



July 18, 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. This status report includes information on the House fiscal year 2025 Transportation, Housing, and Urban Development appropriations bill and congressionally directed spending requests made by delegation members on behalf of the Orange County Transportation Authority. An overview of the House Transportation and Infrastructure Committee's request to the Federal Transit Administration regarding transit assault data and summaries of hearings related to oversight of Amtrak, the California Air Resources Board In-Use Locomotive Regulation, and transit revenue and ridership post the coronavirus pandemic are also provided.

Recommendation

Receive and file as an information item.

Discussion

Fiscal Year 2025 House Appropriations Update

On June 27, 2023, the House of Representatives (House) Appropriations Transportation, Housing, and Urban Development (THUD) Subcommittee approved the fiscal year (FY) 2025 THUD appropriations bill. The bill provides \$90.4 billion in discretionary funding for the United States Department of Transportation (USDOT), which is \$7.084 billion or 7.3 percent below the FY 2024 enacted level and significantly under what is required from the debt limit agreement from last year. The THUD bill includes \$63.544 billion for the Federal Highway Administration (FHWA), which is \$552 million above the FY 2024 enacted level, \$15.307 billion in total budgetary resources for the Federal Transit Administration (FTA), which is \$1.297 billion below the FY 2024 enacted level, and \$2.758 billion in total budgetary resources for the Federal Railroad Administration (FRA), which is about \$212 million below the FY 2024 enacted

level. This does not include advanced appropriations from the Infrastructure Investment and Jobs Act (IIJA), which total \$36.9 billion.

Each discretionary transportation program faces significant cuts under the House proposal, well below the authorized levels, some examples include:

- \$754 million is included for the Capital Investment Grants program compared to the \$3 billion in authorized levels. The bill retains the additional \$1.6 billion from the IIJA advanced appropriations. The House also reallocates \$509 million from FY 2024 making the total funding \$2.864 billion. This funding is proposed to be reallocated from projects that include the San Francisco Transbay, the Inglewood Connector in Los Angeles, and construction of the Second Avenue Subway, Phase 2 in New York City.
- \$2.125 billion is included for Amtrak grants, \$1.123 billion of which is for the National Network. An additional \$4.4 billion will be provided through advanced appropriations. The FY 2025 authorized levels are \$3.45 billion.
- No funding was provided for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) competitive grant program, denying the President's budget request to shift \$800 million from the Transportation Infrastructure Finance and Innovation Act program to the RAISE grant program. However, \$1.5 billion will be provided through advanced appropriations. The FY 2025 authorized levels are \$1.5 billion.
- No funding was provided for the Megaprojects program. However, \$1 billion will be provided through advanced appropriations. The FY 2025 authorized levels are \$1 billion.
- \$298.525 million is included for the Consolidated Rail Infrastructure and Safety (CRISI) Program. \$1 billion is also provided in advanced appropriations for this program. Authorized levels for FY 2025 for this program are \$1 billion.
- No funding was provided for the Federal-State Partnership for Intercity Passenger Rail program. However, \$7.2 billion will be provided through advanced appropriations. The FY 2025 authorized levels are \$1.5 billion.
- No additional funding was provided for Buses and Bus Facilities Competitive grant program, or Low-No Emission Bus grant program compared to \$120.96 million and \$74.96 million, respectively, in FY 24 authorized funding.

Additionally, there were several policy provisions included in the House proposal that should be noted:

- Prohibits funds to be provided to the State of California for the High-Speed Rail project or any “substantially similar project”.
- Specifies that no funds within any grant program under the Department of Transportation can be used in accordance with an equity action plan, including the Equity Action Plan of the USDOT published in January 2022.
- Prohibits any funding to finalize, implement, or enforce the FHWA’s July 15, 2022, proposed rule that would add greenhouse gas emissions reduction to the set of performance-based planning and programming measures for federal highway programs that metropolitan planning organizations and state departments of transportation must measure and report upon biennially.
- Blocks what is known as the Rostenkowski Test. This will prevent a possible across-the-board cut of FY 2025 transit formula funds to each public transit agency.
- Prohibits any funding for activities to implement New York City congestion pricing under the Value Pricing Pilot Program or New York City’s Central Business District Tolling Program.
- Prohibits funds provided to be used to enforce a mask mandate in response to coronavirus (COVID-19).
- Prohibits the FRA from using any Federal-State Partnership or Intercity Passenger Rail grant funding to make promises for multi-year funding beyond IIJA’s expiration via letters of intent or phased funding agreements.

