

**National Association of
Development Organizations**

**2004 RURAL
TRANSPORTATION
SURVEY FINDINGS**

**Regional Development Organizations and
State Transportation Agencies Establish Collaborative
Processes for Developing Rural Transportation Plans**

January 2004

About NADO

The National Association of Development Organizations (NADO) provides training, information and representation for regional development organizations serving small metropolitan and rural America. Founded in 1967 as a public interest group, NADO is part of the intergovernmental partnership among federal, state, regional and local officials.

About Regional Development Organizations

The national network of regional development organizations — known variously as councils of government, economic development districts, local development districts, planning and development districts and regional planning commissions — provides valuable administrative, professional and technical assistance to over 2,000 counties and 15,000 small cities and towns.

Regional development organizations also administer and deliver an array of federal programs on a regional basis and depending on local needs. Programs may include aging, community and economic development, emergency management, housing, small business development finance, transportation and workforce development programs.



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overview of tea-21 rural planning requirements

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As part of the 1998 Transportation Equity Act for the 21st Century (TEA-21), Congress established new requirements for enhancing the involvement of rural local elected officials in the statewide transportation planning process. In January 2003, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) promulgated rules that outline the specific timelines and guidelines for state Departments of Transportation to follow in developing formal consultation processes with rural local officials. The deadline for implementation is February 2004.

Best described as the gateway for accessing federal highway funds, the statewide transportation planning process has evolved since its creation under the 1991 federal highway bill ISTEA. As part of the landmark transportation bill, Congress outlined a prominent role -- and specific funding source -- for urban elected officials to participate in the transportation planning process through Metropolitan Planning Organizations (MPOs).

In communities less than 50,000 population, the ISTEA legislation gave complete control of planning and project investment decisions in the hands of state transportation officials. This double standard was created despite the fact that 81 percent of US public highway miles pass through rural communities.

During the 1998 rewrite of ISTEA, Congress took an important step to address the rural-urban inequity by directing state DOTs to enhance their consultation efforts with rural local elected officials. This consultation could occur through a variety of mechanisms, according to the TEA-21 conference report, including through multi-jurisdictional regional planning and development organizations.

Following the enactment of TEA-21 in June 1998, NADO engaged in a variety of research activities to identify the roles that regional development organizations across the nation were already playing in rural transportation planning and local consultation.

As part of an August 1998 national membership survey, NADO identified 17 states where state transportation agencies funded and contracted with regional development organizations for rural transportation planning services. The survey also found that regional development organizations in a handful of other states voluntarily helped promote public outreach events and provided technical assistance to local government officials.

The following summary of the December 2003 survey is intended to provide new insights into the changes and trends since NADO's initial research in 1998. Most importantly, it offers a first glance into the local impact of the new FHWA-FTA rural consultation rules.

summary of nado survey results

Since the passage of the 1998 Transportation Equity Act for the 21st Century (TEA-21) an increased number of state transportation agencies have partnered with regional planning and development organizations to facilitate the involvement of rural local officials in the statewide transportation planning process, according to a December 2003 survey conducted by NADO.

In August 1998, NADO identified 17 state transportation agencies that had formal contracts with regional development organizations in their respective states to conduct rural transportation planning activities, including the coordination of rural local elected official input into state plans and projects.

According to the December 2003 survey, the number of states partnering with regional development organizations has increased to 23, with two additional states engaged in pilot programs (Utah and Nevada).¹ Several other important findings are:

- State transportation agencies provide a range of funding to regional development organizations for rural planning services, from a low of \$10,000 to a high of \$190,000 each year per regional organization. In addition, most states typically require a local cost share

between 10 to 25 percent. (Note: The nation's 385 Metropolitan Planning Organizations (MPO) receive a one percent funding takedown from the core highway program and another allocation from the transit account. Federal planning funding for MPOs exceeds \$250 million each year or an average of \$575,000 per MPO.)²

- The rural planning work programs of regional development organizations vary from state to state. The most common activities include: coordinating and assisting with the public involvement process; facilitating the participation of rural local elected officials in the statewide planning process; and providing technical assistance to local officials, especially on transportation enhancement projects.

