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Monthly Legislative Report – January

January Advocacy Meetings

House Transportation and Infrastructure Committee Majority Staff – We met with majority staff to discuss a possible hearing this Spring on federal infrastructure financing and incentives to include the Transportation Infrastructure Finance and Innovation Act (TIFIA) program. We also discussed updates on the recent service updates along the Los Angeles – San Diego – San Luis Obispo Rail Corridor (LOSSAN Corridor).

Office of Congressman Mike Levin (D-CA) – We met with Congressman Levin's staff several times this month to discuss a possible request for the Water Resources Development Act (WRDA) that could benefit or prioritize additional funding for the Coastal Rail Resiliency Study (CRRS) and other related construction projects.

Office of Congressman Lou Correa (D-CA) – We met with Congressman Correa's staff to provide an update on the recent emergency declaration after a recent landslide in San Clemente halted service on a portion of the intercity rail corridor and impacts on local Metrolink commuter-rail service and ridership.

Office of Congresswoman Linda Sanchez (D-CA) – We met with Congresswoman Sanchez's staff to discuss pending Tax Relief for American Families and Workers Act.

Senate Commerce Science & Transportation Committee Staff – We met with Committee staff to discuss timing of the Federal Aviation Administration (FAA) Authorization Act, which the Committee tentatively plans to mark up the first week of February. We also discussed the potential for another extension of the FAA Authorization. The current extension that allows FAA to continue operations at current funding levels expires on March 8th.

Office of Congresswoman Young Kim (R-CA) – We met with Congresswoman Kim to discuss timing for Fiscal Year 2025 (FY25) Community Project Funding (CPF) requests. We are expecting office deadlines to be sometime in March.

Office of Congresswoman Michelle Steel (R-CA) – We met with Congresswoman Steel's staff to discuss FY25 Appropriation request and possible deadlines for the office.

Office of Senator Alex Padilla (D-CA) – We met with Senator Padilla's staff to provide service updates along the Los Angeles – San Diego – San Luis Obispo Rail Corridor (LOSSAN Corridor) and funding opportunities for CRRS.

Budget and Appropriations Update

At the end of the January the House and Senate reached a tentative \$1.66 trillion discretionary spending limit deal along with specific allocations for the 12 spending bills that will likely pave the way for consideration of some of the Appropriations bill before the upcoming deadlines when the current Continuing Resolution (CR) expires in early March. To that end, lead negotiators are working through the specific program funding levels and policies included in each bill. The House canceled part of its recess at the end of February in anticipation of needing as much floor time as possible to finish work on the spending bills.

The Senate also presented a supplemental spending package, including support for Ukraine and Israel, alongside immigration reform and border security that the House will likely not consider.

Immigration Reform Bill

Senate Majority Leader Chuck Schumer announced a vote for the first week of February on a national security supplemental bill incorporating a bipartisan agreement on border security and immigration reforms, including aid for Israel, Ukraine, and Taiwan, along with border security funding and changes such as mandatory border shutdowns, asylum reforms, expedited processing, and ending the catch-and-release policy for migrants. As mentioned earlier, House Speaker Mike Johnson (R-LA) made a statement that the Senate's bipartisan immigration bill is "dead on arrival" if it reaches the House. Johnson expressed concerns that the legislation would not effectively address the border issues. House Majority Leader Steve Scalise (R-LA) echoed this sentiment, stating that the bill would not receive a vote in the House, criticizing its provisions related to illegal immigration and work permits for asylum recipients. Many Republican representatives, including GOP Conference Chair Elise Stefanik (R-NY) and GOP Whip Tom Emmer (R-WI), opposed the bill. Senate Minority Leader Mitch McConnell has continued to support the bill, emphasizing the need to address the crisis at the southern border and protect national security.

Tax Reform Bill Update

On January 31st, the House passed a \$79 billion legislative package for family and business tax breaks with strong bipartisan support. The Tax Relief for American Families and Workers Act includes reforms like expanding the Child Tax Credit, supporting low-income housing, ending double taxation for U.S. companies in Taiwan, providing tax relief for natural disaster victims, and allocating \$33 billion for business tax breaks. It now heads to the Senate for consideration. Senate Republicans aim to make changes, particularly concerning child tax credit provisions impacting work requirements.

