



Monthly Legislative Report – July 2022

July Advocacy Meetings

Congressman Lou Correa (D-CA) – We were in contact with Congressman Correa and his staff to discuss the Santa Ana-Garden Grove Rails to Trails earmark request included in the House Appropriations bill.

Congresswoman Young Kim (R-CA) – We worked with Congresswoman Kim's office to discuss the possible suspension to the Build America Bonds. We also discussed the OC Loop and the SR-91 earmark requests included in the House Appropriations bill.

Congressman Mike Levin (D-CA) - We were in contact with Congressman Levin's office to discuss the SR-74 improvements request that was included in the House Appropriations bill.

Congresswoman Judy Chu (D-CA) – We worked very closely with Congresswoman Chu's office to discuss developments in the Ways and Means committee regarding the possible provisions related to the Build America Bonds in the end of the year tax bill.

Congressman Pete Aguilar (D-CA) – We met with Congressman Aguilar and his staff this month to discuss support for the submitted earmark requests that were included in the House Appropriations bill.

Congresswoman Linda Sanchez (D-CA) – We met with Congresswoman Sanchez and her staff this month discuss ongoing grant programs and for support with the submitted earmark requests.

Congressman Ken Calvert (R-CA) – We met with Congressman Calvert to discuss the House Appropriations timelines for the six other bills not included in the minibus and plans for next year's congressional agenda.

Congressman Alan Lowenthal (D-CA) – We met with Congressman Lowenthal and his staff this month to discuss House T&I committee hearings this month and timing for the release of USDOT grant awards.

Senator Dianne Feinstein (D-CA) – We met with Senator Feinstein's staff multiple times this month to discuss the Congressionally Directed Spending requests for FY23. Senator Feinstein was able to secure less than 8% her submitted requests in the Senate THUD

appropriations bill. The Cutaway Bus Replacement earmark request was not included in the bill.

Senator Alex Padilla (D-CA) – We have been in communication with Senator Padilla’s staff this month to discuss possible alternatives, timelines, or prospects of the Inflation Reduction Act. We also discussed the Build America Bond’s possible suspension and FY23 appropriations. Senator Padilla was able to secure less than 5% his submitted requests in the Senate THUD appropriations bill. The Cutaway Bus Replacement and Harbor Boulevard earmark requests were not included in the bill. The Senator’s requests for the OC Loop and the Santa Ana-Garden Grove Rails to Trails were not included in the Senate bill, but they were included in the House bill by Congresswoman Kim and Congressman Correa respectively.

House Transportation and Infrastructure Committee – We met with staff from the Transportation and Infrastructure committee to discuss IIJA implementation. We also discussed IIJA projects for rail, the FAA reauthorization, and electrification plans within the region.

House Ways and Means Committee – We spoke with staff about the possible suspension of the Build America Bonds (BAB) subsidies with the elimination of the Pay As You Go Act (PAYGO) from 2023-2026. The timeline for determination on the suspension is most likely going to be reached in the end of the year tax bill.

Fiscal Year 2023 Appropriations

On July 20th, the House passed [H.R. 8294](#), a package of six fiscal year 2023 federal funding bills, on a 220 to 207 vote. The six-bill package consisted of the 2023 Transportation, and Housing and Urban Development, and Related Agencies; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; Energy and Water Development, and Related Agencies; Financial Services and General Government; Interior, Environment, and Related Agencies; and Military Construction, Veterans Affairs, and Related Agencies funding bills.

On July 28th, the Senate Appropriations Committee posted the “Chairman’s Mark” of the Committee’s twelve appropriations bills for Fiscal Year 2023 (FY23), essentially drafted by Committee Democrats without Republican support or involvement. These bills would provide nearly \$1.7 trillion in discretionary spending, including \$653 billion in non-defense spending, a 10.1% increase over FY 2022, and \$850 billion in defense spending, an 8.7% increase over FY 2022 and consistent with the amount included in the bipartisan National Defense Authorization Act (NDAA) recently passed by the House. Committee-prepared topline

summaries of the 12 bills are available [here](#). Chairman Leahy has confirmed the Committee will not hold formal markups of the spending bills and formal negotiations on the final spending bills are unlikely to begin in earnest until after the November elections. Below are the twelve Senate appropriations bills for Fiscal Year 2023.

