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OCTA

Monthly Legislative Report – January 2018

January Advocacy Meetings

Senate Commerce, Science and Transportation Committee – We facilitated a meeting with Professional Staff from the Senate Subcommittee on Surface Transportation. During the meeting we discussed the status of the OC Streetcar and we briefed the staff on the recent discussions with the Federal Transit Administration (FTA) on the status of the Full Funding Grant Agreement (FFGA) and the Capital Investment Grant (CIG) program. We also discussed the Trump Infrastructure bill and the various proposals that were included in an "unofficial" funding principles document, which was released earlier this month.

Senate Banking, Housing, and Urban Affairs Committee – We facilitated a meeting with Professional Staff from the Senate Subcommittee on Housing, Transportation, and Community Development. During the meeting we discussed the OC Streetcar and the status of an FFGA at the Federal Transit Administration (FTA). We gave an update on the project's status and discussed the recent Management Capacity/Capability (MCC) review, which we shared with them after the meeting. We also discussed OTCA's strong history of delivering projects on-time and under-budget, successfully managing billions of dollars in transportation infrastructure projects.

Senator Feinstein (D-CA) – We facilitated a meeting with senior transportation staff in Senator Feinstein's office to give an update on the OC Streetcar. We discussed the procurement process for the streetcars and the positive impact the project will have on job creation. We also discussed the favorable MCC review by the Project Management Oversight Contractor (PMOC) and the need for an expedited FFGA by the FTA. Senate Feinstein is supportive of the project and willing to weigh-in with the FTA and press them for a FFGA.

Chairman Mario Diaz-Balart (R-FL) – We facilitated a meeting with Congressman Mario Diaz-Balart, Chairman of the House Appropriations Subcommittee on Transportation, Housing, and Urban Development. During the meeting we discussed the positive review of OCTA's ability to manage the project. We asked the Chairman to weigh in with the FTA on the FFGA. We also briefly discussed the possible return of congressionally directed spending (earmarks).

Federal Transit Administration – Along with OCTA senior staff and Chairwoman Bartlett, we met with the Acting Administrator of the Federal Transit Administration, Jane Williams, to discuss the OC Streetcar. We provided the Acting Administrator with updated materials regarding OCTA's streetcar procurement process and discussed the timeline for an FFGA for the project. We discussed the project's budget, local funding sources, and how costs will continue to rise with a delayed FFGA. We discussed how OCTA has expended nearly $30 million to date on the project and how without an FFGA, pending contracts for the procurement of vehicles, construction and operations and maintenance could be delayed, leading the project to incur greater costs.

Congressman Lou Correa (D-CA) – We facilitated a meeting with Congressman Correa and his staff to discuss the OC Streetcar and the need for an expedited FFGA at the FTA. We provided the Congressman with updated materials regarding the project's progress and discussed the favorable review of OCTA's management capabilities as noted by the MCC report. We discussed how OCTA has met every statutory and administrative requirement necessary to advance the project and that while the project has committed funding from local, state and federal source, OCTA is unable to access any further federal funding without an FFGA. We discussed the procurement process and how without an FFGA, pending contracts could be delayed.

Congressman Alan Lowenthal (D-CA) – We met with Congressman Lowenthal and his staff to discuss the OC Streetcar. Congressman Lowenthal serves on the House Transportation and Infrastructure Committee. During the meeting we also discussed the favorable review of OCTA's management capabilities in the MCC review. We spoke about the need for an expedited FFGA at the FTA. We discussed the $30 million OCTA has expended on the project and how without an FFGA pending contracts for procuring the vehicles, management and construction could be delayed.

Chairman Sam Graves (R-MO) – We facilitated a meeting with Congressman Sam Graves and his staff to discuss the OC Streetcar project. Congressman Graves is the Chairman of the House Subcommittee on Highways and Transit. During the meeting we followed-up with previous discussions regarding the need for an expedited FFGA at the FTA. We also discussed the project's impact on national job creation and how the OC Streetcar is expected to produce 6,500 well-paid jobs nation-wide, 4,000 of which will be generated by an FFGA from the FTA. Chairman Graves committed to weighing-in on the OC Streetcar's FFGA status at the FTA.

