



Monthly Legislative Report – May 2020

May Advocacy Meetings

Due to the District of Columbia's shelter-in-place order that has been extended to June 8TH, we have been unable to have in-person meetings during the month of May. Nevertheless, we have been in regular contact with the OCTA Congressional Delegation, House T&I Committee, Senate EPW Committee, Senate Commerce Committee, Senate Banking Committee, Appropriations Committees, and other Member offices. Some of those meetings include the following:

Congressman Harley Rouda (D-CA) – We had a series of conference calls with Congressman Rouda's senior staff to discuss OCTA requests for the upcoming Surface Transportation Reauthorization and the Infrastructure Bill. During these calls we discussed OCTA's principles for reauthorization legislation. We also further discussed the decrease in projected revenue from Measure M and the impacts this will have on local project funding streams as well as the need for new funding for COVID-19 safety activities, and funding flexibilities for existing funding streams. We also provided an up-to-date overview of the County's projects, their status. We also worked with Congressman Rouda's office on a BUILD Grant support letter for OCTA sent to Secretary Chao on May 15th.

Congressman Alan Lowenthal (D-CA) – This month we conducted a series of calls with Congressman Lowenthal's office to discuss the upcoming Surface Transportation Reauthorization and the principles supported by OCTA. During these calls we also discussed a support letter for OCTA's BUILD Grant application, which Congressman Lowenthal signed. We also discussed the need for a one-time TIFIA refinancing option and the impacts of COVID-19 on Measure M funding for ongoing projects. We discussed the benefits and flexibilities provided by the Surface Transportation Block Grant and discussed support for increasing funding for this account.

Congressman Lou Correa (D-CA) – We have been in close contact with Congressman Correa and his staff this month to circulate the BUILD Grant support letter for the SR-55 project. We also discussed the funding issues resulting for the COVID-19 crisis and the provisions included in the Heroes Act. Finally, we updated the office on potential policy and funding requests for the prospective infrastructure bill that we are tracking in the House.

Congressman Mike Levin (D-CA) – We had numerous conference calls with Congressman Levin and his senior staff this month to discuss the Alternative Fuel Tax Credit issue, the effects of COVID-19 on daily operations, as well as Measure M project

funding, and our policy requests for the surface transportation reauthorization. We also discussed the possibility of including key policy requests into the infrastructure bill that could be considered in the House before the end of the summer.

Congressman Gil Cisneros (D-CA) – We had a call with senior staff in Congressman Cisneros’ office early this month to provide an update on OCTA transit services, improvement projects, and to discuss the need for additional funding flexibilities for existing funding streams. We also discussed the benefits of a one-time reduction of TIFIA loan interest to take advantage of current interest rates and discussed the substantial cost savings and benefits to critical transportation projects.

Congresswoman Katie Porter (D-CA) – We have been in contact with senior staff in Congresswoman Porter’s office this month to discuss support for OCTA’s BUILD Grant application and the support letter to Secretary Chao. We also communicated and discussed OCTA’s priorities for the Surface Transportation Reauthorization and the impacts of COVID-19 on transit services and project funding through Measure M.

Senator Kamala Harris (D-CA) – We have been in contact with staff in Senator Harris’ office to discuss OCTA’s priorities for the upcoming Surface Transportation Reauthorization. We also discussed the need for increased funding, and/or new flexibilities, to help provide COVID-19 service, including cleanings, PPE for employees, and paratransit services.

Senator Dianne Feinstein (D-CA) – We have held numerous conference calls with staff in Senator Feinstein’s office this month to discuss Heroes Act and Care Act implementation. During those conversations on the state of play of the Heroes Act in the Senate, we did mention the decrease in Measure M funding, and the funding needs for the projects that have completed their environmental review in the County. We also discussed the upcoming Surface Transportation Reauthorization and reiterated OCTA’s funding and policy requests again.

House Transportation and Infrastructure Committee – We have been in close contact with both Majority and Minority staff to discuss OCTA’s projects, progress on the Surface Transportation Reauthorization, as well as the Infrastructure bill. We specifically highlighted policy requests for that would benefit OCTA and the region for that legislation. We discussed the Alternative Fuel Tax Credit again. We also discussed the need for providing additional funding and flexibilities for the use of STBG funds.

Senate Environment and Public Works Committee – This month we communicated with various EPW staff (minority and majority) on OCTA’s Surface Transportation Reauthorization policy asks. We also specifically discussed more TIFIA reforms and changes that would benefit OCTA.

Senate Banking Committee – We had emails and phone calls with senior Senate Banking staff on the Majority and Minority to discuss the Senate’s timeline for a full Surface Transportation Reauthorization that continues to remain in flux.

Department of the Treasury – We have been in contact with intergovernmental staff at the Department of Treasury regarding guidance on stimulus fund, and disbursements to localities.