Regional development organizations are commonly tasked with identifying regional priorities for inclusion in the statewide transportation improvement program (STIP), and to a lesser extent, developing long-range transportation plans for rural parts of the region.

- A growing number of states are partnering with regional development organizations for mapping (GPS) and Geographic Information

From 1998 to 2003 the number of state transportation agencies that contract with regional development organizations for rural transportation planning services increased from 17 to 23.

¹ Survey was sent to 320 regional development organizations in 46 states (excluding Delaware, Hawaii, New Jersey and Rhode Island). 176 regional organizations completed and returned the survey. The 2003 figure for the number of state DOTs contracting with regional development organizations is based only on returned survey questionnaires. For the 1998 statistic, additional research identified New Hampshire as a state contracting with regional organizations for rural planning services.

² Association of Metropolitan Planning Organizations (AMPO) at www.ampo.org/policy/PL_funds.ppt

System (GIS) services. State DOTs are also using regional organizations to collect data on roadway characteristics and usage, including traffic count studies and corridor improvement studies.

- The regional approach to involving rural local officials in the statewide planning process offers a "very good or good" opportunity for input, according to more than 85 percent of survey respondents.

The regional approach to involving rural local officials in the statewide planning process offers a "very good or good" opportunity for input, according to more than 80 percent of survey respondents.

- The rural planning activities of regional development organizations cover multiple modes of transportation, although a heavy emphasis remains on highways and bridges. Of the 176 respondents, 79 indicated that they address public transit, 60 account for aviation, 59 for railways, 49 for intermodal facilities and 16 for ports. Almost all respondents cover bike and pedestrian projects. Respondents mentioned access for the disabled, pipelines, barge access and boat ramps.

- Of the 176 respondents, 26 responded that their regional development organizations also serves as a Metropolitan Planning Organizations (MPO).

- In the states where regional development organizations are not currently involved in rural transportation planning, survey respondents from more than a dozen states indicated that they have recently approached state officials about establishing new partnerships. However, the states are planning to con-

tinue using alternative means to consult with rural local officials.

Instead of a regional approach to rural planning and consultation, according to survey respondents, some states were perceived to be using general public forums and hearings to solicit the feedback and thoughts of rural elected officials. In a limited number of instances, state officials communicate directly with rural local governments, suballocate highway funds to local governments and/or invite rural officials to serve on state advisory committees and task forces. States also use informal communications with rural local officials to gather input.

PRESSING TRANSPORTATION NEEDS OF SMALL TOWN AND RURAL AMERICA

The most pressing transportation need in rural America, according to an overwhelming majority of survey respondents, is upgrading and maintaining the existing highway and bridge system. The issue of developing transportation corridors for economic development was second, with the establishment or enhancement of public transit a close third.

A cross-section of respondents also stressed the importance of preserving regular air service to rural and regional airports, complying with new federal air quality conformity rules and preserving access to the national railway network for rural businesses. Other issues mentioned included obtaining passenger rail service, deploying Intelligent Transportation Systems (ITS) and maintaining intercity bus service.

REGIONAL DEVELOPMENT ORGANIZATIONS PARTNERING WITH STATE TRANSPORTATION AGENCIES

Regional development organizations in the following states responded that they have funding and a formal contract or memorandum with their state transportation agency to provide rural transportation planning services.

STATE	ANNUAL FUNDING	TIME PERIOD STARTED
Arizona	\$110,000	Early 1970s
California ¹	Not Reported	Mid 1980s
Colorado	\$10,000	Early 1990s
Connecticut	\$70,000	Early 1990s
Georgia	\$100,000 - \$190,000	2000
Indiana	\$41,000	2001
Iowa	\$10,000 - \$45,000	Mid 1990s
Kentucky	\$62,000 - \$118,000	Mid 1990s
Maine	35,000 - \$50,000	Mid 1990s
Massachusetts	Not Reported	Late 1970s and Early 1980s
Michigan	\$38,000	Early 1970s
Minnesota	\$50,000	1980s
Missouri	\$38,000	Mid 1990s
New Hampshire	\$120,000 - \$130,000	Early 1990s
New Mexico	\$54,000	Early-Mid 1990s
North Carolina	\$82,000 - \$115,000	2002
Oregon	\$50,000	Late 1990s
Pennsylvania	\$85,000 - \$95,000	Early 1990s
South Carolina	\$50,000	Late 1990s
Vermont	\$138,000 - \$189,000	Early 1990s
Virginia	\$48,000	Mid 1990s
Washington	\$74,000 - \$118,000	Early 1990s
Wisconsin	\$58,000 - \$71,000	Early 1970s

