



REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

March 15, 2019

AGENDA ITEM 5.2

TO: Regional Transportation Commission

FROM: Lee G. Gibson, AICP
Executive Director

SUBJECT: Federal Report

Monthly update/messages from RTC Executive Director Lee G. Gibson – *no action will be taken on this item.*

Federal Update for RTC of Washoe County
Prepared by Cardinal Infrastructure and Thompson Coburn
March 15, 2019 RTC Board Meeting

Earmarks and FY 2020 Budget

House Democrats don't plan to revive earmarks (directed spending typically for identified projects) during the upcoming Fiscal Year (FY) 2020 appropriations process, though they expect to continue discussing the issue with their Republican colleagues. House Appropriations Chairwoman Nita Lowey (D-NY) wrote in a letter, "Unfortunately, there is currently not the necessary bipartisan, bicameral agreement to allow the Appropriations Committee to earmark." In the letter, Lowey communicated that bipartisan discussions about just how to bring back earmarks would continue during the 116th Congress.

In the Senate, Labor-HHS-Education Appropriations Subcommittee Chairman Roy Blunt (R-MO) said, "I think if the House would have changed their rule, we would have had to reconsider. But I think it's unlikely that the Senate takes the lead there."

The President's FY 2020 budget is expected in Mid-March. Its submittal was delayed due to the partial Federal Government shutdown. FTA's Capital Investment Grant program report for FY 2020 is rumored to be submitted to Congress a week after the budget.

Bus Shields

A new version of the Bus Operator and Pedestrian Protection Act was introduced. The bill, H.R. 1139, the Transit Worker and Pedestrian Protection Act, "aims to prevent assaults, further increase public safety by eliminating dangerous and unnecessary blind spots, and provide additional upgrades to the transportation systems in our communities," according to a sponsor of the bill, Congresswoman Napolitano (D-CA). Of the delegation, Congresswoman Titus is a co-sponsor.

The bill would provide transit agencies two years to develop Bus Operations Safety Risk Reduction Programs in partnership with their transit workforce, and with oversight from the U.S. Department of Transportation. The bill authorizes \$25 million per year for five years to pay for the implementation of these safety improvements as part of their Bus Operations Safety Risk Reduction Programs, which includes:

- Assault mitigation infrastructure and technology, including barriers
- De-escalation training for bus drivers
- Modified bus specifications and retrofits to reduce visibility impairments
- Driver assistance technology that reduces accidents
- Installation of bus driver seating to reduce ergonomic injuries
- Report all assaults on bus drivers to NTD

Advanced Refunding

The Tax Cuts and Jobs Act of 2017 repealed the exclusion of interest income earned on advance refunding bonds from federal income taxation. This change makes it more difficult for states and local governments to take advantage of a favorable interest rate environment through a refunding of existing bonds (similar to individuals refinancing their home mortgage) which had enabled them to reduce their borrowing costs and free up resources for new projects. A bill was recently introduced that restores the tax-exemption for advance refunding bonds so states and local governments can take advantage of favorable interest rates and more efficiently manage their financial obligations.

Highway Trust Fund

The House Ways and Means Committee, which has jurisdiction over tax issues, held a hearing on, "Our Nation's Crumbling Infrastructure and the Need for Immediate Action." Testifying on the first panel was Transportation and Infrastructure Chairman DeFazio (D-OR) and Ranking Member Graves (R-MO).

In DeFazio's opening remarks, he stated, "My Committee colleagues and I stand ready to direct investment to bring our highways, bridges, transit systems, rail lines, aviation system, and water infrastructure to a state of good repair..." He further remarked, "...we have to provide real revenue for our surface transportation network to shore up the Highway Trust Fund (HTF)."

Graves' agreed with DeFazio in his opening remarks, "The federal government has long played a leading role in infrastructure investment, and we need to continue that role and serve as a reliable partner to state and local governments." With respect to the HTF he said, "All options are on the table, and I'm open-minded to any potential solution." Though not outwardly endorsing an increase to the gas tax, he left the door open. His encouragement of looking into a Vehicle Miles Traveled (VMT) tax also came with the current challenges to pursuing such a system - privacy, data security, etc.

During the hearing, Ways and Means Ranking Member Brady (R-TX) criticized the "diversion" of HTF dollars to "non-highway uses," remarking, "'As we begin this work we should also recognize the challenges, among them the fact that our highway infrastructure program is too often a leaky bucket, with nearly 20 percent of funding diverted to non-highway uses" – which was a reference to the statutory allocation of funds to the Mass Transit Account.

Congressman Doggett (D-TX) noted that any committee action "will have to be done on a bipartisan basis — and that will be particularly challenging." He also said that any deal Congress puts out will need the President's endorsement, stating, "...we need an unequivocal commitment from President Trump — something that's very difficult to get — in public, to a specific plan before that can happen."

White House Infrastructure Initiative

Cardinal Infrastructure participated in a briefing call and listening session on infrastructure with senior Administration officials hosted by the White House Office of Intergovernmental Affairs. The call provided an opportunity for state and local leaders to voice input on the Administration's upcoming infrastructure package.

Andrew Olmem, Deputy Adviser to the President and Deputy Director of the National Economic Council provided an overview of the Administration's efforts on infrastructure thus far, including:

- The President's "One Federal Decision" Executive Order to review and streamline federal permitting processes;
- The White House infrastructure proposal outline in last year's budget;
- Active bipartisan discussion with Congress on an infrastructure agreement; and
- Reauthorization of the Federal Aviation Administration.

Mr. Olmem outlined a few major infrastructure goals for the Administration in the months ahead:

- To use the upcoming surface transportation reauthorization to advance any major infrastructure reform efforts;
- To pursue additional permitting reforms;

- To identify and pursue innovative financial mechanisms to minimize municipal burdens for infrastructure projects and leverage federal dollars (meaning private sector participation in funding projects); and
- To advance large “bread and butter” projects, such as roads, bridges, and ports, as well as digital infrastructure, broadband projects, and 5G expansion.

State and local officials brought a host of concerns and preferences to the Administration’s attention, during the conference call, including: green infrastructure and resiliency; improving the discretionary grant application process to enhance small cities’ ability to access competitive funding; revenue solutions to address the solvency of the Highway Trust Fund and increase funding; and providing additional resources for infrastructure necessary for disaster mitigation and recovery.

Governors and Infrastructure

The White House held a session on infrastructure with governors in Washington, DC for the National Governors Association meeting. Attendees included USDOT Secretary Elaine Chao and Commerce Secretary Wilbur Ross. The discussion referenced priorities discussed in the President's initial infrastructure proposal provided in the Administration 2018 budget request; focusing on regulatory and permitting process changes, as well as leveraging existing federal funds with increased state and local investments. The session also emphasized the "self-help" option the Heritage Foundation and the Administration have emphasized.

The readout from the session stated: Governors and Administration officials discussed the inefficiencies in the current Federal regulatory and permitting process that delays new infrastructure projects across the country, how Federal funds can best be used to increase State and Local infrastructure investments, and how States have addressed their own infrastructure backlogs.

US DOT Personnel

The White House officially announced its intent to nominate US DOT Deputy Secretary Jeff Rosen to Deputy Attorney General at the Department of Justice. While the White House/FBI background check made during his vetting process for Deputy Secretary could be applied to his new nomination, Rosen will need to go through the Senate confirmation process. Rosen’s support of transit projects has apparently been less than favorable and his departure will provide an opportunity for the more efficient administration of discretionary grant programs. We will be closely monitoring potential successors.