

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 8, 2013

Reference No.: 3.12
Information Item

From: STEVEN KECK
Acting Chief Financial Officer

Prepared by: Rihui Zhang
Acting Division Chief
Local Assistance

Subject: **QUARTERLY REPORT OF AB 1012 “USE IT OR LOSE IT” PROVISION FOR FEDERAL FISCAL YEAR 2011 UNOBLIGATED CMAQ AND RSTP FUNDS**

SUMMARY:

As of June 30, 2013, the Regional Surface Transportation Program (RSTP) amount subject to redirection is about \$9 million. In addition, the Congestion Mitigation and Air Quality Program (CMAQ) amount subject to redirection is about \$1 million.

BACKGROUND:

The Intermodal Surface Transportation Efficiency Act was enacted in 1991 and was in effect for six years. During that time, the Regions were able to obligate only 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 dropped to as low as 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 CMAQ and RSTP funds not obligated within the first three years of federal eligibility are subject to redirection by the California Transportation Commission (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) 2011 (October 1, 2010 through September 30, 2011), was released on December 5, 2012. With this notification, the total FFY 2011 funds identified as subject to redirection under the provisions of AB 1012 were approximately \$15 million. This included approximately \$13.7 million of RSTP funds and about \$1.2 million of CMAQ funds. As of June 30, 2013, the RSTP amount had decreased to about \$9 million, and the CMAQ amount had remained about the same at approximately \$1 million. According to the Federal Highway Administration's data, these funds will not revert until FFY 2015.

Per the June 30, 2013 report, the RSTP amount subject to redirection of about \$9 million belonged to two Regions. As of August 31, 2013, both of these Regions have obligated funds in excess of the potential RSTP amounts subject to redirection.

The CMAQ amount subject to redirection of about \$1 million belonged to three Regions. As of August 31, 2013, one of the Regions has obligated about half of the total funds. Therefore, there is still about \$500,000 of CMAQ that will need to be obligated by November 1, 2013 or subject to redirection.

The Department is responsible for monitoring and reporting unobligated balances. Each month, the Department provides notification to the Regions of the unobligated CMAQ and RSTP balances that have one year remaining under the AB 1012 guidelines. Beginning in FFY 2000, and continuing through FFY 2012, the Regions have delivered enough projects to obligate a minimum of 100 percent of the available OA.

Attachments

Apportionment Status Report
CMAQ and RSTP
as of June 30, 2013

Reference No.: 3.12
October 8, 2013
Attachment 1

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Regional Report Summary

*Previously referred to as Cycle 14

Region	CMAQ Unobligated 6/30/2013 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ²	RSTP Unobligated 6/30/2013 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ²
Butte	2,036,264	-	-	-
Fresno	17,766,218	-	25,110,478	3,314,104
Kern	16,127,041	-	16,182,769	-
Kings	1,547,853	-	-	-
Los Angeles	172,114,022	-	173,428,662	-
Madera	4,341,085	845,034	-	-
Merced	2,541,683	-	-	-
Monterey	3,136	-	1,177,182	-
Orange	26,329,122	-	11,014,871	-
Riverside	63,742,967	-	33,345,919	-
S. F. Bay Area (MTC)	24,197,493	-	9,672,130	-
Sacramento (SACOG)	19,197,632	-	24,097,445	-
San Benito	28,268	-	17,120	-
San Bernardino	40,753,116	-	43,535,418	-
San Diego	2,970,252	-	2,774,828	-
San Joaquin	4,259,776	-	5,070,802	-
San Luis Obispo	2,314,305	-	819,448	-
Santa Barbara	-	-	1,544,173	-
Santa Cruz	-	-	234,670	-
Stanislaus	4,764,955	-	8,853,217	-
Tahoe	489,205	-	-	-
Tulare	7,827,863	-	3,074,879	-
Ventura	7,388,655	-	25,558,512	5,675,334
Rural Counties & SCAG	5,577,655	243,776	3,531,520	-
TOTAL	426,318,567	1,088,811	389,044,042	8,989,438

Footnotes:

* Balances entered the 3rd year on October 1, 2012, and are subject to reprogramming on November 1, 2013. These balances include the federal fiscal year 2013 Revised "Advance" apportionments (dated February 22, 2013).

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, 2013

Reference No.: 3.12
October 8, 2013
Attachment 2

AB 1012
Balances entering the 3rd Year
(from FFY 2011*)
Rural Report Summary

*Previously referred to as Cycle 14

Region	CMAQ Unobligated 6/30/2013 Delivery Balance ¹	CMAQ Amount Subject to AB 1012 Reprogramming 11/01/2013 ²	RSTP Unobligated 6/30/2013 Delivery Balance ¹	RSTP Amount Subject to AB 1012 Reprogramming 11/01/2013 ²
Rural County Information:				
Alpine	-	-	(120)	-
Amador	566,652	11,346	-	-
Calaveras	454,781	-	-	-
Colusa	-	-	-	-
Del Norte	-	-	-	-
El Dorado	-	-	-	-
Glenn	-	-	-	-
Humboldt	-	-	-	-
Imperial (SCAG)	2,242,935	-	3,533,403	-
Inyo	-	-	129	-
Lake	-	-	-	-
Lassen	-	-	-	-
Mariposa	559,066	232,430	-	-
Mendocino	-	-	-	-
Modoc	-	-	-	-
Mono	-	-	-	-
Nevada	882,840	-	-	-
Placer	-	-	-	-
Plumas	-	-	(1,871)	-
Shasta	-	-	-	-
Sierra	-	-	-	-
Siskiyou	-	-	-	-
Tehama	544,706	-	-	-
Trinity	-	-	-	-
Tuolumne	326,675	-	-	-
Rural Combined Totals:	5,577,655	243,776	3,531,541	-

Footnotes:

* Balances entered the 3rd year on October 1, 2012, and are subject to reprogramming on November 1, 2013. These balances include the federal fiscal year 2013 Revised "Advance" apportionments (dated February 22, 2013).

¹ Indicates all apportionments not yet obligated.

² Totals reflect balances in the third year.