



The Intersection of Transportation Enhancements and Transportation Rescissions

In early 2007, Congress passed as part of its Continuing Budget Resolution a call for the rescission of \$3.47 billion in transportation funding. The Federal Highway Administration's (FHWA) order implementing this action was issued March 19, 2007. This action coincided with FHWA's release of data documenting how states had responded to three previous rescission orders mandated in 2006. The data reveal a stunning pattern of disproportionate forfeiture of Transportation Enhancements (TE) dollars. The \$600 million in cuts to TE in the 2006 rescissions are six-times the reductions of the previous 14 years combined. If this pattern continues through the current rescission, the total loss of TE funds will be well over \$1 billion.

Enhancing Communities Through Transportation

The TE program was created by Congress in 1992 to provide American communities with more than typical "asphalt, concrete and steel" highways. TE was designed to *enhance* the transportation experience. To date more than 20,000 projects have bloomed from TE ranging from sidewalks to bike paths and lanes, preservation of historical transportation facilities and streetscape improvements. All TE projects have a direct relationship to a community's transportation system. It is the largest single source of funding for bicycle and pedestrian facilities and is propelling a movement toward non-motorized—or active—transportation in America. This movement offers unique opportunities to advance mobility in tandem with environmental, public health, and community improvement goals. The vast majority of counties in the country have benefited from TE. The **attached pie chart** breaks down TE spending by category.

Congress' Transportation Enhancements Vision Betrayed

History helps to explain how TE funding became vulnerable in the rescission process. Over the course of 15 years, \$7.98 billion has been authorized for the TE program. In aggregate, however, the states have obligated to spend only \$5.9 billion of that amount leaving an uncommitted balance of \$2.08 billion. This reflects widespread failure to appropriately value the program. An erroneous view that enhancements divert money from "real" transportation led many states to routinely leave substantial proportions of TE funds unspent. More than \$2 billion of unspent TE dollars signals a systematic failure to fully implement the program and a betrayal of the transportation reform principles legislated by Congress in launching TE. Congress reaffirmed its commitment by a vote of 327 to 90 in 2003 when a small group of lawmakers sought to eliminate TE altogether.

The rescissions of 2006 rewarded states that had repeatedly undercut their TE programs. The rescission orders specifically called for the return of unobligated balances. In neglectful states, these variances were readily found in the chronically under-obligated TE program.

Half of the States Move Forward, Half Back

The attached chart, **Transportation Enhancements Guttled**, details rescission performance by state. It reveals a dozen jurisdictions that forfeited more than a year's worth of TE funds:

	<u>Lost Years</u>	<u>TE Funds Cut</u>
Oregon	3.6 years	\$32.6 million
Wisconsin	3.3 years	\$60 million
Texas	2.9 years	\$223 million
South Dakota	2.9 years	\$15 million
Idaho	2.5 years	\$13.9 million
District of Columbia	1.8 years	\$ 5.6 million
New Mexico	1.7 years	\$11.9 million
Louisiana	1.5 years	\$17.6 million
Arkansas	1.3 years	\$14.2 million
Nebraska	1.2 years	\$ 8.0 million
Ohio	1.2 years	\$32.0 million
Connecticut	1.1 years	\$9.9 million

While these states chose to gut their TE programs, many stood fast in their commitment to this effective, popular approach to surface transportation. A geographically and politically diverse group of 19 states did not cut TE funding at all. These states showed that they value the role TE plays in enabling them to meet their transportation goals.

States that preserved TE funds in 2006:

Arizona	Maine	Montana	South Carolina
Delaware	Maryland	New Hampshire	Vermont
Georgia	Massachusetts	New York	West Virginia
Kansas	Minnesota	Pennsylvania	Wyoming
Kentucky	Mississippi	Rhode Island	

Another six states forfeited TE funds at rates that were reasonably proportional to the size of the program: California, Florida, Indiana, Missouri, Tennessee and Virginia.

The remaining 14 states cut significantly more than a proportional share of TE funds: Alabama, Alaska, Colorado, Hawaii, Illinois, Iowa, Michigan, Nevada, New Jersey, North Carolina, North Dakota, Oklahoma, Utah and Washington.

Opportunities Squandered

Bottom line: 16% of the total rescission return of 2006 came from the Transportation Enhancements program even though the program constitutes less than 2% of overall federal transportation funds. Nationally, the loss of TE funds in 2006 was the equivalent of three-quarters of a year's worth of TE funding.

TE provides opportunities to elevate walking and biking as mainstream transportation options. If TE bears the brunt of rescissions, we undercut our ability to create healthier communities. Our nation cannot afford to equate transportation with more asphalt in the face of air pollution, traffic congestion, an epidemic of childhood obesity, and growing fears of an overheating planet. We cannot risk losing the battle for want of a nail.

