

2016 FEDERAL LEGISLATIVE PROGRAM

The California Transit Association's 2016 Federal Legislative Program is an integral part of making our vision a reality, and is part and parcel of our mission to further the interests of public transportation as defined in our *Strategic Plan*.

Vision Statement

This statement contains our long-range vision for the transit industry and portrays the desired future the Association seeks to achieve. Our Association's vision is to have:

“Fully funded, efficient, and effective public transit systems operating in a balanced transportation network.”

Mission Statement

To attain that vision we carry out our mission to:

“Support the needs of California's public transit systems through advocacy and education.”

Advocacy

The goal of the advocacy effort contained in our *Strategic Plan* is to:

“Influence decision makers to enact policies and supply funds supporting and advancing public transit.”

The objectives of our advocacy effort are aimed at:

- Ensuring that existing transit funds are protected.
- Securing new funds for transit.
- Pursuing laws and regulations that support transit and defeating those that impede transit's ability to meet the public's mobility needs.

OBJECTIVE 1. Existing Transit Funds are Protected

A. Advocate for Federal Funding for Public Transit Through the Federal Transportation Authorization.

Following are the principles and specific program and regulatory changes supported and advocated for by the California Transit Association and its 250+ members in the reauthorization of the next federal surface transportation bill.

Federal Transportation Authorization Principles

Overarching Principles

The California Transit Association:

1. Supports maintaining a strong federal leadership role in providing a national surface transportation system and opposes efforts to significantly reduce or eliminate the federal role in funding surface transportation.
 - a. Supports a program of not less than \$100.3 billion over 6 years with a 12.9% growth rate per year, with an 80/20 highway/transit split.
 - b. Supports as a priority restoration of the bus and bus facilities program, to the past proportion of the total federal transit program, with a minimum of \$984 million, over a period of not more than 2 years.
 - c. Supports that the New Starts program should not be disadvantaged by funding other programs as a result of sequestration or other adjustments to General Fund spending.
 - d. Supports eligibility of Job Access and Reverse Commute (JARC) projects in the Sec. 5310 program as well as the 5307 and 5311 programs, with program funding in the base year of \$390 million with a 40/20/20/20 apportionment for large UZAs, small UZAs, rural areas, and the state, respectively. Funds apportioned to large UZAs and states (for distribution to small UZAs and rural areas) that are unobligated after three years of their original apportionment date will be made available for distribution throughout the state via the process utilized to distribute the annual 20% state-wide apportionment.
2. Supports the retention of key elements already a part of the surface transportation program, including flexible funding of surface transportation projects, an appropriate balance between highway and transit investments, administrative and environmental process streamlining, community enhancements and public participation in the funding process.
3. Supports reinstating the concept of guaranteed spending levels for the federal surface transportation programs, which was a hallmark of prior authorization legislation. Transportation spending is a small part of the nation's overall budget. Guaranteed spending levels would provide predictable, long-term federal funding for transportation infrastructure and public transportation, to address capital needs and growing demand for public transportation service.
4. Supports continued federal funding for transit at a level of at least 20% of total federal surface transportation spending.

5. Supports an increase in funding to the Highway Trust Fund so that the Fund remains solvent and will fully support transit programs; supports increased revenue to the Fund through raising the gas tax or through exploration of other revenue sources that can be devoted to transit programs. Furthermore, the Fund should be indexed to keep up with inflation.
6. Supports maintaining the federal and local match for transportation projects in such a manner that the required local match for projects does not increase, but that a higher local match is permitted at the discretion of state or local grantees.
7. Supports the continuation of the mass transit account as a separate and distinct account within the highway trust fund, and opposes any efforts to transfer or loan funds from the mass transit account for any other purpose within or outside of the Highway Trust Fund.
8. Supports full funding for state of good repair and core capacity for all modes to modernize and maintain transit system needs at authorized levels.
9. Supports authorizing appropriate transit-eligible programs under the Highway Title at increasing funding levels to address identified needs.
10. Supports the need to address the transportation impact of the movement of goods by rail and truck, using infrastructure shared with transit or causing transportation congestion on adjacent infrastructure, in such a way as to mitigate traffic congestion and benefit all modal uses.
11. Prefers an authorization bill of 6 years in duration which will provide a predictable and stable source of long term capital and operating funding in order to address a variety of transit needs, including the lead time required for capital development.
12. Supports initiatives to develop the workforce necessary to successfully deliver transit services, including flexibility of federal funds for training purposes and the most expedited grant-making process possible for those funds, as well as continued and expanded funding of regional training consortium programs which provide advanced transit specific training through local community colleges and similar educational institutions.
13. Supports that the Section 5322 Human Resources and Training program be funded at a level of \$7.5 million annually through a set-aside from Section 5307 Urbanized Area Formula Funds. Supports authorization of not more than 1 percent of funds available to states and transit agencies to carry out Sections 5307 and 5309 to pay for expenses related to educating and training transportation employees under any program approved by the Secretary. This would be in addition to the current limit of not more than 0.5 percent of funds which are made available to states and transit agencies to carry out Sections 5307 and 5309 which are available to pay expenses related to educating and training transportation employees at the National Transit Institute.
14. Supports additional federal transportation funding for strategies to reduce greenhouse gas emissions and to financially assist local transportation systems implementing these strategies, and opposes additional clean air mandates on transit systems without the funding commensurate to paying those costs.

