

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee**

February 10, 2023

Agenda Item 4a

Washington D.C. Legislative Update

Subject:

January 2023 Report from Washington, D.C. advocate.

Issues:

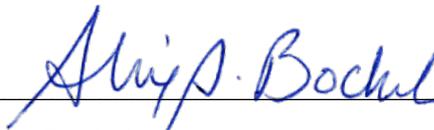
None identified.

Recommendations:

Information

Attachments:

- Attachment A: Summit Strategies Team Report – January 2023


Alix A. Bockelman



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Summit Strategies Team Report – January 2023

From: Summit Strategies Team

To: Alix A. Bockelman, Acting Executive Director

Date: January 30, 2023

Subject: January Federal Policy Monthly Report

- **The 118th Congress Begins**
 - **U.S. House of Representatives Committee Assignments Usher in a New Era for Transportation**
 - **Supporting MTC in the new Congress**
 - **Biden to Renominate Phil Washington for Federal Aviation Administration**
 - **Agency Actions and Competitive Grant Update**
 - **National Transportation News Roundup**
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Below is a status update on issues of interest to MTC and the actions that we have taken to date.

The 118th Congress Begins

After a four-day, 15-vote marathon, Representative Kevin McCarthy (R-CA) on January 7, 2023 was selected as the next Speaker of the House, finally paving the way for Member-elects to be sworn in as Members of the U.S. House of Representatives. The 118th Congress promises significant changes. While Democrats maintained control of the U.S. Senate, without a House majority, Democrats will no longer be able to pass legislation via a party-line vote, which had opened the door last legislative session for Congress to enact historic bills, including the 2021 American Rescue Plan, the 2021 Infrastructure Investment and Jobs Act [also called the Bipartisan Infrastructure Law (BIL)] and the 2022 Inflation Reduction Act. At the same time, newly elected House Republicans are eager to enact the legislative priorities that they campaigned on in the midterms. One measure that Republicans have already passed is the rules package. The rules package is a series of guidelines that determines how the House operates. Included in the new rules package is restoring the ability of a single member to call for a no-confidence vote in the Speaker of the House, an increased threshold to pass tax rate increases, and a 72-hour notice requirement for considering legislation. One new rule, described below, will have a significant impact on new federal transportation investments.

The House package will freeze most funding for the U.S. Department of Transportation for at least most of this year and make it more difficult to increase investment levels in the future. The rules package would replace the “pay-as-you-go” (PAYGO) budget system with the “cut-as-you-go” (CUTGO) budget system. Under PAYGO, increased spending could be offset by increasing revenues and generally did not apply to transportation programs. CUTGO would apply to all spending and will likely result in freezing investment levels in legislation. *This should not have a near term impact on surface transportation programs authorized in the BIL but could impact the reauthorization of aviation programs – which expire later this year.*

**U.S. House of Representatives Committee Assignments Usher in a New Era for
Transportation**

Representative Sam Graves (R-MO) will usher in a new era of leadership as the Chair for the House Transportation and Infrastructure Committee. On Tuesday, January 10, 2023, Chair Graves announced his priorities for the upcoming Congress. Legislative priorities include a pipeline safety bill, a Coast Guard bill, and the next Water Resources Development Act. Chair Graves is also planning oversight of the Biden Administration and its implementation of the BIL. Republicans have also announced committee assignments for the Transportation and Infrastructure Committee. Seventeen new Republican members will be joining 18 returning Republican members on the committee, including Rep. Doug LaMalfa (R-CA). Democrats announced seven new members of the committee.

Other important leadership changes occurred on the House Committee on Appropriations, where Representative Kay Granger (R-TX), Committee Chair, announced that Representative Tom Cole (R-OK) will serve as the new chair of the House Appropriations Transportation, Housing and Urban Development (THUD) Subcommittee.

Supporting MTC in the new Congress

There are several new Members of Congress and staff taking key positions on committees with jurisdiction over transportation and housing policy and funding. The DC team has reached out to new staff on House and Senate THUD – which have jurisdiction over transportation and housing spending – and is working to set up introductory meetings. The DC team is also reaching out to new members and staff on the House Transportation and Infrastructure Committee (which has jurisdiction over roads, bridges, transit, and active transportation) and the Senate Banking Committee (which has jurisdiction over transit).

Biden to Renominate Phil Washington for Federal Aviation Administration

President Joe Biden will renominate Phil Washington, former Chief Executive Officer of the Los Angeles County Metropolitan Transportation Authority, to head the Federal Aviation Administration (FAA). The FAA has been without a permanent administrator for almost a year. In the absence of a permanent administrator, Bill Nolen, the FAA's top aviation safety official, has been running the administration on an interim basis. The Senate Commerce Committee has yet to hold a hearing for Phil Washington, who has faced criticism from Republicans about his resume. Sen. Ted Cruz (R-TX) has also issued a statement that Washington, who is a veteran, does not qualify as a civilian under statute and is therefore ineligible to serve as FAA administrator. A waiver would need to be granted to Washington to be selected as administrator, which would need to be passed in both the House of Representatives and the Senate, which is unlikely to occur with Republicans in control of the House.

