

# Holland & Knight

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## **Broward MPO Federal Update December 2016**

Board Meeting: On December 8, Ron Klein, Lauri Hettinger, and Lisa Barkovic presented to the Board of Directors, providing an overview of what to expect next year with the new Administration and Congress and opportunities for the Broward MPO showcase its XX. We also discussed the many successes for 2016 including DOT awarding the MPO the only TIGER grant in the state of Florida and the MPO securing its priorities in the recently passed transportation authorization bill, the FAST Act.

### **CONGRESSIONAL UPDATE**

Appropriations: On December 9, with less than an hour until the deadline, the Senate voted [63 to 36](#) to pass a [continuing resolution](#) (CR) (H.R. 2028) funding the federal agencies at current funding levels until April 28. Senators Bill Nelson (D-FL) and Marco Rubio (R-FL) voted for the bill. The House passed the CR first on December 8 by a vote of [326 to 96](#). Representatives Alcee Hastings voted no, while Representatives Ted Deutch, Lois Frankel, Debbie Wasserman Schultz, and Mario Diaz-Balart voted yes. Rep. Frederica Wilson did not vote.

Since the CR is funded at FY 2016 funding levels, programs will not see the funding increases for highways and transit, that were included in the FAST Act. Funding for highways and transit are at the enacted FY 2016 levels pro-rated through April 28, 2017. Here are the funding levels for transportation in the CR :

- Federal-Aid Highways: \$24.324 billion (FY 2016 enacted: \$42.361 billion)
- FTA Transit Formula Grants: \$5.367 billion (FY 2016 enacted: \$9.348 billion)
- FTA Capital Investment Grants: \$1.243 billion (FY 2016 enacted: \$2.177 billion)

The CR also includes:

- \$170 million in funding to address Flint, Michigan's water contamination issues;
- \$10 billion in war funding;
- \$4.1 billion in disaster aid for Louisiana and other states affected by Hurricane Matthew, as well as flood, drought, and other weather-related emergencies;
- \$7 million to reimburse the New York police department for the cost of security for President-Elect Trump, which is less than \$35 million that the city requested;
- \$500 million to help states combat the opioid crisis; and
- \$870 million for the 21<sup>st</sup> Century Cures Act—a new law designed to advance medical research.

The CR also includes a provision that waives a statutory seven-year “cooling off period” that is required for all current and former military personnel before taking a cabinet position. This will allow retired General James Mattis, President-Elect Trump’s pick for Secretary of Defense, to be confirmed quickly in the Senate. Democrats initially objected, but later accepted Republicans’ justification that this important national security post must be filled quickly.

Congress delayed consideration of the CR until April to provide time for the Senate to approve the President’s nominees and to have an opportunity for a Republican Congress and Republican Administration to work together to craft a final FY 2017 spending bill.

Water Resources Development Act (WRDA): On December 16, the President signed the [Water Infrastructure Improvements for the Nation \(WIIN\) Act \(S. 612\)](#) into law, the Water Resources Development Act (WRDA) of 2016.

On December 10, the Senate voted [78 to 21](#) to pass the final WRDA legislation, and Senators Nelson and Rubio voted in favor. The House passed the legislation on December 8 by a vote of [360 to 61](#). Representatives Hastings, Deutch, Frankel, Wasserman Schultz, Diaz-Balart, and Wilson supported the bill.

The final bill (S. 612) includes:

- Authorization of \$11.7 billion for Army Corps of Engineers navigation and flood control projects;
- Authorization of \$170 million for lead contamination issues in Flint, Michigan;
- Allows the Secretary of the Army to conduct an evaluation to improve water supply conservation measures when a drought emergency has been declared in a state;
- Authorization of \$300 million in grants over five years to help small communities comply with the Safe Drinking Water Act;
- Directs the U.S. Environment Protection Agency (EPA), in conjunction with the Department of Interior, USDA, NOAA, and other appropriate federal agency heads along with state and local governments, to develop non-regulatory national drought resilience guidelines relating to drought preparedness planning and investments for communities, water utilities, and other water users and providers; and
- A drinking water technology clearinghouse to provide information on cost-effective, innovative, and alternative drinking water delivery systems. Because of the shortfall in drinking water infrastructure—due to many existing conditions including drought that have placed significant strains on existing surface water supplies.

Budget/Appropriations: Next year, lawmakers will first begin considering the FY 2017 budget resolution, which Republicans and Trump will use to reform President Obama’s signature healthcare law, the Affordable Care Act (ACA). Since Republicans do not have a filibuster-proof majority in the Senate, it is unlikely that they will be able to fully repeal the ACA as doing so would require 60 votes. Therefore, Republican leadership is expected to pursue partial repeal of the ACA. The budget reconciliation process allows for expedited consideration of certain tax, spending, and debt limit legislation to be passed by a simple majority, without being subject to a filibuster. Some provisions that do not have a budgetary impact may be trickier for the

Republicans to repeal or amend as Senate rules prohibit inclusion of provisions that do not have a budgetary impact in budget reconciliation legislation. Democratic opposition to any effort to repeal the ACA is, not surprisingly, mounting in earnest. Republicans plan to pass a second budget resolution next year – for FY 2018 – in the late spring, which will be used as a vehicle for tax reform. Next year, Congress may also consider any number of issues, including immigration and repealing many of the Obama Administration’s regulations.

