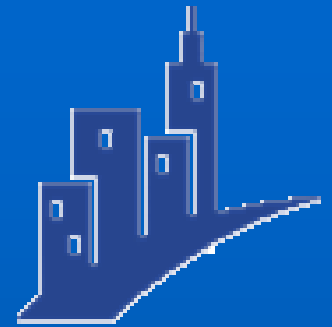


The Brookings Institution

Center on Urban and Metropolitan Policy
Robert Puentes, Senior Research Manager

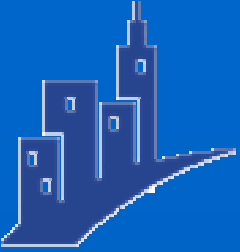


Improving Metropolitan Decision Making in Transportation:

Greater Funding and Devolution for
Greater Accountability

National League of Cities
Congressional City Conference

March 6, 2004



Brookings Institution Center on Urban and Metropolitan Policy Mission

- to **understand** the key demographic and market trends affecting America today;
- to **identify** the most promising strategies for growing healthy places;
- to **develop** a new urban and metropolitan agenda.



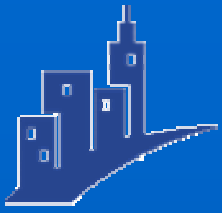
ISTEA and TEA-21 marked a seachange in federal transportation policy

As a framework the laws are sound.



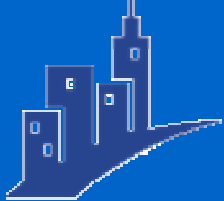
The laws enacted eight major changes:

1. Reliable funding
2. System preservation and maintenance
3. Special challenges
4. Beyond transportation
5. Citizen participation
6. Open government
7. **Funding Flexibility**
8. **Metropolitan Devolution**

