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Broward Metropolitan Planning Organization Federal Update September 2014

House and Senate Pass Continuing Resolution and Recess for the November Elections: On September 17, the House voted 319-108 on a continuing resolution to keep the government funded through December 11. Before final passage, the House also voted on an amendment sponsored by House Armed Services Committee Chairman Howard "Buck" McKeon (R-Calif.) that authorizes the Defense Department to train and equip Syrian forces in their fight against the Islamic State of Iraq and the Levant, or ISIL. The measure maintains funding levels at the current \$1.012 trillion cap, and includes a number of key language provisions:

- extends the Internet Tax Freedom Act through December 11, 2014
- extends operating authority of the Export-Import Bank through June 30, 2015
- extension of Department of Defense activities
- continuation of State Department funding for counter-regional aggression toward Ukraine and other former Soviet Union countries
- provides flexibility for U.S. Customs and Border Protection, and Immigration and Customs enforcement to maintain immigration enforcement activities and staffing
- funding to accelerate Department of Health and Human Services (HHS) research to address the Ebola crisis
- continuation of the Temporary Assistance to Needy Families (TANF) program

On September 18, the Senate moved quickly to approve the bill by a vote of 78-22, which included the House provision on Syria. The President signed the CR into law on September 19.

If Congress passes the FY 2015 Omnibus Appropriations bill during the lame duck session following the November 4th elections, the FTA and DOT will likely announce New Starts/Small Starts project funding and transit/highway apportionments in January or February 2015.

House and Senate in Recess through Mid-term Election: Both the House and Senate adjourned on September 19 and will be in recess through mid-November, until after the mid-term election. The House and the Senate are expected to return on November 12 for official business, such as conducting leadership elections, orientation for members-elect, and wrapping up unfinished legislation including appropriations.

CBO Releases Updated Budget and Economic Outlook: In a report dated August 27, the Congressional Budget Office (CBO) predicts that in the coming decade -- absent any changes to current laws governing taxes and spending -- federal revenues will increase only slightly while spending would increase more rapidly. Furthermore, CBO predicts that the federal budget deficit

for FY 2014 will amount to \$506 billion, or \$170 billion lower than the budget shortfall in 2013. According to the CBO, this year's budget deficit accounts for 2.9 percent of the nation's GDP, which is less than previous years (according to CBO, this figure reached almost 10 percent of GDP in 2009). According to the CBO, the beginning balance for the Highway Trust Fund (HTF) has improved due to the \$11 billion bailout that Congress approved in August. However, the CBO remained cautious and projected that the HTF would need an additional \$22 billion to keep the fund solvent another 16 months through the end of FY 2016. If Congress were to pass a four-year extension, it would need additional revenues of roughly \$52 billion just to ensure that the fund does not go bankrupt. The report also details projected revenues, outlays, and changes from CBO's previous budget projections.

Federal Transit Administration Announces Ladders of Opportunity Grants: On September 25, the Federal Transit Administration (FTA) announced \$100 million in Section 5309 Bus & Bus Facilities "Ladders of Opportunity" Initiative grants. Funds will go toward 24 projects in 19 states to modernize and expand bus service, with the purpose of "connecting low-income populations with centers of education, employment, job training, health care, and other vital services." These additional funds were made available after recovering the approximate \$100 million through various unallocated program funding authorized under the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy of Users (SAFETEA-LU). There was only one recipient in this round of Ladders of Opportunity funding within the state of Florida:

- **Central Florida Regional Transportation Authority:** \$9,390,860 for the acquisition of 10 new natural gas buses, and for the construction of the Pine Hills SuperStop bus transfer center.

FTA Announces \$20 Million for Transit-Oriented Development Planning: On September 3, the FTA announced the availability of approximately \$20 million for a pilot program for transit-oriented development (TOD) planning.

According to the notice of funding availability (NOFA), "FTA is seeking comprehensive planning projects covering an entire transit capital project corridor, rather than proposals that involve planning for individual station areas or only a small section of the corridor. FTA is also prioritizing applications in corridors with significant challenges related to TOD planning, low levels of existing development, or where the cost of the planning work to overcome the challenges exceeds what might be readily available locally."

The program will promote efforts to integrate land use and transportation planning with a New Starts, Core Capacity or Fixed Guideway Small Starts project that will seek funding through the capital investment grant (CIG) program. Awards through this program will range from \$250,000 to \$2,000,000 and are only available for existing direct recipients of FTA grants.

