



## Monthly Legislative Report – March 2021

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### March Advocacy Meeting Summary

**Congressman Alan Lowenthal (D-CA)** – We facilitated a meeting with Congressman Lowenthal to discuss OCTA's current projects, funding requests, and the Community Project Funding process. Additionally, we have been in close contact with the Congressman's senior staff to discuss FY22 programmatic and language requests, surface transportation reauthorization requests, and the outlook for a broader infrastructure package.

**Congressman Lou Correa (D-CA)** – We facilitated a meeting with Congressman Correa and his senior staff this month to discuss current OCTA projects and their funding needs, and to provide an update on the implementation of federal COVID-19 relief. We discussed current ridership levels and federal support to help boost rider confidence in safe public transit. We have also been in very close contact with his staff to discuss the timeline for FY22 appropriations requests, Community Project Funding requests, and surface transportation reauthorization requests. We are in the process of preparing requests now.

**Congresswoman Katie Porter (D-CA)** – We facilitated a meeting with Congresswoman Porter and her senior staff to discuss OCTA projects and funding needs. We discussed support for funding to purchase new zero emission buses and new opportunities in the upcoming surface transportation reauthorization, or broader infrastructure package. We also stayed in close contact regarding FY22 programmatic and language appropriations requests.

**Congressman Mike Levin (D-CA)** – We have been in close contact with Congressman Levin's office to facilitate a meeting for early April. We have also been discussing FY22 appropriations request procedures, the implementation of the American Rescue Plan Act, and the outlook for a broader infrastructure package later this year.

**Congresswoman Young Kim (R-CA)** – We have been in communication with Congresswoman Kim's senior staff to discuss FY22 appropriations and deadlines for requests. We secured a support letter from Congresswoman Kim for OCTA's SR-91 INFRA grant application. We have also been in contact regarding the surface transportation reauthorization and the process for submitting requests to the House Transportation and Infrastructure Committee.

**Congresswoman Michelle Steel (R-CA)** – We have been in communication with Congresswoman Steel's senior staff to discuss the surface transportation reauthorization process.

**Senator Alex Padilla (D-CA)** – We facilitated a meeting this month with Senator Padilla’s transportation staff to discuss the timeline for a Senate surface transportation reauthorization bill and testimony opportunities for OCTA. We also discussed OCTA’s ongoing and planned projects, their funding needs, and the implementation of COVID-19 relief. We also discussed OCTA’s TIFIA refinancing and upcoming Senate EPW hearings on VMT, disadvantaged communities, and infrastructural barriers between communities.

**Congressman Pete Aguilar (D-CA)** – We met with Congressman Aguilar and his staff this month to discuss FY22 appropriations request procedures and the Appropriations Committee selection process. We also discussed the process for Community Project Funding, including timelines and best approach.

**House Appropriations: Transportation, Housing and Urban Development** – We continue to be in close contact with professional staff in the Majority and Minority regarding FY22 appropriations, and the process for submitting funding and language requests at the committee level. We discussed how the Committee will treat regional projects, or projects that have support from more than one Member.

**House Transportation and Infrastructure Committee** – We have been in communication with Chairman DeFazio and his senior staff to discuss the upcoming surface transportation authorization process. We discussed the implementation of the American Rescue Plan Act (ARPA) and the outlook for a broader infrastructure package. We also had conversations with minority staff, who indicated that the Committee may be looking at limiting surface transportation reauthorization requests to \$15-20 million per congressional district.

**Senate Banking, Housing, and Urban Affairs Committee** – We met with professional staff (Majority and Minority) this month to provide an update on OCTA projects and to discuss progress on the drafting of a surface transportation reauthorization. We also discussed opportunities for submitting project authorization and funding requests. We anticipate the potential deadline for those requests to be mid-late April.

**Senate Commerce, Science, and Transportation Committee** – We have been in communication with professional staff on the Senate Commerce Committee to discuss the surface transportation reauthorization, and to provide an update on OCTA’s project needs.