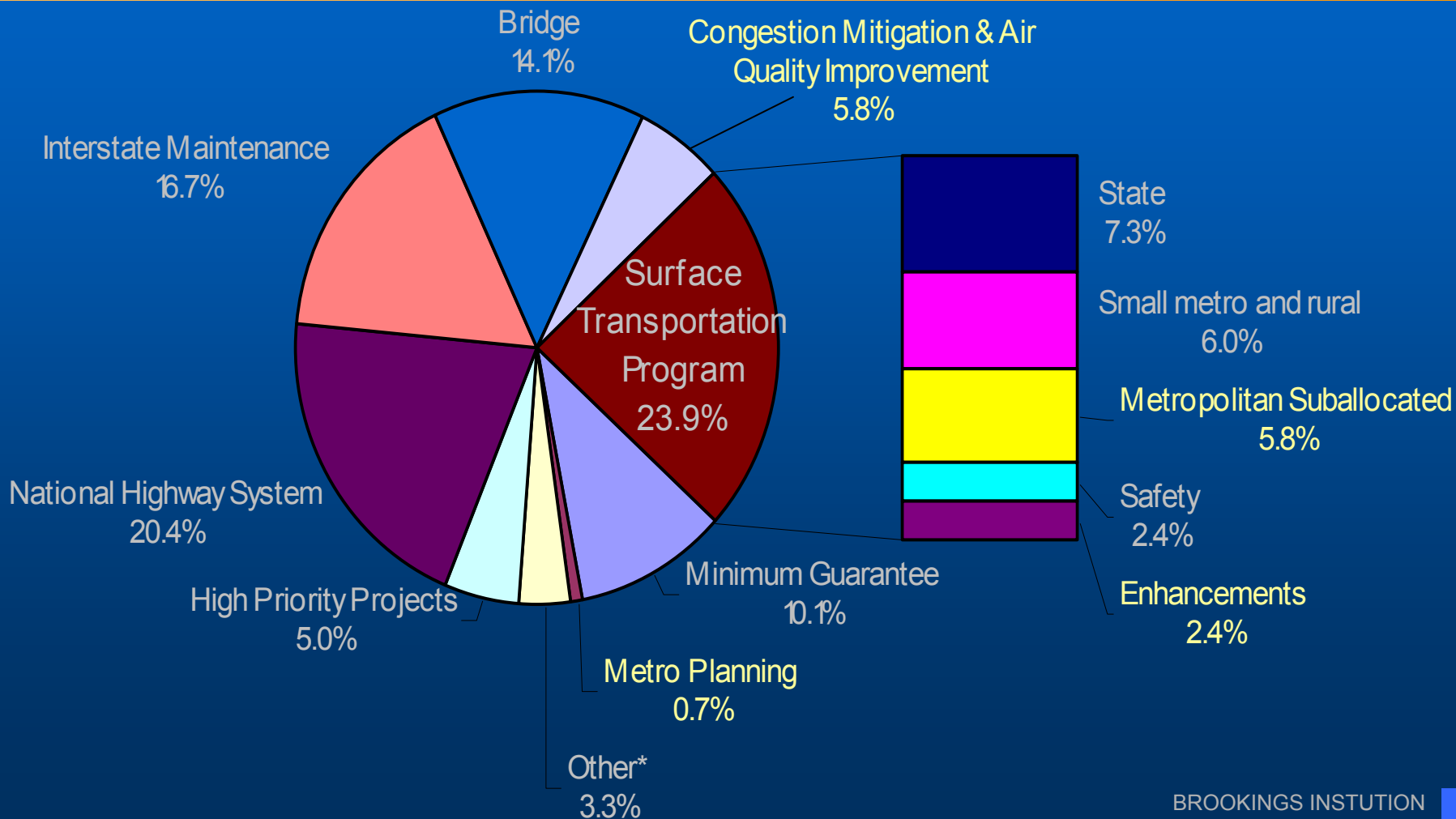


Metropolitan focused programs

- ➔ Suballocated Surface Transportation Program (STP)
- ➔ Congestion Mitigation and Air Quality (CMAQ) Program
- ➔ Planning (PL Funds)
- ➔ Transportation Enhancements



TEA-21 Highway Program Apportionments, 1998-2002





Clearly, the reforms have made a difference for localities and metropolitan areas

But the impact has been both profound and disappointing.

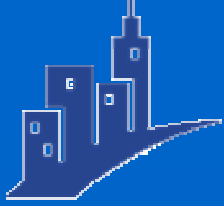


Implementation has been seriously flawed - and in basic ways unresponsive to metropolitan needs



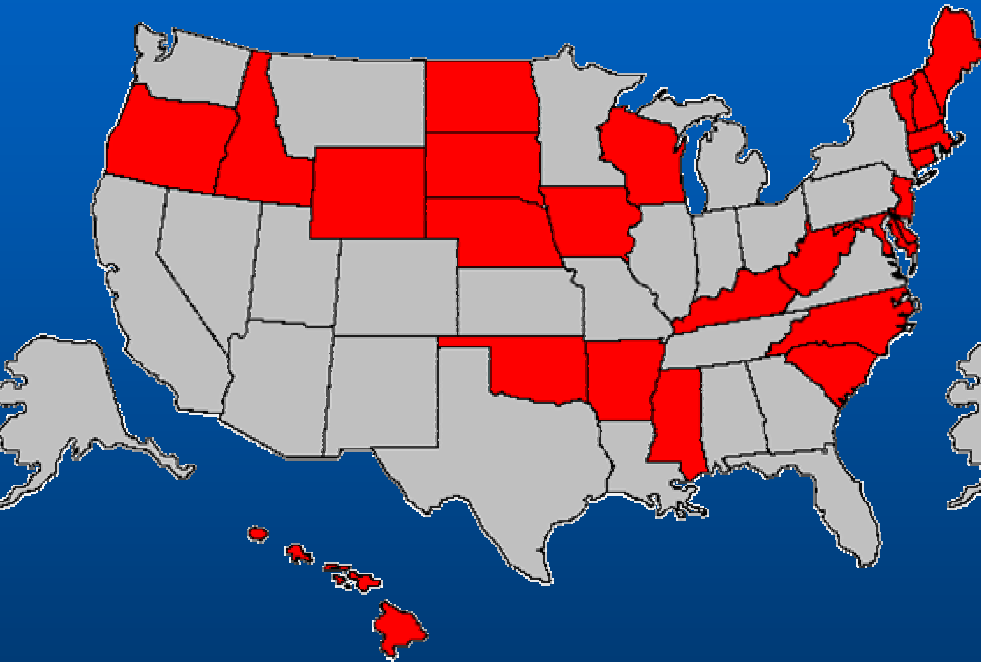
Sufficient powers have not been devolved to metropolitan areas

- Local governments own 75% of road miles, 50% of bridges, 90% of transit systems.
- Many state DOTs continue to wield formal and informal power and retain authority over funds
- Governors and state DOTs have veto authority and political leverage over metro areas
- MPOs in some large metro areas (New York, Chicago) remain state agencies

