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**April 2013 Monthly Report for MTC**

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

**From:** Tom Bulger, President, GRI

**Re:** Monthly Report for April, 2013

**Date:** May 1, 2013

- **Charlotte, N.C. Mayor Anthony Foxx Nominated to be USDOT Secretary**
- **President's FY 2014 Budget Released**
- **Senator Max Baucus (D-MT), Chairman of the Senate Finance Committee to retire**
- **Gallup Poll: Two-thirds Reject New Gas Tax Idea**
- **House Highway and Transit Subcommittee Examines Implementing MAP-21**
- **House Budget Committee Examines Highway Trust Fund Solvency**
- **Senate Advances Bill to Tax Internet Sales**
- **House T&I Committee Freight Hearing**
- **FEMA Port Security Grants**
- **Federal Communications Commission (FCC) and FASTRAK**
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### **Charlotte, N.C. Mayor Anthony Foxx Nominated to be USDOT Secretary**

On April 29 President Obama nominated Charlotte Mayor Anthony Foxx to serve as transportation secretary. Mayor Foxx would succeed Ray LaHood, and would be the first African American nominated in the President's second term. Mayor Foxx hosted the Democratic National Convention last year, and he has pushed to expand Charlotte's public transit systems including TOD at rail stations. Mr. Foxx is a lawyer, was elected mayor in 2009 and reelected in 2011. He served as a member of the Charlotte City Council from 2005 to 2009. Congressional nomination hearing in the Senate Commerce Committee is currently pending.

### **President's FY 2014 Budget Released**

On April 10 the president's budget for fiscal year 2014 was released. The budget funds the authorized funding levels provided in MAP-21 and reserves funding after MAP-21 expires on September 30, 2014, for a long-term reauthorization at a 25 percent increase over current authorized funding. The budget also proposes an additional \$9 billion for transit infrastructure improvements, including \$6 billion for transit State of Good Repair, \$500 million for New Starts Core capacity projects, and \$2.5 billion for Urban and Rural Transit programs. Additionally, the budget continues the commitment to high speed and intercity passenger rail and livable communities. The budget includes nearly \$1 billion to modernize the nation's air traffic system (NEXT GEN) initiative. In addition the budget proposes \$50 billion for immediate transportation investments. To pay for long term surface transportation legislation the budget proposes massive infusions of General Funds referenced as "War" savings. This is a joke right?

### **Senator Max Baucus (D-MT), Chairman of the Senate Finance Committee to retire**

In late April, Senator Max Baucus announced that he will retire and not seek re-election. Senator Ron Wyden (D-OR) would become Chairman of the Senate Finance Committee in 2015, assuming the Democrats control the Senate. Senator Wyden was the main proponent of the Build America Bonds program which was part of the 2009 Stimulus law. This bond program has expired but Senator Wyden supports permanent re-enactment.

### **Gallup Poll: Two-thirds Reject New Gas Tax Idea**

On April 22, Gallup announced that most people said that they would vote against a new gas tax to pay for infrastructure repairs and new mass transit. Gallup reported it was not clear whether American's lack of support for this proposal stems from the type, amount or purposes of a gas tax increase during a fragile economy.

### **House Highways and Transit Subcommittee Examines Implementing MAP-21**

On April 25, I attended the House Transportation & Infrastructure Committee, Highways and Transit Subcommittee on implementing MAP-21. The hearing primarily focused on the local perspective of how USDOT is implementing MAP-21. Mr. Edward Reiskin, SFMTA Director

testified that MAP-21, has improved and evolved over time. He applauded the legislation's emphasis on asset replacement and repair.

### **House Budget Committee Examines Highway Trust Fund Solvency**

On April 24, I attended the House Budget Committee hearing on the "State of the Highway Trust Fund: Long Term Solutions for Solvency". The hearing was primarily focused on the projected deficit and potential long-term solution for the solvency of the Highway Trust Fund (HTF). Witnesses agreed that that the Highway Trust needs to be fixed before the next surface transportation re-authorization bill next year. Robert Poole from the Reason Foundation spoke about five problems with the HTF:

- 1) Congress is afraid to increase user taxes, despite the need for increased investment,
- 2) the HTF unfairly distributes funds across the country,
- 3) federal involvement and regulations increase project costs,
- 4) the program is focused on expensive capital –intensive projects rather than maintenance,
- 5) the federal program encourages cash-based projects rather than financing.

Rep. Jared Huffman (D-CA) is a member of the House Budget Committee. Rep. Huffman's Budget staff requested and received HTF input from our office prior to the Committee hearing.

### **Senate Advances Bill to Tax Internet Sales**

On April 25 the Senate moved closer to passing a bill to tax purchases made over the internet. A final Senate vote was delayed until the Senate returns from a week-long vacation next week. The Senate voted 63 to 30 on April 25 to end debate on the bill, setting up a final Senate vote to pass the bill on May 6. The president supports the bill, but it faces an uncertain fate in the House where some Republicans consider it a tax increase. The bill would empower states to require online retailers to collect state and local sales taxes for purchases made over the internet.

### **House T&I Committee Freight Hearing**

On April 24, I attended the House Transportation and Infrastructure Committee hearing to discuss the requirements to create a "21<sup>st</sup> Century" freight transportation system. The hearing follows an announcement of a "Special panel tasked with the developing freight transportation improvements" by House Transportation Chairman Rep. Bill Shuster (R-PA) and the ranking Democrat on the panel, Rep. Nick Rahall (D-W.VA).

### **FEMA Port Security Grants**

Throughout the month of April we have been assisting the San Francisco Marine Exchange to secure a FEMA grant extension for a number of Bay Area port security grants. A review of active FEMA port security grants is underway. We expect a decision within the next two weeks.

## **Federal Communications Commission (FCC) and FASTRAK**

In the later part of the April, we were asked to assist in determining whether the FCC's approval to allow access to the cellular industry more frequency to use would interfere with FASTRAK in the future.

### **Meetings**

April 16 — Brookings Institute, Metropolitan Policy Program on “A new climate for Infrastructure Investment”.

April 29 — Conference call with Commissioner Jim Spering, Solano County staff and USDOT TIGER staff regarding TIGER grant submittal.

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