

Federal Advocacy Update

Alameda-Contra Costa Transit District

Steve Palmer

February 12, 2020



VAN SCOYOC
ASSOCIATES

Environment in Washington, DC

- White House and DOT
 - Focused on rolling back federal requirements
 - Agency leaders tend to be “acting”
 - No movement in Senate on nomination of Thelma Drake to be FTA Administrator
- Congress
 - Legislative activity has been limited
 - Striving to keep government functioning
 - House of Representatives
 - Oversight hearings, investigations, and litigation
 - Senate
 - Judicial confirmations

Two-Year Budget Agreement

- Bipartisan Budget Act of 2019
 - Establishes federal spending caps for FY 2020 and FY 2021
 - Eliminates threat of budget sequestration
 - Increases the debt limit until July 2021
- What this means
 - Overall funding certainty for two years
 - Limited increases for domestic spending
 - Battles over funding levels and threat of government shutdown will continue over Southern border wall

FY 2020 Transportation Appropriations

- Provides \$3.2 billion increase for transportation/housing
 - FTA - \$12.9 billion total
 - Fully funds FAST Act formula programs, plus \$510 million in additional funding for transit bus programs:
 - \$168 million for formula bus grants under §5339(a)
 - \$170 million for competitive bus grants under §5339(b)
 - \$75 million for LONO grants under §5339(c)
 - \$5.5 million for innovative mobility solutions program
 - \$8.5 million for competitive grants (planning, engineering, development or financing plans) for areas of persistent poverty (defined as having a poverty rate of 20% over the last 30 years)

Surface Transportation Authorization Senate Bill

- Current law - FAST Act - expires on September 30, 2020
- Senate - America's Transportation Infrastructure Act
 - Five-year, \$287 billion for highways and bridges
 - Includes \$10 billion to increase resiliency, charging stations, and carbon emission reductions
 - Transit, passenger rail, highways safety, and revenue TBD
 - Senate may move to reauthorization quickly after impeachment is finished

Surface Transportation Authorization House Democratic Proposal

- House of Representatives Framework
 - Proposing \$760 billion bill - \$105 billion for transit
 - Invest heavily in zero emission buses
 - Increase bus funding with procurement reforms
 - Strengthen Buy America domestic content
 - Prioritize formula funds on service frequency
 - Provide resources for bus lanes, signal priority route optimization and on-time performance measures
 - Hearings held last week on where to find money
 - House Democrats will not volunteer a revenue stream until Administration is on board

Surface Transportation Authorization House Republican Principles

- T&I Ranking Republican Sam Graves priorities
 - Addressing long-term sustainability of Highway Trust Fund
 - Incorporate innovative technology
 - Streamline project delivery process to maximize funding
 - Address infrastructure needs of rural communities
 - Prioritize core programs and functions of our existing federal surface transportation programs
 - Ensure state flexibility

Financing Infrastructure in this Environment

- Highway Trust Fund is bankrupt
 - To date, nearly \$150 billion has supplemented user fees
 - Another \$159 billion in revenue is needed over next 5 years to maintain current program levels
- What can be done?
 - User fees and bond against revenues
 - Transition to vehicle miles traveled
 - Toll roads and private financing
 - Cut federal spending
- APTA proposal
 - \$.25/gallon increase in tax, indexed to inflation, seeking long-term user fee

The background of the slide is a faded, light-colored image of the United States Capitol building in Washington, D.C. The building's iconic dome and neoclassical architecture are visible, surrounded by green lawns and trees. The sky above is a pale blue with soft, white clouds. The word "Questions?" is centered over the image in a dark blue, serif font.

Questions?