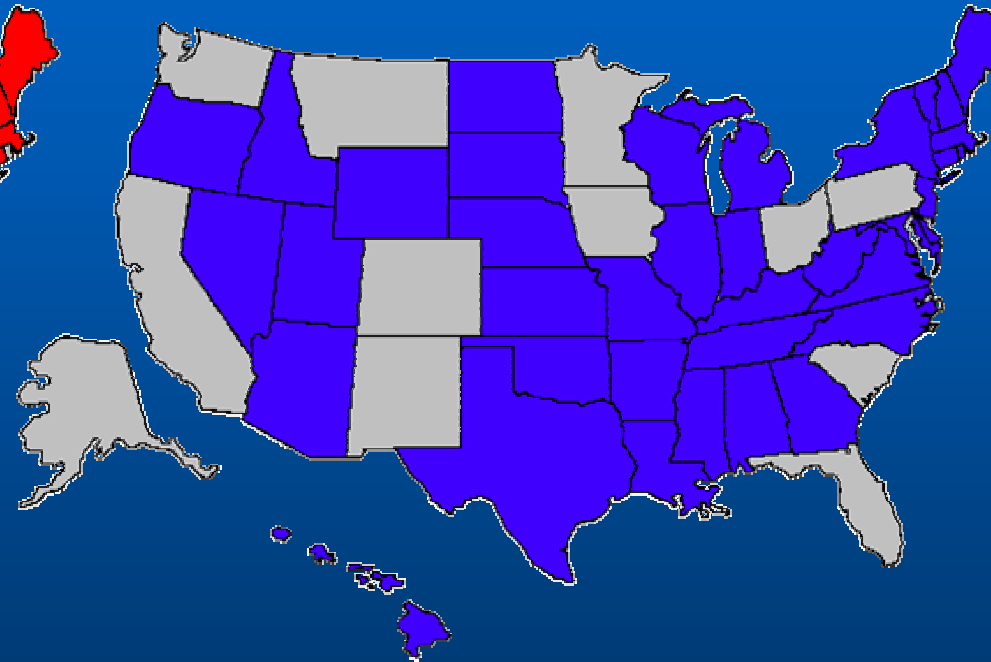


One disappointment

Voluntary State Suballocation



States that do NOT
suballocate CMAQ (in red)



States that do NOT
suballocate TE (in blue)