### **Biden Infrastructure Proposal – American Jobs Plan**

On March 31<sup>st</sup>, President Biden announced a \$2.25 trillion proposal for infrastructure, housing, and other programs aimed at producing jobs called the “American Jobs Plan. The proposal asks Congress to provide roughly:

- \$571 billion in infrastructure spending
  - \$115 billion to modernize bridges, highways, roads and main streets in critical need of repair

- \$20 billion to improve road safety
- \$85 billion for Transit
- \$80 billion for Amtrak's repair backlog
- \$175 billion for investments in domestic Electric Vehicle companies and grants/tax credits for electric vehicle charging station construction
- \$25 billion for airports
- \$17 billion for inland waterways
- \$20 billion for a new program to reconnect neighborhoods and improve racial equity
- \$50 billion in dedicated investments to improve infrastructure resiliency
- Investments in protection against wildfires, sea level rise, and other climate change effects
- \$111 billion for Clean, Safe, Drinking water
  - \$45 billion for the EPA's Drinking Water State Revolving Fund and WIIN Grants
  - \$56 billion in grants and loans to states, tribes, territories, and disadvantaged communities
  - \$10 billion to monitor and remediate PFAS in drinking water
- \$400 billion to help care for the aging and those with disabilities
- \$300 billion to boost the manufacturing industry
- \$213 billion on retrofitting and building affordable housing
- \$100 billion to expand broadband access
- \$100 billion to build a more resilient electrical grid
- \$100 billion for new public schools
  - \$50 billion in direct grants
  - \$50 billion in leveraged bonds
- \$25 billion to upgrade childcare facilities
- Would raise the corporate tax rate from 21% to 28% and seek to capture additional corporate tax revenue by taxing offshore tax havens

### **Community Project Funding (Earmarks)**

The House Republican Conference held a closed-door vote this month to approve a resolution to change conference rules and lift their self-imposed ban on congressionally directed spending, or earmarks. The resolution was approved by a secret ballot vote of 102-84, and while House Republicans will now be able to participate in requesting funding for community projects, it remains unclear which members of the conference will choose to do so and whether, as some have indicated, they will choose to only submit requests for certain projects.

The Senate Republican Caucus has yet to signal their participation in congressionally directed spending. Senate Appropriations Committee Ranking Member Richard Shelby (R-AL) has indicated he would support earmarks if proper oversight measures are included, and Senate Appropriations Chairman Patrick Leahy (D-VT) indicated he would be open to evenly splitting community project spending in the Senate spending bills

between the parties. Senate Republicans could move to adopt a similar conference rule reversing their earmark ban or allow individual Senators to participate. Nevertheless, there is still significant opposition to a return to earmarks (in any fashion) within the caucus.

The House Appropriations Committee also released new guidance and deadlines for submitting Community Project Funding requests. It is worth noting that not all line items or accounts will be eligible for Community Project Funding. As outlined in the following guidance for each subcommittee, most eligible accounts are existing competitive grant programs (e.g., Pre-Disaster Mitigation Grants). A quick summary of key facts, followed by House Appropriations Committee guidance is included below:

- Total Community Project Funding will not exceed 1% of topline discretionary spending, which is approximately \$13 billion based on previously-enacted funding levels.
- Total number of requests is capped at 10 requests per Member.
- Requests will be handled by Appropriations Committee leaders (Chair & Ranking Member), in other words:
  - Chairwoman DeLauro (D-CT) will handle all House Democratic requests
  - Ranking Member Granger (R-TX) will handle all Republican requests
- Member Priorities for Evaluating Requests
  - How does this benefit my district?
  - How does this benefit my region?
  - Is this good policy for the Country?
  - Due to limited funding availability, Members are seeking projects not exceeding \$1-2 million.
- Eligible Requests/Projects - Local Transportation Priorities
  - Projects Eligible under 23 USC 133(b)
  - Capital projects or project-specific planning/design for a capital project.
  - Supported by the state or local government that would administer the project. Inclusion on a Statewide Transportation Improvement Plan (STIP) or Transportation Improvement Plan (TIP) would satisfy this requirement.
  - Administered by public entities.
  - Administrative activities are not eligible.
  - Can the project obligate all appropriated funds 12 months after enactment?
- Senate Republicans TBD
  - Some Republicans in favor, but many (if not most) are staunchly opposed to participating in earmarks.