Congressman Ed Royce (R-CA) – We facilitated a meeting for Chairwoman Bartlett with Congressman Royce and his staff to give them an update on the OC Streetcar. We discussed support for an expedient FFGA at DOT and gave the Congressman updated information regarding the project's timeline and expected testing dates. We also discussed the delegation support letter and next steps at the FTA. Congressman Royce will be meeting with the FTA to discuss the OC Streetcar FFGA and work on securing a definitive timeline for approval.

House Transportation and Infrastructure Committee – We met with senior staff on the House Transportation and Infrastructure Committee to discuss President Trump's upcoming infrastructure proposal. We discussed the unofficial funding principles outline. We also discussed the President's State of the Union address and when to we might see an official infrastructure proposal.

Congressman Ken Calvert (R-CA) – We met with staff in Congressman Calvert's office to discuss FY18 appropriations and budget and the possible return of congressionally directed spending in the FY19 Appropriations process.

FY18 Budget and Appropriations

The US Senate convened on January 3rd, 2018 to begin the 2nd session of the 115th Congress. The House convened on January 8th. As soon as Congress began session, the primary item on the legislative agenda in both chambers was the passage of an FY18 budget and legislation to fund the government beyond a January 19th deadline.

House and Senate leadership failed to reach a budget deal and propose a permanent appropriations package before the January 19th deadline, and on Thursday evening January 18th the House passed a Continuing Resolution (CR) (HR 195) along mostly partisan lines (230-197). Under normal circumstance the Senate and White House would have quickly passed the spending extension to avoid a government shutdown.

The Senate was unable to pass the House bill as Senate Democrats vowed to block any spending legislation that did not include protections for DREAMERs, undocumented immigrants that were brought into the US as children and who received special protections under Deferred Action for Childhood Arrivals (DACA). President Trump ended DACA in September of last year, giving Congress until March 2018 to find a legislative solution before DREAMERs would begin to be eligible for deportation.

Government funding officially lapsed at midnight on the 19th as Senate Democrats began a filibuster of the CR to protest the exclusion of DACA legislation. However, the shutdown did not last long. On Monday January 22nd the Senate convened to vote on HR 195 in order to end the three-day government shutdown after Senate Democrats accepted a promise from Senate Republicans that DACA legislation would be considered with due process. During the shutdown, a bipartisan group of Senators expressed optimism for a legislative DACA fix but said that it should not be attached to the budget and appropriations negotiations. The House also convened briefly on Monday night during a scheduled recess week to approve the bill. The President quickly signed the bill into law and all furloughed federal workers returned to work on Tuesday morning with the federal government now funded through February 8th.

Other provisions included in the CR:

- 6-year reauthorization of the Children Health Insurance Program (CHIP)
- Kevin and Avonte's law of 2017: This bill amends the Violent Crime Control and Law Enforcement Act of 1994 to revise and rename the Missing Alzheimer's Disease Patient Alert Program as the Missing Americans Alert Program and to reauthorize it through FY22.
    - The bill subjects grants under the Missing Americans Program to accountability provisions. DOJ's Office of Inspector General must conduct annual audits of selected grant recipients. The bill prohibits grants to nonprofit

organizations that hold money in an offshore account to avoid tax liability. It also limits the use of grants under this bill for conferences that use more than $20,000 in DOJ funds.
    - Additionally, it directs the Bureau of Justice to award grants to health care, law enforcement, or public safety agencies to develop tracking technology programs to locate missing individuals with dementia or children with developmental disabilities.
- 2-Year delay in implementation of Excise Tax on High-Cost Employer-Sponsored Health Coverage.
- 2-Year delay in implementation of Annual fee on health insurance providers.

With only a few legislative days before the next CR expires, none of the underlying policy issues that ostensibly led to the shutdown, such as immigration legislation to protect DREAMERs, will likely be addressed before the February 8th deadline. This dynamic could set Congress up for another potential shutdown. Closed-door negotiations between Senate Majority Leader Mitch McConnell and Senate Minority Leader Chuck Schumer are continuing. Nevertheless, we are hearing that the House could vote as early as Tuesday, February 6th on another Continuing Resolution to fund the government until March 22nd. Conservatives and defense hawks are threatening to oppose yet another short-term funding bill. House Democrats have refused to back stopgap measures without those immigration reform policies included.