Metropolitan areas are penalized in the allocation of transportation money

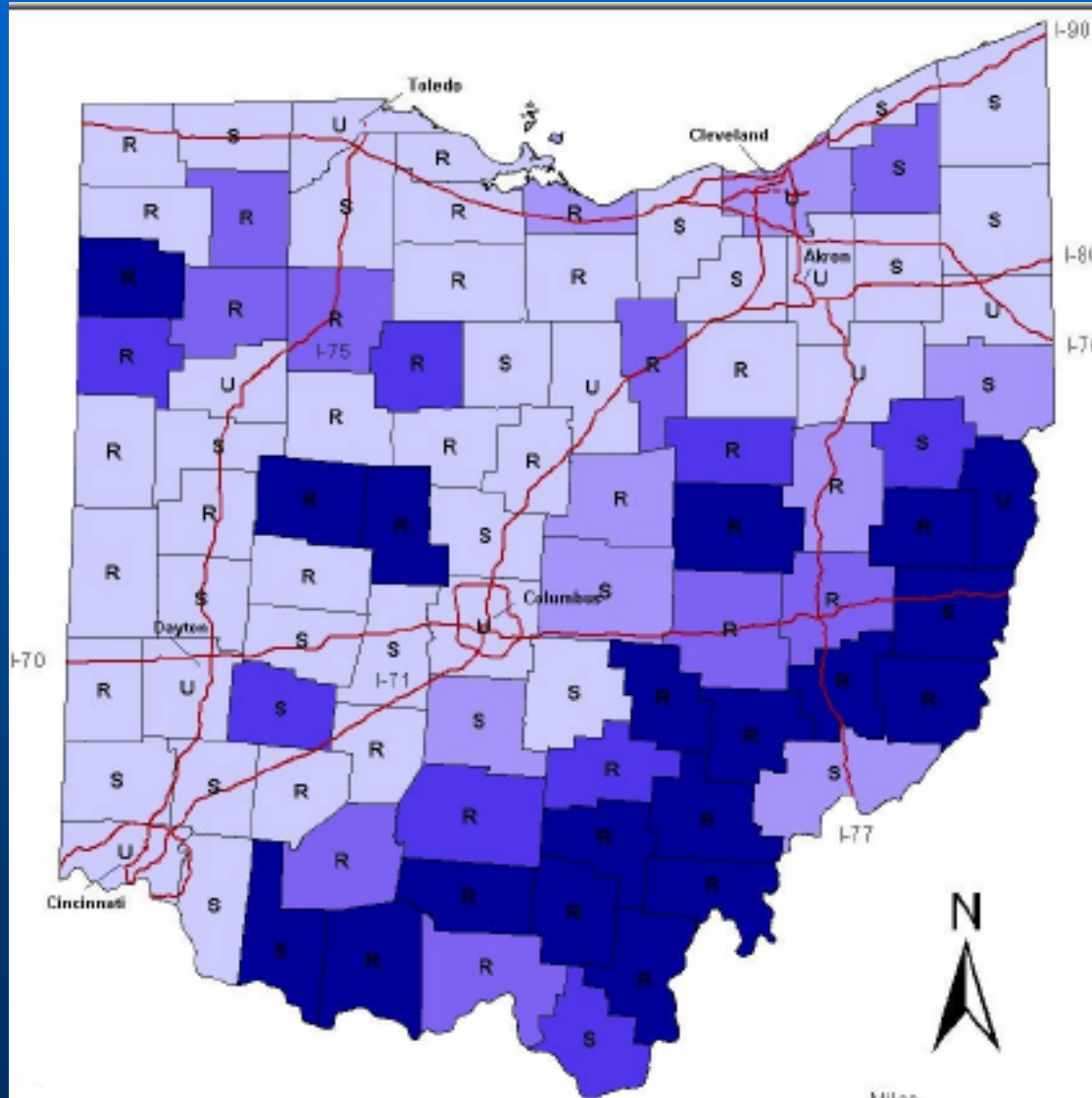
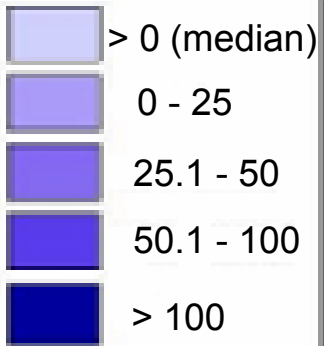
- Most money flows to states
- Metro areas make decisions on 10¢ of every dollar they generate
- Some states distribute money evenly regardless of need

In the donor / donee debate, metro areas are often the donors.



Another disappointment

Index Range



Index of total spending by Ohio DOT per county gas tax contribution

Total Spending by ODOT (1980-1988) per Average Dollar of Gas Sales: Ohio Counties (1982, 1987, 1992, 1997)



TEA-21 failed to improve accountability & performance

Despite:

- Congress' strict standards for welfare and education reforms....
- Government Performance Results Act....
- and a 40 percent spending increase....

States are not held accountable for meeting standards for accessibility, economic development, efficiency, environment, mobility, safety, or system preservation.