## **House Appropriations Community Project Funding Guidance**

### **Transportation, and Housing and Urban Development, and Related Agencies**

- [Dear Colleague](#)
- [Community Project Funding Request Guidance](#)
- [Guidance for Local Transportation Priorities](#)
- [Guidance for Airport Improvement Program](#)
- [Guidance for Economic Development Initiative](#)
- Deadline Extended: April 30, 2021

Additional House Appropriations Committee Guidance can be found [HERE](#).

### **American Rescue Plan & Budget Reconciliation**

On Saturday, March 6<sup>th</sup>, the Senate passed a revised version of H.R. 1319 – American Rescue Plan Act (ARPA). As required by the Senate rules for budget reconciliation bills, Senators endured a 20+ hour session that lasted through Friday night and into the afternoon on Saturday. The list of 8 approved amendments can be found [HERE](#). The President signed *ARPA* into law on March 11<sup>th</sup>.

Senate Parliamentarian Elizabeth McDonough had previously ruled that the provision in the House bill raising the federal minimum wage from \$7.25 to \$15/hour by 2025 violated the “Byrd Rule” as its effect on the federal budget is “merely coincidental” to the underlying intent. As a consequence, prior to passage Senate Democrats removed that provision and decided not to pursue incentivizing the wage increase through punitive taxes on larger companies that failed to pay employees at least \$15/hour. Two transportation projects in the San Francisco Bay Area and upstate New York, and provisions to provide funding to shore up failing union pension plans and to provide healthcare subsidies for unemployed workers were ruled to be in violation of the “Byrd Rule” and also not included.

Schumer’s amendment restored the \$10 billion that the Senate bill had originally redirected from the Local Coronavirus Fiscal Recovery Fund, bringing the direct local government relief account back to \$130.2 billion (\$65.1 billion for counties distributed based on population; \$45.57 billion based on a CDBG formula; and \$19.53 billion for non-entitlement cities distributed through the state).

The funds are being distributed in two different tranches, with the first available within 60 days of the bill’s enactment and equal to 50 percent of the total allocation. The second tranche will be available one year after receipt of the first. The final bill also included the below list of eligible uses of the Recovery Fund dollars. The US Treasury will be tasked with developing guidance with more specific details/parameters, based on this list of requirements:

- A. To respond to the public health emergency with respect to the COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality

- B. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the metropolitan city, nonentitlement unit of local government, or county that perform essential work, or by providing grants to eligible employers that have eligible workers who perform essential work
- C. For the provision of government services to the extent of the reduction in revenue of such metropolitan city, nonentitlement unit of local government, or county due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city, nonentitlement unit of local government, or county prior to the emergency
- D. To make necessary investments in water, sewer, or broadband infrastructure

Additional amendments adopted by the Senate include the following changes to the House-passed bill:

- Reduce the weekly federal unemployment insurance benefit (UI) to \$300/week (rather than \$400 per week) but extend the benefit through September 6, 2021 (rather than August 29, 2021).
- Reallocate less than one percent of the Elementary and Secondary School Emergency Relief (ESSER) Fund (\$800 million) for homeless children.
- Require elementary and secondary schools that receive federal coronavirus funding to release plans for “safe return to in-person instruction” within 30 days of receiving funds.
- Delay implementation of a provision in the bill to overhaul the Department of Education’s “90-10 rule” until October 1<sup>st</sup> and delay financial penalties for noncompliance until 2024.
- Exempt any amount of student loans that are forgiven from federal taxes for five years should student debt be canceled.

The enacted bill also includes the following key provisions of interest:

- **Direct payments** of \$1,400 per adult (\$2,800 for joint filers) and \$1,400 per eligible dependent. Payments phase out for individuals with an adjusted gross income between \$75,000 – \$80,000, or \$150,000 – \$160,000 for married couple filing jointly.
- \$30 billion for **Transit Agencies** to assist with operating costs, payroll, and the purchase of PPE.

- \$3 billion for the **Economic Development Administration (EDA)** to provide Economic Adjustment Assistance (EAA) grants to prevent, prepare for, and respond to economic distress caused by the pandemic. \$750 million is reserved for states and communities that have suffered significant economic impacts as a result of the pandemic's hit on tourism, travel, and outdoor recreation.
- Extends the availability of the **Families First Coronavirus Response Act (FFCRA)** paid sick time and paid family leave tax credits through September 30, 2021 for employers who voluntarily provide that paid leave benefit. Additionally, the bill extends access to the tax credits (meant to offset the cost of providing paid time off) to state and local governments.