Regarding congressionally directed spending (earmarks), a group of ten Senators introduced new legislation that would make the current moratorium on earmarks permanent. The bill, (The Earmark Elimination Act of 2018) would call for any earmarks to be stricken from pending legislation, amendments, and resolutions unless a waiver is approved by at least two-thirds of the Senate body. We will continue to track this legislation, however, we do not see this legislation gaining much momentum in the House, where a return to congressionally directed spending remains popular. House Rules Committee Chairman Pete Sessions (R-TX) has expressed support for reinstating earmarks for transportation and infrastructure as a trail program. President Trump also expressed his support for earmarks earlier this month.

With regards to the FY19 budget request, the White House is now planning to deliver its budget request to Congress on February 12th or later. It is possible we could see that budget release slip into March if another shutdown becomes likely.

Infrastructure Bill Update

On January 22nd, an unofficial document purporting to be a White House draft of the upcoming infrastructure proposal's "funding principles" (included at the end of this report) was released. Soon after, however, the White House deputy chief of staff Paul Teller said the document was not reflective of the administration's ultimate proposal to fix the country's crumbling roads and bridges and promised that the President would give more details during the State of the Union (SOTU) address with a more formal proposal coming in the next two to four weeks. Teller's report did not specify funding levels for White House proposal, but the White House has said on multiple occasions that they would like to committee $200 billion to leverage what Trump touted during the SOTU address as $1.5 trillion in total public/private financing. After the State of the Union Address (outlined below), the White House did say that the unveiling of the infrastructure proposal will be delayed again, partially due to the recent government shutdown.

It is also interesting to note that Congressman Bill Shuster (R-PA), Chairman of the House Transportation and Infrastructure Committee, brought up an increase in the gas tax to deal with the Highway Trust Fund (HTF) during an annual Republican Issues Conference in West Virginia on February 1st. The infrastructure-focused session included Transportation Secretary Elaine Chao, National Economic Council Director Gary Cohn, Senator John Barrasso (R-WY) and Senator John Thune (R-SD). Chairman Shuster noted that any user fee that would go straight towards it's set purpose, the highways and transit system. Shuster also said "[The infrastructure bill] has to be bipartisan to get it through the Senate, and if we want to attract Democrats in the House, we probably lose some Republican votes." Permit streamlining was also discussed during the session.

President Trump's State of the Union Address

On Tuesday, January 30th, President Trump gave his first State of the Union address of his Presidency. During the address President Trump outlined the legislative goals for his administration in 2018. President Trump touted the tax reform package that Congress passed at the end of last year. He also spoke about the upcoming infrastructure package that we have been tracking closely for Orange County. President Trump's remarks are as follows:

> "As we rebuild our industries, it is also time to rebuild our crumbling infrastructure. America is a nation of builders. We built the Empire State Building in just 1 year -- is it not a disgrace that it can now take 10 years just to get a permit approved for a simple road? I am asking both parties to come together to give us the safe, fast, reliable, and modern infrastructure our economy needs, and our people deserve.
>
> Tonight, I am calling on the Congress to produce a bill that generates at least $1.5 trillion for the new infrastructure investment we need. Every Federal dollar should be leveraged by partnering with State and local governments and, where appropriate, tapping into private sector investment -- to permanently fix the infrastructure deficit.
>
> Any bill must also streamline the permitting and approval process -- getting it down to no more than two years, and perhaps even one. Together, we can reclaim our building heritage. We will build gleaming new roads, bridges,

> highways, railways, and waterways across our land. And we will do it with American heart, American hands, and American grit.

In addition, President Trump mentioned his Administration's goal to expand vocational education opportunities and increase funding for workforce development and job training.

> "We want every American to know the dignity of a hard day's work. We want every child to be safe in their home at night. And we want every citizen to be proud of this land that we love. We can lift our citizens from welfare to work, from dependence to independence, and from poverty to prosperity. As tax cuts create new jobs, let us invest in workforce development and job training. Let us open great vocational schools so our future workers can learn a craft and realize their full potential. And let us support working families by supporting paid family leave."

President Trump asked Congress to end the Defense Sequester, lower prescription drug prices, and to provide a path to citizenship for DREAMERs in exchange for border wall and Customs and Border Patrol funding. A link to the entire State of the Union Address can be found HERE.

