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Monthly Legislative Report – March 2019

March Advocacy Meetings

Congressman Lou Correa (D-CA) – This month we met with Congressman Correa and his staff multiple times to discuss his priorities as the Chairman of the House Homeland Security Subcommittee on Transportation and Maritime Security. We also gave an update on the County's priorities projects and discussed the FTA's Low-No grant program. We also discussed the surface transportation reauthorization and/or infrastructure bill and the likelihood of the two bills being combined.

Congressman Gil Cisneros (D-CA) – We met numerous times this month with Congressman Cisneros and his staff to follow-up on our discussions regarding the I-405 expansion project and possible TIFIA reform. We also discussed support for OCTA projects in any major surface transportation and/or infrastructure legislation as well as the aviation fuel tax issues, FTA's Low-No Grant program, and possible TIFIA reforms.

Congresswoman Linda Sanchez (D-CA) – We met with Congresswoman Sanchez and her staff multiple times this month to follow-up on our discussions regarding support for OCTA projects to include the I-405 and the OC Streetcar. We discussed the possibility of an increase in the gas tax to pay for an infrastructure bill. We also discussed TIFIA program and possible reform legislation.

Congressman Harley Rouda (D-CA) – We met with Congressman Rouda and his staff numerous times this month to discuss the possibility of a surface transportation reauthorization and a larger infrastructure bill and whether or not they will be combined into a single piece of legislation. We also discussed support for legislation that would streamline the TIFIA application process being considered in the Senate. We also discussed the President's budget and the FY2020 Appropriations process and requests.

Congressman Mike Levin (D-CA) — We met with Congressman Levin and his staff multiple times this month to follow-up on our discussions regarding the State Route 55 project, FTA's Low-No Grants, and possible TIFIA reforms. We also discussed the possible solution to the FAA's aviation fuel tax rulemaking that impacts self-help Counties.

Congressman Alan Lowenthal (D-CA) – We met with Congressman Lowenthal and his staff numerous times this month to discuss support for language and funding in the FY20 appropriations process that would support projects such as the I-405 expansion and the State Route 55 project. We also discussed the upcoming FTA Low-No grant NOFA, and the aviation fuel tax issue. We followed-up on our discussions regarding a support letter for the State Route 55 project. We also discussed the timeline for a surface transportation reauthorization and/or infrastructure bill and potential requests.

Congresswoman Katie Porter (D-CA) – We met with staff in Congresswoman Porter's office to follow-up on our discussions regarding support for the State Route 55 project and the I-405 expansion. We also discussed a delegation support letter for the State Route 55 project and support for OCTA projects during the appropriations process.

Senator Dianne Feinstein (D-CA) – We met with Senator Dianne Feinstein and her staff multiple times this month to discuss the President's budget, the timeline for FY20 appropriations, and possible Infrastructure bill to include a number of possible requests for the Senate EPW Committee. We also discussed support for Senators Cornyn and Kaine's legislation S. 353 to streamline the TIFIA program as well as other possible TIFIA reforms that could be included in the Surface Transportation Reauthorization.

Senator John Cornyn (R-TX) – This month we met with staff in Senator Cornyn's office to discuss his legislation S. 353 that would implement changes to streamline the TIFIA program. We discussed our experience with the TIFIA program and delivered a letter of support for the legislation signed by Chairman Shaw.

Congresswoman Grace Napolitano (D-CA) – We met with Congresswoman Napolitano and her staff this month to discuss the aviation fuel tax issues, as well as the possibility of a surface transportation reauthorization being combined with a larger infrastructure bill. We discussed the Committee's priorities in such legislation and discussed the possibility for including language to streamline the TIFIA program and expedite project delivery.

Congressman Peter DeFazio (D-OR) – We met with Congressman DeFazio, Chairman of the House Transportation and Infrastructure Committee, to discuss his priorities for the committee over the next few months. We discussed the timeline for an infrastructure bill and the possibility of combining it with a surface transportation reauthorization. We also discussed the possibility of contributing language that would expedite project delivery.

FY19 Budget and Appropriations Update

On Monday, March 11th the White House released the President's Fiscal Year 2020 (FY20) budget request. The President's budget outlines the Administration's priorities for the year, but Congress will ultimately decide how to allocate funds. Nevertheless, the President's budget is the first step in the annual appropriations process.