Included in the House THUD appropriations bill is \$1.52 billion in Community Project Funding (CPF) for transportation-related projects. It should be noted that these are not finalized and are subject to continued negotiations. However, the following projects were submitted by Orange County delegation members and included by the House Appropriations for the Orange County Transportation Authority (OCTA):

- \$4 million for the Interstate 5 Improvement Project (Interstate 405 to State Route 55) – submitted by Representative Young Kim (R-Fullerton).
- \$250,000 for the Katella Avenue Pedestrian Bridge – submitted by Representative J. Luis Correa (D-Santa Ana).

Congressionally Directed Spending Requests

OCTA and its advocates have been actively engaged with Orange County delegation members to submit earmark requests for a variety of multimodal

projects. For context, the House uses the term, CPF, while the Senate uses “congressionally directed spending” (CDS). Both are colloquially known as earmarks and can be defined as any congressionally directed spending, tax benefit, or tariff benefit that would benefit an entity or a specific state, locality, or congressional district. CPF and CDS are similar to the previous earmark process, but with added transparency and accountability rules to ensure the funding is being used for its intended purposes, supported by the community, and can be used on a project or program in a timely manner.

The following project was submitted by Senator Padilla on behalf of the OCTA:

- \$3 million for OCTA’s zero-emission vanpool program. The project will expand OCTA’s successful Rideshare Vanpool Program in Orange County with an all-electric option for three years by partially funding the capital lease costs and other activities.

This list does not include other projects that were submitted within Orange County, which were requested by individual cities, the County, or other transportation agencies such as Metrolink. Although a project may be submitted by a member for funding, this does not guarantee that the project will receive funding in the final FY 2025 appropriations bill. Staff will continue to work with the delegation members throughout the appropriations process and will provide updates to the OCTA Board of Directors.

House Transportation and Infrastructure Committee: FTA Transit System Assault Data Request

On May 9, 2024, the House Committee on Transportation and Infrastructure sent a letter addressed to Acting Administrator Veronica Vanterpool of the FTA, highlighting concern about a spike in violent crime and assaults on some major transit systems across the United States. While some examples of this type of activity was provided related to certain systems, OCTA was not included and has not experienced a comparable trend of activity. This letter is included as Attachment A.

The letter requested the following responses from FTA:

- Effectiveness of FTA’s data collection methods in measuring violent crime.
- Utilization of data to promote safety improvements.
- Detailed list of agencies awarded or denied funding through the Enhanced Transit Safety and Crime Prevention Initiative.
- Copies of FTA training guidance and best practices for safety and security.

- Programmatic changes or new recommendations in response to rising crime reports.

On May 24, 2024, FTA Acting Administrator Veronica Vanterpool, responded to the request. This letter is included as Attachment B. In the letter, FTA emphasized its commitment to transit safety, providing responses to the request for information.

The FTA noted the National Transit Database (NTD) captures data on safety and security events from urban transit agencies, including assaults, homicides, and cyber security threats. The IIJA has updated NTD reporting to include specific data on assaults on transit workers and bus-related fatalities. This data informs safety policies and directives, such as an FTA General Directive proposed in December 2023 to address assaults on transit workers.

In regard to funding, the FTA clarified that the Enhanced Transit Safety and Crime Prevention Initiative utilizes existing formula funding programs, which FTA does not have complete data. However, FTA notes that since 2022, they have funded 21 Innovations in Transit Public Safety grants totaling \$3.36 million and three Crime Prevention and Public Safety Awareness agreements totaling \$2 million. Extensive training and guidance on safety and security best practices are provided through webinars, newsletters, and a de-escalation training resource directory. Information dissemination is conducted through the monthly Transit Safety and Oversight Spotlight newsletter, webinars, social media, industry events, and direct engagement with transit agencies. The Public Transportation Agency Safety Plans (PTASP) Technical Assistance Center offers support and peer-sharing opportunities.