\$4.9 Billion Awards for Infrastructure Projects

On January 25th, the U.S. Department of Transportation (USDOT) announced \$4.9 billion in funding to 37 infrastructure projects through the Mega Program (the National Infrastructure Project Assistance program) and INFRA (the Nationally Significant Multimodal Freight & Highway Projects program) grant programs. The projects aim to improve economic mobility, safety, and efficiency in various areas evaluated based on safety, economic impact, climate resilience, equity, and innovation criteria. For more information, click HERE.

<u>USDOT Approves \$2.5B for Brightline West High-Speed Rail Project</u>

On January 23rd, the USDOT approved \$2.5 billion in private activity bonds for the Brightline West High-Speed Intercity Passenger Rail project connecting Las Vegas, Nevada, and Southern California. This high-speed rail project will follow the I-15 median and enable trains to reach speeds exceeding 186 mph reducing travel time to just two hours. Brightline West's \$12 billion initiative will establish an entirely electric, zero-emission rail system while creating 35,000 jobs. For more information, click HERE.

Federal Highway Administration (FHWA) Allocates \$729.4M for Road and Bridge Repairs

On January 23rd, the FHWA announced an allocation of \$729.4 million to 34 states, including California, the District of Columbia, the U.S. Virgin Islands, and Puerto Rico. This funding is designated to assist in repairing roads and bridges damaged by natural disasters and extreme weather events, such as hurricanes, flooding, and mudslides. These financial resources will be distributed under the FHWA's Emergency Relief (E.R.) program, which provides federal reimbursement funding following significant disaster declarations.

For California, \$124,279,244.44 has been allocated to address damages caused by earthquakes, atmospheric rivers, winter storms, and wildfires. These funds for the state will be used to reconstruct highways and bridges. The allocation allows for improvements that enhance resilience against future climate-related events.

Detailed information on the funding allocations for California and other states, can be found at the official FHWA website HERE.

Grant Funding for Electric Vehicle (E.V.) Charging Upgrades

On January 18th, the Biden-Harris Administration allocated nearly \$150 million to upgrade existing E.V. charging infrastructure across 20 states to enhance reliability. These funds will

repair or replace about 4,500 EV charging ports, ensuring they meet current standards. This initiative aligns with Administration's goal of having over 500,000 public E.V. chargers nationwide by the decade's end, promoting accessibility and creating jobs in the E.V. industry.

This funding is in addition to the \$623 million in grants announced on January 10th to expand the E.V. charging network across the United States through the National Electric Vehicle Infrastructure (NEVI) Formula Program and the Charging and Fueling Infrastructure (CFI) Discretionary Grant Program. These programs aim to repair, replace, and construct approximately 7,500 EV charging ports in 22 states and Puerto Rico. More information on this grant program can be found <u>HERE</u>.

USDOT Report on Infrastructure Priorities

On January 10th, the DOT issued a report outlining the efforts to enhance America's transportation infrastructure. The report details critical priorities such as rail safety and consumer protections for air travelers. More information on this report can be found <u>HERE</u>.

<u>Funding Opportunity Announced for the USDOT Bridge Investment Program:</u> <u>Planning and Bridge Project Grants</u>

The USDOT announced new funding for bridge replacement, rehabilitation, preservation, or protection. The program aims to improve bridge safety and condition and encourage non-Federal contributions from project sponsors and stakeholders.

Eligible Entities include: State, County, and Local Governments, Metropolitan Planning Organizations, Federal Land Management Agency, Multi-State or Multi-Jurisdictional group and Federally recognized Indian Tribes.

Total Program Funding Available: Over four years, \$9.62 billion for Bridge Projects (and Large Bridge Projects with total eligible project costs over \$100 million) and \$80 million for Planning Projects.

Required Cost Sharing or Match: 20% of cost match required.

Application Deadlines: As outlined in the USDOT notice, eligible applicants may submit an application for a Planning or Bridge Project grant for a specific fiscal year of funding at any time up to the application deadline for that fiscal year (see below).

- FY23-24: February 19th, 2024 (planning application) and March 19th, 2024 (bridge project application)
- FY25: October 1st, 2024 (planning application) and November 1st, 2024 (bridge project application)
- FY26: October 1st, 2025 (planning application) and November 1st, 2025 (bridge project application)