

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

**September 12, 2025**

**Handout - Agenda Item 2b**

**Washington D.C. Legislative Update**

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**Subject:**

August 2025 Report from Washington, D.C. advocate.

**Issues:**

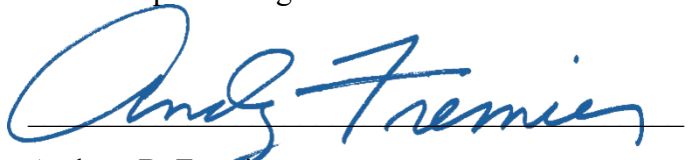
None identified.

**Recommendations:**

Information

**Attachments:**

- Attachment A: Summit Strategies Team Report – August 2025



Andrew B. Fremier



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**Summit Strategies Team Report – August 2025**

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**From: Summit Strategies Team**

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

**Date: September 10, 2025**

**Subject: August 2025 Federal Policy Monthly Report**

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- **Congress Returns to DC with Shutdown Looming**
  - **The United States Department of Transportation (DOT) Cancels Funding for California Rail**
  - **Expiration of Federal Authority for Electric Vehicle (EV) High Occupancy Vehicle (HOV) Lane Access**
  - **DOT Seeks Guidance on Capital Investment Grants (CIG) Program**
  - **Duffy Announces Updated National Electric Vehicle Infrastructure (NEVI) Guidance**
  - **Supporting MTC Priorities in Congress**
  - **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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### **Congress Returns to DC with Shutdown Looming**

There are only a few weeks remaining until government funding expires on September 30, 2025. Lawmakers are moving quickly to develop a plan to avoid a shutdown. Republican lawmakers are pitching a proposal that would combine the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; Legislative Branch; and Military Construction, Veterans Affairs, and Related Agencies Fiscal Year (FY) 2026 appropriations bills with a stopgap funding measure for the remaining bills, which would run no later than Thanksgiving. This plan is supported by House Appropriations Chair Tom Cole (R-OK) and Senate Appropriations Chair Susan Collins (R-ME). Both lawmakers are hoping to include Democrats in negotiations. However, Democratic support for spending bills took a hit when Office of Management and Budget Director Russ Vought announced that the White House would be rescinding \$5 billion in foreign aid via a “pocket rescission.” This maneuver allows the President to go around the legislative branch to rescind funding. Senators on both sides of the aisle have decried the move.

### **The United States Department of Transportation (DOT) Cancels Funding for California Rail**

On Tuesday, August 26, 2025, Transportation Secretary Sean Duffy announced that the Federal Railroad Administration (FRA) was withdrawing funding from four California high-speed rail projects. This includes:

- \$89,645,961 for the Le Grand Overcrossing Project on the Merced Extension;
- \$7,500,000 for Southern San Jose Grade Separations;
- \$26,655,000 for DTX Final Design for Track and Rail Systems Project; and
- \$54,530,000 for Madera High-Speed Rail Station Project

This funding cut is in addition to the \$4 billion that FRA rescinded from the California High-Speed Rail Authority in July.

### **Expiration of Federal Authority for Electric Vehicle (EV) High Occupancy Vehicle (HOV) Lane Access**

#### **Background**

Under Section 166 of Title 23, U.S. Code, states are permitted to allow electric, plug-in hybrid, and other low-emission vehicles to use HOV lanes with a single occupant. This authority will

**expire on September 30, 2025**, unless Congress acts to extend it. Without renewal, the exemption will lapse nationwide.

Current Status

The Alliance for Automotive Innovation and other stakeholders, including supportive members of our delegation, continue to press for an extension. Despite these efforts, Congress has not yet acted, and there appears to be little political appetite to address the issue before the deadline. It is increasingly likely that the authority will expire, at least temporarily, on September 30, 2025.

**DOT Seeks Guidance on Capital Investment Grants (CIG) Program**

On Tuesday, August 19, 2025, the DOT made two announcements in the Federal Register about the CIG program.

In the first announcement, DOT announced that they were making available the agency's proposed revised policy guidance for the CIG program. The revisions are intended to make the CIG program in compliance with President Trump's "Ensuring Reliance Upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities" Executive Order. Changes in the updated guidance include:

- Revising the methodology to evaluate the environmental benefits criterion of CIG projects.
- Removing the requirements to analyze urgent care centers from the evaluation of access to essential services.
- Other minor changes to remove references to rescinded Executive Orders and documents.

Comments on the revised guidance were due September 2, 2025.

In the second announcement, DOT issued a request for information regarding the CIG program. Specifically, DOT is looking for feedback from transit stakeholders on ways to streamline and enhance the CIG program while increasing accountability and overall success of projects.

Comments are due September 18, 2025.

### **Duffy Announces Updated National Electric Vehicle Infrastructure (NEVI) Guidance**

On Monday, August 11, 2025, Transportation Secretary Sean Duffy released the revised guidance for states to secure funding from the NEVI Formula Program. The revised guidance aligns the NEVI program with President Trump's "Unleashing American Energy" Executive Order. States need to submit their Electric Vehicle Infrastructure Deployment Plans within 30 days of the publication of this guidance.

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

At the request of Representative John Garamendi (D-CA), MTC gathered stakeholders from Caltrans and impacted local governments to discuss the Richmond-San Rafael Bridge. The DC Team joined the meeting. During the conversation, the Congressman requested a briefing on State Route 37. Our team is working with MTC and the Congressman's office to schedule an update for later in September.

The DC Team also spoke with the House and Senate Appropriations Committee about the importance of transit funding in a constrained budget environment.

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

- [Deep Transit Cuts in Philadelphia Set Commuters and Parents Scrambling \(The New York Times\)](https://www.nytimes.com/2025/08/25/us/philadelphia-transit-cuts.html)  
<https://www.nytimes.com/2025/08/25/us/philadelphia-transit-cuts.html>
- [The Oregon transportation bill would hike the transit payroll tax. Here's what that means \(KGW\)](https://www.kgw.com/article/news/politics/oregon-transportation-bill-payroll-tax-explained/283-bd4a6691-bfba-48e7-b671-9fc218c9cb4e)  
<https://www.kgw.com/article/news/politics/oregon-transportation-bill-payroll-tax-explained/283-bd4a6691-bfba-48e7-b671-9fc218c9cb4e>
- [‘It's gutting:’ Muni to make cuts in all divisions \(San Francisco Chronicle\)](https://www.sfchronicle.com/sf/article/muni-sfmta-cuts-finance-21025413.php)  
<https://www.sfchronicle.com/sf/article/muni-sfmta-cuts-finance-21025413.php>
- [This City Just Ranked No. 1 for Public Transit—and No, It's Not New York City \(Travel and Leisure\)](https://www.travelandleisure.com/boston-best-public-transportation-11796191)  
<https://www.travelandleisure.com/boston-best-public-transportation-11796191>