- Agriculture:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Commerce, Justice, Science, and Related Agencies:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Defense:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Energy and Water Development:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Financial Services and General Government:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Homeland Security:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Interior, Environment, and Related Agencies:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Labor, Health and Human Services, Education, and Related Agencies:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Legislative Branch:
 - [Bill Text](#)
 - [Explanatory Statement](#)

- [Bill Summary](#)
- Military Construction, Veterans Affairs, and Related Agencies:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- State, Foreign Operations, and Related Programs (UPDATED at 3 p.m. 07/28):
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)
- Transportation, Housing and Urban Development, and Related Agencies:
 - [Bill Text](#)
 - [Explanatory Statement](#)
 - [Bill Summary](#)

FTA Changes to Deadlines and Programs

On July 13th, the FTA had changes to the Authorized Funding Levels and Implementation of the Infrastructure Investment and Jobs Act and the FTA Fiscal Year 2022 Apportionments, Allocations, Program Information, and Interim Guidance. Below are the changes and corrections.

1. FY 2015 Transportation Investment Generating Economic Recovery (TIGER VII) Discretionary Grants Deadline
 - Recipients of open TIGER, BUILD and RAISE grants should be aware that, as matter of law, all remaining TIGER funds must be disbursed from grants by the end of the fifth fiscal year after the Expiration of Obligation Authority. (See [31 U.S.C. 1552](#).)
 - For FTA TIGER VII projects, Section 105—Administrative Provisions—Office of the Secretary of Transportation of the Consolidated Appropriations Act, 2022 ([Pub. L. 117-103](#), March 15, 2022), extended the availability of remaining TIGER VII funds for one year, through **September 30, 2023**. Recipients of open TIGER VII projects are encouraged to contact the appropriate FTA Regional Office with questions about the extension.

2. The IIJA authorizes funds over five years to provide financial assistance for rural areas under section 5311. The funding amounts per fiscal year have been changed. They include:
 - The Rural Transit Assistance Program (RTAP)
 - The Appalachian Development Public Transportation Assistance Program
 - The Tribal Transit Program

Previous Amounts					
Fiscal Year	2022	2023	2024	2025	2026
Funds Authorized	\$785,148,545	\$801,551,125	\$822,480,580	\$839,471,067	\$860,812,057

Updated Amounts					
Fiscal Year	2022	2023	2024	2025	2026
Funds Authorized	\$787,760,599	\$804,217,747	\$825,216,831	\$842,263,841	\$863,675,829

3. Formula Grants for Rural Areas changes to Total Amounts Apportioned for FY 2022.

Previous FY22 Amounts	
Total Appropriation	\$785,148,545
Total Apportioned	\$893,663,711

Updated FY22 Amounts	
Total Appropriation	\$787,760,599
Total Apportioned	896,275,765

4. Rural Transportation Assistance Program (49 U.S.C. 5311(b)(3)) changes in Authorized Amounts.

Previous Amounts					
Fiscal Year	2022	2023	2024	2025	2026
Funds Authorized	\$20,117,845	\$20,538,128	\$21,074,403	\$21,509,749	\$22,056,569

Updated Amounts					
Fiscal Year	2022	2023	2024	2025	2026
Funds Authorized	\$17,505,791	\$17,871,506	\$18,338,152	\$18,716,974	\$19,192,796

5. Changes in Rural Transportation Assistance Program Total Amounts Apportioned for FY 2022.

Previous FY22 Amounts	
Total Appropriation	\$20,117,845
Total Apportioned	\$17,563,773

Updated FY22 Amounts	
Total Appropriation	\$17,505,791
Total Apportioned	\$14,951,719

6. FTA Policy for FY 2022 Grant Changes

Previous Language: “In this notice, FTA provides pre-award authority through the authorization period of the IIJA (October 1, 2022, through September 30, 2026) for capital assistance under all formula programs, so long as the conditions described below are met.”