15. Supports a federal investment of \$50 billion over 6 years for the creation of a high-performance passenger rail network in the United States, provided that the investment does not impact funding for the Highway Trust Fund or Mass Transit Account. The funding should be flexible to include eligibility for projects that enhance connectivity between local transit systems and high-performance rail systems. The Association supports the enactment of legislation that would create innovative financing tools for these types of projects.
16. Supports continuation of increased authorization levels for the Transportation Infrastructure Finance and Innovation Act (TIFIA) as well as the increased share of TIFIA in a project's financing. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues.
17. Supports America Fast Forward Transportation Bonds (AFF Transportation Bonds) as a means to boost federal investments in America's transportation infrastructure. This proposal is a tax policy initiative designed to stimulate greater investment in our nation's transportation sector which faces a Highway Trust Fund whose solvency is rapidly dissolving. Specifically, AFF Transportation Bonds would be structured as a sixth class of qualified tax credit bonds under section 54A of the Internal Revenue Code. The U.S. Congress has previously authorized over \$35 billion of qualified tax credit bonds to improve federal investments in areas as varied as public education, clean renewable energy generation and forestry conservation. AFF Transportation Bonds represents a smartly designed qualified tax credit bond program to help America restore mobility to millions of Americans by investing in our nation's transportation systems, both highway and transit.
18. Supports provision of flexibility in the State of Good Repair Program to allow multi-modal public transit agencies that are receiving funding under both the High-Intensity Fixed Guideway and High-Intensity Motorbus Elements of the program to use their formula shares for their highest-priority state of good repair needs.

Program/Regulatory Issues

The California Transit Association calls for changes in certain program structure and regulatory processes, and continuation of others, as specified below:

1. For transit agencies in urbanized areas (UZA's) of more than 200,000, we support the local option of using additional funding for transit operations, over and above the existing transit funding program, including the existing rules for preventative maintenance and capital contracting; however, the provision of additional federal operations funding should not relieve state and local obligations to support transit operations.
2. We support continuation and expansion of the Small Transit Intensive Cities Program (STIC), which provides supplemental formula funds to smaller transit systems on the basis of performance in six qualifying performance areas, and provide that the value of qualifying in each of the six areas shall be increased by the same percentage as the increase in the overall formula program each year of the authorization.
3. We support further streamlining of federal audit requirements and the triennial review process, including allowing concurrent state and federal audits.