Congressional Schedule

While the Senate is expected to be in session for most of June, the House announced on Friday, May 29th, that there will be only one day of votes on June 12th. The rest of the month will be used in the House as a “committee work” period. House Majority Leader Steny Hoyer (D-MD) has told Members that he would like the House to finish the FY21 markups by the end of July.

HEROS Act Update

On May 15th, the House passed HR 6088 – The HEROS Act by a vote of 208-199. This is the fourth major stimulus bill (not including the recent bill to add funding to CARES Act programs). The HEROS Act would provide nearly \$3 trillion in direct aid to localities and states, direct payments to individuals, and several other accounts like the US Postal Service.

- The text of HR 6800 - Heroes Act, as introduced is [here](#).
- A one pager on the legislation as introduced is [here](#).
- A section-by-section summary of the legislation as introduced is [here](#).
- A resource on the state and local relief provisions of the legislation as introduced is [here](#).

The bill is not likely going to be taken up and debate in the Senate as written and Senate Majority Leader Mitch McConnell (R-KY) said the chamber will consider their coronavirus response bill - which he called the "fourth and final" measure - "in about a month." Speaking at an event in Kentucky, McConnell said the legislation could include funding for small businesses and health care but said he would not support extending the measure providing an additional \$600 per week in federal unemployment benefits.

The White House also issued a veto threat and House Republicans spent most of floor debate expressing their opposition to the bill. In the veto threat issued by the White House Office of Management and Budget, the third paragraph states that additional legislation should include a payroll tax holiday, safe-harbor provisions and liability protections, and permitting reform to facilitate infrastructure projects.

As an ongoing resource, links to the text and official summaries of each enacted and proposed stimulus bill is included below:

Stimulus 1 – H.R. 6074 (\$8.3 billion)

- Link to [Text](#)
- Link to [Summary](#)

Stimulus 2 – H.R. 6201 (Paid Leave Provisions)

- Link to [Text](#)
- Link to [Summary](#)

Stimulus 3 – H.R. 748 (CARES Act)(\$2.3 Trillion)

- Link to [Text](#)
- Link to Division B (Appropriations) [Summary](#)

Stimulus 3.5 – H.R. 266 (\$483 billion)

- Link to [Text](#)
- Link to [Summary](#)

Stimulus 4 – H.R 6800 (\$3 Trillion - House Passed)

- Link to [Text](#)
- Link to [Summary](#)

Infrastructure Bill Update

Earlier this month we heard through a well-placed source that House Democrats will be preparing an Infrastructure bill that seems likely to become another stimulus related effort to address the job loss impact of the COVID crisis. This bill could also become included Highway Bill or Highway Bill extension measure. Similar to the HEORES Act it appears that Democrats are planning on writing this bill with very little GOP input. As a result, what we might expect is a very large Democrat wish list that tracks with many Democrat priorities such as more transit funding and increases in the discretionary grant programs. It may also include some of the elements of the "Green New Deal" we saw last year.

Once this infrastructure bill is released in the House, we expect it to follow a similar path as Heroes Act with a similar reaction in the Senate. Some on Capitol Hill, to include House T&I minority staff, believe at some point President Trump may support some version of a bipartisan infrastructure bill effort in order to fulfill a major campaign promise before the end of his term. Like the Heroes' Act, it will then eventually get negotiated with House and Senate leaders where even more House Republican T&I input could be included. To prepare for that we were told that House T&I GOP staff are readying their own principles document that would outline their "response" bill.

Remote Voting Resolution Passes House

This month the House also passed a resolution ([H.Res. 965](#)) authorizing remote voting by proxy as well as remote committee meetings for 45 days. This resolution was slated to be considered during the last House Vote when the CARES Act of was considered but was delayed due to concerns from Republicans and some Democrats. This is the first time in US history vote-by-proxy has been allowed in the House. Members with written permission may now vote on behalf of up-to ten other Members. This resolution also authorizes Committees to conduct hearings and business meetings remotely with the approval of the majority of Committee Members and directs the Chair of the Committee on House Administration to study the feasibility of using technology to conduct remote voting in the House.

COVID-19 Oversight Select Subcommittee

On April 29th, House Speaker Nancy Pelosi (D-CA) appointed seven Democratic lawmakers to the House Select Subcommittee on the Coronavirus Crisis. As we reported, the House passed a resolution last Friday establishing the select subcommittee under the House Oversight and Reform Committee to oversee the Administration's handling of the crisis and distribution of stimulus funds. Chaired by House Majority Whip James Clyburn (D-SC), the select subcommittee will now add three House Committee Chairs – Oversight Committee Chairwoman Carolyn Maloney (D-NY), Financial Services Committee Chairwoman Maxine Waters (D-CA), and Small Business Committee Chairwoman Nydia Velazquez (D-NY) – as well as members other to include Congressmen Jamie Raskin (D-MD), Bill Foster (D-IL), and Andy Kim (D-NJ). House Minority Leader Kevin McCarthy (R-CA) can appoint up to five members of the House Republican Caucus to serve on the subcommittee, although some House Republicans have called on him to not participate.