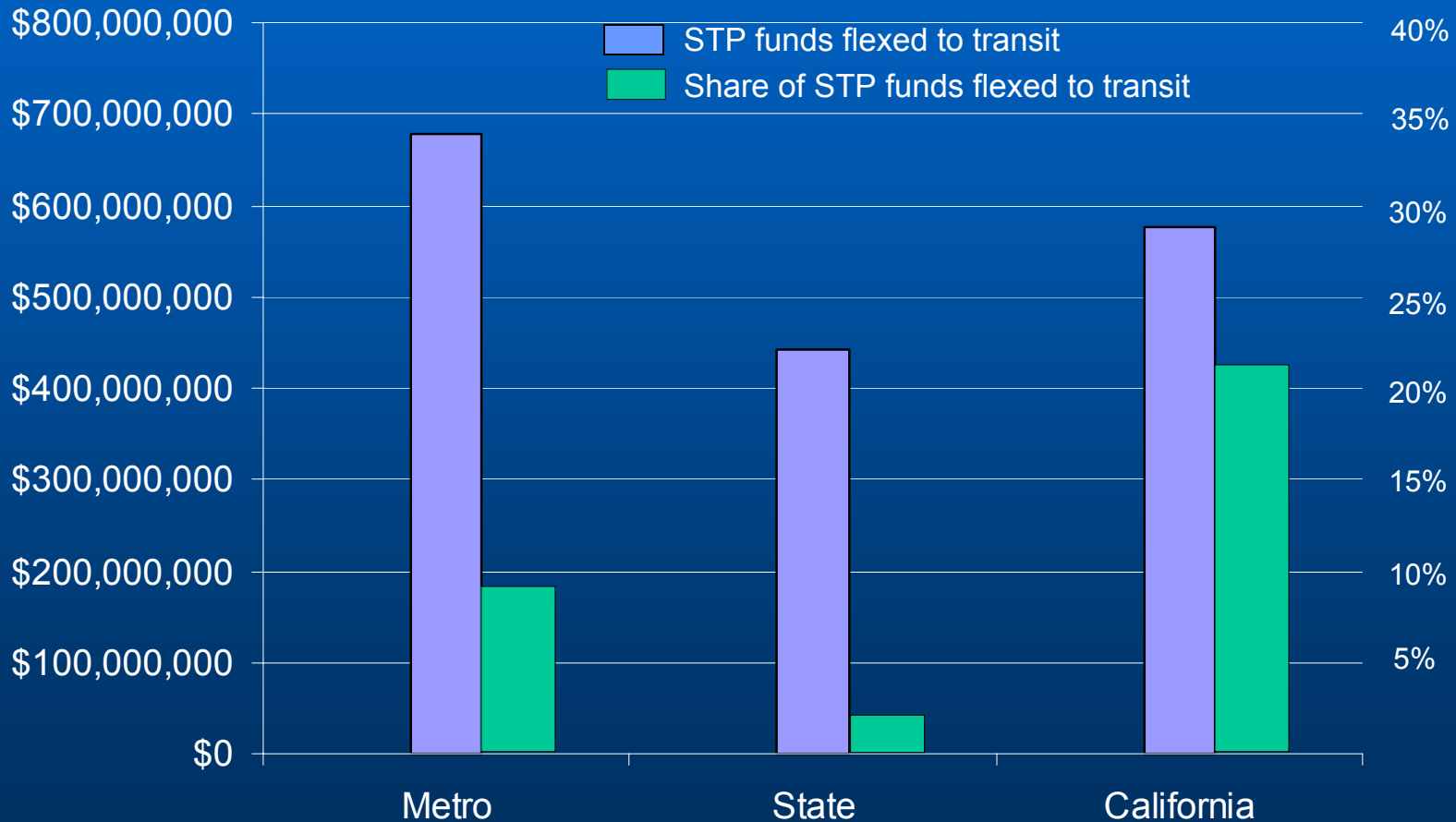


Congress must augment and support the decision making power of metropolitan areas.

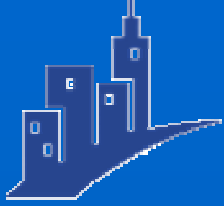
Reform governance to reflect metropolitan needs