All applications for this program are due by November 3, 2014. The full notice of funding availability can be found at http://www.fta.dot.gov/grants/13077_16135.html.

U.S. Department of Transportation Announces TIGER Grant Awards: On September 12, the U.S. Department of Transportation (DOT) announced 72 awards totaling \$600 million in Transportation Investment Generating Economic Recovery (TIGER) grant funding. Awards were

be issued to various governments and transit agencies across 46 states and the District of Columbia. DOT received 797 applications totaling \$9 billion, 15 times the \$600 million available for the program and an increase from the 585 applications received in 2013. The Florida Department of Transportation was the sole recipient of TIGER funding this round, which provided \$20 million for the Tamiami Trail (US-41) and restoration of natural storm water flows into the Everglades National Park and Northeast Shark River.

Government Accountability Office Releases Report on TIGER Grant Program: In a report dated September 23, the Government Accountability Office (GAO) released its assessment of the Transportation Investment Generating Economic Recovery (TIGER) grant program, administered by the Department of Transportation (DOT). The report is a follow up to a GAO report released in May 2014, which highlighted several concerns with the department's process for selecting projects for funding during the 2013 funding round, such as failing to document the rationale behind the selection of projects with lower evaluation ratings.

The GAO found that, while DOT adjusted its process for selecting TIGER awards in response to the May 2014 recommendations, "the revised guidelines lack sufficient detail for GAO to determine whether some concerns will be addressed." GAO has again recommended that DOT continue to improve its performance measurements for the TIGER program, while also better linking program goals with funded projects. DOT has agreed to improve performance measurement for the program.

Representative Lowenthal Introduces Freight Infrastructure Investment Legislation: Congressman Alan Lowenthal (D-Calif.) has introduced legislation to bolster investments in freight infrastructure. The legislation, titled *Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act*, would establish a Freight Trust Fund that could be used toward new investments in critical roads, rails, and air infrastructure that is used to move goods and services. By implementing a 1 percent waybill fee, the bill hopes to raise as much as \$8 billion per year to go toward these new investments. Currently, the legislation has no co-sponsors; however, groups such as the Coalition for America's Gateways and Trade Corridors (CAGTC) have gone on record in support of the bill.

Senators Booker and Wicker Introduce Innovation in Surface Transportation Act: On September 18, Senators Cory Booker (D-N.J.) and Roger Wicker (R-Miss.) introduced the Innovation in Surface Transportation Act, which would establish a competitive state-level program aimed at promoting new investments in innovative infrastructure projects. Specifically, the bill sets aside approximately \$5 billion per year of federal surface transportation funding for the states to distribute to local governments, regional transportation authorities, and transit agencies on a competitive basis. In a statement, Senator Wicker notes that the measure enables "local leaders to have a larger role in deciding which projects merit consideration. In doing so, leaders could implement the most targeted and cost-effective solutions to meet unique and urgent infrastructure needs." A companion bill was introduced in the House by Representative Rodney Davis (R-Ill.) back in May, although no Florida delegation members have cosponsored either bill.

House Transportation & Infrastructure Committee Approves Passenger Rail Reform Bill: On September 17, the House Transportation Committee approved by voice vote the Passenger Rail Reform and Investment Act of 2014 (H.R. 5449). H.R. 5449 is a reauthorization of the 2008 Passenger Rail Investment and Improvement Act (PRIA). The bill was originally introduced on September 11 by House Transportation & Infrastructure Committee Chairman Bill Shuster (R-Pa.) and Ranking Member Nick Rahall (D-W.Va.). The bill authorizes \$770 million for new construction for Amtrak, which is 40 percent less than the \$1.3 billion that is currently authorized. The bill also implements new accountability and transparency measures, such as a mandate requiring Amtrak to conduct business case analyses before entering large capital acquisitions.

The legislation also addresses the Federal Railroad Administration (FRA)'s Railroad Rehabilitation and Improvement Financing (RRIF) program, which provides long-term, low-interest loans for railroad-related improvements. While this program is authorized to provide up to \$35 billion in lending, nearly all of it remains unused. Part of the lack of uptake stems from FRA's slow, cumbersome approval process. The legislation tries to address these long-standing concerns by adding process improvements like approval deadlines to add clarity and reliability for potential borrowers. This legislation will most likely be considered during the next Congress as there are many unresolved issues Congress must address during the lame duck session in November.