Positive Train Control

At the end of last month, Secretary of Transportation Elaine Chao sent letters to all of the nation's Class I railroads, intercity passenger railroads, and state and local transit authorities urging the completion of Positive Train Control (PTC) implementation before the Congressional deadline on December 31st, 2018. A copy of the letters can be found HERE. In the letter, Secretary Chao expresses the importance of meeting congressionally approved milestones. She also outlined the FRA's and DOT's focus on safety-oriented rail initiatives this year. This letter comes after an Amtrak "Cascades" passenger train derailed near DuPont, Washington. National Transportation Safety Board (NTSB) investigators found that the train's derailment was caused by high speeds and human error and could have been prevented by PTC. The Senate Commerce Committee also plans to hold a hearing regarding PTC implementation at the end of February. The House T&I committee will likely follow suit sometime in March.

Congressional Retirements

On January 31st, Congressman Trey Gowdy (R-SC) announced that he will not run for reelection in 2018. Congressman Gowdy is another prominent House Republican to announce his retirement in recent weeks, including Orange County delegation member Congressman Ed Royce (R-CA). Congressman Darrell Issa (R-CA) also announced that he will not be running for reelection in CA-49. Other Republican Chairmen who have announced that they will not be running for reelection include:

- **Jeb Hensarling**, (R-TX) – House Financial Services Committee

- **Lamar Smith**, (R-TX) – House Science, Space and Technology Committee
- **Bob Goodlatte**, (R-TX) – House Judiciary Committee
- **Bill Shuster**, (R-PA) – House Transportation and Infrastructure Committee
- **Gregg Harper**, (R-MS) – House Administration Committee
- **Rodney Frelinghuysen**, (R-NJ) – House Appropriations Committee

Most notably is the unexpected retirement announcement by Congressman Rodney Frelinghuysen (R-NJ). Congressman Frelinghuysen is the Chairman of the House Appropriations Committee and his departure has already spurred a heated race for the Chairmanship. So far there are three Appropriators who have thrown their hats in the ring; Congressman Robert Aderholt (R-AL), Congresswoman Kay Granger (R-TX), and Congressman Tom Cole (R-OK).

Hearing: Building the Foundation for Surface Transportation Reauthorization

On Tuesday, January 14th the House Transportation and Infrastructure Committee held a hearing titled "Building the Foundation for Surface Transportation Reauthorization." Chairman Bill Shuster wanted to discuss the Committee's efforts to develop new legislation to reauthorize federal surface transportation programs. These programs were last authorized under the Moving Ahead for Progress in the 21st Century Act (MAP-21), which was signed into law in July 2012 and expires at the end of September. In his opening statement Chairman Shuster discussed the key principles that he wants to highlight in the bill, which include reducing regulatory burdens and increasing focus on freight mobility. He also spoke about the successes of MAP-21 that OCTA had impacted with the Breaking Down Barriers initiative, stating that it "reformed the project approval and delivery process for highway and public transportation projects, which allows projects to begin construction faster, maximizing the public investment and benefit." Testimony was heard from public officials including Governor of Oklahoma Mary Fallin and Atlanta Mayor Lawrence Hanley. They testified that surface transportation requires both a long-term vision and funding stability to provide for our nation's diverse mobility needs. We will continue to meet with Chairman Shuster and members of the committee in support of streamlining the environmental review process without impairing substantive environmental requirements.

Hearing: Securing Our Surface Transportation Systems

On Tuesday, January 30th the House Subcommittee on Transportation & Protective Security and the Subcommittee on Emergency Preparedness, Response, & Communication held a joint hearing titled "Securing Our Surface Transportation Systems: Examining the Department of Homeland Security's Role in Surface Transportation Technologies". This hearing continues the Committee's efforts to gain a solid understanding of the challenges facing surface transportation operators, industry stakeholders, and DHS components in their mutual goal of using technology to address the unique security threats of transit systems. The Subcommittees specifically examined how the Transportation Security Administration (TSA) and the Science & Technology Directorate collaborate to improve security capabilities and address identified needs. In his opening statement, Chairman John Katko (R-NY) said that security regulations, inspections, VIPR teams, and grants are only part of the solution and that these initiatives must be supplemented by the deployment of innovative security technologies to effectively reduce risk. The Subcommittees heard testimony from TSA security directors as well as security technology professionals. Witnesses spoke about recent terror attacks, implementing more advanced security technology, and how they are assessing transit system vulnerabilities to ensure that they can prevent future attacks.