STP Funds Spent on Transit by Metro vs. State

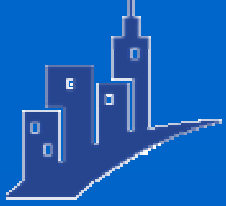


Total obligations: 1998-2002

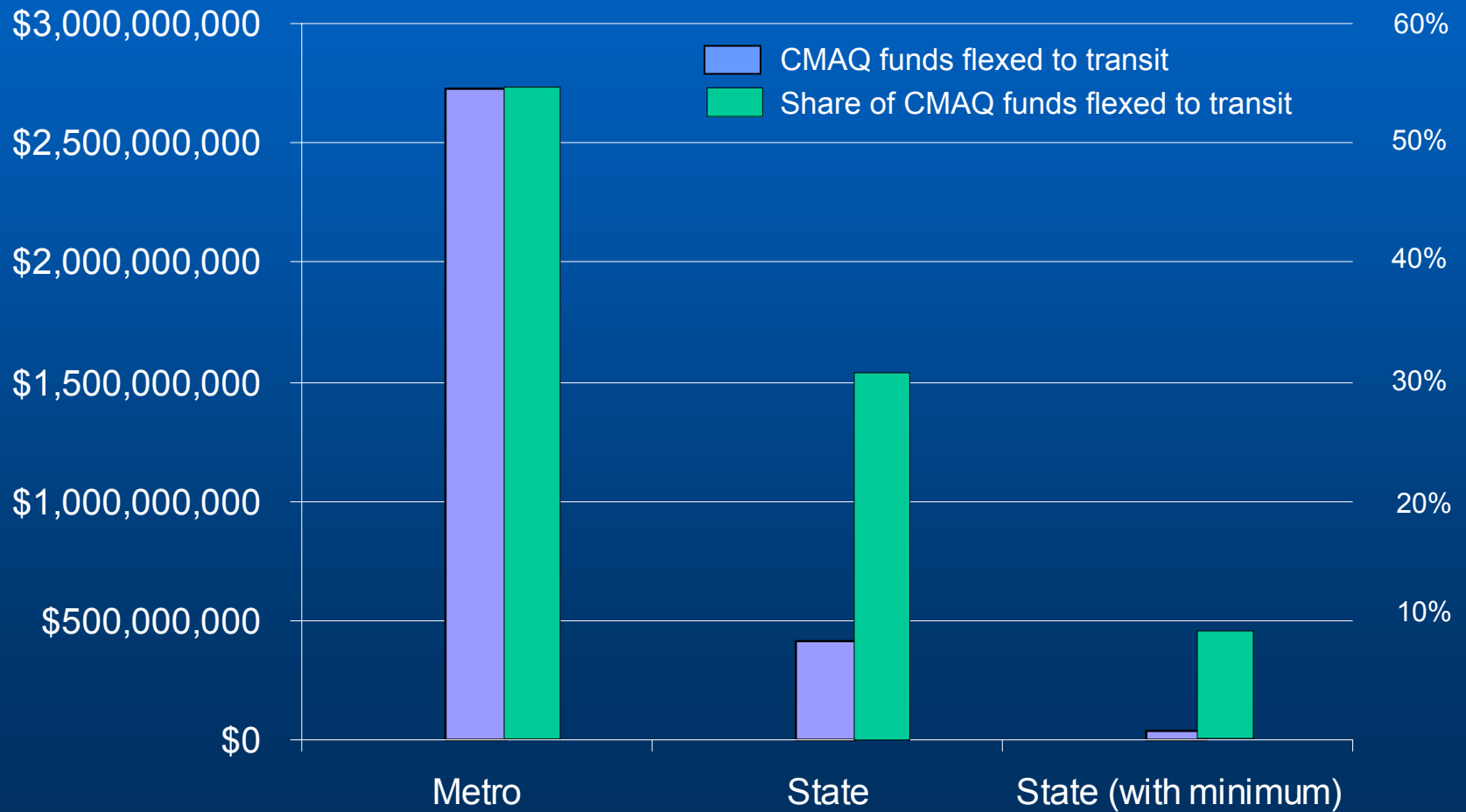


STP Funds Spent on Transit by MSA/CMSA

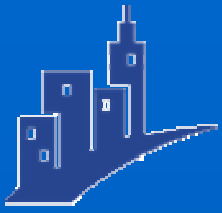
Metro Area	Suballocated STP Spent on Transit, 1998-2002	Metro Area	Suballocated STP Spent on Transit, 1998-2002
Portland, OR	57%	Chattanooga, TN	14%
San Francisco, CA	47%	Minneapolis, MN	13%
Seattle, WA	40%	Raleigh, NC	13%
Atlanta, GA	40%	Richmond, VA	13%
Norfolk, VA	37%	Daytona Beach, FL	12%
Los Angeles, CA	22%	Sacramento, CA	12%
Boston, MA	20%	New York, NY	11%
Orlando, FL	19%	Lexington, KY	10%
Birmingham, AL	19%	Allentown, PA	9%
Denver, CO	17%	Des Moines, IA	9%
Knoxville, TN	16%	Tampa, FL	9%
Fort Myers, FL	15%	St. Louis, MO	9%



CMAQ Funds Spent on Transit by Metro vs. State



Total obligations: 1998-2002

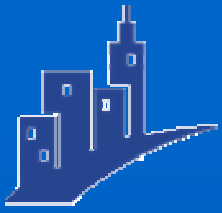


Policy Recommendations

➔ Increase the amount of money that is suballocated to metropolitan areas

➔ Require states to suballocate CMAQ in non-attainment or maintenance areas

➔ Increase the metropolitan planning takedown to 2%



Policy Recommendations

→ Establish a new federal framework for accountability and performance

→ Ensure information transparency and accessibility

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