Transportation Enhancements Rescissions Data by State



STATE	Combined Total of 2006 Rescissions	Total Rescissions from TE in 2006	Percentage of 2006 Rescission Taken From TE	2006 TE Apportionment	Equivalent Years of TE Budget Cut
ALABAMA	\$ 73,530,926	\$ 13,185,593	17.93%	\$ 17,310,159	0.8
ALASKA	\$ 29,074,294	\$ 3,001,113	10.32%	\$ 6,221,447	0.5
ARIZONA	\$ 69,666,637	\$ -	0.00%	\$ 16,130,642	0.0
ARKANSAS	\$ 48,301,187	\$ 14,245,146	29.49%	\$ 11,165,999	1.3
CALIFORNIA	\$ 360,516,378	\$ 23,862,316	6.62%	\$ 74,520,095	0.3
COLORADO	\$ 51,165,475	\$ 9,414,044	18.40%	\$ 11,248,128	0.8
CONNECTICUT	\$ 54,988,891	\$ 9,967,306	18.13%	\$ 8,838,173	1.1
DELAWARE	\$ 16,063,747	\$ -	0.00%	\$ 3,478,182	0.0
DIST. OF COL.	\$ 18,038,287	\$ 5,654,895	31.35%	\$ 3,168,963	1.8
FLORIDA	\$ 176,019,049	\$ 10,808,557	6.14%	\$ 48,402,691	0.2
GEORGIA	\$ 129,957,838	\$ -	0.00%	\$ 33,603,915	0.0
HAWAII	\$ 18,262,592	\$ 3,067,436	16.80%	\$ 3,700,691	0.8
IDAHO	\$ 27,899,426	\$ 13,856,506	49.67%	\$ 5,487,774	2.5
ILLINOIS	\$ 134,642,893	\$ 14,168,260	10.52%	\$ 25,552,401	0.6
INDIANA	\$ 94,658,347	\$ 82,681	0.09%	\$ 21,111,119	0.0
IOWA	\$ 46,172,641	\$ 4,218,376	9.14%	\$ 9,519,218	0.4
KANSAS	\$ 45,517,659	\$ -	0.00%	\$ 10,613,033	0.0
KENTUCKY	\$ 60,588,461	\$ -	0.00%	\$ 12,779,128	0.0
LOUISIANA	\$ 62,622,093	\$ 17,630,042	28.15%	\$ 11,566,632	1.5
MAINE	\$ 19,301,828	\$ -	0.00%	\$ 3,432,844	0.0
MARYLAND	\$ 63,356,163	\$ -	0.00%	\$ 12,304,109	0.0
MASSACHUSETTS	\$ 72,325,281	\$ -	0.00%	\$ 11,917,734	0.0
MICHIGAN	\$ 120,433,250	\$ 12,749,707	10.59%	\$ 26,821,809	0.5
MINNESOTA	\$ 62,580,477	\$ -	0.00%	\$ 14,777,678	0.0
MISSISSIPPI	\$ 46,798,806	\$ -	0.00%	\$ 10,640,294	0.0
MISSOURI	\$ 92,986,648	\$ 2,701,315	2.91%	\$ 18,816,143	0.1
MONTANA	\$ 35,633,957	\$ -	0.00%	\$ 5,778,029	0.0
NEBRASKA	\$ 31,030,509	\$ 8,003,974	25.79%	\$ 6,661,611	1.2
NEVADA	\$ 25,973,653	\$ 3,000,000	11.55%	\$ 5,150,574	0.6
NEW HAMPSHIRE	\$ 19,465,634	\$ -	0.00%	\$ 3,884,240	0.0
NEW JERSEY	\$ 105,093,033	\$ 10,658,808	10.14%	\$ 17,578,385	0.6
NEW MEXICO	\$ 37,302,889	\$ 11,991,852	32.15%	\$ 7,011,386	1.7
NEW YORK	\$ 192,914,090	\$ -	0.00%	\$ 28,923,049	0.0
NORTH CAROLINA	\$ 104,648,176	\$ 13,531,164	12.93%	\$ 23,625,451	0.6
NORTH DAKOTA	\$ 24,958,896	\$ 2,279,998	9.14%	\$ 4,365,006	0.5
OHIO	\$ 138,888,153	\$ 32,000,000	23.04%	\$ 27,459,316	1.2
OKLAHOMA	\$ 63,446,896	\$ 9,000,000	14.19%	\$ 14,519,180	0.6
OREGON	\$ 47,473,719	\$ 32,646,136	68.77%	\$ 9,005,369	3.6
PENNSYLVANIA	\$ 181,240,552	\$ -	0.00%	\$ 27,996,402	0.0
RHODE ISLAND	\$ 21,715,483	\$ -	0.00%	\$ 3,227,040	0.0
SOUTH CAROLINA	\$ 61,175,575	\$ -	0.00%	\$ 14,916,397	0.0
SOUTH DAKOTA	\$ 26,090,887	\$ 14,962,788	57.35%	\$ 5,234,197	2.9
TENNESSEE	\$ 79,598,343	\$ 3,187,086	4.00%	\$ 18,549,326	0.2
TEXAS	\$ 305,094,345	\$ 222,951,358	73.08%	\$ 76,068,326	2.9
UTAH	\$ 29,023,767	\$ 5,400,000	18.61%	\$ 6,157,837	0.9
VERMONT	\$ 17,678,452	\$ -	0.00%	\$ 3,168,963	0.0
VIRGINIA	\$ 97,747,714	\$ 4,075,140	4.17%	\$ 21,785,382	0.2
WASHINGTON	\$ 71,336,972	\$ 9,433,970	13.22%	\$ 12,406,545	0.8
WEST VIRGINIA	\$ 31,881,105	\$ -	0.00%	\$ 5,873,149	0.0
WISCONSIN	\$ 73,438,161	\$ 60,027,457	81.74%	\$ 18,249,258	3.3
WYOMING	\$ 27,041,265	\$ -	0.00%	\$ 3,594,856	0.0
National Total	\$ 3,845,361,500	\$ 601,763,022	15.65%	\$ 804,318,275	0.75



Transportation Enhancements Program

Cumulative Federal Awards
 Fiscal Years 1992-2005
 \$7,108,878,365

Federal Total Awards