4. We support development of guidelines specifying that representatives of labor (associated unions) can only comment on issues and lodge objections related to the specific impacts of a transit project contained within a grant application and must explain and justify such objections. All other unrelated objections should be deemed ineligible by the Department of Labor and cause no schedule impact to the approval of the grant request. The Federal Transit Administration must ensure that there is a timely review period for 13(c) comments but a maximum review time (to be determined) must be approved after which it is assumed that there are no comments against the applicable project and or grant application. This is not meant to diminish the importance of labor review of federally funded projects and grant applications but to streamline the review process and ensure timely approval of funds to transit agencies.
5. We support a thorough review of the relevance and local financial impacts of section 13(c) of the Federal Transit Act.
6. We support the implementation of California's Public Employees' Pension Reform Act and the certification of federal transit grants by the U.S. Department of Labor (DOL) consistent with the December 2014 ruling by the United States Eastern District Court against the DOL, in the *State of California and Sacramento Regional Transit District v. DOL*.
7. We support that funds made available under the 5339 program shall be apportioned or granted directly to the transit systems located in Urbanized Areas larger than 50,000 in population.
8. We support the continuation of the ability to transfer CMAQ and RSTP funding from FHWA to FTA for transit projects, the streamlining of the transfer process, the ability to use these funds in any percentage combination with other federal or non-federal funding and the continued use of CMAQ funds for the first three years of operation of new start projects.
9. We support continuing the concept of allowing section 5307 funds to be used to pay for capitalized preventive maintenance costs.
10. We support continuing the concept of allowing section 5310 funds to be used to pay for contracted transit operations costs.
11. We support a strong federal commitment, separate from traditional transportation funding sources, for transit security. These funds should be provided with a minimum of mandates and restrictions, so long as they meet the long term federal goals for system security.
12. We support the requirement that FTA review the recently issued charter and school bus regulations to remove onerous provisions which prevent transit systems from fairly serving their communities.
13. We support the greatest possible representation and participation of transit agencies in the transportation planning process conducted by MPOs.
14. We support efforts to expedite the delivery of project funding which do not eliminate or diminish existing substantive environmental requirements, but speed up the project delivery process to make project funding quickly available to create of jobs in the California economy.

15. We support eliminating the High Density States Program or creating a formula for the Program which fairly compensates density in California.
16. We support working with Congress to simplify the Buy America compliance process across all transportation modes to keep compliance from becoming a barrier to certain procurement situations where a lack of domestic production exists. Buy America must be implemented where applicable, but rules should remain flexible to deal with real world situations.
17. We support that the transparency provision in 49 U.S.C 5334(l) should be expanded to require the creation of a structured and ongoing advisory group to review and provide input and guidance to DOT (including OST and modal administrations such as FHWA and FTA) prior to the publishing or release of any NPRM or guidance.
 - a. The FTA Transit Asset Management rules will lead to federal determinations of the useful life and proper maintenance of transit assets. These rules will impact how we plan for capital expenditures and influence transit budgeting and capital planning in the future.
 - b. The FTA Safety rulemaking will undoubtedly influence operating decisions in transit agencies. It will be important to make sure that the FTA Safety approach does not become a "one size fits all" or "worst system requirements apply to all" approach, but rather recognizes the diverse size and operating scenarios within which we seek to provide safe, reliable and affordable transit services.
 - c. ADA service is the most expensive transit service provided by transit systems. It is important to properly serve the disabled community in a way that still permits the affordability of regular transit services. Simple changes in ADA regulations and their interpretations over the years have created a more expensive ADA operating scenario, sometimes without clear evidence that they are required under the ADA.
18. Support a Petition for Rulemaking to the Department of Transportation that proposes to amend federal regulations to allow a coordinated paratransit fare to be used in a coordinated paratransit system.
19. Support the clarification that, as long as transit services using HOT lanes are entitled to access the lanes toll-free, transit agencies should continue to receive federal funding. Transit agencies statewide are at risk of losing federal grant funding due to new guidance in how FTA treats bus service in High Occupancy Toll (HOT) lanes. Under MAP-21's State of Good Repair grant program (Section 5337), FTA provides grants to transit agencies that operate High Intensity Motorbuses (HIM) in High Occupancy Vehicle (HOV) lanes. Up to now, FTA has been including service utilizing HOT lanes as eligible for funding. However, under new guidance issued Jan 28, 2015, bus service in HOT lanes will no longer qualify for 5337 funds. As a result, agencies face a potential loss of millions of dollars. Several California transit agencies are advocating to add language to the Reauthorization bill clarifying that bus service in HOT lanes is eligible for 5337 grants.

B. Ensure that implementation of a Federal Transportation Authorization advantages transit in all possible programs.

On July 6, 2012, President Barack Obama signed into law the conference report for H.R. 4348, the Moving Ahead for Progress in the 21st Century (MAP-21) surface transportation authorization bill. This long-awaited successor to the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) covers two federal fiscal years: FY 2013 and FY 2014. It took effect on October 1, 2012, and was extended through October 29, 2015.