National Association of Manufacturers (NAM) Releases Report on Infrastructure Investment: The National Association of Manufacturers (NAM) released a study that evaluated the economic benefits of public infrastructure investments from public and private sources over the next 15 years. The study, titled *Catching Up: Greater Focus Needed to Achieve a More Competitive Infrastructure*, found that "targeted and long-term increases" in public infrastructure investment will create 1.3 million jobs at the onset, grow our nation's GDP by 2.9 percent by 2030, leverage \$3 return on investment for every \$1 invested, and provide American's with a \$4,400 net gain in take-home pay per household by 2030.

Furthermore, the report found that infrastructure investments over the last decade fell by 10.5% between 2003 and 2012. Specifically, over the last decade there was a 3.5% drop per year in the volume of highway, road, and bridge investments as well as other decreases in mass transit, aviation, and water transportation infrastructure investment.

GAO Issues Report on Freight Congestion Implications for Local Communities: In a report released September 26, the GAO published its findings that national freight rail and truck traffic has returned to the pre-economic recession levels of 2007. As a result, freight-related traffic congestion is impacting communities, although the methods that state and local stakeholders are using to quantify this impact varies. Further, the report noted that the DOT's current efforts to implement freight-related provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) do not take into consideration any freight-related traffic congestion.

The report specifically references a Miami-area study in which highway-rail grade crossings, or where road traffic must wait to cross the tracks when trains are passing, were found to cause

delays of roughly 235,000 person-hours per year at a cost of \$2.4 million. Increased freight flow may directly contribute to more frequent delays at these crossings.

Ultimately, GAO has recommended that DOT should clarify the federal government's role in mitigating freight-related congestion in its *National Freight Strategic Plan*, and should collect better data on the impact of this congestion on local communities. The complete report can be found here: <http://www.gao.gov/assets/670/665972.pdf>.

DOT Releases 12th Annual State Transportation Statistics Report: The DOT's Bureau of Transportation Statistics (BTS) has released its 12th annual "State Transportation Statistics" report: http://www.rita.dot.gov/bts/sites/rita.dot.gov/bts/files/publications/state_transportation_statistics/state_transportation_statistics_2014/index.html.

The report provides an annual review for each state of transportation infrastructure, economic and financial data, energy usage, and other datasets collected from a variety of federal government sources.

Among the key datasets, Florida has 121,829 miles of public roads and 2,902 miles of railroad that is used for freight transport. Furthermore, according to a 2011 figure, over 65 million tons of rail shipments terminated in Florida. Regarding state-wide passenger travel, there were more than 13 million licensed drivers and over 191 billion vehicle miles traveled in 2012. Finally, state and local government transportation expenditures totaled more than \$12 billion in 2011, with revenues coming in at approximately \$8.3 billion.

House Transportation & Infrastructure Panel Releases Public-Private Partnerships Report: On September 17, the House Transportation and Infrastructure Committee Panel on Public-Private Partnerships (P3 Panel) released a special report titled, "Public-Private Partnerships: Balancing the Needs of the Public and Private Sectors to Finance the Nation's Infrastructure." The P3 Panel, which was created in January 2014 by Committee Chairman Bill Shuster (R-PA.) and Ranking Member Nick Rahall (D-W.Va.), was headed by Representatives John Duncan (R-Tenn.) and Michael Capuano (D-Mass.).

After holding a series of roundtable discussions, hearings and meetings to examine the scope and effectiveness of P3s in the United States, the panel found that P3s can provide a cost-effective and more efficient alternative to traditional financing mechanisms currently in place. However, the panel added that due to the limited number of high-cost projects, P3s may be limited in how much they can address the nation's overall infrastructure needs.

Americans Support Federal Investment in Public Transportation, According to APTA Survey: On September 15, the American Public Transportation Association (APTA) released the results of a survey that polled more than 1,500 individuals across the United States on their views regarding federal investment in public transportation. According to the survey, 74 percent of Americans "support the use of tax dollars for creating, expanding, and improving transportation options." Another 68 percent supported increasing federal public transportation investment. Further, 76 percent of respondents agreed that transportation investment is a reliable means to

create jobs and enhance the U.S. economy, whereas 88 percent of respondents found that public transportation opens opportunities and access to new jobs and careers, as well as access to medical care and schools.