Funding Principles

I. **<u>Infrastructure Incentives Initiative:</u>** encourages state, local and private investment in core infrastructure by providing incentives in the form of grants. Federal incentive funds will be conditioned on achieving milestones within an identified timeframe. ***Accounts for 50% of total appropriation***.

A. Applies to: surface transportation, airports, passenger rail, maritime and inland waterway ports, flood control, water supply, hydropower, water resources, drinking water facilities, storm water facilities, Brownfield and Superfund sites

B. Eligible entities: States or groups of states, Puerto Rico, U.S. territories, metropolitan planning organizations, units of local government or a group of local governments, special purpose district or public authority responsible for maintaining infrastructure facilities, public utilities, non-profits, tribal governments, multijurisdictional group of eligible entities, private entities with sponsorship from an eligible public entity.

C. Core infrastructure projects are eligible. The lead federal agency administering the initiative will define eligible costs and conduct audits to ensure funds are used appropriately.

D. The lead federal agency will solicit applications every 6 months. Criteria includes:

1. Dollar value of project (weighted at 10%)
2. Evidence supporting how applicant will secure and commit new, non-federal revenue to create sustainable, long-term funding (weighted at 50%)
3. Evidence supporting how applicant will secure and commit new, non-federal revenue for operations, maintenance and rehabilitation (weighted at 20%)
4. Updates to procurement policies and project delivery approaches to improve efficiency in project delivery and operations (weighted at 10%)
5. Plans to incorporate new technology (weighted at 5%)
6. Evidence to support how project will spur economic and social returns on investment (weighted at 5%)
   a. Calculated by multiplying the weighted score by the percentage of non-federal revenues used to fund the project
   b. Lookback period:

Years Passed	New Revenue Credit Score Multiplier
>3 years	0%
2-3	30%
1-2	40%
0-1	50%
After Jan. 2018	100%

E. Grant more than 10% of the amount available awards can't exceed 20% of total project cost. Any individual state can't receive more than 10% of the amount available.

II. **<u>Transformative Projects Program</u>**: makes available federal funding and technical assistance for innovative and transformative infrastructure projects based on competitive basis to viable projects unable to secure financing through private sector due to the uniqueness of the program. Applicable projects must be exploratory and ground-breaking ideas that have more risk than standard infrastructure projects but offer a larger reward profile. Covered sectors include: transportation, clean water, drinking water, energy, commercial space, and telecommunications. ***Accounts for 10% of total appropriation.***

A. Dept. of Commerce chairs administration of the program.

B. Eligible entities: States or groups of states, Puerto Rico, U.S. territories, metropolitan planning organizations, units of local government or a group of local governments, special purpose district or public authority responsible for maintaining infrastructure facilities, public utilities, non-profits, tribal governments, multijurisdictional group of eligible entities, private entities with sponsorship from an eligible public entity.
C. Funding tracks: *Applicants could apply for all or specific tracks.*
   1. Demonstration: funding provided for planning, construction, deployment and evaluation of demonstration trials. Can't be used for applied R&D activities but instead where a prototype is operated at or near full scale. *Federal funding may be used for up to 30% of eligible costs.*

   2. Project Planning: funding provided for final pre-construction activities – i.e. final design and engineering. Demonstration trial must have occurred and been successful. Must demonstrate construction would begin within a reasonable time frame. *Federal funding may be used for up to 50% of eligible costs.*
   3. Capitol Construction: funding provided for capital projects having independent utility and ready for intended use upon completion. *Federal funding may be used for up to 80% of eligible costs.*
      a. Under this track, applicant required to enter into a financial partnership agreement with the Federal Government requiring that if a project begins to generate value, the Federal Government would have rights to share in the project value. The Federal Government would not assert first claim under any such agreement, would not accept a seat on any company's board of directors, and all partnership agreements would provide that the company retains ownership of any and all intellectual property.
D. Minimum match requirements in the form of equity investments by private or non- profit organizations. Applicant must demonstrate equity is committed and available.
E. Federal technical assistance available in addition to funding tracks, but no funding provided.
F. Dept. of Commerce would administer the program with an interagency selection committee. A notice of funding opportunity would be published in the federal register soliciting applications on an annual basis. Cost benefit analysis is required and applications are limited to one per lead applicant, although there would be no limit to the number of applications on which an applicant could be listed as a partner applicant.
G. Applicants selected would enter into a partnership agreement with the Federal Government which would specify terms and would not exceed 7 years to outlay funds. Milestones and schedules included in the agreement, the progress for which the lead Federal agencies would conduct regular audits.

