# Metropolitan Transportation Commission and Association of Bay Area Governments Joint MTC ABAG Legislation Committee

March 11, 2022 Agenda Item 3d

Assembly Bill 2120 (Ward): Local Bridge Funding

## **Subject:**

Requires that 55 percent of California's new federal bridge investment formula funding is directed to the local assistance highway bridge program, consistent with past state practice.

# **Overview:**

The 2021 federal Bipartisan Infrastructure Law (BIL) creates a new \$27.5 billion bridge repair program to be distributed via formula to states over five years. California's share of the federal program is \$4.25 billion over the BIL's five-year period, or roughly \$850 million annually. Assembly Bill (AB) 2120 would require that Caltrans direct 55 percent of the new federal bridge funds (\$470 million per year) to local highway bridges via Caltrans' local assistance Highway Bridge Program (HBP). The remaining 45 percent would be reserved for state-owned bridges. Importantly, the bill also includes a maintenance of effort provision to ensure that the new federal bridge formula funding augment rather than supplant existing HBP funds. The HBP program is currently funded at approximately \$300 million per year from existing federal highway program funds. AB 2120 would more than double the HBP, growing it to approximately \$770 million over the five-year period of the BIL.

AB 2120's proposed local/state split would be consistent with established state practice, which is guided by a 1997 California Transportation Commission (CTC) resolution that splits funding from the former federal Highway Bridge Replacement and Rehabilitation (HBRR) Program 55 percent/45 percent for local and state bridges, respectively. The federal HBRR was eliminated in 2012 (when dozens of siloed funding programs were consolidated into five core federal highway programs) though since then the state has directed an amount equivalent to roughly 55 percent of the federal HBRR to the local assistance HBP. AB 2120 would codify this longstanding practice and make conforming updates to reflect current federal law.

#### **Recommendation:**

Support (MTC)

#### **Discussion:**

The HBP is an important fund source for the more than 12,000 locally owned bridges throughout the state. However, local bridge funding needs far exceed the \$300 million per year in HBP funding. According to the <u>August 2021 California Statewide Local Streets and Roads Needs Assessment</u>, an annual funding level of \$800 million is needed just to maintain current local bridge conditions. The five-year federal bridge formula program—if implemented consistent with AB 2120—could nearly close that HBP funding gap through fiscal year 2026. Thus, AB 2120 could support the Bay Area in making progress on one of the key transportation strategies identified in Plan Bay Area 2050 — "Operate and Maintain the Existing System."

Given this opportunity to shore up the condition of the Bay Area's local bridge network and its alignment with Plan Bay Area 2050, we recommend that MTC support AB 2120.

#### **Known Positions:**

### **Support**

CSAC (sponsor)

#### Oppose

No known opposition

#### **Attachments:**

• None

Therese W. McMillan

Therew WMcM