A separate bipartisan task force is looking into potentially amending House rules to allow for remote voting. This task force has also encouraged Committee leadership to begin testing online platforms for hearings which they hope to start holding again as early as June.

Upcoming Senate Hearings

The **Senate Banking Committee** will be holding a hearing on June 2nd to examine the implementation of Title IV of the CARES Act. A video of the hearing will be accessible [HERE](#). Witnesses will include:

- Mr. Thomas Quaadman - Executive Vice President U.S. Chamber, Center for Capital Markets Competitiveness
- Dr. Douglas Holtz-Eakin – President, American Action Forum
- Dr. Heidi Shierholz - Senior Economist And Director Of Policy, Economic Policy Institute

The **Senate Commerce Committee** will be holding a hearing on June 3rd to examine the “State of Transportation and Critical Infrastructure: Examining the Impact of the COVID-19 Pandemic”. A video of the hearing will be accessible [HERE](#). Witnesses will include:

- Mr. John Bozzella, President and Chief Executive Officer, Alliance for Automotive Innovation
- Mr. Randy Guillot, Chairman of the Board, American Trucking Associations
- Mr. Ian Jefferies, President and Chief Executive Officer, Association of American Railroads
- Mr. Alex Oehler, Interim President and Chief Executive Officer, Interstate Natural Gas Association of America
- Mr. Larry Willis, President, Transportation Trades Department, American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)

The **Senate Environment and Public Works Committee** will be holding a hearing on June 4th to examine “Infrastructure: The Road to Recovery”. A video of the hearing will be accessible [HERE](#). The witness list has not been made public as of the writing of this report.

SMART Act - \$500 Billion legislation for States and Municipal Entities Introduced in Senate

Senators Bill Cassidy (R-LA) and Bob Menendez (D-NJ) formally introduced the *State and Municipal Assistance for Recovery and Transition (SMART) Act*. This proposal establishes a \$500 billion “SMART Fund” to continue to provide aid to state, local, and tribal governments during the coronavirus pandemic - \$484 billion to state and local governments, and \$16 billion for Native American tribes. A group of bipartisan lawmakers in the House led by Representatives Mikie Sherrill (D-NJ) and Peter King (R-NY) indicated they would be introducing the bill’s House companion. Specifically, the bill would lower the current population threshold for local governments to receive direct stabilization funding from the Treasury from 500,000 to 50,000 and would provide states and local governments with the flexibility to use this funding to cover revenue losses. Additionally, the \$484 billion would be allocated using the following formula that takes into consideration regions with the highest coronavirus-related needs:

- One-third distributed to states and territories based on their percentage of the U.S. population, with counties and municipalities each receiving one-sixth of the state allocation in proportion to their share of the state’s population;
- One-third distributed based on each state’s share of the total nationwide number of coronavirus cases, with counties and municipalities each receiving one-sixth of their state’s funding based on population;
- One-third distributed to states based on their revenue losses as a percentage of combined state-losses throughout the remainder of the year, with counties and municipalities receiving one-sixth of their state’s funding based on their revenue losses proportion to their state’s overall losses.

Treasury Opens Municipal Liquidity Facility

The **Federal Reserve** officially opened their **Municipal Liquidity Facility (MLF)** last week. The CARES Act established the MLF to assist state and local governments manage cash flow pressures related to the coronavirus pandemic by purchasing up to \$500 billion of short term municipal notes directly from states (including the District of Columbia), counties with a population of at least 500,000 people and cities with at least 250,000 people.

The most recently updated MLF term sheet is available for your reference [here](#), a list of eligible municipal issuers is available [here](#), and FAQs are available [here](#). To apply to sell municipal notes to the MLF, eligible issuers will first need to respond to the Federal Reserve-published Notice of Interest (*available [here](#)*) and if approved, the applicant will be invited to apply. A sample application may be found [here](#), and sample form documents and certifications that will be required may be found [here](#).

DOT Nominations and Senate Confirmation Updates

The Senate Commerce Committee approved the nomination of **Finch Fulton** to be Assistant Secretary of Transportation for Transportation Policy by voice this month. The committee also re-approved several nominees on a party-line basis who have been nominated by President Trump several times before and approved in committee, only to languish on the Executive Calendar until, by rule, their papers had to be returned to the President at the end of the annual session of Congress:

- **Diana Furchtgott-Roth**, to be Assistant Secretary of Transportation for Research and Technology.
- **Joseph Gruters**, to be a Member of the Amtrak Board of Directors.
- **Lynn Westmoreland**, to be a Member of the Amtrak Board of Directors.
- **Rick Dearborn**, to be a Member of the Amtrak Board of Directors.