Updated Language: “In this notice, FTA provides pre-award authority through the authorization period of the IIJA (October 1, 2021, through September 30, 2026) for capital assistance under all formula programs, so long as the conditions described below are met. Previous notices provided pre-award authority applicable through September 30, 2021.”

To view the Federal Register Notice click [here](#).

Notice of Funding Opportunities for 2022

Past Programs:

RAISE Grants - Selections will be announced no later than August 12, 2022.

Infra Grants – Selections will be announced in fall of 2022

Mega Grants – Selections will be announced in fall of 2022

Port Infrastructure Development Program Grants – Fall 2022

Recently Opened Programs:

- Bridge Investment Program - Federal Highway Administration
- Railroad Crossing Elimination Program - Federal Railroad Administration
- Reconnecting Communities Pilot Program - Office of the Secretary

Upcoming Programs:

Summer:

- National Culvert Removal, Replacement, and Restoration Grant Program - Federal Highway Administration
- Thriving Communities - Office of the Secretary

August:

- Consolidated Rail Infrastructure & Safety Improvements Grant Program- Federal Railroad Administration

September:

- Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program Office of the Secretary

October:

- Fiscal year 2022 Federal-state Partnership (National) - Federal Railroad Administration

December:

Fiscal year 2022 Federal-state Partnership

Hearing: Implementing the Infrastructure Investment and Jobs Act

On July 19th, the House Transportation and Infrastructure Committee held the hearing entitled “Implementing the Infrastructure Investment and Jobs Act” with USDOT Secretary Buttigieg. Chairman DeFazio (D-OR) spoke on the IIJA and how it has apportioned to date nearly \$75 billion in highway, transit, and airport formula funds as well as 22 competitive grant programs rolled out in 2022. The Chairman commended the climate programs such as the CHG emissions tracker, the National Roadway Safety Strategy provisions, and the overall efforts by the administration to implement the IIJA. Ranking Member Graves (R-MO) spoke about the IIJA implementation and need to use the federal dollars properly. He said as it is the “law of the land” it is important to create less inflationary pressure by using the funds for projects that increase mobility around the country. The Ranking Member then expressed concerns that the IIJA is shaping up to be a different bill than originally introduced by prioritizing projects in the administration’s agenda.

Republicans generally focused on inflationary issues and possible future costs of implementing IIJA projects at higher than proposed levels. The other Republican concerns were the equity and “social programs” included in the bill. Some GOP Members claimed that the high costs of energy and fuel affect the targeted communities negatively far more than the proposed solutions of those programs such as the “Justice 40” program included in the IIJA. The disagreement with the Secretary on electric vehicle costs and costs of charging an

electric vehicle was also expressed by most Republicans during the hearing. The Democrats commended the Secretary for the Rural grants program in which the Secretary said the goal for this program was for entities that do not have enough resources are able find the grant opportunity and apply for it in a more streamlined way than the past. Most Democrats supported the electric vehicle charging initiatives that the IIJA includes. Most Congressmembers asked about specific projects within their districts referring to RAISE grants, INFRA applications, PIDP program, electrification, and electric vehicle incentives, among other projects that would reduce traffic congestion within their districts.

Rep. Napolitano (D-CA) mentioned the Railroad Crossing Elimination program and the issues it could solve in her district. The Secretary responded saying CRISI grants and Railroad Crossing Elimination programs are the ones to directly target further explaining that the FRA is meeting with stakeholders whether it is the City that operates the rail system or the specific entity that owns the railway line. The Secretary emphasized that improving communication between the stakeholders is the best way to implement the Railroad Crossing Elimination program. Rep. Napolitano then explained that her district needs more funding for this program and kindly invited the Secretary to see the zero emission buses in her district.

Rep. Lowenthal (D-CA) spoke on the Port of Long Beach to the Secretary explaining the need to implement part of the Port Infrastructure Development program's related to reducing truck emissions caused by idling at ports and electrification at the port. The Secretary responded saying that the 2022 funding is being moved as quickly as possible with an award date expected by early fall. The Secretary also recommended contacting the Port Envoy of the administration, Stephen Lyons that can help and visit ports around the country to discuss the implementation.

