

January 2018

## HIGHWAY AND TRANSIT PROJECTS

### Evaluation Guidance Needed for States with National Environmental Policy Act Authority

#### Why GAO Did This Study

Since 2005, over 30 provisions have been enacted in law to speed up the delivery of highway and transit projects, mainly by streamlining the NEPA review process. NEPA requires federal agencies to evaluate the potential environmental effects of proposed projects on the human environment. These project delivery provisions included new categorical exclusions to streamline the review process, and a provision allowing DOT to assign federal NEPA approval authority to states.

Congress included provisions in statute for GAO to assess the use of these provisions and whether they have accelerated project delivery. This report examines: (1) which project delivery provisions were used by state DOTs and selected transit agencies and the reported effects, and (2) the extent to which DOT has assigned NEPA authority to states and the reported effects, among other objectives. GAO surveyed all state DOTs and interviewed federal and state DOT officials and 11 selected transit agencies GAO determined were likely to have been affected by the provisions, and analyzed information from NEPA assignment states.

#### What GAO Recommends

FHWA should offer and provide guidance or technical assistance to NEPA assignment states on developing evaluation methodologies, including baseline time frames and timeliness measures. DOT partially concurred with the recommendation, saying it would clarify environmental review start times. GAO continues to believe further evaluation guidance is needed, as discussed in the report.

View [GAO-18-222](#). For more information, contact Susan Flemings at (202) 512-2834 or [flemings@gao.gov](mailto:flemings@gao.gov).

#### What GAO Found

The Department of Transportation's (DOT) Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) are responsible for National Environmental Policy Act (NEPA) compliance on highway and transit projects. Project sponsors that receive federal funds, typically a state DOT or transit agency, develop documents necessary for NEPA compliance for FHWA and FTA to evaluate and approve. Project sponsors prepare an environmental impact statement (EIS) when a project will have a significant environmental impact, or an environmental assessment to determine if a project will have a significant impact. Projects that fit within a category of activities pre-determined to have no significant impact (such as repaving a road) can receive a categorical exclusion, and an EIS or environment assessment is generally not needed. GAO found:

- State DOTs and selected transit agencies reported using provisions enacted in law to speed up the delivery of highway and transit projects, and while state DOTs reported that a number of provisions they used sped up delivery of highway projects, the effects on transit projects were less clear. For example, according to GAO's survey responses, 10 of 17 provisions that mainly created new "categorical exclusions" were used by 30 or more state DOTs and generally sped up projects. The provision state DOTs and transit agencies most often reported using was one that authorizes parkland or a historic site to be used for a transportation project if that project has a minimal impact on the environment. A majority of the 11 transit agencies GAO reviewed were not clear whether provisions they used sped up project delivery because these agencies did not track how long it took projects to complete the NEPA process, among other reasons.
- DOT assigned NEPA authority to six states: Alaska, California, Florida, Ohio, Texas, and Utah. Under agreements with FHWA, state DOTs calculate time savings by comparing NEPA completion times before (the baseline) and after assuming the authority. Only California and Texas have reported results; California reported that it reduced EIS review time 10 years from a 16-year baseline. However, these reported time savings are questionable because the comparisons do not consider other factors, such as funding, that can affect timelines. In establishing baselines, both states have also faced challenges, such as how many and which projects to include. California reported to its legislature that its baseline may not be meaningful because of the relatively small sample of five projects, but nevertheless presents these data on its web site as evidence of "significant" time savings.

FHWA does not review the states' timeliness measures and time savings estimates, but has broad authority to offer guidance and technical assistance, which can include helping states develop sound evaluation methodologies and baselines. FHWA officials stated that they provide general technical assistance, but that no state has requested help developing evaluation methodologies. Offering and providing such assistance could help ensure that states considering applying for NEPA assignment base their decisions on reliable information, and that FHWA and Congress have reliable information to assess whether NEPA assignment results in more efficient environmental reviews.