

June 2015 Monthly Report for MTC

To: Steve Heminger, Executive Director
From: Tom Bulger, President, GRI
Re: Monthly Report for June 2015
Date: June 30, 2015

- **Senate Committee on Environment and Public Works Reported Out S.1647 the DRIVE Act**
- **Senate Transportation, Housing and Urban Development, and Related Agencies Committee Marks Up FY 2016 Appropriations**
- **Public Employees' Pension Reform Act /Transit Grants Update**
- **Meeting with Senator Dianne Feinstein (D-Calif.)**
- **Meetings**

Senate Committee on Environment and Public Works Reported Out S.1647 the DRIVE Act

On June 24, the full Senate Environment and Public Works Committee reported out of the Committee S.1647, The Developing a Reliable and Innovation Vision for the Economy (DRIVE) Act.

Highlights of the Committee's Highway Reauthorization bill are:

- Long term funding certainty for state and local governments to support multi-year transportation projects;
- Increased funding for existing core transportation formula programs to provide states and local governments with a federal partner;
- Creates a new multi-billion per freight program;
- Targets funding for major projects;
- Streamlines project delivery;
- Increased funding for the Interstate System, the National Highway System, and deficient bridges;
- Greater transparency on the use of federal funds;
- Innovative financing tools.

The bill would:

- Fully funds highway programs for six years.
- Reauthorize the Federal-aid Highway Program at an increased funding level over FY 2016 - 2021.
- Maintains formula program structure and increases the amounts each state will receive each year.
- The existing consolidated core highway program structure from MAP-21 is maintained, including the National Performance Program; the Highway Safety Improvement Program; the Surface Transportation Program; and the Congestion Mitigation and Air Quality Improvement Program.
- Increase the funding that must be spent on bridge projects to maintain and repair off system bridges.
- Shift additional revenue towards the Interstate System and the National Highway System.
- Establish a formula –based freight program for all states.
- Expand flexibility for both rural and urban areas to designate key freight corridors.
- Improve efforts to identify projects with high return on investment through state freight plans and advisory committees from MAP-21.
- Provide new funds to major local projects through a competitive grant program.
- Include strong transparency provisions, Congressional selection and approval process.
- Include new provisions to improve the transparency of how and where transportation projects are selected and funded.
- Update the Transportation Infrastructure Finance and Innovation Act (TIFIA) program through new options for state and local governments.

- Improves the process whereby a TIFIA loan can be used to capitalize a State Infrastructure Bank.
- Continue to accelerate the project delivery process.
- New reforms would improve collaboration between the lead agency and the participating agencies.
- Maintain the statewide and metropolitan planning process via a performance-based approach.

Senate Transportation, Housing and Urban Development, and Related Agencies Committee Marks Up FY 2016 Appropriations

On June 23, the Senate Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies approved its FY 2016 Appropriations bill.

The Senate legislation provides \$55.65 billion in discretionary spending, a \$1.88 billion increase above FY 2015 and \$7 billion below the President's budget request. Because of offsets, the bill actually reflects a decrease of \$1.9 billion below current levels.

The bill included \$17.78 billion in FY 2016 discretionary appropriations for the Department of Transportation, \$ 17 billion below the FY 2015 level. The bill includes \$ 40.26 billion for the Highway Trust Fund, equal to the FY 2015 enacted level. TIGER grants are funded at \$500 million equal to the FY 2015 level.

The Federal Transit Administration (FTA) is funded at \$10.5 billion, \$424 million below the FY 2015 level. Transit formula grants total \$8.6 billion, which is contingent on the enactment of new transportation authorization legislation. This funding level is consistent with the MAP-21 authorization legislation. In addition, the bill provides a total of \$1.6 billion for Capital Investment Grants (New Starts), full funding for all current "Full Funding Grant Agreements," thus all of the Bay Area projects are funded in FY 2016. In addition, \$75 million is provided for core capacity projects and \$30 million for Small Starts.

Public Employees' Pension Reform Act / Transit Grants Update

Based on the June 5 MTC memorandum to the Legislation Committee concerning delays in Federal Grant Approval regarding U.S. Department of Labor's refusal to certify FTA grants in California, we have begun a coalition initiative. This month we participated in a conference call with numerous Washington based California transit colleagues. In addition, I invited all of the Bay Area's Transit representatives to participate in these strategy sessions. Currently, pending a July 1 conference call, we are thinking that a face-to-face meeting with Thomas E. Perez, Secretary of Labor, and Rep. Sam Farr (D-Calif.) is our best approach to break this impasse. At this time, an estimated \$392 million in Bay Area FTA grants are at stake.

Meeting with Senator Dianne Feinstein (D-Calif.)

On June 11, Steve Heminger and I met with Senator Dianne Feinstein (D-Calif.), Jennifer Duck, Chief of Staff and Trevor Higgins, Transportation staff, about the Self-Anchored Suspension Span (SAS) Tower Anchors. The briefing clarified the SAS anchor situation, to the Senator's satisfaction. Senator Feinstein pledged her support in any way to assist us in the future.

Meetings

- Meeting with Steve Heminger on June 12
- House Ways and Means Committee Hearing on the Highway Trust Fund on June 17
- Meeting with Trevor Higgins, Senator Feinstein's staff on June 16