Rep. Steele (R-CA) focused her questions on the shortage of truck drivers, more specifically independent truck drivers in the state of California. She explained that the same laws that apply to company truck drivers do not apply for independent drivers, asking the Secretary to find a way to fix this as truck drivers are needed to reduce the supply chain backlog in the state. The Secretary acknowledged the problem of truck drivers leaving their jobs at fast rates but said there will be no interference with the state as it is a state law and he respects it.

To view the complete hearing click [here](#).

Inflation Reduction Act

On Wednesday July 27th, Senate Majority Leader Chuck Schumer (D-NY) and Senator Joe Manchin (D-WV) announced an agreement on a legislative package to provide more than \$369 billion for climate/energy investments, while lowering deficits by more than \$300 billion. The *Inflation Reduction Act of 2022, or IRA*, (bill text [here](#), one page summary [here](#)), closes several tax loopholes and includes prescription drug pricing reforms (among other provisions) to provide the necessary “pay-fors.”

Included below is a chart released by Senate Democrats that outlines both the primary sources of revenue-raisers that will be used to pay for the programs and investments included in the bill while also significantly contributing to deficit reduction:

TOTAL REVENUE RAISED	\$739 billion
15% Corporate Minimum Tax	313 billion*
Prescription Drug Pricing Reform	288 billion**
IRS Tax Enforcement	124 billion**
Carried Interest Loophole	14 billion*
TOTAL INVESTMENTS	\$433 billion
Energy Security and Climate Change	369 billion***
Affordable Care Act Extension	64 billion**
TOTAL DEFICIT REDUCTION	\$300+ billion

* = *Joint Committee on Taxation estimate*

** = *Congressional Budget Office estimate*

Shortly after Senators Schumer and Manchin announced the agreement, President Biden similarly announced he had spoken with them and strongly supported the proposal. Of note, Senator Manchin’s announcement references a deal with Democratic Leadership, including House Speaker Nancy Pelosi (D-CA), to advance permitting reform legislation in September when Congress returns from the August recess.

Senate Democrats are expected to advance the IRA via the Budget Reconciliation process, which will allow it pass with a simple majority to avoid a likely Republican filibuster. The surprise announcement comes after several failed attempts by Senate Democrats to advance similar (albeit much larger) packages, due in large part to Senator Manchin’s concerns about the impact of the previous proposals on inflation and the economy. Unified support among Senate Democrats will be required to ensure passage and Senator Kyrsten Sinema (D-AZ), who previously opposed efforts to include tax raising provisions in similar bills, has yet to comment on the proposed bill.

Also of note, several Democrats (particularly from New York and New Jersey) in both the House and Senate have also already expressed concern over the bill's lack of relief from the current cap on state and local tax deductions (SALT cap), and with no Republicans expected to support the bill in either chamber Democrats will need unified support in the Senate and could only afford a handful of defections in the House. Further complicating these matters, Senate Democrats are facing an increasing number of members contracting COVID-19, which will make scheduling a vote on this legislation more difficult. Despite this, Majority Leader Schumer indicated that he intends to put the bill on the floor this week before the Senate leaves for the August recess period. House Leadership has suggested the chamber could return early from their own August recess to consider the bill.

Please find below an overview of the legislative package based on the summaries provided by Senate Democrats:

Revenue Raising Proposals

- 15% Corporate Minimum Tax (raises \$313 billion):
 - Imposes a mandatory 15% corporate minimum tax on corporations with profits exceeding \$1 billion; Senate Democrats argue that while the current statutory corporate tax is 21%, many large corporations use tax “loopholes” to avoid paying that rate and in fact pay below 15%.

- Prescription Drug Pricing Reform (raises \$288 billion):
 - Will allow Medicare to begin negotiating with drug companies to ensure patients with Medicare get the best deal possible on high-cost drugs beginning in 2023. Also caps out of pocket expenses at \$2,000 per year for Medicare patients, institutes an “inflation rebate” requiring drug companies to rebate back the difference to Medicare if they raise the price higher than the rate of inflation. Also makes all vaccines free for seniors enrolled in Medicare.

