

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 19-20, 2016

Reference No.: 3.10
Information Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rihui Zhang, Chief
Division of Local Assistance

Subject: **THIRD QUARTER – BALANCE REPORT ON AB 1012 “USE IT OR LOSE IT” PROVISION FOR FEDERAL FISCAL YEAR 2014 UNOBLIGATED RSTP AND CMAQ FUNDS**

SUMMARY:

As of June 30, 2016, the Regional Surface Transportation Program (RSTP) and the Congestion Mitigation and Air Quality Improvement Program (CMAQ) have approximately \$26 million and \$4 million that are subject to reprogramming.

BACKGROUND:

The Intermodal Surface Transportation Efficiency Act was enacted in 1991, and was in effect for six years. During that time, the Regions only obligated 87 percent of their federal funding. The next Federal Highway Act, known as the Transportation Equity Act for the 21st Century (TEA-21), was signed into law in 1998. During the first two years of TEA-21, the Regions' obligation of federal funds declined to 41 percent. By October 1999, the Regions had accumulated a \$1.2 billion backlog in federal apportionments and \$854 million in Obligation Authority (OA).

Assembly Bill (AB) 1012 was enacted on October 10, 1999 (Chapter 783, Statutes of 1999), with a goal of improving the delivery of transportation projects and addressing the backlog of the Regions' federal apportionments and OA. AB 1012 states that RSTP and CMAQ funds not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission in the fourth year in order to prevent the funds from being lost by the state.

The annual notice to the Regions, under AB 1012 “Use It or Lose It” provisions for Federal Fiscal Year (FFY) 2014 (October 1, 2013 through September 30, 2014), was released on November 10, 2015. The total FFY 2014 funds identified as subject to reprogramming under the provisions of AB 1012 were approximately \$59.6 million. This included approximately \$33.8 million of RSTP funds and approximately \$25.8 million of CMAQ funds. As of June 30, 2016, the RSTP amount has decreased to \$26,273,920 and the CMAQ amount has decreased to \$4,140,841.

The California Department of Transportation (Department) is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated RSTP and CMAQ balances that have one year remaining under the AB 1012 guidelines. It is anticipated that all Regions with balances subject to AB 1012 reprogramming will be resolved prior to November 1, 2016.

Beginning in FFY 2000, and continuing through FFY 2015, our local partners have delivered enough projects to obligate a minimum of 100 percent of the available OA. The Department anticipates our local partners will deliver enough projects to obligate 100 percent of the available OA for the 17th consecutive year.

Attachments

Apportionment Status Report
CMAQ and RSTP
as of June 30, 2016
(Revised July 29, 2016)

Reference No.: 3.10
October 19-20, 2016
Attachment 1

AB 1012
Balances entering the 3rd Year
(from FFY 2014*)
Regional Report Summary

*Previously referred to as Cycle 17

Region	CMAQ Unobligated 06/30/2016 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2016 ²	RSTP Unobligated 06/30/2016 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2016 ²
Butte	3,111,068	-	-	-
Fresno	16,549,772	-	30,267,405	6,936,519
Kern	10,359,910	-	11,531,355	-
Kings	3,368,299	-	-	-
Los Angeles	28,628,764	-	113,156,304	-
Madera	3,391,712	-	-	-
Merced	3,428,115	-	-	-
Monterey	-	-	1,177,182	-
Orange	20,294,203	-	48,173,967	-
Riverside	42,804,187	-	62,126,173	8,725,410
S. F. Bay Area (MTC)	34,383,056	-	20,350,836	-
Sacramento (SACOG)	30,546,283	-	26,993,330	-
San Benito	-	-	17,122	-
San Bernardino	47,415,689	-	60,834,153	10,611,990
San Diego	24,058,393	-	21,419,368	-
San Joaquin	13,282,720	-	6,977,334	-
San Luis Obispo	2,321,153	-	466,515	-
Santa Barbara	-	-	1,068,540	-
Santa Cruz	-	-	6,775	-
Stanislaus	10,063,036	-	6,097,787	-
Tahoe	1,489,972	-	1,736,305	-
Tulare	3,771,743	-	4,405,365	-
Ventura	20,190,580	3,570,382	10,885,980	-
Rural Counties & SCAG	6,217,563	570,459	4,510,979	-
TOTAL	325,676,218	4,140,841	432,202,775	26,273,920

Footnotes:

Balances in the 3rd year (October 1, 2015) are subject to reprogramming on November 1, 2016. These balances include the federal fiscal year 2015 actual apportionments (dated October 22, 2015) and federal fiscal year 2016 revised estimated apportionments (dated February 23, 2016 for CMAQ and April 4, 2016 for RSTP).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.

³ These Regions are in air quality attainment and cannot use unobligated CMAQ apportionments, which are deobligations of closed out projects. It is anticipated that any CMAQ balance that accumulates in a Region in air quality attainment will be included in a future CMAQ rescission or transferred to another Region that over-delivered prior to the end of the current federal fiscal year.

Apportionment Status Report
CMAQ and RSTP
as of June 30, 2016

Reference No.: 3.10
October 19-20, 2016
Attachment 2

AB 1012
Balances entering the 3rd Year
(from FFY 2014*)
Rural Report Summary

*Previously referred to as Cycle 17

Region	CMAQ Unobligated 06/30/2016 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2016 ²	RSTP Unobligated 06/30/2016 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2016 ²
Rural County Information:				
Alpine	-	-	(120)	-
Amador	455,687	134,842 ³	-	-
Calaveras	372,382	-	-	-
Colusa	-	-	-	-
Del Norte	-	-	-	-
El Dorado	-	-	-	-
Glenn	-	-	-	-
Humboldt	-	-	-	-
Imperial (SCAG)	2,181,615	-	4,512,855	-
Inyo	-	-	137	-
Lake	-	-	-	-
Lassen	-	-	-	-
Mariposa	530,405	-	-	-
Mendocino	-	-	-	-
Modoc	-	-	-	-
Mono	-	-	-	-
Nevada	1,146,529	-	-	-
Placer	-	-	-	-
Plumas	-	-	(1,871)	-
Shasta	-	-	-	-
Sierra	-	-	(6)	-
Siskiyou	-	-	(6)	-
Tehama	1,494,668	435,617	-	-
Trinity	-	-	(10)	-
Tuolumne	36,276	- ³	-	-
Rural Combined Totals:	6,217,563	570,459	4,510,979	-

Footnotes:

Balances in the 3rd year (October 1, 2015) are subject to reprogramming on November 1, 2016. These balances include the federal fiscal year 2015 actual apportionments (dated October 22, 2015) and federal fiscal year 2016 revised estimated apportionments (dated February 23, 2016 for CMAQ and April 4, 2016 for RSTP).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.

³ These Regions are in air quality attainment and beginning with federal fiscal year 2016 will no longer receive new CMAQ funding. These Regions can use these unobligated CMAQ apportionments prior to their AB 1012 reprogramming date or contribute to a federal rescission.