Finding a permanent administrator has only increased in importance since the technical glitch which caused thousands of flight delays and cancellations on January 11, 2023.

Agency Actions and Competitive Grant Update

Important Changes to RAISE Grants

On Thursday, January 5, 2023, the U.S. Department of Transportation (USDOT) released an updated version of the Fiscal Year 2023 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Notice of Funding Opportunity (NOFO). For 2023, USDOT has highlighted that the mandated minimum award amounts for planning grants are \$1 million in rural areas and \$5 million in urban areas. The update also includes a renewed emphasis on equity for underserved communities, including an explicit statement that cost share is not a criterion. Also, eligible projects now explicitly include housing plans and integrated economic development plans. Projects designated as "Reconnecting Extra" during the Fiscal Year (FY) 2022 Reconnecting Communities Program (RCP) will have a better chance of getting advanced during the RAISE evaluation process. As of the writing of this memo, those designations have not yet been unveiled, though they are expected to be announced before mid-February with the announcements of FY 2022 RCP grant awards. In addition, recipients of previous Transportation Investment Generating Economic Recovery (TIGER) / Better Utilizing Investments to Leverage

Development (BUILD) / Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants can also apply for funding to support additional phases of their project. [More information on the update can be found here.](#)

Federal Railroad Administration Begins Soliciting Proposals to Advance New and Existing Intercity Passenger Rail

On Tuesday, December 20, 2022, the Federal Railroad Administration (FRA) issued a Notice of Solicitation and Funding Opportunity to solicit proposals for intercity passenger rail corridors for the Corridor Identification and Development (ID) Program. The Corridor ID Program will guide the development of new and enhanced intercity passenger rail services that will bolster economic growth throughout the country. In evaluating solicitations, the FRA will pay special attention to projects that benefit rural and underserved communities and projects that reduce congestion. The program provides a unique opportunity for projects to receive support throughout their lifecycle, from design to construction. [More information on the solicitation can be found here.](#)

Federal Transit Administration Issues Guidance on Capital Investment Grants Program

On Thursday, January 12, 2023, the Federal Transit Administration (FTA) issued final initial updates to the Capital Investment Grants (CIG) program policy guidance. These revisions reflect adjustments made to the program by the BIL. The revisions are related to changes about who is eligible for a Core Capacity project, how well project sponsors have demonstrated progress on meeting Transit Asset Management and State of Good Repair targets, and how bundles of CIG projects can enter the Project Development phase of the program. [More information on the guidance can be found here.](#)

FTA Announces \$20 Million in Funding to Help Communities Prosper Through Transit

On Monday, January 9, 2023, the U.S. Department of Transportation's FTA announced a Notice of Funding Opportunity (NOFO) to help improve transit in areas experiencing long-term economic distress. The \$20 million in funding through FTA's Areas of Persistent Poverty (AoPP) Program provides resources to underserved communities that are trying to expand or improve transit systems. AoPP supports planning and technical studies to improve public transportation and also funds planning for transit agencies to transition to low- and no-emission vehicles. Special consideration will be giving to projects that mitigate air, water, and ground pollution. [More information on the announcement can be found here.](#)

FRA Issues Guidance on Development and Implementation of Railroad Capital Projects

On Thursday, January 12, 2023, the FRA published a final guidance on the development and implementation of railroad capital projects that may receive FRA funding. The final guidance follows publication of the proposed guidance that was issued on June 28, 2022. The final guidance includes defining the stages in the railroad lifecycle and development process, defining what the FRA requires when providing grants, and differentiating between large and small projects, respectively termed "major projects" and "non-major projects." [More information on the guidance can be found here.](#)

National Transportation News Roundup (links to articles)

- [Widening Highways Doesn't Fix Traffic. So Why Do We Keep Doing It? \(NYTimes\)](#)
- [A 'Bootcamp' to Help Smaller Cities Win Infrastructure Grants \(Route Fifty\)](#)
- [States, Congress Upset With Federal Highway Spending Memo \(Governing\)](#)
- [Southwest crisis reveals clubby world of airline leaders \(Chicago Tribune\)](#)
- [Appeals court to weigh Biden challenge to ruling that blocked mask mandate for public transportation \(Sun Sentinel\)](#)
- [Historic transportation crises haunt Buttigieg \(Axios\)](#)