- IRS Tax Enforcement (raises \$203 billion):
 - Invests \$80 billion over ten years to improve tax enforcement and compliance, which is expected to result in the IRS securing an additional \$203 billion it would otherwise be unable to collect.

- Carried Interest Loophole (raises \$14 billion):
 - Closes the so-called “Carried Interest loophole”, whereby investment managers are allowed to utilize the lower 20% long-term capital gains tax on income received as compensation, rather than the ordinary tax rate (37%) they would pay for the same amount of wage income.

Federal Investments

- *Energy Security and Climate Change*: Provides the following investments into the American energy sector aimed at bringing down consumer energy costs, increase energy security, and reduce greenhouse gas emissions, with the goal of reducing roughly 40% of emissions by 2030:
 1. **Lower Consumer Energy Costs**: Includes direct consumer incentives to buy energy efficient and electric appliances, clean vehicles, and rooftop-solar, with significant funding for lower-income households and disadvantaged communities. Funding programs include, but are not limited to, the following:
 - \$9 billion in home energy rebate programs.
 - 10 years of consumer tax credits to make homes energy efficient by making rooftop solar, electric HVAC and water heaters more affordable.
 - \$4,000 in consumer tax credits for individuals to buy used-clean vehicles, and up to \$7,500 in tax credits to buy a new clean vehicle.
 - \$1 billion in grants to make affordable housing more energy efficient.
 2. **American Energy Security and Domestic Manufacturing**: Provides significant investments in on-shore clean energy manufacturing in the United States across the entire supply chain spectrum for clean energy and transportation technologies, including, but not limited to, the following investments:
 - \$30 billion in tax credits to accelerate the manufacturing of solar panels, wind turbines, batteries, and the minerals necessary for their production within the United States.
 - \$20 billion in loans to build new clean vehicle manufacturing facilities in the United States.
 - \$10 billion in investment tax credits to build clean technology manufacturing facilities.
 - \$2 billion in grants to retrofit auto manufacturing facilities to transition to clean vehicle manufacturing.
 - \$2 billion for the National Labs to perform accelerated groundbreaking energy research.
 - \$500 million for the Defense Production Act to produce heat pumps and critical mineral processing capabilities.
 3. **Decarbonize the Economy**: The IRA aims to reduce emissions in every sector of the economy through tax credits for the sourcing of clean electricity and energy storage, including:

- \$30 billion in grants for states and electric utilities to accelerate the transition to clean electricity.
 - Tax credits and grants to incentivize the transition to clean fuels and clean commercial vehicles to reduce emissions in the transportation sector and reduce emissions in the industrial manufacturing process.
 - Over \$9 billion for the Federal procurement of American-made clean technologies to build a stable market for eco-friendly products, including \$3 billion for the United States Postal Service to purchase zero-emission vehicles; a methane emissions reduction program to reduce leaks from natural gas production and distribution.
 - \$27 billion in the clean energy technology accelerator to support the deployment of emission reduction technologies.
4. **Invest in Communities and Environmental Justice:** More than \$60 billion in environmental justice initiatives to drive investment into historically disadvantaged communities, which includes:
- \$3 billion in Environmental and Climate Justice Block Grants to address environmental and public health harms related to pollution and climate change.
 - \$3 billion in the Neighborhood Access and Equity Grants Program to improve equitable, safe, and affordable access to transportation with grants to reconnect communities divided by existing infrastructure and support equitable transportation planning and community engagement.
 - \$3 billion in Grants to Reduce Air Pollution at Ports to support the purchase and installation of zero-emission technologies.
 - \$1 billion to purchase clean heavy-duty vehicles such as school buses, transit buses and garbage trucks.
5. **Farmers, Forestland Owners, and Resilient Rural Communities:** Invests billions of dollars into rural communities, including clean energy development in these communities by providing more than \$20 billion to support climate-smart agricultural practices; \$5 billion to support healthy forests; \$2.6 billion in grants to conserve and restore coastal habitats; and tax credits and grants to support the domestic production of biofuels.
- *Affordable Care Act Extension:* The *Inflation Reduction Act of 2022* will extend the expanded Affordable Care Act health insurance subsidies program for three years, through 2025.

