Metropolitan Transportation Commission MTC Legislation Committee

October 11, 2019 Agenda Item 3b

Tom Bulger's Report

Subject: September 2019 Report from Washington, D.C. advocate.

Recommendation: Information

Attachments: Attachment A: Tom Bulger's Report – September 2019

Therese W. McMillan

September 2019 Monthly Washington, D.C. Report



To: Therese W. McMillian, Executive Director

From: Tom Bulger, President GRI

Date: September 27, 2019

RE: Monthly Report for September 2019

- Senate Appropriations Committee Approves Fiscal Year (FY) 2020 Spending Bill
- House and Senate Pass a Continuing Resolution
- United States Environmental Protection Agency (EPA) Threatens to Withhold California's Highway Funding and Repealed the State's Stricter Vehicle Miles Per Gallon Standards
- Senator Feinstein Requests an Investigation About Political Interference by the EPA

Senate Appropriations Committee Approves Fiscal Year (FY) 2020 Spending Bill

In mid-September, the full Senate Appropriations Committee approved their FY 2020 Transportation, Housing and Urban Development and related agencies (THUD) spending bill. The measure awaits full Senate approval. The House passed their bill in June.

Total discretionary spending for housing and transportation is \$86.65 billion, an increase of only \$168 million over the FY 2019 amount and almost the same amount as the House appropriations bill.

Highlights of the Senate appropriations bill are:

- Mass Transit Capital Investment Grants receives \$1.98 billion. The House bill includes \$2.3 billion, the amount authorized in the Fixing America's Surface Transportation (FAST) Act. A bare minimum of \$1.1 billion is needed for projects that already have full funding grant agreements.
- \$46.4 billion in obligation authority for federal-aid highways and \$10.2 billion for the Mass Transit formula grants, which is the amount authorized in the FAST Act.
- \$3.7 billion in general fund supplements for highway and transit formula programs, compared with \$3 billion in the House bill and \$4 billion in FY 2019.
- Better Utilizing Investments to Leverage Development (BUILD) grants are at \$1 billion, same as the House bill.

House and Senate Pass a Continuing Resolution

Both the House and the Senate have passed a stopgap continuing resolution (CR) to keep the federal government operating until November 21, 2019. This is the new deadline by which Congress must enact the FY 2020 THUD appropriations bill reported on above.

The CR includes a short-term fix to avoid an across-the-board 12 percent cut to federal transit programs that would have otherwise been triggered because of a budgetary rule. In short, transit spending is not allowed to exceed projected revenues and, once again, we're nearing the brink of Highway Trust Fund insolvency. The measure does not repeal the \$7.6 billion rescission of the federal highway contract authority that is scheduled to take place on July 1, 2020 per the FAST Act.

United States Environmental Protection Agency (EPA) Threatens to Withhold California's Highway Funding and Repealed the State's Stricter Vehicle Miles Per Gallon Standards

This past week the EPA sent a letter to the California Air Resources Board (CARB) threatening to withhold California's federal highway funding, arguing that the state has not shown what steps it is taking to improve air quality. The EPA is giving California until October 10, 2019 to respond. If California does not, the EPA will begin disapproving air quality plans, which triggers the statutory clock for highway funding sanctions and other penalties.

This came on the heels of the EPA finalizing a rule to repeal the state's ability to impose stricter fuel efficiency standards on vehicles, a longstanding component of the state's air quality improvement efforts. That rule was published in the federal register on September 27 and will take effect on November 26, 2019 barring intervention from the courts. This is part one of the larger SAFE Vehicles Rule to rollback Obamaera fuel efficiency standards, which is still pending.

Attachment A Agenda Item 3b

Senator Feinstein Requests an Investigation About Political Interference by the EPA

On September 27, 2019, Senator Dianne Feinstein (D-Calif.) requested that the EPA's Inspector General investigate whether the agency inappropriately attacked California by threatening to withhold federal highway funding for political reasons rather than any "good faith effort to help improve California's air quality."