
July 2014 Monthly Report for MTC

To: Steve Heminger, Executive Director
From: Tom Bulger, President, GRI
Re: Monthly Report for July 2014
Date: August 4, 2014

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- **2015 Annual Conference of Mayors**
- **Cities Expect Faster Economic Growth**
- **Open Letter from Secretary Anthony Foxx**
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Senate Passes Highway Bill

On July 3, 2014, the Senate passed H.R. 5021 by a vote of 81-13. The vote came just hours before Congress left Washington for the August recess. Earlier in the week, the Senate voted to make changes to the House-approved Highway Bill. The amendment would have changed the length of the funding extension to December, which would have pressured Congress to focus on finding a long-term solution to the problem. The House responded by rejecting the Senate's proposed amendment, and instead sent the same bill back to the Senate. The bill extends the current MAP-21 legislation to May 31, 2015 and will use a combination of pension smoothing and a boost of customs fees for funding. The White House has said it would accept the legislation; the bill will now head to President Obama's desk for signature.

2015 Annual Conference of Mayors

Mayor Ed Lee announced that San Francisco will host the 83rd Annual Conference of Mayors from June 19-22, 2015. Mayor Lee highlighted a number of activities that the meeting will feature, including walking tours of the city as well as evening events at iconic city landmarks. Lee also said that the 2015 meeting will be paperless; every attending mayor will receive an iPad preloaded with the conference schedule and packets.

Cities Expect Faster Economic Growth

According to a report released by The U.S. Conference of Mayors, real economic growth will accelerate to 3.2 percent in 2015 for the nation's metro areas. The report also stated that all metro areas will experience growth of at least one percent, while nearly half (172) will experience growth in excess of three percent. Additionally, the report cited that by the end of 2013, 123 metros (34 percent) had returned to their pre-recession employment levels.

Open Letter from Secretary Anthony Foxx

In an open letter to Congress, Transportation Secretary Anthony Foxx and 11 of his predecessors expressed their sentiment that Congress' job does not end with the passage of the short-term fix bill currently under consideration. The Secretary also stated the importance of creating legislation that will provide long-term investment in America's transportation projects. Secretary Foxx cited the fact that over the last five years, there have been 27 short-term measures passed in Congress. Secretary Foxx goes on to state that as United States' population continues to grow, so will the strain on the transportation system. No long-term legislation has been passed in over 10 years. Secretary Foxx closes the letter by calling on Congress to accept the challenge of creating a long-term, bipartisan bill to fund America's transportation system.

Congressional Inaction Leading Up to Election

From the start of 2014, it has been very clear that Congress has no intention of reaching solutions to any of the big issues. With elections looming, and Republicans and Democrats battling for seats in the House and Senate, the underlying trend is to put off the big decisions until the 114th Congress takes control. Issues such as replenishing the Highway Trust Fund, Securing the USA-Mexico Border, and reforming the Department of Veteran Affairs are three specific issues that exemplify Congress' inaction. It appears that these issues will have to wait until after the year-end elections for Congress to begin working on long-term solutions.

President Obama Establishes Build America Transportation Investment Center

On July 17th, President Obama announced his "Build America Investment Initiative," which includes the creation of a new center at the U.S. Department of Transportation. The new center will help cities, counties, and metropolitan areas finance various transportation infrastructure needs. The center will be created within 120 days of the July 17th announcement. The center will focus on assisting state and local governments in utilizing innovative strategies to fund transportation projects. These innovative strategies will include pairing private investors with state and local governments to provide funds when federal government funding is insufficient. In addition to the new center, the initiative will form a "working group," chaired by Secretary Foxx and Treasury Secretary Jack Lew. This group will focus on increasing and expanding private investment in transportation projects. Also included in the president's initiative is a special summit on Infrastructure Investment, which will be hosted by the U.S. Treasury Department on September 9, 2014. The Treasury Department will work with public and private leaders to look at innovative financing proposals, which will further project development.

Rep. Hahn (D-CA) Introduced National Freight Network Trust Fund

On July 14, 2014, Representative Janice Hahn (D-CA) introduced H.R. 5101. The bill calls for the establishment of a National Freight Network Trust Fund to improve the performance of the national freight network. Five percent of all import duties collected by the U.S. Customs and Border Protection would be transferred to the trust fund for transportation projects. The bill was referred to The House Committee on Transportation and Infrastructure as well as House Committee on Ways and Means.

House Will Address Government Funding Measure in September

House Speaker John Boehner (R-Ohio) says that the House will consider a stopgap funding measure to avoid yet another government shutdown once the August recess is over. Boehner also said that he expects the measure to go into early December. Without a new funding bill, the government will shut down on October 1.

Transit Benefit and Bike Share

Congressman Joe Crowley (D-NY) has proposed a bill (H.R. 5276) that will allow pre-tax commuter benefits to be spent on bike-share programs. Rep. Crowley cited the fact that commuters are currently allowed to use pre-tax dollars for subway and bus usage, and believes the benefit should extend to bike-share memberships. The Congressman feels that an extension to this benefit could encourage expansion of bike-share programs. Rep. Crowley's legislation in the House would apply to bike-share programs nationwide.

Comings and Goings

Victor Mendez was confirmed as the U.S.D.O.T Deputy Secretary. Peter Rogoff was confirmed as the U.S.D.O.T Under Secretary for Policy

Meetings

- Joanna Turner, the new Executive Director at NARC
- Giles Giovinazzi, the new Federal Liaison for Caltrans in Sacramento
- Kevin McCarty, U.S. Conference of Mayors on MAP-21 reauthorization
- Delania Hardy, AMPO Executive Director
- Michael Davies, L.A. MTA Washington Representative.