

# POTOMAC DC PARTNERS DC

## Monthly Legislative Report – June 2019

#### **June Advocacy Meetings**

Congressman Harley Rouda (D-CA) – We met with Congressman Rouda's senior staff multiple times this month to discuss OCTA's Buses and Bus Facilities grant application at FTA and a delegation support letter that was circulated to members of the OC delegation. We also followed-up on our discussions regarding HR 2164 – Green Bus Act of 2019. The Congressman signed onto this bill as a cosponsor at the beginning of the month. We also discussed his legislation (H.R. 2739 – Transit Infrastructure Vehicle Security Act) which would prohibit the use of federal dollars to purchase Chinese manufactured rolling stock. The bill would also require transit operators to develop and implement a cybersecurity risk management plan. This bill has been gaining bipartisan support in the House, with 16 cosponsors added in June. Parts of this bill were included in the FY 2020 Senate NDAA. We also discussed the timeline for a surface transportation reauthorization and the possibility that Congress may need to pass an extension in 2020. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project and the ongoing aviation fuel tax issue with the FAA that impacts self-help counties.

Congresswoman Grace Napolitano (D-CA) – We met with Congresswoman Napolitano and her staff to follow-up on her introduction of H.R. 2939 to address the aviation fuel tax issues. We discussed work with the Orange County delegation to build support for the legislation and the timeline for the bill in the House. We discussed the Congresswoman's colloquy on the House floor during debate on the THUD Appropriations bill and some potential follow up from the State of CA Department of Finance with the Federal Aviation Administration that could provide another avenue to resolve the issue. We also discussed the timeline for a surface transportation reauthorization in the House and their discussions with the Senate Commerce Committee regarding a timeline for a conference committee to negotiated differences.

Congressman Lou Correa (D-CA) – We met with Congressman Correa and his staff this month to discuss OCTA's Buses and Bus Facilities grant application at the Federal Transit Administration (FTA) and the delegation support letter being spearheaded by Congressman Rouda (D-CA). We discussed support for Congresswoman Napolitano's (D-CA) legislation (H.R. 2939) to address aviation fuel taxes. We also discussed the surface transportation reauthorization and the possibility that there may need to be an extension in 2020. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

Congressman Gil Cisneros (D-CA) – We met with senior staff in Congressman Cisneros' office to discuss signing-on to Congressman Rouda's letter of support for OCTA's Buses and Bus Facilities grant application at FTA. We also discussed support

for Congresswoman Napolitano's legislation to address the aviation fuel issue. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

Congresswoman Linda Sanchez (D-CA) — We met with Congresswoman Sanchez's staff this month to follow-up on our discussions on OCTA's projects of interest to include work on the I-5 and I405 capacity expansion. We also discussed the outlook for the tax extenders bill that would extend the alternative fuel tax credit. In a subsequent follow up meeting, we discussed the timeline for a surface transportation reauthorization in the House and the possibility of a short-term bill as well as OCTA's support letter to FTA regarding OCTA's pending Buses and Bus Facilities grant application. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

Congressman Alan Lowenthal (D-CA) – We met with Congressman Lowenthal's staff to discuss the support for OCTA's Low-No grant application, as well as support for our Buses and Bus Facility grant application at FTA. We discussed ongoing support for Congresswoman Napolitano's legislation to address the aviation fuel tax issue. We also discussed House T&I Committee's timeline for a surface transportation reauthorization. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

**Congressman Mike Levin (D-CA)** – We met with Congressman Levin's staff several times this month regarding OCTA's FTA's Low-No grant request. We also discussed support for OCTA's Buses and Bus Facilities grant application and the delegation support letter led by Congressman Rouda. We also discussed the need for TIFIA reforms and support for OCTA provisions in any upcoming surface transportation reauthorization legislation. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

Congresswoman Katie Porter (D-CA) – We met with Congresswoman Porter's senior staff this month to discuss support for OCTA's Buses and Bus Facilities grant application and the delegation support letter by Congressman Rouda. We also discussed support for TIFIA reform legislation and followed-up on our Low-No grant application. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

**Senator Dianne Feinstein (D-CA)** – We met with Senator Dianne Feinstein's staff numerous times this month to discuss the timeline for FY20 appropriations in the Senate and the timeline for a deal on budget caps. We discussed support for Senator Cornyn's TIFIA reform legislation. We also discussed the timeline for the Senate's version of a surface transportation reauthorization and the possibility that Congress may need to pass an extension in 2020. We also discussed support for OCTA's BUILD grant application for the State Route 55 Improvement Project.

**Congresswoman Julia Brownley (D-CA)** – We met with staff to Congresswoman Brownley to discuss her Green Bus Act legislation. We discussed their timeline for the bill and possible companion bills in the Senate.