III. **Rural Infrastructure Program:** designed to encourage investment to enable rural economies, facilitate freight movement, improve access to reliable and affordable transportation, etc. States are incentivized to partner with local and private investment for completion and operation of projects under this program. ***Accounts for 25% of total appropriation.***

A. Eligible entities rural programs include:
   1. Transportation - roads, bridges, public transit, rail airports, and maritime and inland waterway ports;
   2. Broadband - and other high-speed data and communication conduits;
   3. Water and waste – drinking water, waste water, land revitalization, and Brownfields;
   4. Power and electric – governmental generation, transmission and distribution facilities; and
   5. Water resources – inland waterway ports, flood risk management, maritime ports and water supply.
B. Funding:

1. 80% of funds made available for states would be provided to the Governor of each state via the following formula:
    a. Ratio based on total rural lane miles in a state in relation to total rural lane miles in all states and a ratio based on the total adjusted rural population of a State in relation to the total adjusted rural population of all states.
2. 20% reserved for rural performance grants
    a. States encouraged to do so within 2 years of enactment
    b. Grants available for up to 10 years after enactment or until funds run out.
    c. To qualify, states must publish a comprehensive rural infrastructure investment plan (RIIP) within 180 days of receipt of formula funds.
3. Funds made available would be distributed as block grants without Federal requirements, but must be used for projects in rural areas with a population of less than 50,000.
4. Provides investment designed to address infrastructure needs on tribal lands and U.S. Territories.

IV. **Federal Credit Programs:** designed to increase the capacity of existing Federal lending programs to increase investment. ***Accounts for 7.05% of total appropriation.***

A. Would establish the (1) Transportation Infrastructure Finance and Innovation Act, (2) Railroad Rehabilitation and Improvement Financing, (3) Water Infrastructure Finance and Innovation Act, and (4) United States Department of Agriculture Rural Utilities Lending Programs under which specific funds would be set aside and appropriated to the relevant U.S. agency and would remain available until 2028.

V. **Public Lands Infrastructure Fund**: would create a new infrastructure fund in the U.S. Treasury called the Interior Maintenance Fund comprised of additional revenues from the amounts due and payable to the U.S. from mineral and energy development on Federal lands and waters.

VI. Disposition of Federal Real Property: would establish through executive order the authority to allow for the disposal of Federal assets to improve the overall allocation of economic resources in infrastructure investment.

VII. Federal Capital Financing Fund: creates a funding mechanism similar to a capital budget but that operates within the traditional rules used for the Federal budget by establishing a mandatory revolving fund to finance purchases of federally owned civilian real property. Once approved in an Appropriations Act, the revolving fund would transfer money to agencies to finance large- dollar real property purchases. Purchasing agencies would then be required to repay the fund in 15 equal annual amounts using discretionary appropriations. ***Accounts for 5% of total appropriation.***

VIII. Private Activity Bonds: would amend 26 U.S.C. 142 to allow broader categories of public- purpose infrastructure, including reconstruction projects, to take advantage of PABs would encourage more private investment in projects to benefit the public.

A. Elimination of the AMT provision and the Advance Refunding prohibition on PABs
B. Elimination of the transportation volume caps on PABs and expend eligibility to ports and airports
C. Removal of state volume cap on PABs
D. Provide change-of-use provisions to preserve the tax-exempt status of governmental bonds
E. Require public attributes for core public infrastructure projects
F. Provide change-of-use cures for private leasing of projects to ensure preservation of tax exemption for core infrastructure bonds

