

GOVERNMENT RELATIONS, INC.
1050 17TH STREET
SUITE 510
WASHINGTON, DC 20036

(202) 775-0079

March 2013 Monthly Report for MTC

To: Steve Heminger, Executive Director, MTC

From: Tom Bulger, President GRI

Re: Monthly Report for March, 2013

Date: April 2, 2013

- **MTC Washington, DC Meetings in March**
- **California Transportation Congressional Reception in March**
- **USDOT Freight Policy Kick-off**
- **Sequestration Kicks In**
- **Congress Approves Funding for Remainder of Fiscal Year**
- **House and Senate Approve Vastly Different Budgets**
- **Meeting with Federal Highway Administrator Victor Mendez**
- **Coming and Going**

MTC Washington, DC Meetings in March

MTC Commissioners and staff were in Washington, DC from March 11 to March 14 and attended the following meetings with members of Congress, committee staff, and interest groups:

- Congressman Mike Thompson (D-Ca)
- Congressman Peter DeFazio (D-Ore)
- Congressman Mike Honda (D-Ca)
- Congressman John Garamendi (D-Ca)
- Congressman Eric Swalwell (D-Ca)
- Congresswoman Barbara Lee (D-Ca)
- Congressman Jared Huffman (D-Ca)
- Congressman George Miller (D-Ca)
- Washington Metropolitan Area Transit Authority (WMATA) briefing with BART and VTA
- Brookings Institute briefing on Metropolitan Policy
- Senior staff of the House T&I Committee (Minority)
- Senior staff of the Senate Banking Committee
- Senior staff of the Senate Environment & Public Works Committee
- Transportation 4 America
- John Porcari, Deputy Secretary at USDOT and Beth Osbourne, Deputy Assistant Secretary for Policy, USDOT
- Polly Trottenberg, Under Secretary at USDOT
- Peter Rogoff, FTA Administrator and Norvil Carter, FTA General Counsel
- David Kim, FHWA Policy Director
- Delania Hardy, AMPO Executive Director

California Transportation Congressional Reception in March

Months of planning and logistics finally came to closure on March 12 at the annual California Transportation Congressional reception. As in past years, the reception was held in the House Transportation and Infrastructure Committee Room. MTC Chair Amy Worth served as the Master of Ceremony. Approximately 15 members of Congress attended as well as DOT Secretary Ray LaHood and former Chairman and former DOT Secretary Norm Mineta.

USDOT Freight Policy Kick-Off

On March 5, the USDOT officially kicked off their anticipated Freight Policy where Secretary LaHood spoke about the importance of this new activity. The recent MAP-21 Surface Transportation legislation includes a National Freight Strategic Plan, new performance measures, a truck size and weight study as well as the establishment of a National Freight Network. A Federal Advisory Committee will be formed — the deadline for nominations to this Committee was March 21.

Sequestration Kicks In

On March 1, President Obama issued an order to the Office of Management and Budget (OMB), to trigger the sequestration process for the Federal budget. Fortunately, the majority of the USDOT programs funded from the Highway Trust Fund and its Mass Transit Account were spared. However, the following pertinent sequestration cuts for FY 2013 were affected:

- General Fund Payments to the Highway Trust Fund - \$316.2 million
- FTA Capital Investment Grants from the General Fund (New Starts etc.) - \$98.35 million
- TIGER Grants - \$25.15 million
- Federal Aid Highways - \$37.69 million.

Congress Approves Funding for Remainder of Fiscal Year

Congress approved a Continuing Resolution for the remainder of the Federal Fiscal year (to September 30, 2013). The House passed their bill by a vote of 318 to 109 on March 21. The Senate passed their bill on March 20 by a vote of 73 to 26. Federal funding for the government was set to run out on March 27th.

The major features of the legislation are as follows:

- Keeps Sequestration - Overall, the legislation keeps in place the \$85 billion in sequester cuts that went into effect on March 1, although there were some changes to blunt the impact on a few federal agencies. For example, meat inspections were spared and some science, health and law enforcement functions received smaller cuts than sequester law requires.
- The legislation fully funds the FTA formula programs that were authorized in MAP-21.
- The TIGER Program will receive \$474 Million, slightly below the prior fiscal year. Expect an announcement for the next round of TIGER grants in late April.

House and Senate Approve Vastly Different Budgets

The House and Senate passed their budgets at the end of March and then recessed for two weeks. The House budget would cut \$5.7 Trillion in spending, balance the budget in ten years and reduce the top income tax rate from 39.6 percent to 25 percent. It would reshape Medicare and repeal ObamaCare. The Senate's budget would raise \$975 billion in tax revenue, does not balance the budget, shields entitlement benefits and preserves ObamaCare. If a compromise can be found, the biggest advantage would be that tax reform would only need a simple majority in the Senate instead of 60 votes. Also, the Appropriations Committees would be able to return to regular order and avoid government shutdowns.

Meeting with FHWA Administrator Victor Mendez

On March 22, at the ITS America's offices, I met with the FHWA Administrator, Victor Mendez. The meeting primarily focused on ITS issues, namely the USDOT "Connected Vehicle" program. When asked when the Administration would propose a new funding mechanism for the nearly broke Highway Trust Fund, Mr. Mendez's response was "he couldn't say".

Coming and Going

Georgia Gann, former Deputy Director for Policy at Transportation for America (T4America) and former G.R.I. Legislative Analysts has joined Senator Frank Lautenberg's (D-NJ) staff.