

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

February 12th, 2021

Agenda Item 4a

Washington D.C. Legislative Update

Subject: January 2021 Report from Washington, D.C. advocate.

Recommendation: Information

Attachments: **Attachment A:** Summit Strategies Team Report – January 2021


Therese W. McMillan



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Memorandum

From: Summit Strategies Team

To: Therese McMillan, MTC Executive Director

Date: February 4, 2021

Subject: Federal Policy Monthly Report

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- **Overview**
 - **Biden's COVID Relief Proposal**
 - **Fixing America's Surface Transportation (FAST) Act Reauthorization**
 - **117th Congress and Relevant Changes**
 - **Biden's Climate Policy Invests Heavily in Transportation and Infrastructure**
 - **Pete Buttigieg Confirmation and Other Key United States Department of Transportation (DOT) Appointments**
 - **Housing Policy in the Biden Administration**
 - **Marcia Fudge and Other Key Housing and Urban Development (HUD) Appointments**
 - **Competitive Grants Update**
 - **Federal Transit Administration (FTA) Announces Expedited Project Delivery Pilot Program Allocation**
 - **Federal Transit Administration (FTA) Announces COVID Relief Funding to Support Public Transportation Systems**
 - **Federal Transit Administration (FTA) Announces Public Transportation COVID-19 Research Demonstration Program Grants**
 - **National Transportation News Roundup**

Below is a status update on issues of interest to MTC, and actions we have taken.

Biden's COVID Relief Proposal

President Joe Biden has consistently emphasized his desire to prioritize additional COVID relief legislation in the 117th Congress. In the week before his inauguration, Biden released a \$1.9 trillion proposal that simultaneously provides critical economic stimulus and counters the raging public health crisis. It includes \$350 billion for state, local, and tribal governments, an additional \$20 billion to support transit agencies that have been severely impacted by the COVID pandemic, \$25 billion for rental assistance, and \$5 billion for securing housing for those at risk of homelessness. It also includes \$1,400 direct payments to individuals, \$130 billion to support safely reopening schools, \$160 billion for vaccine deployment and testing, and an increase in the boosted unemployment benefit to \$400 and an extension of the program past the rapidly approaching March deadline. It also extends the eviction moratorium through September 30, 2021.

It is unclear if the Senate Democrats can overcome Republican opposition to the proposal as currently outlined. Without significant Republican buy-in, Democrats will likely turn to the budget reconciliation to circumvent the need to secure 60 votes to overcome a filibuster. Senator Bernie Sanders (I-VT), who will be the new chair of the Senate Budget Committee, has already indicated that he hopes to use the process to enact aid as quickly as possible. However, moderates in the caucus may balk at some elements in the package. While Democrats in the House and the Senate prepare the legislative language, a group of ten Republican Senators (the number needed to overcome a filibuster) put forward their own \$600 billion proposal and meet with the White House this week to see if a compromise is possible. This proposal does not include many of the Biden proposal's key provisions, including funding for transit or state and local governments.

With essential COVID relief provisions – such as expanded emergency unemployment - set to expire on March 14, 2021, House Democratic leaders plan to move relief legislation as quickly as possible. House Democrats plan to consider a fiscal 2021 budget resolution on the floor next week, including reconciliation instructions that would enable COVID relief legislation to be considered under the expedited procedures if the proposal cannot secure 60 votes in the Senate.

Throughout this process, your team has been in regular contact with House and Senate leadership and the appropriations and authorization committees to advocate for MTC's priorities.

Fixing America's Surface Transportation (FAST) Act Reauthorization

Last year, after failing to reauthorize the surface transportation reauthorization, a one-year extension was signed into law, extending all programs until the end of September 2021. The House, Senate, and Biden administration have stated that reauthorizing the FAST Act remains a top priority. We anticipate that movement will begin soon in both the House and the Senate, but surface transportation reauthorization is likely to take a backseat to COVID relief. We have been in regular contact with House Transportation and Infrastructure Committee regarding MTC's priorities. We have continued outreach to the staff for the new Chairs of the Senate Environment and Public Works and Banking Committees.

117th Congress and Relevant Changes

The 117th Congress of the United States convened on January 3, 2021. In addition to electing a new President, the 2020 national election produced ten new members in the Senate and 60 new members in the House. Below are relevant new members of Congress in the Senate and House.