A brief summary of the President's budget request for the Department of Transportation is included below:

Department of Transportation (DOT)

The President's 2020 budget requests a total of \$21.4 billion in discretionary budget authority, a 22% (\$5.9 billion) decrease from the 2019 discretionary estimate. The Budget also provides \$62.2 billion in mandatory funds and obligation limitations. The Budget states that in 2018 and 2019 the Department of Transportation received large

discretionary increases for surface transportation and airport infrastructure investments and while the 2020 budget "continues certain important transportation and infrastructure investments" that the federal government "is not--and should not be--the primary funder of the Nation's transportation systems.

The budget fully funds Highway Trust Fund-supported programs consistent with the fifth and final year of the FAST Act, including \$929 million to the National Highway Traffic Safety Administration (NHTSA) and \$676 million to the Federal Motor Carrier Safety Administration (FMCSA).

It also requests \$1 billion for BUILD grants and \$2 billion for INFRA grants, double the amount authorized by the FAST Act. The Capital Investment Grants transit program would get \$1.5 billion, which includes \$500 million for new projects. The FAA would receive \$3.3 billion for infrastructure improvements. The budget makes no reference to splitting air traffic control away from the FAA, a proposal favored by past House Transportation and Infrastructure Chairman Bill Shuster (R-PA), now retired. Amtrak would be funding at \$936 million in direct grants.

The White House separately issued a fact sheet calling for \$1 trillion in infrastructure investments — trimming Trump's own projections, which at times have risen all the way to \$2 trillion. It proposes to achieve this "starting with the passage of a long-term surface transportation reauthorization," along with \$200 billion for infrastructure that echoes past calls for spurring investment. Overall, the budget calls for \$2.7 trillion in spending cuts. White House Office of Management and Budget Acting Director Russ Vought said the administration was prioritizing "reining in reckless Washington spending."

Resources:

Link to the full budget: <u>HERE</u> Budget Factsheets: <u>HERE</u>

Supplemental Amendments and Releases: HERE

Past Presidential Budget Requests: <u>HERE</u>

Department of Transportation Budget Highlights: HERE

Now that the President's Budget has been released, the House and Senate Appropriations Committees began holding hearings to examine the President's budget and layout their spending priorities for FY20. Most of the hearings this month were "Members Day Hearings", which provide individual Members of Congress an opportunity to publicly testify on programmatic funding priorities. For example, during the House Transportation, Housing and Urban Development Members Day Hearing, a number of New York and New Jersey Members testified in support of the Gateway Hudson river project. Department Secretaries and Administrators also visited the Capitol to testify before the appropriations committees in support of the President's FY20 budget. Once this process is completed, the individual appropriations subcommittees for each chamber will produce a draft bill which will be marked-up by the subcommittee, followed by the full committee over the next three months.

Other Legislative and Administrative Updates

- This month Congressional Lawmakers led by Senators Dianne Feinstein (D-CA) and Kamala Harris (D-CA) signed a letter addressed to Department of Transportation (DOT) Secretary Elaine Chao urging the department to maintain its commitment to California's High-Speed Rail system. The letter states, "Cancelling the Department's commitment to fulfill its outstanding legal obligations and attempting to claw back funding already lawfully spent would be unjustified and harmful" and that "this unprecedented action would invite years of litigation." The full two-page letter can be found HERE.
- On March 28th the Senate confirmed Nicole Nason to be Administrator of the Federal Highway Administration (FHWA) with a vote of 95-1. Senate Environment and Public Works Committee Chairman John Barrasso (R-WY) noted that the Committee approved Nason in early February and that it should not take as long as it did to confirm someone as qualified as Nason to such a critical position. Ranking Member Tom Carper (D-DE) spoke highly of Nason, saying that she will be a top leader at FHWA. The position has been vacant since January of 2017.
- On Tuesday, April 11th, the Federal Transit Administration (FTA) will host a webinar to provide more information about the FTA's "Low-No Program" and the FY19 notice of funding. The FTA announced a notice of funding opportunity (found HERE) on March 18th that will seek to award competitive funds to states and local government authorities for the purchase or lease of zero-emission transit buses, including acquisition, construction, and leasing of required supporting facilities. The deadline to apply is May 14, 2019.
- On March 13th, DOT announced that between the close of 2016 and the close of 2018, PTC implementation had risen to 45,933 out of 57,848. In the last two years, that's an improvement from 16% to 83% for freight, and 24% to 30% for passenger rail. Similarly, in the eight years between 2008 and the end of 2016, just 9,465 locomotives were equipped with PTC from a total of 22,577. Between 2016 and 2018, this number rose to 19,592 of the required locomotives in service. As a percentage, in the last two years locomotives equipped with PTC increased from 42% to 100% for freight and from 41% to 91% for passenger. From the end of 2016 to the end of 2018, railroads deemed "at-risk" of failing to meet the PTC deadline dropped from 18 to 0.