



February 15, 2024

To: Legislative and Communications Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Federal Legislative Status Report

A handwritten signature in blue ink, appearing to read "Darrell Johnson", is written over the "From:" line of the header.

Overview

The Orange County Transportation Authority regularly updates the Legislative and Communications Committee on policy and regulatory issues directly impacting the agency's programs, projects, and operations. An update is provided on the latest continuing resolution that was approved to maintain government funding, avoiding a governmental shutdown. Information is provided on a Federal Transit Administrative General Directive related to assaults on transit workers. A congressional hearing related to oversight of the Infrastructure Investment and Jobs Act's programs is summarized. A summary of an additional congressional hearing related to intercity passenger rail is provided.

Recommendation

Receive and file as an information item.

Discussion

Congress Passes a Continuing Resolution for Fiscal Year 2024 Funding

On January 18, 2024, Congress passed, and the President signed, a continuing resolution extending government funding, split into two different expiration deadlines. Federal agencies and programs covered by the Transportation Housing and Urban Development, Agriculture, Energy-Water, and Military Construction appropriations bills will have their funding extended to March 1, 2024, while the eight other appropriations bills will be extended to March 8, 2024. The bipartisan bill passed the House of Representatives with a vote of 314-108 with 11 abstentions and in the Senate with a vote of 77-18 with five abstentions. With government funding set to lapse on January 19, 2024, the passage of the continuing resolution maintains current funding levels for a

prorated period, avoiding a shutdown of federal government operations. There were no earmarks included in the continuing resolution.

Both chambers have already negotiated a \$1.7 trillion topline budget deal, with \$886 billion to be allocated to defense funding and \$773 billion for non-defense amounts. These totals represent only a marginal change from last year's budget; military funding would increase by roughly three percent and non-defense would decrease by less than one percent. This is an important and positive development for a possible fully funded transportation bill. As previously reported to the Board of Directors (Board), the House had proposed low levels of funding for many transit-related programs. The fate of earmarks being included in the final bill is still uncertain. One big caveat to note in this topline, bicameral agreement is that it would include some retraction of coronavirus (COVID-19) spending, but no further details have been released. It is possible this could impact transit COVID-19 relief dollars. Additionally, the President typically would provide his fiscal year (FY) 2025 budget in March; however, given that a full funding agreement for FY 2024 is likely to still be in the works, it is anticipated this proposal will be with little detail. At the time of writing this staff report, negotiations are still ongoing to pass a full funding bill for FY 2024. Staff will continue to keep the Board apprised of any further budgetary actions.

Summary of Federal Transit Administration's Proposed General Directive: Required Actions Regarding Assaults on Transit Workers

On December 20, 2023, the Federal Transit Administration (FTA) published a proposed General Directive to address the safety risk related to assaults on transit workers. Specifically, this directive would require an agency subject to the Public Transportation Agency Safety Plans, which includes the Orange County Transportation Authority (OCTA), to conduct a safety risk assessment, identify safety risk mitigations or strategies, and provide information to the FTA on how the agency is assessing, mitigating, and monitoring the safety risk associated with assaults on transit workers. Assaults on transit workers are impacting transit agencies across the nation and agencies are working diligently on ways to reduce this threat. At OCTA, staff have improved the data tracking of these incidents, which provides a better understanding of what is occurring on the system and how it can be prevented. Other preventative measures being taken include marketing campaigns, identifying hot spots, providing additional training, and installing protective barriers. OCTA staff will continue to monitor the development of this directive.

Summary of House Transportation & Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials Hearing

On November 29, 2023, the House Transportation & Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing entitled, “*Getting on the Right Track: Navigating the Future of Intercity Passenger Rail in America.*” The hearing explored opportunities and challenges, particularly concerning cost, ridership, and environmental impacts of intercity rail in the United States.

Ranking Member Rick Larsen (D-WA) highlighted the Infrastructure Investment and Jobs Act’s (IIJA) crucial role in funding intercity passenger rail projects nationwide, emphasizing the importance of avoiding drastic cuts proposed earlier in the year. He stressed the need for a balanced approach that prioritizes safety and ridership while safeguarding taxpayer dollars. Chairman Sam Graves (R-MO) expressed concerns about the California High-Speed Rail project as an example of mismanagement and lack of accountability. He advocated for a data-driven approach that prioritizes projects with clear ridership demand and cost-effectiveness. He also emphasized the importance of private sector involvement and learning from models like the Brightline project. Representative LaMalfa (R-CA) also expressed concerns about the California High-Speed Rail project, inquiring about whether there is enough demand to justify the cost. He continued to contrast the California project with other examples, like Brightline in Florida, which was built at a lower cost. Witness Stacey Mortensen, Executive Director of the San Joaquin Joint Powers Authority, highlighted reevaluating the ability to deliver such a project when the planning for the project began pre-COVID-19, prior to the substantial increase in inflation. Witness Lee Ohanian, Senior Fellow at the Hoover Institution, shared the same concerns as Mortensen but highlighted that the project can still be successful if it learns from its mistakes and is managed more effectively.

The discussion explored various aspects of intercity passenger rail development, including permitting reform, environmental considerations, and the potential for reducing carbon emissions. The hearing underscored the need for a comprehensive and strategic approach to intercity passenger rail development that balanced economic benefits, environmental considerations, and responsible use of taxpayer dollars.

Summary of House Transportation & Infrastructure Subcommittee on Highways and Transit Hearing

On December 13, 2023, the House Transportation & Infrastructure Subcommittee on Highways and Transit held a hearing entitled “*Oversight of the*

Infrastructure Investment and Jobs Act: Modal Perspectives” with testimony from the Undersecretary of Transportation for Policy, Carlos Monje. Subcommittee Chairman Rick Crawford (R-AR) opened the hearing by sharing that November marked two years since Congress passed the IIJA, which included over \$500 billion for programs under the subcommittee’s jurisdiction. In addition to increasing funding for existing programs, the IIJA increased the amount of competitive grant funding by almost 500 percent. Chair Crawford expressed concern over the purchasing power of IIJA funding, noting the slow progress of project delivery. The Chairman urged the modal agencies to issue clear guidance to prevent project delays, in addition to urging that discussion include insight on spending federal dollars prudently. In Undersecretary Monje’s testimony, he noted that IIJA funding has gone to over 40,000 projects, with millions of dollars being announced regularly in federal funding for various formula and competitive grant programs.

Two notable questions from members, Representative Dina Titus (D-NV) commented about the challenges facing battery electric buses and what support is needed to ensure transit agencies can acquire zero or low-emissions systems. Undersecretary Monje explained that working with manufacturers is vital. Procurement for low or zero-emission buses has become an increasingly critical issue for transit agencies following the bankruptcy of Proterra Inc., a large manufacturer of electric buses. Additionally, Representative Salud Carbajal (D-CA) pointed to the Carbon Reduction Program and the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program as ways to improve transportation resiliency and asked how agencies are working with states to take advantage of programs focused on reducing emissions. Undersecretary Monje referred to federal investments, including \$27.5 billion in climate-related funding and the commitment from the IIJA to reducing greenhouse gas emissions.

Summary

Information is provided on the continuing resolution that will maintain transportation funding until March 8, 2024. A summary is given of a General Directive proposed by the Federal Transit Administration. Summaries are provided for two congressional hearings related to oversight of the Infrastructure Investment and Jobs Act and intercity passenger rail.

Attachments

- A. Potomac Partners DC, Monthly Legislative Report – October 2023
- B. Potomac Partners DC, Monthly Legislative Report – November 2023
- C. Potomac Partners DC, Monthly Legislative Report – December 2023

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