The Senate

Democrats Jon Ossof and Raphael Warnock defeated GOP incumbents David Perdue and Kelly Loeffler, providing Democrats with a narrow majority through Vice President Kamala Harris's tie-breaking vote in a 50-50 Senate. Alex Padilla (D-CA) was appointed to the Senate seat formerly held by Vice President Kamala Harris. In positive news for California, Senator Padilla has joined the Environment and Public Works, Judiciary, Rules, and Budget Committees.

The House of Representatives

Although their majority shrank, the House remains in Democratic control, and Nancy Pelosi remains the Speaker of the House. The election saw several new California members, including some familiar faces returning to the chamber. Freshman California members include Jay Obernolte (R-CA-8), David Valadao (R-CA-21), Young Kim (R-CA-39), Michelle Steel (R-CA-48), Darrell Issa (R-CA-50), and Sara Jacobs (D-CA-53).

Biden's Climate Policy Invests Heavily in Transportation and Infrastructure

Throughout his campaign, President Biden produced a robust climate policy platform that called for investing more than \$2 trillion over the next decade to decarbonize the U.S. economy. He has continued to demonstrate his commitment to climate policy through an early spate of executive actions. These initiatives seek to facilitate the adoption of clean vehicles and end fossil fuel subsidies, and include the following specific provisions:

- A shift to zero-emission vehicles for federal, state, local, and tribal government fleets, including the United States Postal Service vehicles
- A "pause" on new oil and natural gas leases on public lands or in offshore waters pending a comprehensive review
- The elimination of federal subsidies for fossil fuels
- A sustainable infrastructure initiative with the White House Council on Environmental Quality and OMB working to ensure that federal infrastructure investment reduces climate pollution
- A reversal of Trump-era permitting rules that stopped federal agencies from considering the effects of greenhouse gas emissions and climate change in their environmental reviews
- The establishment of a Civilian Climate Corps
- An environmental justice initiative working to ensure that 40 percent of the benefits of federal investments in energy, transit, and other programs flow to disadvantaged communities

- Inclusion of the United States Department of Transportation secretary on task forces, working groups and interagency councils focused on climate, environmental justice and the economic revitalization of coal and power plant communities

Infrastructure policy provides another avenue for the Biden administration to enact meaningful climate policy, and we expect the surface transportation bill to include climate-related provisions.

Pete Buttigieg Confirmation and Other Key United States Department of Transportation (DOT) Appointments

Pete Buttigieg was confirmed as Secretary of Transportation on February 2, 2021, after receiving bipartisan praise after his confirmation hearing, including many Republicans who backed his confirmation. Other notable leadership positions in the DOT include Polly Trottenberg, Stephanie Pollack, and Nuria Fernandez. Trottenberg will serve as the DOT Deputy Secretary under Buttigieg. She brings a wealth of experience to the department with her work as Commissioner of the New York City Department of Transportation from 2014 - 2020, following time with DOT, and as a transportation policy aide for Senator Boxer. Pollack will serve as Deputy Administrator of the Federal Highway Administration. Pollack is currently secretary and CEO of the Massachusetts DOT. Fernandez has been tapped for Deputy Administrator of the Federal Transit Administration (FTA). Reports indicate she will later be named Administrator. As you know, Fernandez is very familiar with Bay Area transportation issues, having recently served as the CEO and General Manager of Santa Clara Valley Transportation Authority. She also held a leadership position for the New York Metropolitan Transportation Authority.

Housing Policy in the Biden Administration

Housing policy featured more prominently in the Democratic presidential primary and, to a lesser extent, the general election than it typically does. President Biden joined his rivals in producing an ambitious housing policy platform, which included significantly expanding the Section 8 Housing Voucher program, creating the First Down Payment Tax Credit, increasing renter tax credits, strengthening eviction protections, and promoting deregulatory land-use policies to enhance racial equity. Given Democrats' narrow majority, there will be limited ability to implement ambitious housing initiatives. However, Biden has already signed an executive order prompting HUD to address and monitor systemic racism in the housing market.

Marcia Fudge and Other Key Housing and Urban Development (HUD) Appointments

President Biden nominated Ohio Rep. Marcia Fudge to be Secretary of HUD. After she is likely confirmed, Rep. Fudge will confront the immediate challenge of keeping millions of Americans from losing their homes amid the coronavirus pandemic while also ending the discriminatory housing policies that perpetuate racial segregation. As HUD Secretary, she is expected to reinstate the Affirmatively Furthering Fair Housing rule, allowing HUD to suspend housing grants and other federal support to municipalities that fail to combat housing discrimination actively. When asked about it during her confirmation hearing Thursday, she said that she intends to follow "laws and the rules" when reviewing

the rule and supports strengthening the ability of HUD and private third parties to bring an end to housing discrimination claims.

