

June 2017 Monthly Report for MTC



To: Steve Heminger, Executive Director MTC

From: Tom Bulger, President GRI

Date: June 29, 2017

RE: Monthly Report for June 2017

- California Federal Infrastructure Principles
- Administration Details Infrastructure Plan
- Administration Notice of Review of Policy and Regulations
- Federal Aviation Administration (FAA) Bill and Sales Taxes on Aviation Fuel
- Infrastructure Discretionary Grant Program Funding opportunity
- Coming and Going
- Meetings

California Federal Infrastructure Principles

In early June we delivered the California Infrastructure principles to the Senate and House leadership and the Bay Area's Congressional Delegation. The principles reflect the combined positions of the state's five largest metropolitan regions, including MTC.

Administration Details Infrastructure Plan

On June 8, 2017, the Administration released a fact sheet titled President's Trump's Plan to rebuild America's Infrastructure. The last time we heard about the Administration's Plan was in their FY 2018 Budget request to include \$200 billion in federal funds to leverage \$1 trillion in investments. The latest fact sheet includes more detail as to where those federal funds will be allocated, including:

- \$25 billion for rural infrastructure;
- \$15 billion for transformative projects to reshape America's approach to infrastructure;
- \$100 billion for local prioritization of infrastructure needs;
- Reduce the average length of permitting by eight years; and
- Focus on work-force training resulting in \$1 million apprentices in two years.

Administration Notice of Review of Policy and Regulations

On June 8, 2017, the United States Department of Transportation (USDOT) issued a request for input in reviewing its existing policy statements, guidance documents, and regulations to identify unnecessary obstacles to transportation projects. The USDOT is asking affected stakeholders to identify non-statutory requirements the USDOT imposes and therefore should be removed.

Federal Aviation Administration (FAA) Bill and Sales Taxes on Aviation Fuel

On June 20, 2017, MTC sent a letter to our three House Committee on Transportation and Infrastructure Committee Members regarding Rep.'s Garamendi, Huffman and DeSaulnier in support of Rep. Grace Napolitano (D-Calif.) efforts that general sales taxes applied to aviation fuel are not subject to the same limitations as excise taxes on aviation fuel. In 2014, the FAA issued a rulemaking that requires the proceeds of state and local sales taxes on aviation fuel be reserved for aviation related purposes. Unfortunately, Rep. Napolitano was caring for her husband in California, so Rep. Alan Lowenthal (D-Calif.) carried the amendment. The amendment was withdrawn on June 27 after Chairman Bill Shuster (R-Pa.) promised to work on this issue when the bill is on the House floor.

Infrastructure for rebuilding America discretionary grant program opportunity

On June 29, 2017, the USDOT announced this discretionary grant program in a Notice of Funding Opportunity (NOFO). The new program will make approximately \$1.5 billion for discretionary projects in FY 2018. Funds from the large applicants' share are being carried over from FY 2017 and will be added to expected FY 2018 funds for a total of around \$1.5 billion.

Coming and Going

My sources report that Secretary of Transportation Elaine Chao is hamstrung in securing nominees to fill important positions that remain unfilled at USDOT.

Meetings

- Attended Bay Area Council's Washington Reception on behalf of MTC.
- Met with Steve Heminger prior to his Transportation Research Board meetings.