

Good Morning! It is a pleasure to be here to share with you information on the federal-aid highway program which is carried out as a partnership with the New Mexico Department of Transportation. As was stated, I am Don Martinez; I am the Division Administrator for the Federal Highway Administration in the State of New Mexico. I have been the Division Administrator in New Mexico since October of 2002. I have 28 years with the Federal Highway Administration with previous assignments in four other states and my prior assignment before coming to New Mexico was the Commonwealth of Puerto Rico and the US Virgin Islands. I have a staff of fourteen (14) professionals that assist the staff of the New Mexico Department of Transportation in carrying out the federal-aid highway program requirements as prescribed by federal laws, regulations, rules, and Federal Highway Policy and Guidance.

*“The federal-aid highway program is a state administered federally assisted program. It is a reimbursable program, which means - state funds are used for payment of the federal-aid eligible activity and then the New Mexico Department of Transportation vouchers for reimbursement”* (this is worthy of repeating).

The annual federal-aid apportionment for New Mexico in federal fiscal year 2013 was \$332.6 million dollars under the current legislation entitled

“Moving Ahead for Progress in the 21<sup>st</sup> Century” or better known as “Map 21”. It should be noted that of the \$332.6 million dollars, \$122 million dollars is used for debt service payment for the bonding program that was established under the prior administration and was known as GRIP (Governor Richardson’s Investment Partnership). The termination date for the GRIP bonds is 2027. Because of matching requirements, the New Mexico Department of Transportation contributes \$40 million dollars of state funds in addition to the \$122 million dollars of federal dollars for debt service payments. The \$122 million dollars constitutes approximately 39% of the federal apportionment going to debt service reduction. After mandatory distribution by federal legislation to the four established “Metropolitan Planning Organization” (ABQ, SF, LC/EP, Farmington), the New Mexico Department of Transportation has at its ~~retention~~ *disposal* approximately \$80 million federal-aid dollars for carrying out the federal-aid program in the State of New Mexico.

Of significance to the State of New Mexico and specifically, to the New Mexico Department of Transportation is MAP-21. As the New Mexico Department of Transportation leadership is well aware in order to receive federal funding compliance with federal regulations is required. MAP-21 creates a streamlined, performance-based, and multimodal program to

address the many challenges facing the US transportation system. These challenges include improving safety, maintaining infrastructure condition, reducing traffic congestion, improving efficiency of the system and freight movement, protecting the environment, and reducing delays in project delivery.

MAP-21 restructured the core highway formula programs into the following new core formula programs: National Highway Performance Program (NHPP- \$217.5), Surface Transportation Program (STP- \$100.1), Congestion Mitigation and Air Quality Improvement Program(CMAQ- \$11.4), Highway Safety Improvement Program (HSIP-\$22.1), Railway-Highway Crossings (set-aside from HSIP-\$1.6), Metropolitan Planning (\$1.6).

MAP-21 created a new program, Transportation Alternatives (TA), with funding derived from the NHPP, STP, HSIP, CMAQ and Metropolitan Planning programs. TA encompasses most of the activities funded under the Transportation Enhancements, Recreational Trails, and Safe Routes to School programs under the previous transportation authorization.

Under MAP-21, the metropolitan and statewide planning processes are continued and enhanced to incorporate performance goals, measures,

and targets into the process of identifying needed transportation

improvements and project selection. Public involvement remains *a* *the*

hallmark of the planning process.

Requirements for a long-range plan and short-term transportation improvement plan (TIP) continue, better known as the STIP, with the long-range plan to incorporate performance plans required by the Act for specific programs. The long-range plan must describe the performance measures and targets used in assessing system performance and progress in achieving the performance targets. The STIP must be developed to make progress toward established performance targets and include a description of the anticipated achievements. In the statewide and nonmetropolitan planning process, selection of projects in nonmetropolitan areas, except projects on the National Highway System must be made in cooperation with affected nonmetropolitan officials or any regional transportation planning organization.

The US Secretary of Transportation is required to establish criteria for the evaluation of the new performance-based planning processes. The process will consider whether the state developed appropriate performance targets and made progress toward achieving the targets.

The cornerstone of MAP-21's highway program transformation is the transition to a performance and outcome-based program. The US Secretary of Transportation, in consultation with States, MPOs and other stakeholders, will establish performance measures for pavement conditions and performance for Interstate and National Highway System, bridge conditions, injuries and fatalities, traffic congestion, on-road mobile source emissions, and freight movement on the Interstate System. The New Mexico Department of Transportation along with the MPOs will set performance targets in support of the national measures, and the state and metropolitan plans will describe how program and project selection will help achieve the targets.

The State and the MPOs will report to the US DOT on progress in achieving targets. If the state report shows inadequate progress – most notably the condition of the National Highway System or key safety measures – <sup>they</sup> ~~the~~ must undertake corrective actions, such as the following:

- If no significant progress is made toward targets for the National Highway System and bridge condition, the state must document in its next report the actions it will take to achieve the targets.
- If no significant progress is made toward targets for fatalities or serious injuries, the state must dedicate a specified amount of

obligation limitation to safety projects and prepare and annual implementation plan.

In addition, due to the critical focus on infrastructure condition, MAP-21 requires that each state maintain minimum standards for Interstate pavement and National Highway System bridge conditions. If a state falls below either standard, the state must spend a specified portion of its funds for that purpose until the minimum standard is exceeded.

With the state of the economy and the current political climate, it is important that the NM FHWA Division Office and the New Mexico Department of Transportation have a partnership that delivers a quality highway transportation system to the taxpayers of New Mexico with the limited resources at its disposal. I would like to state that the relationship with the Federal Highway Administration under the current leadership at the New Mexico Department of Transportation is at its best since my tenure in New Mexico. Under the leadership of Secretary Church significant progress has been made to create an environment of trust between our agencies. Accountability and delivery of a quality transportation system to the taxpayers and the driving public are of primary consideration to Secretary Church. As with all state transportation agencies, New Mexico suffers from the issue, "overwhelming needs with limited resources". The

large debt that the New Mexico Department of Transportation carries makes it that much more difficult to overcome the transportation challenges that it is facing. It will take the creative minds of ~~those here today~~ to confront the challenges and make transportation work for all New Mexicans.

Thank you for the invitation to speak today and I stand for questions!