Ranking Member Sam Graves (R-MO) - We met with Ranking Member Graves' staff to follow-up on next steps on the Surface Transportation Reauthorization and possible funding mechanisms for the bill. We also discussed support for OCTA projects at DOT, such as the SR-55 Improvement Project and the regional and national impacts of goods movement through Orange County.

House Transportation and Infrastructure Committee – We met with senior Majority staff on the House Transportation and Infrastructure Committee this month to discuss possible TIFIA reform legislation. We also discussed the opportunity to include TIFIA reforms in the upcoming surface transportation reauthorization or a stand-alone bill.

Senate Environment and Public Works Committee – We met with senior majority and minority staff on the Senate EPW Committee to discuss TIFIA reform legislation to include additions to the bill introduced by Senators Cornyn and Kaine. We discussed including additional TIFIA reforms in the surface transportation reauthorization and the current outlook for the bill's timeline.

#### **FY19 Budget and Appropriations Update**

On June 11<sup>th</sup> the House Appropriations Committee approved their Homeland Security and Financial Services-General Government spending bills, reaching their goal of having all twelve appropriations bills approved by the Committee in June. On June 19<sup>th</sup>, the House passed the first of three minibuses by a vote of 226-203. The four-bill minibus spending package (H.R. 2740) includes four individual appropriations bills:

- Labor-HHS-Education
- 2. Defense
- 3. State & Foreign Operations
- 4. Energy and Water Development

The White House issued a veto threat for the nearly \$1 trillion spending package saying "These 600+ pages under fund key administration priorities and over fund wasteful spending like foreign aid, and contain countless provisions rolling back key Administration achievements." A division-by-division summary of the bill can be found HERE.

The House began consideration of a second minibus ( $\underline{\text{H.R. }3055}$ ) immediately after the House passed the first minibus. This minibus includes the following individual appropriations bills:

- 1. Commerce-Justice-Science
- 2. Agriculture-Rural Development-Food and Drug Administration
- 3. Interior-Environment

- 4. Military Construction-Veterans Affairs
- 5. Transportation-Housing and Urban Development

For the Department of Transportation (DOT), the bill includes:

- \$25.3 billion in total discretionary funding.
- \$3.35 billion for the Airport Improvement Program.
  - Plus \$500 million from the general fund for discretionary grants;
- \$46.4 billion for highways.
  - Plus \$1.75 billion from the general fund for discretionary programs;
- \$10.15 billion for transit formula grants.
  - Plus \$750 million from the general fund for transit infrastructure grants;
- \$2 billion for Amtrak.
  - This includes \$1.3 billion for the National Network, and \$700 million for the Northeast Corridor.
- \$1 billion for BUILD grants.
- \$2.3 billion for Capital Investment Grants.
- \$350 million for Federal-State Partnership for State of Good Repair grants.
- \$350 million for Consolidated Rail Infrastructure and Safety Improvements grants.
- \$225 million for port infrastructure grants.

On June 18<sup>th</sup> the White House issued a veto threat on the second minibus (H.R. 3055), which would provide \$383 billion in discretionary spending. The White House said that the five-bill minibus does not reflect a bipartisan, bicameral agreement on spending levels and includes provisions to block the President's efforts to add citizenship questions on the 2020 census. The White House also expressed dissatisfaction with the bill's \$2 billion allocation for Amtrak operations, and a provision that would prohibit the DOT from terminating funding for California's High-Speed Rail project. The House considered 290 amendments to the package when floor before the bill was passed on June 25<sup>th</sup> with a vote of 227-194. The entire Orange County Delegation voted in support of the bill.

House Democrats were hoping to pass the remaining bills (Legislative Branch, Homeland Security, and Financial Services-General Government) as a third and final minibus, but the Homeland Security appropriations bill has been put on hold and will likely not be considered until after the July 4<sup>th</sup> break. Instead, the House will vote on the Financial Services-General Government bill as a stand-alone bill before the break. The Legislative Branch bill, which is usually one of the easier bills for Congress to pass, is also on hold due to a provision that would give Members of Congress a cost of living (COLA) adjustment that would amount in a \$4,500 raise for Members. This provision is not supported by Senate Majority Leader Mitch McConnell (R-KY) and has become a sticking point for the traditionally bipartisan bill.

Meanwhile, the Senate has yet to begin marking-up their individual appropriations bills. Senate Appropriations Committee Chairman Richard Shelby (R-AL) said early in the month that if a deal on budget caps is not reached by July 1<sup>st</sup>, the Committee will likely begin using proxy numbers to get started on the FY20 process. Senate Appropriations Committee staff are expecting to begin marking-up the LHHSE bill on July 9<sup>th</sup> and 11<sup>th</sup>,

and other subcommittees could begin working around the same time. If Congress and the White House are able to reach a deal on budget caps, the Senate Appropriations Committee is expected to begin immediately approving bills for floor consideration.

