

U.S. Transportation Funding

Transit Industry on the Move MAP-21 Provides Steady Source of Transportation Funding through 2014

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The recent congressional and presidential approval of a \$104 billion transportation funding bill could have long-anticipated transit projects chugging out of the station by year's end.

Thomas J. Spearing III, President of Hill's Project Management Group (Americas), said the newly signed measure, inked by President Barack Obama on July 6, could make way for the startup of numerous transit and highway projects over the next two years. The Moving Ahead for Progress in the 21st Century Act (MAP-21) provides a total of \$104.4 billion for rail, bus and highway projects over the next two fiscal years. MAP-21 takes effect on October 1, making available approximately one-half of an estimated \$80 billion for highway projects, more than \$21 billion for transit projects, and \$2.5 billion for highway safety projects.

Map-21 is important for surface transportation projects across the country, and ends the pattern of almost three years of short-term extensions to surface transportation's last authorization law, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Although significantly shorter than most program-authorization legislation (MAP-21 is for two fiscal years, rather than the typical five- to six year authorization period), MAP-21 is the first long-term authorization enacted since 2005, and contains several program innovations and measures to speed program delivery.

Specifically, MAP-21 consolidates the Highway program structure into a smaller number of broader core programs. It eliminates many of the discretionary programs, and introduces performance measures and establishes national performance goals for Safety, Infrastructure Condition, Congestion Reduction, System Reliability, and Freight Movement, among others.



The changes for the transit program also are significant. MAP-21 consolidates several of the Federal Transit Administration's smaller programs, and restructures the rail modernization and bus discretionary program to create a new State of Good Repair Program. It also streamlines the approvals and reviews required for new fixed-guideway projects (the New Starts program), and creates eligibility for "Core Capacity" projects to be funded by these discretionary funds as well.

"Map-21 eliminates or streamlines some transportation programs, and makes it easier to jump-start and complete projects that have languished on digital drawing boards throughout the country," Spearing said.

MAP-21 is a welcome development, Spearing said, one that will go a long way in helping to meet a growing public demand for alternatives to the automobile and the gas pump.

Renewed interest in public transportation surged four years ago, when gas prices rose to uncharted highs. “The spike in ridership was unprecedented,” Spearing said. “You saw people who swore they’d never get on a train get out of their cars and do just that.

“The spike, driven by economics for some, fueled the overall trend of increasing transit ridership, and ridership stayed high, even as gas prices dipped. In fact, Spearing noted, public transportation ridership over the past 15 years increased by 31 percent—almost twice the rate of increase in the U.S. population, and at a rate 30 percent higher than growth in use of highways,” Spearing continued. “Riding transit makes good economic sense, and also is a safer alternative to any other mode of transportation. The business of transit results in four dollars in economic return for every dollar invested, and helps green the planet at same time.”

Despite citizens’ growing demand for more public transportation and improved highways, however, long-term funding was caught in the cross-hairs of a deeper-than-expected recession and an increasingly divided congress. MAP-21 provides a long-absent Assurance that funding will be available for transportation projects through 2014.



Spearing said Hill’s existing reputation for excellence in the transportation industry and its history-making work with the U.S. Federal Transit Administration put the firm in good stead for upcoming work.

“Right now, we’re focusing primarily on an additional \$150 billion in work with AMTRAK and more than \$80 billion in work designated for the California High-Speed Rail program,” Spearing said. Other areas rife with opportunity include the capital programs of the top twenty transit agencies in the U.S., Spearing added.

“Transportation and, specifically, transit, is going to be one of Hill’s fastest growing market sectors. Already it’s grown in 2012 from a 9 percent share to a 21 percent share of our work in less than three years.”

For Spearing and others active in the industry, the news of MAP-21’s approval provided renewed optimism. Spearing is one of several transit-savvy executives from

public agencies and private companies throughout the country working on an ambitious plan for the industry’s future. Spearing is a member of the TransitVision 2050 Task Force, created by the American Public Transportation Association to come up with a both a vision and a plan to achieve that vision. Spearing, whose began his career working on transit improvement projects for the Federal Transit Administration, doesn’t feel the task force’s goals are lofty.

“We don’t need just a five- or ten-year plan. We absolutely need to have a plan with specific and long-term strategies for the next few decades. And, we need to define the roles that specific regions, states and communities will play during that time,” he said.

Furtherance of such improvements, and making the dream of a pervasive national commitment to public transportation a reality, will take continued action at the highest levels of U.S. government even after MAP-21, Spearing said. “There needs to be direction and commitment at the federal level. We need to see more construction of new systems and the update of existing systems, not just over the next two years, but over the next two, three, four decades as well.”

Spearing knows first-hand the benefits of safe, reliable means of transportation. He grew up “almost literally underneath the Frankford Elevated,” SEPTA’s elevated rail line that connects northern Philadelphia with Center City, in a tough working-class neighborhood in the city’s Kensington section. “We had a family of four that went to work, or to school, or got around the city every single day by using public transportation. It was a way of life. Bringing back that way of life and, at the same time, bringing public transportation into the twenty-first century will have very specific and lasting benefits for generations to come.”