In response to the spike in criminal activity occurring on some transit systems, the FTA shared that it collaborates with transit agencies to promote best practices, including increased security personnel and surveillance measures. A fall 2024 webinar is planned to share best practices and success measures. Some of FTA's ongoing efforts include a Transit Customer Assault Prevention webpage and research to understand factors contributing to passenger assaults.

Finally, the FTA noted that per the IIJA, they have updated the PTASP regulation and the National Public Transportation Safety Plan to enhance safety requirements. A final General Directive on required actions regarding assaults on transit workers will be published later this summer. The FTA is also drafting a transit worker and public safety notice of proposed rulemaking to establish minimum safety standards and requirements.

As demonstrated by the detailed inquiries from the House Committee on Transportation and Infrastructure and the response from the FTA, there is a continued and significant interest in the topic of transit assaults. Staff will provide further updates as discussions continue.

Summary of House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials Hearing on Amtrak and Intercity Passenger Rail Oversight

On June 12, 2024, the House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing entitled "*Amtrak and Intercity Passenger Rail Oversight: Promoting Performance, Safety, and Accountability*." The hearing discussed Amtrak's construction and equipment procurement initiatives and their financial implications.

The hearing opened with a statement from Chairman Troy Nehls (R-TX), who highlighted the federal ownership and governance of Amtrak, emphasizing its responsibility to use taxpayer dollars effectively to improve services and achieve profitability. Chairman Nehls criticized Amtrak for projecting a \$1 billion annual loss while pursuing costly acquisitions and route expansions despite receiving substantial funding from the IJJA. Chairman Nehls also identified significant delays and budget overruns in the procurement of new Acela trainsets, raising concerns about Amtrak's transparency and accountability. He also highlighted concern regarding executive bonuses at the organization and underscored the need for the subcommittee's continued oversight to ensure effective use of taxpayer funds and improvements in Amtrak's operations.

During the hearing, witnesses provided insights into Amtrak's operations and challenges. Amtrak CEO Stephen Gardner highlighted a record ridership increase of 20 percent this year, with goals to double ridership by 2040, noting the anticipated service commencement of new Acela trains by the end of the year. Gardner emphasized Amtrak's role in alleviating traffic congestion and the necessity of sustained funding for operations and maintenance. Also among the witnesses was Amtrak Chair of the Board, Anthony Coscia, who discussed efforts to diversify the Board and the importance of public and state partnerships. Julie White, Deputy Secretary for Multimodal Transportation at the North Carolina Department of Transportation, underscored the significance of CRISI grants and called for a formulaic program for passenger rail funding to support comprehensive rail routes. White also emphasized grade-crossing safety improvements and community investment in rail infrastructure.

During the question-and-answer portion of the hearing, committee members questioned Amtrak executives on various issues, including financial management, safety, and service improvements. Representatives also raised concerns about profitability, executive compensation, and the impact of infrastructure investments on local communities.

Summary of House Science, Space and Technology Subcommittee on Investigations and Oversight Hearing on the In-Use Locomotive Regulation

On June 13, 2024, the House Science, Space and Technology Subcommittee on Investigations and Oversight held a hearing entitled, "*Environmentalism Off*

the Rails: How CARB will Cripple the National Rail Network.” The hearing discussed the California Air Resources Board’s (CARB) approved In-Use Locomotive Regulation, which requires locomotives operating in California to transition to zero-emission technology.

Subcommittee Chairman Jay Obernolte (R-CA) opened the committee’s hearing by discussing the status of the In-Use Locomotive Regulation as approved by CARB. Specifically, CARB is seeking a waiver from the Environmental Protection Agency (EPA) to allow the state to regulate emissions typically done at the federal level, which is allowable through the Clean Air Act. Chairman Obernolte urged the EPA to deny the waiver because the regulation requires a transition to technology that is not commercially available, and that this regulation violates federal preemption. Other Members discussed how the regulation reduces emissions and provides environmental benefits to communities next to railroads.

