived: At this writing, Rep. Henry Waxman (D-CA), the Sierra Club Legal Defense Fund, and the Environmental Defense Fund all have brought suits against the EPA and, in the last two cases, the U.S. DOT for their failure to issue a final rule governing the criteria and procedures for making conformity determinations regarding transportation plans, programs and projects.

ISTEA's approach to public involvement is more consensus-oriented, focusing on involving the public in transportation decisions from the development of the LRP through the approval of the final list of projects in the TIP. However, the two approaches are interdependent.

To fully participate and have input into the planning process, it is critical for community, labor, and environmental organizations to acquire a basic knowledge of transportation problems and issues and to build coalitions that further examine the relationship of those issues to their neighborhoods, cities, and towns.

Because transportation is so closely linked to jobs and quality of life, low-income citizens should be included in decisions on transportation policies. Social equity issues ought to be addressed and consideration given to minimizing the burden of transportation costs on the low-income commuter—for example, by developing special funds from the revenue generated by increased gas taxes, vehicle registration and parking fees, or bridge and highway tolls. Effective market-based measures could include low-cost loans for vehicle improvements, trade-in programs for pre-1980 vehicles, employer-provided

The Role of Citizens in Promoting Clean Air

subsidies for transit, and improvements to transit systems and services. Establishment of a delicate balance between effective implementation and social equity issues means developing new coalitions, empowering groups previously excluded from public debate on transportation policy and planning, and placing transportation issues on the public agenda. The potential benefits are improved public health and lower health-care costs, less environmental degradation, and more accessible and energy-efficient transportation options.

Transportation Control Measures

Solving our clean air and transportation problems requires related approaches, from increasing the fuel efficiency of cars and trucks to the application of TDM techniques to reduce our dependency on driving. The variety of approaches to improving air quality are known as TCMs. Examples of TCMs include employer trip reduction programs, stricter emission standards for automobiles, public transportation improvements, pedestrian and bicycle facilities and programs, trade-in programs like "Cash for Clunkers," reformulated gasoline and clean fuel fleet programs.

Section 108 of the CAAA suggests 16 TCMs, and Section 176(d) mandates that they be given priority consideration in funding. These measures are listed below.

Transportation Control Measures

Listed in Section 108 of the Clean Air Act

1. Improved public transit
2. Limitations and restrictions of certain roads or lanes to transit and high-occupancy vehicles
3. Employer-based transportation management
4. Trip reduction ordinances
5. Traffic flow improvements to achieve emissions reductions
6. Park and ride/fringe parking
7. Programs to limit auto travel during peak periods (including congestion pricing)
8. Ride-sharing programs
9. Pedestrian and bicycle facilities
10. Bicycle storage facilities
11. Programs to reduce extended vehicle idling
12. Programs to reduce extreme cold starts
13. Flexible work schedules
14. Programs to promote nonautomobile travel to major activity centers such as shopping centers, special events, and other centers of vehicle activity
15. Programs for new construction and major reconstruction of paths, tracks, or areas solely for the use of pedestrian or other nonmotorized means of transportation
16. Voluntary removal of pre-1980 vehicles ("Cash for Clunkers")

Interim guidance issued February 20 by the Federal Highway Administration of the U.S. Department of Transportation lists five categories of activities agreed on

by DOT and EPA as demonstrating air quality benefits so clearly that they are eligible for funding from the Congestion Mitigation and Air Quality Improvement Program without further consultation with EPA:

1. Transportation activities listed in the State Implementation Improvement Program
2. The Transportation Control Measures listed in section 108 of the Clean Air Act
3. The development of the management systems for traffic congestion and public transportation "where it can be demonstrated that they are likely to contribute to National Ambient Air Quality Standards."
4. Capital and operating costs for traffic monitoring, management, and control facilities. CMAQ funds "may *not* replace existing local and State funds used for operating costs, but are intended to augment and reinforce new efforts.
5. Bicycle and pedestrian programs, including construction of facilities, public education, promotional, and safety programs.

The time is ripe for nationwide changes in transportation policy. To move forward, however, transportation and air quality officials must coordinate their planning efforts and create a climate more responsive to public activism and involvement. In turn, the public must educate and organize around their communities' transportation needs to better understand the role of transportation in neighborhood vitality and quality of life. Citizens must move from a focus on projects to a focus on process. It is critical for citizens, transit operators, labor, business representatives, MPOs and public interest groups to have input into the planning process to look at what services they really need in their neighborhoods, cities, and towns; and how best to provide those services so they contribute to the attainment of healthier air.

