

GOVERNMENT RELATIONS, INC.

1050 17TH STREET

SUITE 510

WASHINGTON, DC 20036

(202) 775-0079

October 2011 Monthly Report for MTC

**To: Steve Heminger, Executive Director
MTC**

**From: Tom Bulger, President
GRI**

Re: Monthly Report for October 2011

Date: October 24, 2011

- **Surface Transportation Legislation**
- **President Obama's Jobs Bill**
- **Bay Area Council's Washington, D.C. Meetings**
- **Rail-Volution Conference in Washington, D.C.**
- **APTA Annual Conference and Exposition in New Orleans**
- **The Washington Post's "Fixing America's Foundation"**
- **October Meetings**

Surface Transportation Legislation

Transportation legislation remains stalled in Congress. The House Transportation and Infrastructure Committee is still sorting out how to generate additional funding for a six-year authorization bill. Last month, House Republican Leadership signaled they would support a way to fund a six-year bill at current funding levels versus their original outline to produce a bill with a 30 percent reduction. House Leadership is pursuing a domestic oil and gas drilling royalty plan to fund the transportation bill; however, how this approach will pencil out is not yet clear. The funds that were raised from the lease of mineral rights on federal lands and possible new taxes on the oil and gas sector are being negotiated in the House.

In the Senate, we had hoped to see the Senate Committee on Finance mark up a financing bill to find \$12 billion in additional funding to support Senator Boxer's two-year bill. Instead, the Senate Environment and Public Works Committee announced there will be a markup of the bipartisan authorization bill outline available on November 9, 2011. The Senate Committee on Finance has not provided any additional information on their bill.

President Obama's Jobs Bill

For the second time in the last two weeks, Senate democrats have been unable to get the 60 votes required to take up the President's jobs bill. No Senate republican member has agreed to support the measure. Initially, Senate republicans decried the President's proposal to assist states and local governments as wasteful.

To pay for the President's proposal, the Senate bill would include a surtax of 0.7 percent on incomes over \$1 million in 2013. Senator Harry Reid, D-Nev., vowed to move the President's proposal when the Senate returns to Washington on October 31. The next attempt will include the President's \$50 billion for highways, transit, bridges, railroads, airports, etc., which also includes a \$10 billion Infrastructure Bank.

Bay Area Council's Washington, D.C. Meetings

The Bay Area Council held meetings in Washington, D.C. on October 3-4, which we attended. Approximately 25 Bay Area Council members participated. Public sector representatives included Grace Crunican, BART's new general manger, and representatives from the Port of Oakland. The Council met with Department of Transportation (DOT) Secretary Ray LaHood, Under Secretary Roy Kienitz, and Assistant Secretary for Policy Polly Trotenberg. They also met with Federal Transit Administration (FTA) Administrator Peter Rogoff, Deputy Administrator Therese McMillan; and Federal Railroad Administration (FRA) Deputy Administrator Karen Rae.

The meetings focused on:

- the DOT's support for the high-speed rail blended approach for the Peninsula;
- BART's pending rail car bid and Buy America provisions;

- deployment of the Federal Aviation Administration's Next Generation air traffic control technology;
- surface transportation authorization;
- Muni's pending Full Funding Grant Agreement (FFGA) for the Central Subway project vs. Muni's State of Good Repair;
- the Port of Oakland's Transportation Investment Generating Economic Recovery (TIGER) grant application; and
- Virgin Atlantic's slot application at Newark International Airport.

The Council also met with members of the Bay Area's Congressional delegation. Rep. Nancy Pelosi hosted the Bay Area Council in the Capitol. Reps. George Miller, Anna Eshoo, Barbara Lee, Mike Thompson, Mike Honda, Zoe Lofgren and Lynn Woolsey were in attendance. The Congressional delegation — particularly Rep. Eshoo — is pleased with the current blended approach for high-speed rail on the Peninsula.

Other items discussed included:

- the surface transportation authorization situation;
- the problems with the No Child Left Behind waiver for California;
- participation in the international organization that sponsors the World's Fair; and
- passage of U.S. trade agreements with Colombia and South Korea.

During breakfast, the Council met with Senator Dianne Feinstein and talked about corporate cybersecurity. Sen. Feinstein also discussed current problems in the Senate.

During the Council's luncheon with Dr. Raphael Bostic, assistant secretary for policy and research at the Department of Housing and Urban Development (HUD), I was able to discuss MTC's HUD Sustainability Regional Grant submission.

Rail-Volution Conference in Washington, D.C.

In October, Commissioners and MTC staff attended the Rail-Volution conference in Washington, D.C. During the conference, we toured the Washington Metropolitan Area Transit Authority's (WMATA) new rail and bus operations center in New Carrollton, Md. We also met separately with Beth Osborne, deputy assistant secretary for policy at the DOT, and Dr. Raphael Bostic concerning the Commission's pending HUD Sustainability Regional Grant submission. In addition, we arranged a "Buy America" meeting on rail cars with WMATA staff for Ms. Crunican, BART's new GM.

APTA Annual Conference and Exposition in New Orleans

I attended the American Public Transportation Association's (APTA) Annual Conference and Exposition in New Orleans. During the conference, I met with House and Senate committee staffs working on the surface transportation authorization legislation, including House T&I

Committee staffers Jim Tymon (Majority) and Jim Kolbe (Minority); and Senate Committee on Banking, Housing, Urban Affairs staffers Homer Carlisle (Majority) and Shannon Hynes (Minority).

Bill Millar — APTA's long-time executive director who is stepping down — was honored at the conference. Additionally, I met with the new APTA president, Michael P. Melaniphy.

Washington Post's "Fixing America's Foundation"

On October 14, I attended the "Fixing America's Foundation: Rebuilding Transportation Infrastructure" event at the Washington Post. The event was co-sponsored by Norfolk Southern Corp. House T&I Chair John Mica, R-Fla., and Secretary Ray LaHood kicked off the agenda.

The general consensus at the conference was that we have not invested enough in America's infrastructure and that we have not made a credible case to the American people. In addition, the amount of money needed to fix and expand the nation's aging infrastructure is so large that the average taxpayer can't relate.

October Meetings

Intelligent Transportation Society of America (ITSA)

On October 12, we attended ITSA's Legislative Committee meeting. The discussion focused on ITSA's upcoming World Congress in Orlando, Fla.

Internal Revenue Service (IRS)

We met with the IRS regarding the 2012 cost of living adjustments for the transit/vanpool and parking commute benefits. IRS is proposing to increase the amount for parking for 2012 to \$240/month from the current \$230/month.

The transit/vanpool portion of the commute benefit — currently at \$230/month — will decline to \$120/month unless Congress extends the benefit before January 1, 2012. If Congress does not act, the IRS is proposing to increase the transit/vanpool benefit to \$125/month beginning in 2012.

A transit/vanpool commute benefit website was launched in October, which allows supporters to communicate directly with their representatives. The site can be accessed at:

www.commuterbenefitsworkforus.com.