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February, 2012 Monthly Report for MTC

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

From: Tom Bulger, President GRI

Re: Monthly Report for February, 2102

Date: February 29, 2012

- **House and Senate Transportation Authorization bills stalled**
- **Full Funding Grant Agreements for Bay Area Transit Projects announced**
- **President's FY 2013 Budget Submitted to Congress**
- **MTC's March Washington Activities Update**
- **Payroll Tax Holiday Agreement and Public Safety Communications Network**
- **Meetings in February**

House and Senate Transportation Authorization Bills stalled

Congressional leaders in both the House and Senate are expected to revive their respective transportation authorization measures in the final days of February. The House is not expected to consider a revised version of HR 7 by the end of the month. Prior to the Congressional President's week recess — Congress was not in session in the middle of February — HR 7 was pulled from consideration on the House floor. The reason for this unusual action was the lack of support for the bill from all sides. Strategically, this was a huge mistake and has resulted in a rewrite of the bill. Speaker John Boehner (R-Ohio) said last week he would scale back the bill because it came under fire from both Democrats and Republicans. Last week, GOP staff said that they did not expect the legislation to be done and ready by the end of February. The Speaker's office is telegraphing that they are considering shortening the length of the bill from five years to two years. In addition, they will likely drop the controversial proposal to remove transit funding from the Highway Trust Fund.

The Senate's transportation authorization bill, once thought to have smoother sailing through a bipartisan support has hit a roadblock. First, the Senate was unable to secure a procedural vote of 60 votes to shut off introduction of amendments. Instead, over 200 amendments to the bill have been filed. Of these amendments, many are non-germane such as the Keystone XL Pipeline approval and cutting off foreign aid to Egypt. The Senate Majority Harry Reid (D-Nev.) hopes to work out an agreement with Senator Mitch McConnell (R-Ky.) on what amendments to S 1813 will be allowed. A key amendment, filed by Senator Mark Begich (D- Alaska) would restore the current formula in the Federal Surface Transportation Program (STP) to urbanized areas. Under S.1813 the Surface Transportation Program is replaced with a new program called Transportation Mobility Program (TMP) which increases overall funding versus current STP funding by 34 percent. However, the states share would increase by 76 percent and local (urbanized areas) funding would only increase by 8 percent. The Begich amendment would restore current STP formula splits among the affected urbanized areas (above 200,000 population areas below 200,000 population, and areas below 5,000 population vs. state area funds).

Full Funding Grant Agreements for Bay Area Transit Projects announced

The President's FY 2013 Budget submission includes the following funding recommendations for key Bay Area transit projects:

San Jose Silicon Valley Berryessa Extension Project	\$150 million
SF 3 rd Street Light Rail Phase 2 – Central Subway	\$150 million
SF Van Ness Ave. BRT	\$10 million

President's FY 2013 Budget Submitted to Congress

In mid-February, the President submitted his FY 2013 Budget to the Congress. The Transportation Department Budget posted a 2 percent increase over FY 2012. The bulk of the

Transportation Departments is the Administration's latest recommendation to increase infrastructure funding with a six year \$476 billion surface transportation plan including funding for high-speed rail projects. The plan would provide \$50 billion for infrastructure projects in FY 2013. Funding would partially come from \$231 billion previously spent on the wars in Iraq and Afghanistan. The President's budget would also call for \$1 billion for the Next Generation Air Transportation System.

MTC's March Washington Activities Update

Planning and scheduling for MTC's annual March trip to Washington DC are well underway. Congressional and Administration meetings are partially completed for the March 12 - 14 time period. All of the vendors that support the annual California Transportation Congressional reception on the evening of Tuesday, March 13th are in place. This year's reception will once again be in the House Transportation and Infrastructure Committee Room, 2165 Rayburn House Office Building at 6:00 p.m. Invitations for the reception have been sent electronically and hard copies are being distributed to invitees by hand. A Commission tour of the Northern Virginia Beltway (I-495) HOT lanes is set for the morning of March 12th (Monday).

Payroll Tax Holiday Agreement and Public Safety Communications Network

On February 17th, Congress passed the Middle Class Tax Relief and Job Creation Act of 2012 (H.R. 3630), which includes an extension of the payroll tax cut through the end of the year. Also, the legislation contains provisions that will provide spectrum, funding and a governing structure to build a nationwide public safety broadband network. The current local voice only communications system will be replaced with a nationwide 4G LTE wireless network dedicated and built specifically for public safety uses. The network will allow responders to share documents, text, pictures, and video in real time.

Washington Meetings

In February we attended the following meetings:

- Congressman Mike Honda regarding HR 7 and the Full Funding Grant Agreement for San Jose Silicon Valley BART extension Phase 1 to Berryessa.
- Norman Mineta regarding House Transportation Authorization bill and MTC's March Washington DC trip.
- ITS America Legislation Committee regarding House and Senate Authorization bills.
- Continuous interaction with the region's Congressional Delegation regarding House and Senate's Authorization bills.