Principles for Infrastructure Improvements

I. **Transportation**

A. Financing
1. Allow states flexibility to toll on interstates and reinvest toll revenues in infrastructure

2. Reconcile the grandfathered restrictions on use of highway toll revenues with current law
3. Extend streamlined passenger facility charge process from non-hub airports to small hub sized airports
4. Support airport and non-federal maritime and inland water way ports financing options through broadened TIFIA program eligibility
5. Subsidize railroad rehabilitation and improvement financing for short-line and passenger rail
6. Provide states flexibility to commercialize interstate rest areas
7. Remove application of federal requirements for projects with de minimis Federal share
8. Expand qualified credit assistance and other capabilities for state infrastructure banks

B. Highways
1. Authorize federal land management agencies to use contracting methods available to states
2. Raise the cost threshold for major project requirements to $1 billion
3. Authorize utility relocation to take place prior to NEPA completion
4. Refund of federal investment to eliminate perpetual application of federal requirements
5. Provide small highway projects with relief from the same Federal requirements as major projects

C. Transit
1. Require value capture financing as condition for receipt of transit funds for major capital projects (Capital Investment Grants)
2. Eliminate constraints on use of public-private and public-public partnerships in transit
3. Codify expedited project delivery for Capital Investment Grants pilot program

D. Rail
1. Apply Fast Act streamlining provisions to rail projects and shorten the statute of limitations

E. Airports
1. Create more efficient federal aviation administration oversight of non-aviation development activities at airports
2. Reduce barriers to alternative project delivery for airports
3. Clarify authority for incentive payments under the Airport Improvement program
4. Move oversight of AIP funds to post-expenditure audits

II. **<u>Water Infrastructure</u>**

A. Financing
1. Authorize Clean Water State Revolving Fund for privately owned public purpose treatment works
2. Expand EPA's WIFIA authorization to include flood mitigation, navigation and water supply
3. Eliminate requirement under WIFIA for borrowers to be community water systems
4. Authorize Brownfield rehabilitation and clean-up of superfund sites under WIFIA
5. Reduce rating agency opinions from two to one for all barrowers
6. Provide EPA authority to waive the springing lien in certain lending situations
7. Increase the base level of administrative funding authorized to ensure EPA has sufficient funding to operate the WIFIA program
8. Remove the restriction on the ability to reimburse costs incurred prior to loan closing under WIFIA
9. Expand the WIFIA program to authorize eligibility for credit assistance for water systems acquisitions and restructurings.

B. Water Programs
1. Remove the application of Federal requirements for de minimis Federal involvement
2. Provide EPA infrastructure programs with "SEP-15" authorizing language

3. Apply identical regulatory requirements to privately owned "public purpose" treatment works and publicly owned treatment works

C. Inland Waterways
1. Authorize all third-party construction and operation arrangements as eligible expenses for inland waterways trust fund and treasury appropriations
2. Authorize non-federal construction and operation of inland waterways projects

D. Water infrastructure resources
1. Authorize user fee collection and retention by the Federal government and third parties under the WRDA Section 5014 pilot program
2. Expend U.S. Army Corps of Engineers' authority to engage in long-term contracts
3. Authorize operation and maintenance activities at hydropower facilities
4. Deauthorize certain federal civil works projects
5. Expand authority for acceptance of contributed and advanced funds
6. Retain recreation user fees for operation and maintenance of public facilities
7. Amend the Water Resources Development Act to allow for waiver of cost limits
8. Expand WIFIA authorization to include Federal deauthorized water resource projects

III. Veterans Affairs: designed to provide Veteran's with state-of-the-art facilities
A. Authorize VA to retain proceeds from sales of properties
B. Authorize VA to exchange existing facilities for construction of new facilities
C. Authorize pilot for VA to exchange land or facilities for lease of space
D. Increase threshold above which VA is required to obtain Congressional authorization for leases

IV. Land Revitalization (Brownfield/Superfund Reform)
A. Replicate the Brownfield Grant/Revolving Loan Fund program for Superfund projects
B. Clarify EPA's ability to create special accounts for third party funds for CERCLA clean up response without state assurances
C. Provide liability relief for states and municipalities acquiring contaminated property through actions as sovereign governments
D. Provide EPA express settlement authority to enter into administrative agreements
E. Integrate clean up, infrastructure and long-term stewardship needs by creating flexibility in funding and execution requirements
F. Authorize national priority list sites to be eligible for Brownfield grants
G. Clarify risks to non-liable third parties that perform superfund cleanup.