HUD Chief of Staff Jenn Jones announced several top appointments at the agency on Tuesday. Sarah Brundage will be the deputy assistant secretary for congressional relations. Ben Winter, former chief housing officer for Los Angeles Mayor Eric Garcetti, will serve as deputy assistant secretary for policy development. HUD's White House liaison will be Analyse Escobar, the former Colorado political director for the Biden campaign. Joe Carlile, the former top Democratic staffer on the House Appropriations Transportation-HUD Subcommittee, will be a senior adviser to the secretary. Jones also confirmed new appointments to the Office of General Counsel. HUD's new principal deputy general counsel will be Damon Smith, a former acting general counsel at HUD. Deputy general counsel for enforcement will be Sasha Samberg-Champion, a former appellate attorney in the Department of Justice's Civil Rights Division. Elly Kugler, former senior counsel and legislative assistant for Rep. Pramila Jayapal (D-WA), will take on the role of HUD senior counsel.

Competitive Grants Update

Federal Transit Administration (FTA) Announces Expedited Project Delivery Pilot Program Allocation

On Monday, January 11, 2021, the U.S. Department of Transportation's FTA announced the second allocation of Expedited Project Delivery Pilot Program funding to the Santa Clara Valley Transportation Authority in Santa Clara County, California. The second allocation provided \$125 million, following \$100 million in the first allocation in 2019.

Federal Transit Administration (FTA) Announces COVID Relief Funding to Support Public Transportation Systems

On Monday, January 11, 2021, the U.S. Department of Transportation's FTA announced \$14 billion in federal funding allocations to provide emergency assistance to public transportation systems impacted by the COVID pandemic. FTA is allocating \$14 billion to recipients of urbanized area and rural area formula funds, with \$13.27 billion allocated to large and small urban areas, \$678.2 million allocated to rural areas and tribes, and \$50 million allocated for the enhanced mobility of seniors and individuals with disabilities. Frequently asked questions can be found here

<https://www.transit.dot.gov/frequently-asked-questions-fta-grantees-regarding-coronavirus-disease-2019-covid-19>

Federal Transit Administration (FTA) Announces Public Transportation COVID-19 Research Demonstration Program Grants

On Tuesday, January 19, 2021, the U.S. Department of Transportation's FTA announced the award of \$15.8 million in Public Transportation COVID-19 Research Demonstration Program funding to 37 projects in 35 states, including a grant of \$450,000 for San Francisco Municipal Transportation Agency (the only California recipient) to assist with ridership projections and messaging. The complete list of awarded projects can be found here <https://www.transit.dot.gov/research-innovation/public-transportation-covid-19-research-demonstration-grant-program-selected>

National Transportation News Roundup

- The pandemic could devastate mass transit in the U.S. — and not for the reason you think. [Politico](https://www.politico.com/news/2021/01/24/coronavirus-effect-mass-transit-461658)
<https://www.politico.com/news/2021/01/24/coronavirus-effect-mass-transit-461658>
- Transformative Infrastructure Plan Emerges on Biden's Agenda. [Transport Topics](https://www.ttnews.com/articles/transformative-infrastructure-plan-emerges-bidens-agenda)
<https://www.ttnews.com/articles/transformative-infrastructure-plan-emerges-bidens-agenda>
- Mayors Press Biden's Transportation Nominee on Direct Funding for Cities. [RouteFifty](https://www.route-fifty.com/infrastructure/2021/01/mayors-press-buttigieg-direct-funding-cities/171593/)
<https://www.route-fifty.com/infrastructure/2021/01/mayors-press-buttigieg-direct-funding-cities/171593/>
- Transportation officials weigh options to enforce Biden's mask requirement for travelers. [CNN](https://www.cnn.com/2021/01/24/politics/biden-travel-mask-requirement-enforcement/index.html)
<https://www.cnn.com/2021/01/24/politics/biden-travel-mask-requirement-enforcement/index.html>
- Pete Buttigieg wins Senate committee vote as Biden Transportation secretary. [Reuters](https://www.reuters.com/article/us-usa-biden-transportation/pete-buttigieg-wins-senate-committee-vote-as-biden-transportation-secretary-idUSKBN29W1ZQ?il=0)
<https://www.reuters.com/article/us-usa-biden-transportation/pete-buttigieg-wins-senate-committee-vote-as-biden-transportation-secretary-idUSKBN29W1ZQ?il=0>