

**Principles for Surface Transportation Reauthorization Legislation**

1. Develop a fiscally sound, innovative solution to the Highway Trust Fund's structural revenue deficit that ensures long-term sustainability for both highway and transit funding. The solution should be based on a fair-share, user-pays approach that ensures all users contribute to the maintenance and improvement of transportation infrastructure. It should also maintain the historical commitment to transit funding from the Highway Trust Fund, reduce volatility in transportation resources, and support forward-looking strategies.
2. Protect and preserve the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor as a critical, interregional transportation asset vital to national defense, goods movement, economic vitality, and regional mobility. Secure dedicated funding and permit streamlining to quickly address infrastructure vulnerabilities, ensuring the corridor remains resilient against disruptions that could impact military readiness, supply chain efficiency, and passenger rail connectivity along one of the nation's most strategically significant rail corridors.
3. Prioritize the use of formula funding with sufficient flexibility to respect the unique nature of regional transportation agencies in the Southern California Association of Governments region.
4. Support reinstating the suballocation process to county transportation commissions to ensure federal formula funds are proportionally distributed. Restoring this process will empower local and regional agencies to direct investments where they are most needed, ultimately leading to more efficient use of funds, project delivery, and greater overall impact on transportation infrastructure and mobility.
5. Ensure that funding new infrastructure programs do not replace or adversely affect the delivery of transportation funding that has been traditionally used by the Orange County Transportation Authority.
6. Support maintaining dedicated federal transit funding, including the historic 80-20 highway-transit funding split, and ensuring transit agencies have the flexibility needed to effectively operate, maintain, and improve services.
7. Prevent impediments to infrastructure investments and funding because of issues beyond an agency's control, such as air quality attainment.

8. Expedite and improve the efficiency of environmental reviews for infrastructure projects by streamlining requirements, reducing redundancies, and supporting reciprocity between the California Environmental Quality Act and the National Environmental Policy Act, while providing additional funding to accelerate state and federal review processes. Additionally, support adjusting federalization thresholds to prevent unnecessary oversight of smaller projects and improve efficiency, expanded use of exemptions for various classes of projects, and use of programmatic reviews.
9. Improve the federal grant process by streamlining Notices of Funding Opportunity (NOFO), standardizing application requirements, and enhancing predictability to reduce administrative burdens and accelerate funding delivery. Establish merit-based criteria, prioritize efficiency and economic development, introduce structured annual grant cycles, and implement a fast-track approval process for critical project components. Additionally, allow abridged resubmissions for previously unsuccessful applications and ensure NOFOs are concise and accessible to agencies with limited resources. Avoid imposing overly complex reporting requirements that create unnecessary compliance burdens.
10. Promote a transparent and fair discretionary grant process that ensures local control and balanced regional distribution, free from arbitrary limits, unreasonable matching requirements, or other policies that would discourage federal funding from flowing to Orange County.
11. Provide stable, long-term funding and policy support for passenger and freight rail to enhance federal investment in key rail corridors, streamline project delivery, improve safety, and strengthen rail's role in goods movement and national defense.
12. Advocate for strategic federal investment in transportation infrastructure and streamlined project delivery to support Orange County's role in the successful execution of the 2028 Olympic and Paralympic Games in Los Angeles. Ensure that federal policies facilitate permitting efficiency, workforce readiness, and partnerships that enhance Orange County's transportation network and global competitiveness while minimizing disruptions to daily operations.
13. Support fair and flexible tolling policies based on user-pay principles. Any federal oversight should respect regional decision-making, and the unique transportation needs of differing regions. Toll revenues should continue to be prioritized for debt service, a reasonable return on private investment, and the costs related to operation and maintenance of the facility, while also authorizing excess revenues to be used for transportation investments, consistent with state laws.

14. Support the preservation of tax-exempt financing for surface transportation projects, ensuring public agencies retain the ability to issue and refinance tax-exempt debt.