For FY 2013 and FY 2014, MAP-21 authorizes surface transportation programs at current funding levels, with a small adjustment for inflation, for a two-year total of \$105 billion. In addition, the legislation includes important and significant policy and structural changes to federal surface transportation programs. With regard to the Transit Title, the changes focus on eliminating earmarks, cutting back on the number of competitive grant programs administered by the U.S. Department of Transportation, and pushing more money through the formula programs. These changes were driven by a belief that formulizing as much of the Transit Title as possible would result in more predictable and stable funding for public transit agencies.

The policy and structural changes to federal surface transportation programs contained in MAP-21 present a host of administrative and implementation challenges. Many of these challenges are expected to be addressed at the federal level through guidance and rulemakings.

As Congress moves to enact a long-term Federal Transportation Authorization, the Association will be actively engaged in efforts to advance its priorities in the following area:

Bus and Bus Facilities Program: MAP-21 reduced by half the funding for the Bus and Bus Facilities Formula program, and the new program is a formula grant program (as opposed to a discretionary grant program in previous law). The Association will work to ensure previous levels of funding (at least) for the Bus and Bus Facilities Formula program.

State of Good Repair: Under the provisions of MAP-21, public transit agencies that receive federal funding are required to develop an inventory of their capital assets, and to report on the condition of their systems to FTA on a regular basis. How FTA defines "state of good repair" and what will be required of public transit agencies with regard to the development of assets management plans are key issues. The Association supports a program that is clearly defined, that provides the broadest possible definition of state of good repair, consistent with local determinations of acceptable asset conditions, and is not onerous or costly for public transit agencies to achieve compliance.

Program Consolidation: MAP-21 eliminated the Job Access/Reverse Commute Program as a separate, stand-alone program, and makes those activities eligible for funding under the UZA Formula Program (as well as the Section 5311 Formula Grants for Rural Areas Program). In addition, MAP-21 consolidated the Elderly & Disabled Individuals and New Freedom Programs into a single, formula-based program that is designed to fund activities that enhance the mobility of seniors and individuals with disabilities.

The Association will work to ensure that FTA implements these changes in a manner that provides maximum flexibility so that public transit agencies will be able to use their formula funds for projects that meet their highest priority needs.

New Starts/Small Starts: MAP-21 included a number of structural changes to the New Starts/Small Starts Program that are intended to help FTA review projects more quickly. In addition, the legislation allows “core capacity projects” that are designed to increase the capacity of existing rail transit systems without building new lines or extensions to be eligible for New Starts funding. The Association will work to ensure that any guidance or rulemakings issued by FTA for the New Starts/Small Starts Program are consistent with the intent of Congress to streamline the process to the maximum extent possible.

Congestion Mitigation and Air Quality Improvement Program (CMAQ):

The Association will work to ensure that CMAQ funds continue to be eligible for operating expenses of a new transit line or service for 3 years. In addition, the Association will oppose the setting or enforcing of targets for reduction or further definition of “proven” as “most cost-effective”.

Public Transit Safety: MAP-21 granted authority to the Transportation Secretary to: (a) create a national safety plan for all modes of public transit; (b) set minimum safety performance standards for public transit vehicles that are not otherwise regulated; and (c) establish a national safety certification training program for federal and state employees who conduct safety audits and examinations of public transit systems, as well as for public transit agency employees who are directly responsible for safety oversight. As a condition of receiving federal money, public transit agencies must develop comprehensive safety plans based on set criteria.

The Association will work to ensure that FTA implements the public transit safety provisions of MAP-21 in a manner that is consistent with the following principles:

- Regulations regarding public transit safety should be efficient, reasonable, as free as possible of bureaucratic burden, and not put a financial burden on operations.
- To reduce regulatory burden, any new federal safety regulations should accept the safety programs of public transit agencies that have developed their safety plans/activities as members of large risk pools (e.g. CalTIP).
- Effective safety oversight of public transit requires a collaborative effort between federal, state and local agency partners. Any new federal safety standards should build on consensus-based industry standards and should be further developed with input from public transit agencies.
- Public transit agencies should be allowed adequate time to be brought into compliance without penalty.
- Any costs/mandates associated with public safety should be compensated by the federal government over and above existing programs where appropriate. Funding should be provided from new sources to assist with additional compliance burdens.

NEPA Delegation: MAP-21 expanded the ability of the Transportation Secretary to delegate National Environmental Policy Act (NEPA) responsibilities to include public transit, rail and multimodal projects. However, a public transit agency may seek a waiver if it wants FTA to continue to perform this function for its projects, rather than having the responsibility delegated to the state Department of Transportation.

