## <u>Department of Transportation</u> 19 Duplicative Programs

In FY 2010, the Department of Transportation received \$21.8 billion in discretionary funding, a 31 percent increase from non-emergency discretionary level.

## Regionally Specific Development Highway Systems

The **Appalachian Development Highway System** (ADHS) funds the construction of the Appalachian corridor highways in 13 states to promote economic development and to establish a State-Federal framework to meet the needs of the region.<sup>1</sup>

The 2005 surface transportation bill authorized \$470 million annually from 2005 through 2009 for the ADHS. Additional funds have been earmarked for West Virginia portions of this highway system. This multi-state project has come under scrutiny because Virginia has refused to build its part of the ADHS, calling into question the benefit of funding the ADHS.<sup>2</sup>

In his FY 2010 budget, the President recommended terminating funds earmarked for this program because such funding is duplicative and siphons funds from state transportation departments.<sup>3</sup>

The **Denali Access System** funds planning, design, engineering, and construction of road and other surface transportation infrastructure identified for a region in Alaska, through the Denali Commission. The funds go directly to the commission, to connect isolated rural communities to a road system, and to foster regional economic growth. These funds may also be used as the non-federal share of the costs of other federal transportation projects.<sup>4</sup>

In his FY 2010 budget, the President recommended eliminating additional earmarked funds for this regional program, because of duplication concerns and because "regional set asides such as this one are over and above formula allocations that allow States to set their own priorities and address local and regional needs."<sup>5</sup>

The **Delta Regional Transportation Development Program** supports multistate transportation projects in the eight states comprising the Delta Region (Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee).

Each of these regional transportation programs are duplicative of several federal efforts and other Transportation Department programs, including the following:

<sup>&</sup>lt;sup>1</sup> http://www.fhwa.dot.gov/safetealu/factsheets/appalachia.htm

<sup>&</sup>lt;sup>2</sup> http://www.cnn.com/2009/US/03/12/corridor.h/index.html

<sup>&</sup>lt;sup>3</sup> http://www.whitehouse.gov/omb/budget/fy2010/assets/trs.pdf, page 18

http://www.fhwa.dot.gov/safetealu/factsheets/denali.htm

<sup>&</sup>lt;sup>5</sup> http://www.whitehouse.gov/omb/budget/fy2010/assets/trs.pdf, page 20

- The Appalachian Local Access Roads grant program is intended to provide access to industrial, commercial, educational, recreational, residential, and related transportation facilities which directly or indirectly relate to the improvement of the areas determined by the States to have significant development potential under the program entitled Appalachian Regional Development.<sup>6</sup>
- The Appalachian Regional Development grant program is intended to help the
  regional economy become more competitive by putting in place the building blocks
  for self-sustaining economic development, while continuing to provide special
  assistance to the Region's most distressed counties and areas. This includes
  building the Appalachian Development Highway System to reduce Appalachia's
  isolation.<sup>7</sup>
- The Highway Planning and Construction program assists state transportation agencies in the planning and development of an integrated, interconnected transportation system important to interstate commerce and travel by constructing and rehabilitating the National Highway System (NHS).<sup>8</sup>
- The Highway Research and Development Program funds research needed to maintain and grow our vital transportation infrastructure, including intermodal connectivity.<sup>9</sup>
- The Economic Development Administration is a national federal program intended to help economically distressed communities<sup>10</sup> attract jobs and business with economic adjustment grants to local governments and nonprofit agencies for public works, planning, economic development practice research, economic adjustment assistance, and other projects.
- The **Denali Commission** is an independent federal agency designed to provide critical utilities, infrastructure, and economic support throughout Alaska. It receives \$10 million in annual funding.<sup>11</sup>
- The Delta Regional Authority (\$16 million in FY 2010), an independent federal agency, addresses parochial concerns including infrastructure improvements in an effort to improve the regional economy.

## **The Rail-line Relocation Grants Program**

<sup>&</sup>lt;sup>6</sup> http://www.federalgrantswire.com/appalachian-local-access-roads.html

<sup>&</sup>lt;sup>7</sup> http://www.federalgrantswire.com/appalachian-regional-development-see-individual-appalachian-programs.html

<sup>8</sup> http://www.federalgrantswire.com/highway-planning-and-construction.html

<sup>9</sup> http://www.federalgrantswire.c<u>om/highway-research-and-development-program.html</u>

Areas with an unemployment rate at least one percentage point greater than the national average; per capita income that is 80 percent or less of the national average; or a special need, as determined by EDA; 13 CFR 301.3

http://www.denali.gov/index.php?option=com\_content&view=section&id=4&Itemid=8

The Rail-line Relocation grant program, which is primarily distributed through earmarks, was funded at \$34 million in FY 2010, provides assistance for local rail line relocation and improvement projects across the country.

In his FY 2010 budget, the President recommended terminating this program.<sup>12</sup> It is duplicative of several federal efforts, including the following:

- The Railway-Highway Crossings program, which has annual appropriations of \$220 million achieves the same goal based on a formula allocation that allows states to set their own priorities; and
- The Railroad Rehabilitation and Improvement Financing Program (RRIF) provides direct loans and loan guarantees for the purpose of constructing a rail connection between a plant or facility and a second rail carrier. 13
- Railroad Development grants are awarded for a number of projects, including rail line relocation and improvement projects.<sup>14</sup>
- Community Development Block Grants could be used as well to accomplish the same projects.

## **Community and Regional Choice Program**

The Community and Regional Choice Program is intended to be an alternative to the Essential Air Service Program (EAS) in which eligible communities are funded directly and can then use the funds toward a variety of air transportation options that are not available under the traditional EAS program.

However, an article written in 2009, found that this program has not received one application for a grant since its inception. Given the fact that this program has never been used, it is duplicative and unnecessary.

- The Airport Improvement Program (\$3 billion in annual funding) provides grants for the planning and development of public-use airports that cover 75 to 95 percent of eligible costs.
- Federal Transit Capital Investment Grants assist in financing the acquisition, construction, reconstruction, and improvement of facilities, rolling stock and equipment for use in public transportation service, including in establishing new or enhanced coordination between transit and other transportation.
- **Federal Transit Formula Grants** are for cities with over 50,000 residents for capital projects to finance the planning, acquisition, construction, cost-effective lease, improvement, and maintenance of equipment and facilities for use in transit.<sup>16</sup>
- Transit Planning and Research grant program funds a variety of transit research, including research on mobility management, transit operational efficiency, safety and

<sup>12</sup> http://www.whitehouse.gov/omb/budget/fy2010/assets/trs.pdf, page 20

http://www.federalgrantswire.com/railroad-rehabilitation-and-improvement-financing-program.html

<sup>&</sup>lt;sup>14</sup> http://www.federalgrantswire.com/railroad-development.html

<sup>15</sup> http://www.visaliatimesdelta.com/article/20091121/NEWS01/911210324

http://www.federalgrantswire.com/federal-transitformula-grants.html

