



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 5, 2017

H.R. 1346

A bill to repeal the rule issued by the Federal Highway Administration and the Federal Transit Administration entitled “Metropolitan Planning Organization Coordination and Planning Area Reform”

*As ordered reported by the House Committee on Transportation and Infrastructure
on March 29, 2017*

H.R. 1346 would repeal a December 2016 rule issued by the Department of Transportation (DOT) that requires transportation planning organizations, known as Metropolitan Planning Organizations (MPOs), to change how they operate.

Under current law, areas with a population greater than 50,000 are required to have an MPO in order to receive federal funds for certain transportation programs. The DOT rule requires some MPOs to consolidate and requires other MPOs to coordinate their planning documents. Neither the rule issued by DOT nor the bill repealing it would change the level of funding distributed to MPOs. As a result, CBO estimates that enacting the bill would have no effect on the federal budget.

Enacting H.R. 1346 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 1346 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1346 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. CBO expects that, under the rule, MPOs will incur administrative costs to comply with the rule’s requirements, such as developing new transportation plans for metropolitan areas. Based on information from DOT, CBO estimates that MPOs would spend about \$80 million less per year over the 2018-2021 period if the legislation is enacted because they would no longer need to comply with the rule’s requirements.

The CBO staff contacts for this estimate are Sarah Puro (for federal costs) and Jon Sperl (for the effect on state and local governments). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.