### **DOT Announces \$30.5 Billion in Federal Funding for Public Transportation**

On Monday, March 29<sup>th</sup>, the Department of Transportation announced \$30.5 billion in funding through the Federal Transit Administration (FTA). This funding was provided in the American Rescue Plan Act (ARPA) for grant programs, Urbanized Area Apportionments, Rural Transit Assistance, and other programs. A full list of apportionments can be found [HERE](#).

The Los Angeles-Long Beach-Anaheim, CA Urbanized Area will receive \$1.645 billion under Sec. 5307 apportionments found [HERE](#)

### **Disaster Response & Mitigation Legislation**

The House Transportation & Infrastructure Committee held a markup session this week in which the panel advanced several bipartisan bills related to disaster response and mitigation and infrastructure, many of which had been previously introduced, and in several cases approved, by the House in the 116<sup>th</sup> Congress but never considered in the Senate. For your reference, we have highlighted several of the bills included in this week's markup that could be of interest (additional information is available from the Committee [HERE](#)):

- **Hazard Eligibility and Local Projects (HELP) Act (H.R. 1917)**  
Eliminates unnecessary bureaucratic delays to beginning recovery projects by allowing certain eligible disaster mitigation projects to begin without the risk of losing potential federal funds, reforming the one-size-fits-all approach to reviewing projects that frequently delays disaster mitigation work.
- **Preventing Disaster Revictimization Act (H.R. 593)**  
Requires FEMA to waive the debt of disaster relief recipients in cases where the agency later determined it mistakenly granted assistance, but no fraud was committed, and requires FEMA to report to Congress the number of mistakes it makes in individual assistance award determinations.



- **Increased Federal Disaster Cost Share Act of 2021 (H.R. 1951)**  
Increases the Federal cost share from 75 to 90 percent for any federally declared disasters in 2020.
- **Federal Disaster Assistance Coordination Act (H.R. 2016)**  
Amends the Disaster Recovery Reform Act of 2018 (DRRA) to develop a study regarding streamlining and consolidating information collection and preliminary damage assessments.
- **Local Water Protection Act (H.R. 2008)**  
Reauthorizes an Environmental Protection Agency (EPA) grant program at \$200 million annually to provide funds for states to develop and implement programs for managing nonpoint source water pollution, or pollution from diffuse sources including runoff from farms, managed forests and urban areas.
- **Expedited Delivery of Airport Infrastructure Act of 2021 (H.R. 1615)**  
Enables the use of Airport Improvement Program (AIP) funds to incentivize the early completion of critical runway and airport projects.

### **DOT Secretary Outlines Administration's Priorities Before House Transportation & Infrastructure Committee**

On March 25<sup>th</sup>, the House Transportation and Infrastructure Committee held a hearing entitled “*The Administration's Priorities for Transportation Infrastructure*”. During this hearing, Committee Members discussed local projects and priorities, and the Biden Administration's priorities during DOT Secretary Pete Buttigieg's first appearance before the committee. Most Members discussed a desire to work in a bipartisan fashion to pass the next Surfaced Transportation Reauthorization, and a broader infrastructure package if introduced. Several Members, including Congressman Lowenthal (D-CA) discussed support for the Low-No Emissions program (5339c) and increased investments in the program. Secretary Buttigieg highlighted his support for the program and for reducing emissions while supporting locally preferred projects.

Congresswoman Napolitano asked the Secretary to consider investments in electric vehicle charging stations at interstate rest stops, and investments in transit worker safety. She specifically asked for investment in bus driver safety shields that separate drivers from passengers. Congresswoman Steel spoke in opposition to the California High Speed Rail Project's federal funding. Secretary Buttigieg expressed support for High-Speed Rail, and commended California for being the first to pursue high speed rail . He also said that he is an optimist when it comes to implementing quality high speed rail at reasonable project delivery costs.

The full hearing can be viewed [HERE](#).