Ian Jeffries from the Association of American Railroads provided testimony on how regulating railroads is a federal responsibility due to interstate commerce. He further detailed that if this waiver is approved there will be a patchwork of laws governing railroads throughout the country. Chuck Baker from the American Short Line Regional Railroad Association agreed that this regulation is overreaching and warned that it could decimate the short-line industry and send a ripple effect throughout the supply chain. Alan Abbs from the Bay Area Air Quality Management District disagreed, stating that California has the right to regulate on its own with the federal waiver and that locomotives represent a significant piece of the industry that needs to reduce emissions in order for regions to meet the air quality goals set forth in the Clean Air Act. Questions from the Subcommittee focused on air quality benefits and the impacts the regulation will have on businesses throughout the country.

Summary of House Transportation and Infrastructure Subcommittee on Highways and Transit Hearing on Revenue and Ridership in Public Transit

On June 13, 2024, the House Transportation and Infrastructure Subcommittee on Highways and Transit held a hearing entitled, “*Revenue, Ridership, and Post-Pandemic Lessons in Public Transit.*” The hearing explored the trends that have been affecting public transit as agencies continue to recover from the effects of the COVID-19 pandemic.

The hearing opened with a statement from Subcommittee Chairman Rick Crawford (R-AR), who highlighted the crucial role of transit agencies across the country. He noted that nearly \$180 billion from pandemic relief and the IJA has been allocated to support transit systems. Chair Crawford emphasized the uneven distribution of funds, with legacy systems in major cities receiving over half of the relief funding amid rising crime. He expressed the need for the hearing to evaluate the use of these funds, changes in ridership patterns, and strategies

for adapting operations to attract riders back, including safety measures and fare adjustments.

Questions from members of Congress included a question by Representative Doug LaMalfa (R-CA), inquiring about the push toward electric vehicles and how this will impact transportation funding. Marc Scribner, Senior Transportation Policy Analyst at the Reason Foundation, shared his belief that the best approach is shifting revenue collection from per-gallon taxation to per-mile charging, where the method of propulsion of the vehicle does not matter.

Among notable witness testimony, Greg Regan, President of the Transportation Trades Department of the American Federation of Labor and Congress of Industrial Organizations, emphasized throughout the hearing the importance of public transportation as a public good and criticized current federal policy that prioritizes capital spending over operating costs. Additionally, Regan discussed the impact of the pandemic on transit operations and workforce, emphasizing the importance of federal support for transit systems and the need to protect workers' wages, benefits, and training during the transition to new working models. MJ Maynard, Chief Operating Officer of the Regional Transportation Commission of Southern Nevada, on behalf of the American Public Transportation Association, discussed the importance of flexibility in federal funding for transit agencies, highlighting the need to balance capital investments with operating assistance to ensure reliable and efficient transit services.

Summary

Information is provided on the House's Transportation, Housing, and Urban Development appropriations bill and earmark requests submitted by Members of Congress on behalf of the Orange County Transportation Authority. A summary is given on correspondence submitted by the Federal Transit Administration at the request of the House Transportation & Infrastructure Committee. Three summaries are provided for hearings related to Amtrak, ridership post pandemic, and the California Air Resources Board's In-Use Locomotive Regulation.

Attachments

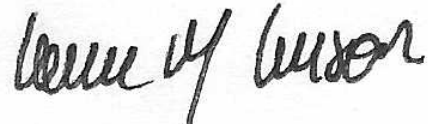
- A. Letter from House Committee on Transportation and Infrastructure Chairman, Sam Graves (R-MO), and others, to Veronica Vanterpool, Acting Administrator, Federal Transit Administration, re: Transit System Assault Data Request, dated May 9, 2024.
- B. Letter from Veronica Vanterpool, Acting Administrator, Federal Transit Administration, to Congressman Troy E. Nehls (R-TX), Member, House Committee on Transportation and Infrastructure, re: Response to Transit System Assault Data Request, dated May 24, 2024
- C. Potomac Partners DC, Monthly Legislative Report – June 2024

Prepared by:



Alexis Carter
Government Relations Representative,
Government Relations
(714) 560-5329

Approved by



Lance M. Larson
Executive Director,
Government Relations
(714)560-5908