

Policy on Federal Reauthorization Highway Program Earmark Requests

PURPOSE

The Oregon Transportation Commission (OTC) establishes the following policy on highway program earmark requests in the federal surface transportation reauthorization legislation in order to seek input from local stakeholders on the Oregon Department of Transportation's (ODOT) earmark requests, advance broadly supported projects that are recognized as regional or statewide priorities, clearly explain expectations for earmarks for state highway projects, strengthen regional prioritization processes, and secure funding that will help deliver projects.

POLICY

In the next surface transportation authorization legislation, the OTC intends to present Oregon's congressional delegation a limited number of earmark requests for transportation projects that are strategic investments in Oregon's transportation system, address important transportation problems, and have broad support. In advancing these projects, ODOT commits to delivering each project if a sufficient earmark is secured by the congressional delegation. ODOT will therefore provide or help provide matching funds and make up any shortfalls for projects on the official OTC Earmark Requests List to ensure these projects are delivered.

In developing the official OTC Earmark Requests List, the OTC will consider recommendations from Area Commissions on Transportation (ACTs), Metropolitan Planning Organizations (MPOs), and other advisory bodies, as well as statewide priorities and available budget for providing required match and fully funding the project.

ODOT region staff and local government agencies should work together through the ACT or similar bodies to identify and recommend appropriate projects that are high priorities for the area, have broad support, and meet the criteria laid out in this policy. Because of the important role MPOs play in determining transportation priorities within urban areas, ACTs are expected to coordinate with MPOs, seek their input for projects within MPO boundaries, and consider MPO priorities as they recommend projects. ACTs should also seek input from any other important transportation advisory bodies within their boundaries.

The ACTs are to prepare the ACT Earmark Recommendation Lists and supporting documentation that demonstrates how each project meets the Earmark Request Criteria set forth in this policy. The OTC will review and consider projects on the ACT Earmark Recommendation Lists to prepare the official OTC Earmark Requests List. The OTC may also consider recommendations from its statewide advisory committees such as the Oregon Freight Advisory Committee (OFAC) and MPO priority lists submitted to ACTs.

Projects that have the support of multiple parties including local governments, area and statewide transportation advisory committees, and the ODOT region will be preferred over

ones that have less support. The OTC may give preference to earmark requests that will complete the funding necessary to fully construct a project over requests that will fund only earlier phases, such as project development activities or right-of-way acquisition, or that only contribute to but do not fully fund construction of a new project.

ODOT's limited resources dictate that earmarks requested from the congressional delegation should complete or nearly complete the funding needed to deliver a project so there is no need for a significant additional infusion of resources. The OTC may give preference to earmark requests that provide the "last dollar" for a project or project phase to fill a shortfall after other funding has been allocated.

Earmark Request Criteria

The OTC establishes the following criteria for earmark requests made by ODOT. The OTC will only make requests for projects that meet these criteria.

- *Strategic Investment:* The project is a strategic investment to improve Oregon's transportation system, is included in an existing transportation plan document or needs list, and has been identified as a regional or state priority. Projects should provide significant benefits to Oregon and its transportation system in areas such as economic development, freight mobility, environmental quality, congestion relief and mobility improvement, safety, and other priority areas.
- *Meets STIP Criteria:* Projects recommended for earmark requests must meet the approved Statewide Transportation Improvement Program (STIP) criteria as set forth in the *STIP Project Eligibility Criteria and Prioritization Factors*.
- *Support:* The project has strong support, including support from local government agencies, area and/or statewide advisory bodies, the public, and the business community.
- *Readiness:* The project has been developed enough to identify potential environmental concerns and demonstrate that it has no known fatal flaws. The work will begin during the timeframe of the transportation authorization legislation (2010-2015).
- *Funding:* Earmark funding, when combined with funding already committed to the project and additional available resources, will be used to complete the project or a project phase, which may include planning, environmental work and project development, preliminary engineering, right of way acquisition, or construction. Construction of the project may be structured in phases so that the earmark funds received will complete construction of a segment of the project.

Local Agency Roles and Responsibilities

Any local agency¹, organization, business, or other entity that requests and secures earmark funding for a project not on the official OTC Earmark Requests List takes on the role of the project's sponsor. The earmark requestor will be expected to provide the required non-federal matching funds. Except for funding already allocated in the STIP, ODOT will not make any advance commitment to allocate additional funds to provide matching funds or cover any shortfalls for earmarks received for projects not on the official OTC Earmark

¹ For purposes of this policy, the definition of "local agency" includes, but is not necessarily limited to, cities, counties, ports, special districts, federally recognized Native American tribes, and other units of government. Other state agencies and federal agencies that secure earmark funding are also subject to the same requirements.

Requests list, though these projects will be able to compete for funding within the normal STIP process. This policy will apply when the local agency's earmark is for a project on the state system in addition to when the earmark is for a project on the local agency's system. A local agency that secures an earmark for a local agency project also is responsible for developing and delivering the project according to all applicable federal and state requirements, with oversight and technical assistance from ODOT.

Nothing in this policy is intended to prevent a local agency from seeking an earmark for a project on the state or local transportation system. Rather, this policy is intended to foster partnerships with local agencies, explain how ODOT intends to invest its scarce resources, and explain the circumstances under which the OTC and ODOT will accept responsibility for funding projects.

Use of Earmarks for Local Contribution to State Highway Projects

Earmarks for projects on the state highway system are generally intended to supplement rather than supplant state and local resources already committed to the project, and the OTC's earmark requests will be focused on filling gaps in projects that have not been fully funded. Earmarks for state highway projects will first be applied to any unfunded balance; once a project is fully funded, earmarks secured by local agencies may be counted toward the local agency's expected contribution.