Despite delays on the regular appropriations process in the Senate, the Senate Appropriations Committee approved a \$4.6 billion border supplemental appropriations bill (S. 1900) on June 19<sup>th</sup>. The bill was approved 30-1, with only Sen. Jeff Merkley (D-OR) objecting. The majority of the funds in the measure would be used by the Department of Health and Human services to house and care for unaccompanied children. \$793 million would also be used to improve conditions at Customs and Border Protection processing centers. The bill does not provide funding for a border wall or additional detention beds. The House passed their own version of an emergency border supplemental (H.R. 3401) on June 25<sup>th</sup> by a vote of 230-195. President Trump has issued a veto threat on the bill citing less funding compared to the Senate version.

### Other Legislative and Administrative Updates

- On May 23<sup>rd</sup>, Congresswoman Grace Napolitano (D-CA) introduced a bill to address the use of aviation fuel sales tax issue (H.R. 2939 State and Local General Sales Tax Protection Act). The legislation currently has nine cosponsors, including Reps. Lowenthal (D-CA), Huffman (D-CA), Rouda (D-CA), Carbajal (D-CA), Garamendi (D-CA), Schiff (D-CA), Eshoo (D-CA), Lewis (D-GA), and Scott (D-GA). We spoke with the entire Orange County delegation regarding OCTA's support for this legislation.
- On June 18<sup>th</sup>, Congressman Mike Thompson (D-CA), Chairman of the House Ways and Means Subcommittee on Select Revenue Measures, introduced legislation (H.R. 3301 Taxpayer Certainty and Disaster Tax Relief Act of 2019) to address tax extenders. Section 133 of the bill would extend and clarify tax credits relating to alternative fuels until December 31, 2020. Moreover, the bill would back-date excise tax credits to January 1, 2018 and allow any such credit to be refunded for that period of time. The House Ways and Means Committee held a markup of the bill on June 20<sup>th</sup> but staff are not sure when the bill will be considered on the House floor.
- Earlier this session, Congresswoman Grace Napolitano (D-CA) introduced a bill (<u>H.R. 1139</u> Transit Worker and Pedestrian Protection Act) that would direct rail and bus operators to develop and implement operator and transit worker safety plans. The bill currently has 148 (up from 107 last month) cosponsors from both parties and has been referred to the House Highways and Transit Subcommittee. Orange County cosponsors include Congressmen Alan Lowenthal (D-CA), Gil Cisneros (D-CA), Harley Rouda (D-CA), and Linda Sanchez (D-CA).
- Congresswoman Julia Brownley (D-CA) introduced a bill last month (<u>H.R. 2164</u> Green Bus Act of 2019). If enacted, this legislation would require any bus purchased or leased with funds provided by the Federal Transit Administration

(FTA) to be a zero-emission bus by 2028. The bill provides new funding streams for zero-emission buses. At the time of this report the bill has nine cosponsors and has been referred to the House Highways and Transit Subcommittee.

- This month Orange County Congressman Gil Cisneros (D-CA) signed onto the bill as a cosponsor. Reps. Alan Lowenthal and Harley Rouda also cosponsor the bill.
- Senator John Cornyn (R-TX) introduced a bill earlier this session (S. 846 Transit Infrastructure Vehicle Security Act that would prohibit the use of federal dollars for rolling stock that is manufactured by a company that is "owned or controlled by, is a subsidiary of, or is otherwise related legally or financially to a corporation based in a country" that is identified as a nonmarket economy country, or is subject to monitoring by the US Trade Representative. The bill would also require additional certifications in addition to requiring recipients to develop, maintain, and execute a written plan for identifying and reducing cybersecurity risks.
  - On June 4<sup>th</sup> the Senate Committee on Banking, Housing and Urban Affairs held a hearing to discuss the bill entitled "Confronting Threats From China: Assessing Controls on Technology and Investment, and Measures to Combat Opioid Trafficking." Chairman Crapo (R-ID) spoke about the dangers of Chinese actions to seek majority control of American companies, especially in the industries that supply the US transportation and transit sectors with rolling stock and cyber infrastructure.
  - o The bill has 46 cosponsors (15 DEM | 30 REP | 1 IND).
  - The bill has also been included in the FY20 National Defense Authorization Act (NDAA) in Section 896 (Page 581).
- The House Transportation and Infrastructure Committee held a number of hearings this month to discuss public buildings, Mobility on Demand (MOD) surface transportation policy, rail workforce policy, and a Coast Guard reauthorization. Chairman Peter DeFazio (D-OR) said this month that he is planning on holding hearings to examine the Department of Transportation's disbursement of BUILD Grants. According to a recent study, nearly 70% of BUILD grants under President Trump have been distributed to rural areas. Under President Obama, 80% of TIGER grants (now called BUILD) were distributed to urban areas. The date of this hearing and any potential witnesses have yet to be announced.