Senate Democratic Committee Assignments: On December 20, Senate Democrats announced committee assignments for the 115<sup>th</sup> Congress. The transportation committee assignments are listed below. Senator Nelson’s committee assignments on Commerce, Aging, and Finance did not change. Senate Republicans and the House Republican and Democrats will announce their committee assignments early next year.

**Appropriations:** Senator Patrick Leahy, Ranking Member (VT)

- Senator Patty Murray (WA)
- Senator Dianne Feinstein (CA)
- Senator Dick Durbin (IL)
- Senator Jack Reed (RI)
- Senator Jon Tester (MT)
- Senator Tom Udall (NM)
- Senator Jeanne Shaheen (NH)
- Senator Jeff Merkley (OR)
- Senator Christopher Coons (DE)
- Senator Brian Schatz (HI)
- Senator Tammy Baldwin (WI)
- Senator Chris Murphy (CT)
- Senator Joe Manchin (WV)
- Senator Chris Van Hollen (MD)

**Banking (oversees transit):** Senator Sherrod Brown, Ranking Member (OH)

- Senator Jack Reed (RI)
- Senator Bob Menendez (NJ)
- Senator Jon Tester (MT)
- Senator Mark Warner (VA)
- Senator Elizabeth Warren (MA)
- Senator Heidi Heitkamp (ND)
- Senator Joe Donnelly (IN)
- Senator Brian Schatz (HI)
- Senator Chris Van Hollen (MD)
- Senator Catherine Cortez Masto (NV)

**Commerce (oversees safety and rail):** Senator Bill Nelson, Ranking Member (FL)

- Senator Maria Cantwell (WA)
- Senator Amy Klobuchar (MN)

- Senator Richard Blumenthal (CT)
- Senator Brian Schatz (HI)
- Senator Ed Markey (MA)
- Senator Cory Booker (NJ)
- Senator Tom Udall (NM)
- Senator Gary Peters (MI)
- Senator Tammy Baldwin (WI)
- Senator Tammy Duckworth (IL)
- Senator Maggie Hassan (NH)
- Senator Catherine Cortez Masto (NV)

**EPW (oversees highways):** Senator Tom Carper, Ranking Member (DE)

- Senator Ben Cardin (MD)
- Senator Bernie Sanders (VT)
- Senator Sheldon Whitehouse (RI)
- Senator Jeff Merkley (OR)
- Senator Kirsten Gillibrand (NY)
- Senator Cory Booker (NJ)
- Senator Ed Markey (MA)
- Senator Tammy Duckworth (IL)
- Senator Kamala Harris (CA)

**Finance:** Senator Ron Wyden, Ranking Member

- Senator Debbie Stabenow (MI)
- Senator Maria Cantwell (WA)
- Senator Bill Nelson (FL)
- Senator Robert Menendez (NJ)
- Senator Tom Carper (DE)
- Senator Ben Cardin (MD)
- Senator Sherrod Brown (OH)
- Senator Michael Bennet (CO)
- Senator Bob Casey (PA)
- Senator Mark Warner (VA)
- Senator Claire McCaskill (MO)

## **ADMINISTRATION UPDATE**

DOT Nominee Chao's Priorities: On November 29, President-elect Trump selected Elaine Chao to lead the Department of Transportation (DOT). The Senate is responsible for approving her nomination. As one of the least controversial selections, the Senate will most likely approve her nominations in early January. She has begun meeting with members of Congress.

If she is approved, Chao is expected to focus her efforts on ensuring that DOT enforces existing safety regulations and streamlining the approval process for infrastructure projects, when

possible. Moreover, she plans to help the country adopt new transportation technologies—which likely include drones and autonomous vehicles. Chao said she will also work to ensure that rural and urban infrastructure projects are treated fairly.

Chao also hopes to improve existing infrastructure, which requires investment and decreasing regulatory burdens in planning and permitting, which will draw sharp criticism from environmentalists. However, in recent weeks, Trump has publically said that his administration will not make infrastructure a priority. Whether the Trump will pursue an infrastructure package, as promised, and how he will pay for it, have yet to be determined.

The Senate will also have to approve 21 additional presidential appointments at DOT including Deputy Secretary, Federal Highways Administration (FTA) Administrator, Federal Transit Administration (FHWA) Administrator. Most of these appointees will not be in place until fall of 2017. Since these appointees will be meeting with Senator Nelson, Ranking Member of Senate Commerce Committee, Holland & Knight will work with Broward MPO to highlight its priorities before the nominees.

Trump's Infrastructure Group Plan: Trump is considering establishing a task force focused on infrastructure investment. The head of the task force would not be a “cabinet-level” appointee, but rather a high-level advisor responsible for connecting private industry investors and government officials. Trump's transportation transition team generally supports the idea, though Trump has not officially decided to create the group. According to an anonymous source, contenders for leading the group include a local government official and a New York businessperson. If Trump does pursue his [promised](#) \$1 trillion infrastructure bill, this task force would be closely involved in its creation, passage and implementation. This bill could focus on surface transportation and water, among other areas.