



April 29, 2025

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Andrew B. Fremier
Executive Director

Alix Bockelman
Chief Deputy Executive Director

The Honorable Sam Graves
Chairman
Transportation and Infrastructure Committee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable David Rouzer
Chairman
Highways and Transit Subcommittee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member
Transportation and Infrastructure Committee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Eleanor Holmes Norton
Ranking Member
Highways and Transit Subcommittee
2165 Rayburn House Office Building
Washington, DC 20515

RE: Surface Transportation Reauthorization – MTC Recommendations

Dear Chairman Graves, Ranking Member Larsen, Chairman Webster, and Ranking Member Norton:

On behalf of the Metropolitan Transportation Commission (MTC) – the transportation planning, financing and coordinating agency for the nine-county San Francisco Bay Area – we respectfully submit the following recommendations for your consideration as you begin work on the next surface transportation reauthorization bill.

As the federally designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area, MTC develops the region’s long-range transportation plan and manages the Transportation Improvement Program (TIP), which totals \$11.7 billion for federal fiscal years 2025–2028. MTC is also the designated recipient of nearly \$700 million annually in federal transit funds and programs approximately \$200 million each year in flexible federal highway funds — including the Surface Transportation Block Grant (STBG) program, Congestion Mitigation and Air Quality Improvement (CMAQ) program and Carbon Reduction Program (CRP) — to advance projects that enhance mobility, reduce congestion, and improve safety and access in partnership with local, state and transit agency partners. Through its affiliate agency, the Bay Area Toll Authority, MTC administers \$1 billion annually in toll revenues from California’s seven state-owned bridges.

MTC Surface Transportation Authorization Priorities

1. Maintain the Bay Area's share of core transit and highway formula funding and grow investments through existing formula programs by:
 - Sustaining Highway Trust Fund support for Infrastructure Investment and Jobs Act (IIJA) formula programs, including the Section 5337, Section 5307, Section 5339, Section 5311 and Section 5310 transit formula programs and STBG, CMAQ and CRP.
 - In considering STBG funding, MTC supports continued investment in both the flexible funding that STBG provides and the dedicated support for active transportation through the STBG-set aside. However, future growth in the active transportation set-aside should not come at the expense of overall STBG funding levels. Ensuring adequate STBG resources is critical to meeting the diverse local and regional transportation needs of the Bay Area.
 - Making IIJA's General Fund (GF) advance appropriations a permanent component of the federal surface transportation funding baseline. Prioritize sustaining state of good repair formula funding provided through the 5337 GF augment and the IIJA's bridge formula program.
 - Augmenting metropolitan planning formula funds to empower MTC to sustain and enhance our performance based regional planning and implementation efforts. MPOs are responsible for planning, coordinating and prioritizing the needs of local communities so that federal dollars are invested wisely and creatively to the benefit of the nation's residents and businesses. Augmenting these funds will help MPOs continue to innovate and provide for mobility in our metro areas, key to the nation's economic growth.
2. Prioritize highway and transit formulas. States and regions need predictable, flexible and adequate resources to deliver on national priorities like safety, state of good repair and congestion relief. These shared goals require tailored solutions, and states and regions are best positioned to identify and prioritize those solutions. Formula funding rightly enables local decision-making, while minimizing administrative burdens across all levels of government. While discretionary programs like the Capital Investment Grant Program remain important for funding nationally significant projects that are too large for formulas and for testing new ideas (see #4 regarding a Resilient Regions Challenge), the vast majority of federal transportation funding should be distributed by formula.
3. Sustain federal investment in the Capital Investment Grant program, which is vital to keeping our economy strong. Five major Bay Area transit projects — two funded and three seeking future full funding grant agreements — are expected to create roughly 250,000 jobs across the country. Continued federal partnership will ensure that these critical projects deliver benefits for riders, workers, and businesses nationwide.

4. Establish a Resilient Regions Challenge to fund a limited number of large-scale demonstration projects that protect critical infrastructure and regional economies from natural disasters. The goal is to break down interagency barriers and test replicable models for delivering complex, multijurisdictional resilience projects more efficiently. In the Bay Area alone, an estimated \$110 billion is needed just to protect the shoreline from flooding through 2050 — a challenge shared by states and regions nationwide that need practical templates, not fragmented efforts, to guide future investment.
5. To better deliver on shared federal, state, and regional goals – including safety, mobility, economic growth, asset management, and clean air – Congress should enhance flexibility in federal policy and funding administration. Key recommendations include:
 - Expand at-risk project preagreement authority (authorized in Section 1440 of the FAST Act) beyond construction to include activities such as planning, Safe Routes to School education campaigns, climate outreach, and right-of-way acquisition once environmental clearance is obtained. This modest change would enable delivery of federal highway projects two to three months faster without compromising environmental protections.
 - Clarify eligibility for regional advance mitigation under Section 119(g) of Title 23, to confirm that programs like MTC’s *Regional Advance Mitigation Program (RAMP)* – which uses a revolving fund model to support early, large-scale environmental mitigation that can save money and do a better job than a project-by-project approach – are eligible for federal highway funding. Current statutory language supports advance mitigation, but added clarity would eliminate legal ambiguity raised by the Federal Highway Administration and unlock regional-scale efficiencies.
 - Amend federal metropolitan planning law to allow for a six-year TIP document, while retaining the requirement for updates at least every four years. This change would improve administrative efficiency and maintain a robust shelf of ready-to-go projects — ensuring regions can respond quickly when funding becomes available or schedules shift.
 - Clarify federal tolling policy to remove administrative barriers that delay toll-funded projects or hinder programs using tolling as a user-pay mechanism or congestion management tool.

The Honorable Sam Graves, David Rouzer, Holmes Norton and Larsen

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We greatly appreciate your leadership and commitment to working in a bipartisan manner to address the urgent and ongoing needs of our nation's surface transportation systems. As regional leaders working daily to implement federal programs on the ground, we value the continuity and impact made possible by strong federal policy and long-term investment. We look forward to continued partnership with you to advance a surface transportation program that empowers regional solutions and meets the infrastructure needs of today and tomorrow.

Sincerely,

A handwritten signature in black ink that reads "Andrew B. Fremier". The signature is written in a cursive, flowing style.

Andrew B. Fremier

Executive Director