Note: Funding may vary within a state for each regional organization. The work programs differ from state to state because there are no federal requirements similar to those mandated for metropolitan areas. The start dates are approximate time periods since start dates frequently varied within a state.

FHWA-FTA Rules on Rural Local Consultation

The Federal Highway Administration and Federal Transit Administration promulgated final rules for state transportation agencies consultation with rural local officials in the January 23, 2002 issue of the *Federal Register*. Additional technical corrections were published on February 14, 2003.

The issuance of the final rules followed more than four years of national studies, focus groups and public comment periods. It also included two notices of proposed rulemaking -- May 2000 and a supplemental notice in June 2002. Even though the agencies eventually withdrew the overall environment and planning rulemaking proposal, it was directed by Congress to promulgate the final rules for rural local official participation in the statewide transportation planning process.

The rules specifically implement the rural local consultation provisions of the 1998 federal highway and transit bill TEA-21. In addition, the final rules are based on a compromise plan submitted by NADO, the National Association of Counties and the American Association of State Highway and Transportation Officials. The new rules state that:

- Each state is required to develop a documented process for rural local official input into statewide plans and investment programs. Most importantly, the consultation process must be "separate and discrete"

from the public involvement process. This provision reflects the fact that rural local governments have significant transportation responsibilities, including ownership of roads, bridges, rural transit systems and other transportation infrastructure.

- Each state is tasked with developing a consultation process, however rural local officials and regional development organizations will be given an opportunity to make comments and suggestions on the initial plan. The consultation process must be reviewed within two years of implementation and at least once every five years thereafter. If a state rejects any modifications proposed by local officials and regional development organizations, the state must publicly state its reasons for not accepting the requested changes.

- The rule establishes a new definition of "non-metropolitan local official." It modifies the description of "consultation" by requiring states to confer with local parties before taking actions, consider the views of the local officials and then periodically

informs them about actions taken. Finally, it requires each state to document and implement their rural consultation process by February 2004.

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Visit the NADO Regional Transportation Online Center at www.nado.org/rtoc for more details.

BENEFITS OF A REGIONAL APPROACH TO RURAL TRANSPORTATION PLANNING

By working with regional development organizations, states can better coordinate the participation of local elected officials and the public in the rural transportation planning process. These regional entities are ideal partners for state transportation agencies because they:

- are already established and designated by state law or executive order;
- have experience with economic development, land use and environmental planning;
- have strong links to local governments and community leaders;
- are the service delivery entities for a variety of federal economic development, community development and community service programs; and
- have experience coordinating the activities of multiple units of general purpose government within a region.

ADDITIONAL RESOURCES

◀ NADO Regional Transportation Online Center

Features examples of successful regional transportation planning programs, an electronic library of sample work programs and links to transportation web sites.

www.nado.org/rtoc

◀ Rural and Agricultural Transportation: Data and Information Resources

Developed by USDA and US DOT, the web site features a collection of information, including sections on commodity, highway, transit, railway, safety, tribal land, waterway and passenger issues.

ntl.bts.gov/ruraltransport/

◀ US DOT's Surface Transportation Reauthorization Web Site

This site is a valuable information resource on the reauthorization of the Transportation Equity Act for the 21st Century (TEA-21), which was enacted on June 9, 1998. The bill authorizes federal highway, highway safety and transit programs for the six-year period from 1998-2003. Congress is working to pass a multi-year rewrite of TEA-21 in the 2004 legislative session.

www.fhwa.dot.gov/reauthorization/

◀ AASHTO TEA-21 Reauthorization Web Site

Features analysis and news for state transportation officials.

transportation1.org/aashtonew/

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**TRAINING, INFORMATION AND REPRESENTATION FOR REGIONAL DEVELOPMENT
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