Conclusion

Special thanks to Deborah Boldt, formerly of the Center for Neighborhood Technology and now with the City of Chicago, for her help in preparing this paper. Thanks also to Bill Roberts, Bob Yuhnke and Arnette Liebe of the Environmental Defense Fund, and Janet Hathaway of the Natural Resources Defense Council for their contributions to this paper.

The STPP RESOURCE GUIDE is a product of the Surface Transportation Policy Project. STPP is a network of diverse organizations, coalitions, and grassroots groups whose goal is to develop a national transportation policy that better serves the environmental, social, and economic interests of the nation.

Representing both transportation consumers and providers, STPP seeks to frame public debate about federal transportation policy and to help craft a new transportation program that focuses on moving people and goods, rather than vehicles, without favoring any single mode of transportation. Formed in the fall of 1990, STPP encourages the participation of every concerned citizen and organization in its work.

The work of the Surface Transportation Policy Project is made possible by grants from the Nathan Cummings Foundation, the Educational Foundation of America, the Energy Foundation, the Joyce Foundation, the James C. Penney Foundation, Inc., The Pew Charitable Trusts, and the Surdna Foundation.

To get copies of other STPP Resource Guide materials, contact us at 1400 16th Street, NW, Suite 300, Washington, DC 20036. Our phone number is (202) 939-3470.

Copyright 1992 Surface Transportation Policy Project. Reprint with written permission. This document was printed on recycled paper.

Areas Violating the National Ozone Standard

Source: Environmental Protection Agency, 1991

Extreme (1 area)
Los Angeles, Calif.

Severe (8 areas)
Baltimore, Md.
Chicago, Ill.-Ind.-Wis.
Houston, Tex.
Milwaukee, Wis.
New York, N.Y.-N.J.-Conn.
Philadelphia, Pa.
San Diego, Calif.
S.E. Desert Modified AQMA, Calif.
Ventura Co., Calif.

Serious (18 areas)
Atlanta, Ga.
Baton Rouge, La.
Beaumont, Tex.
Boston, Mass.-N.H.
El Paso, Tex.
Greater Conn.
Muskegon, Mich.
Portsmouth, N.H.-Maine
Providence, R.I.
Sacramento, Calif.
San Joaquin Valley, Calif.
Sheboygan, Wis.
Springfield, Mass.
Washington, D.C.-Md.-Va.

Moderate (32 areas)
Atlantic City, N.J.
Charleston, W.V.
Charlotte, N.C.-S.C.
Cincinnati, Ohio-Ky.-Ind.
Cleveland-Akron, Ohio
Dallas-Fort Worth, Tex.
Dayton-Springfield, Ohio
Detroit-Ann Arbor, Mich.
Grand Rapids, Mich.
Greensboro, N.C.
Huntington, W.V.-Ky.-Okla.
Kewaunee Co., Wis.
Knox & Lincoln Cos., Maine
Lewiston-Auburn, Maine
Louisville, Ky.-Ind.

Manitowoc Co., Wisc.
Miami-Ft. Lauderdale-
W. Palm Beach, Fla.

Monterey Bay, Calif.
Nashville, Tenn.
Parkersburg, W.V.
Phoenix, Ariz.
Pittsburgh, Pa.
Portland, Maine
Poughkeepsie, N.Y.
Raleigh-Durham, N.C.
Reading, Pa.
Richmond, Va.
Salt Lake City, Utah
San Francisco Bay Area, Calif.
Santa Barbara, Calif.
St. Louis, Mo.-Ill.
Toledo, Ohio

Marginal (41 areas)
Albany, N.Y.
Allentown, Pa.
Altoona, Pa.
Birmingham, Ala.
Buffalo, N.Y.
Canton, Ohio
Cherokee Co., S.C.
Columbus, Ohio
Door Co., Wis.
Edmonson Co., Ky.
Erie, Pa.
Essex Co., N.Y.
Evansville, Ind.-Ky.
Greenbrier Co, W.V.
Hancock/Waldo Cos., Maine
Harrisburg, Pa.
Indianapolis, Ind.
Jefferson Co., N.Y.
Jersey Co., Ill.
Johnstown, Pa.
Kent & Queen Cos., Md.
Knoxville, Tenn.
Lake Charles, La.
Lancaster, Pa.
Lexington, Ky.
Manchester, N.H.
Memphis, Tenn.

Norfolk, Va.
Owensboro, Ky.
Paducah, Ky.
Portland-Vancouver, Oreg.-Wash.
Poughkeepsie, N.Y.
Reno, Nev.
Scranton, Pa.
Seattle-Tacoma, Wash.
Smyth Co., Va.
South Bend, Ind.
Sussex Co., Del.
Tampa, Fla.
Walworth Co., Wis.
York, Pa.
Youngstown-Sharon, Ohio-Pa.

Submarginal
Kansas City, Mo.-Kans.