

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

**July 14, 2023**

**Agenda Item 4a**

**Washington D.C. Legislative Update**

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**Subject:**

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

**Issues:**

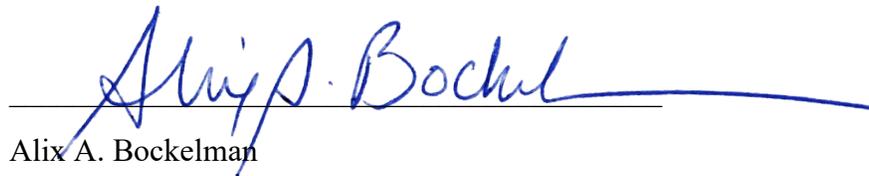
None identified.

**Recommendations:**

Information

**Attachments:**

- Attachment A: Summit Strategies Team Report – June 2023

  
Alix A. Bockelman



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**Summit Strategies Team Report – June 2023**

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**From: Summit Strategies Team**

**To: Andrew B. Fremier, Executive Director**

**Date: July 14, 2023**

**Subject: June Federal Policy Monthly Report**

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- **House Moving Forward with Large Spending Cuts**
  - **Advocacy Work on Appropriations Bills**
  - **Supporting MTC Priorities in Congress**
  - **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.

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### **House Moving Forward with Large Spending Cuts**

In early June 2023, President Biden signed the 2023 Debt Ceiling Deal, which included an agreement on non-defense discretionary spending caps for the next several federal fiscal years (FY) (FY 2024 and FY 2025). This deal cleared the way for Congress to develop its spending plans for FY 2024, which begins on October 1, 2023. In July 2023, House Republicans unveiled their FY 2024 spending proposal to return discretionary spending to FY 2022 levels, representing a \$130 billion cut to current spending levels. Notably, the cuts go far beyond what was agreed upon during the debt ceiling negotiations between President Biden and Speaker of the House Kevin McCarthy (R-CA).

The House Transportation, Housing, and Urban Development and Related Agencies (THUD) subcommittee approved their THUD spending bill on July 12. House THUD Chairwoman Kay Granger (R-TX) states that the bill “prioritizes highway, railway and aviation safety while maintaining housing assistance for our nation’s most vulnerable.” While total spending allowed under the bill is slightly higher than FY 2023 spending levels, the cost to maintain existing federal rental assistance has grown. Thus, the House THUD proposal reduces transportation and housing grant spending by approximately \$8 billion below FY 2023 levels. The bulk of these cuts are to U.S. Department of Transportation (USDOT) programs, bringing proposed FY 2024 spending more in line with the Bipartisan Infrastructure Law’s (BIL) bottom-line “guaranteed” funding vs. the significant discretionary augmentations Congress has approved in recent years. The Senate is moving forward with its spending bills to align with the numbers from the debt ceiling deal, putting them on a collision course with the House of Representatives. The Senate total for the 12 spending bills is \$1.6 trillion, more than \$100 billion above the House allocations.

### **Advocacy Work on Appropriations Bills**

Given the limited resources, the DC team advocated for the highest possible levels of transit funding for the spending bills. The team is also working to schedule a meeting with the U.S. Department of Housing and Urban Development's (HUD) Community Planning and Development Office of Block Grant Assistance to discuss the ongoing progress the Bay Area Housing Finance Authority (BAHFA) is making on regional approaches to housing. This could help position BAHFA for a Yes In My Backyard (YIMBY) grant when the Notice of Funding Opportunity (NOFO) comes out in late summer/early fall.

### **Supporting MTC Priorities in Congress**

#### **California State Budget Support**

In June, the DC team supported MTC's efforts to secure operating funding for the Bay Area's transit agencies by securing Bay Area delegation member support for a Representative Robert Garcia (D-CA)-led letter to Governor Newsom regarding transit funding in the FY 2023-24 State Budget. Nearly every California Congressional Democrat signed on to the letter. In addition to the advocacy efforts to secure their support, the team shared information on the efforts MTC was leading, with a broad set of allies, at the state level.

#### **FY 2024 Federal Transit Administration (FTA) Formula Runs**

In June, USDOT announced the 2020 census results would trigger updates to the classification of urbanized areas nationwide. The Bay Area will "gain" a "large urbanized area (large UZA)" (UZA with a population of 200,000 or greater) in Livermore-Pleasanton-Dublin. This could result in the Bay Area receiving a larger share of those FTA formula funds distributed to large UZAs. Your DC team, working with Representative Mark DeSaulnier (D-CA), requested FTA provide estimates on how the new data will impact the Bay Area's annual formula funding. FTA has responded and let us know that, at this time, they need other data to complete the estimates but will provide that information to us as soon as possible.