WRDA Passes the Senate

On July 28th, the Senate passed an amended House version of the House Water Resources Development Act in a 93-1 vote. This bill would authorize more than 100 USACE construction projects, programs and studies. There are also 30 new projects for USACE worth \$34 billion focused on navigation, flood control, ecosystem restoration and disaster risk management. It would authorize 36 new feasibility studies between new projects and modifications while also authorizing \$1 billion for 34 new infrastructure projects. \$85 million is also provided each year through FY27 for new financial account dedicated to research and development. The bill now will go back to the House for conferencing.

Wildfire Bill Passes House Before August Recess

On July 29th, the House passed the bill [H. R. 5118](#) in a 218-199 vote. The 49-bill wildfire package includes provisions that authorize additional funding from the IIJA, set the federal firefighter pay at a minimum of \$20 per hour, build drought resilient infrastructure, increase hiring at the Forest Service agency, and implements a 10-year strategy for wildfire mitigation and prevention. Senator Feinstein applauded the House passage and stated, “droughts are wildfires are my top priority”. The Senator said she will ensure the Senate Energy and Natural Resources Committee passes similar legislation later this year.

To view the bill text, click [here](#).

For a one-page summary of the bill click [here](#).

For Senator Feinstein’s press release click [here](#)

For the House voting record click [here](#).

Fiscal Year 2022 Railroad Crossing Elimination Grant Program

The Federal Railroad Administration (FRA) Office of Passenger and Freight Programs is now accepting applications for the FY22 Railroad Crossing Elimination Grant Program, which will aim to fund highway-rail or pathway-rail grade crossing improvement projects that focus on improving the safety and mobility of people and goods. Recipients will focus their programs on improving infrastructure to enhance rail safety, improving the health and safety of communities, eliminating highway-rail and pathway-rail grade crossings that are frequently blocked by trains, and reducing the impacts these inefficiencies have on underserved communities. The program will also seek to fund projects that reduce greenhouse gas emissions, address environmental injustice and racial inequities, and help produce union-supported jobs.

Eligible Entities: State, including the District of Columbia, Puerto Rico, and other United States territories and possessions; A political subdivision of a State; A federally recognized

Indian Tribe; A unit of local government or a group of local governments; A public port authority; A metropolitan planning organization; A group of any of these entities.

Total Program Funding Available: \$573.26 million.

Required Cost Sharing or Match: This solicitation requires a cost match of at least 20% of the total project cost.

Application Deadlines: October 4th, 2022 at 5:00 PM EST.

Additional program information available [here](#).

Reconnecting Communities Pilot Discretionary Grant Program

The Department of Transportation is now accepting applications for the Reconnecting Communities Pilot Discretionary Grant Program that aims to reduce inequities across the transportation systems and the communities they effect by addressing the legacy of harm caused by transportation infrastructure, including barriers to opportunity, displacement, damage to the environment and public health, limited access, and other hardships.

The program will provide technical assistance and funding to communities interested in addressing infrastructure barriers, restoring community connectivity and improving peoples' lives by removing, retrofitting, or mitigating transportation facilities such as highways and rail lines that create barriers to community connectivity. DOT will engage economically disadvantaged communities to increase access to affordable and multimodal forms of transportation to daily destinations like jobs, healthcare, grocery stores, schools, places of worship, recreation, and public parks. Grants will be made through two categories: \$50 million for Planning Grants, which will fund the study of removing, retrofitting, or mitigating an existing facility to restore community connectivity and improve public engagement within that community; and \$145 million for Capital Construction Grants, which will carry out a project to destroy, renovate, or replace existing eligible facilities with a new facility that meets the program requirements.

Eligible Entities: State governments; Local governments; Federally recognized Tribal governments; Metropolitan Planning Organizations; and Non-Profit organizations.

Total Program Funding Available: \$195 million

Required Cost Sharing or Match: This solicitation requires a cost match of 20% for planning grants and 50% for capital construction grants.

Application Deadlines: October 13th, 2022 at 11:59 PM EST.

Additional program information available [here](#).