## **Agency Actions and Competitive Grant Update**

### **FTA Proposes New Plan to Improve Transit Safety**

In May 2023, FTA proposed updates to the National Public Transportation Safety Plan (Plan). Initially published in 2017, the Plan is FTA's primary guidance on federal public transit safety requirements. This Plan update proposes several new performance standards to measure strategies that reduce vehicle collisions, transit worker injuries, and transit worker assaults.

Stakeholders have until July 31 to submit comments. [More information on the announcement can be found here.](#)

### **Bay Area Wins \$110 Million for Clean Buses**

On June 26, USDOT announced awards for the Bipartisan Infrastructure Law's (BIL's) second round of Buses and Bus Facilities and Low- and No-Emission Vehicle program grants. The Buses and Bus Facilities program provides funding for transit agencies to update and modernize their buses and bus facilities. The Low-No program awards funding to transit agencies to purchase or lease low- or zero-emission vehicles. The Bay Area secured \$110 million of the \$1.7 billion in awards, or 6.5 percent of the national total, a very impressive outcome, particularly as the region has historically fared poorly under the programs. This year, consistent with MTC's BIL strategy, Bay Area transit operators submitted a set of 10 projects totaling \$275 million that together would help the Bay Area progress on our zero-emission transit transition goals. This approach was successful, with five of the ten projects securing grants. Bay Area awardees are listed below.

- Marin Transit (\$32 million)
- SFMTA (\$30 million)
- AC Transit (\$26 million)
- SolTrans (\$12 million)
- Santa Rosa CityBus (\$10 million)

**Billions Awarded for Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grants**

On June 28, USDOT announced that 162 projects received \$2.3 billion in RAISE grants. The RAISE grant program is not part of the MTC's BIL Regional Grants Strategy and is instead considered a 'local priority' grant program. As such, MTC provided support letters for all Bay Area projects seeking funds, so long as the projects are consistent with Plan Bay Area 2050. Unfortunately, only one Bay Area project received an award (\$20 million for Bayview Connections: Phase 1 Harney Way Bus Rapid Transit and Cycletrack in the City and County of San Francisco). California received only five percent of the total program awards.

**USDOT Announces Funding Availability of Second Round of Multimodal Project Discretionary Grants**

On June 27, the USDOT released a nearly \$6 billion Notice of Funding Opportunity (NOFO for the BIL's second round of Multimodal Project Discretionary grants. The NOFO covers three separate programs: the National Infrastructure Project Assistance (Mega) program (\$1.8 billion), which supports large, road, transit, port, and multimodal projects that are difficult to fund through other programs; the Infrastructure for Rebuilding America (INFRA) program (\$3.1 billion), which funds freight and highway projects that create economic opportunities, improve the supply chain and enhance infrastructure resiliency; and the Rural Surface Transportation Grant program (\$675 million), which funds projects to improve transportation infrastructure in rural communities. Applications are due August 21, 2023. Eligible projects can apply to multiple programs using one application. [More information on the announcement can be found here.](#) These programs are part of MTC's BIL Regional Grants Strategy.

### **Applications Open for Reconnecting Communities Program**

On July 5, USDOT began accepting applications for the Reconnecting Communities and Neighborhoods Program. The NOFO combines two USDOT programs – Reconnecting Communities and the new Inflation Reduction Act’s (IRA) Neighborhood Access and Equity grant program. The Reconnecting Communities program funds community-led projects that remove physical barriers to mobility and access, such as train tracks and highways. The Neighborhood Access and Equity Program also funds projects that remove physical barriers to access, as well as projects to improve walkability, safety, and affordable transportation access, particularly in low-income and disadvantaged communities. [More information on the announcement can be found here.](#) These grant programs are not part of the MTC’s BIL Regional Grants Strategy and is instead considered a ‘local priority’ grant program.

#### **National Transportation News Roundup (links to articles)**

- [With Commuters Staying Home, Transit Agencies Try to Reinvent Themselves \(The New York Times\)](#)
- [US Public Transit Systems Face Credit Downgrades Riders Stay Away \(Bloomberg\)](#)
- [The Rocky Road to Bus Electrification \(Governing\)](#)
- [Why California Transit Agencies Are Rebounding at Such Different Rates \(The New York Times\)](#)
- [Car-dependent California seeks to follow New York’s lead and save public transit \(AP\)](#)