The Association supports a clearly-defined process that ensures maximum flexibility for transit systems, including a simple, streamlined process for seeking a waiver.

Less Administrative Burden for Smaller Operators: Our Association supports greater flexibility and less administrative burden for transit operators in small urban areas and small operators running peak service of 100 buses or less in large urban zones, similar to existing language in the recently revised Title VI and Section 5307 of MAP-21.

C. Advocate for Federal Transportation Appropriations.

Every year, Congress is supposed to adopt 12 separate appropriations bills, including one for transportation. These measures provide the legal authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer. In developing these appropriations bills, Congress may allocate funding for programs within a particular policy area up to the maximum amount included in the related authorizing legislation, but no more. In the case of surface transportation, the annual appropriations process is guided by MAP-21.

In general, the California Transit Association's advocacy efforts with regard to the FY 2016 federal transportation appropriations bill will emphasize the following:

- Support a minimum appropriations level for federal surface transportation programs equal to the authorized spending levels in MAP-21.
- Advocate for the highest possible levels of funding for individual programs within the highway and transit titles of MAP-21.
- Ensure that appropriations are allocated according to the program structure contained in MAP-21.
- Work with APTA and other relevant stakeholders to minimize the impact of sequestration or its replacement on the New Starts/Small Starts Program and other federal transit programs that receive their money from the General Fund.

OBJECTIVE 2: New Transit Funds are Secured

A. Seek Funding Through Federal Efforts to Reduce Greenhouse Gas (GHG) Emissions and Combat Climate Change.

The transportation sector produces approximately one-third of the greenhouse gas emissions the United States, primarily in the form of carbon dioxide (CO₂) emissions. Therefore, should Congress consider climate change legislation in 2016, lawmakers must address the challenge of reducing transportation-related emissions.

Public transit can and will be able to play a key role in reducing greenhouse gas emissions from the transportation sector. Studies show that public transit cuts CO₂ emissions by 37 million metric tons annually by reducing the number of automobile trips, easing traffic congestion and supporting more efficient land-use patterns. These contributions are important because driving rates, as measured in vehicle miles traveled, are expected to double by 2030, which would negate the greenhouse gas emissions reductions resulting from recent changes in Corporate Average Fuel Economy (CAFE) standards and from new low-carbon fuel requirements.

California is already a leader in combatting climate change through the enactment and implementation of AB 32, the Global Warming Solutions Act of 2006, which directs the state to reduce its greenhouse gas emissions to 1990 levels by 2020. Moreover, SB 375 provides a framework for reducing greenhouse gas emissions from the transportation sector through a decrease in vehicle miles traveled. California's transit systems are working in concert with the state's efforts to meet its climate change goals.

The California Transit Association will advocate on issues related to federal climate change legislation according to the following principles:

1. Use revenues from federal climate change legislation to expand public transit services in order to achieve the increases in ridership that will be needed to significantly reduce greenhouse gas emissions from the transportation sector. Revenues from the auction or sale of emissions allowances under a "cap-and-trade" or other market-based program or from an emissions reduction program should be used to supplement—not supplant— federal funding for public transit.
2. Invest in fixed guideway transit to help create energy efficient land-use patterns, which produce greenhouse gas emissions reductions beyond the immediate benefit of increased public transit use. These investments have the potential to significantly improve the way people live and travel, reducing individual carbon footprints while preserving and enhancing mobility.
3. Encourage new investment in alternative-fueled vehicles and other energy efficient technologies to speed up their deployment.
4. Establish a new source of funding to support local, regional and state efforts to enhance mobility in ways that reduce vehicle miles traveled. This funding could be linked to efforts that will capture emissions reductions through energy efficient land-use patterns, expanded public transit service and transit-oriented development.

B. Advocate for federal funding which supports public transit security.

Security is a top priority for public transit agencies in California. Since the terrorist attacks of September 11, 2001, California public transit agencies have spent significant sums of money from their own budgets on security and emergency preparedness programs. They have upgraded and strengthened their emergency response and security plans, taken steps to protect their infrastructure, and increased the presence of security personnel on their vehicles and at their facilities to protect their patrons and employees. These efforts are paying off. Many public transit systems in California are more secure now than they were prior to 9/11. However, more needs to be done. It is important for the federal government to become a full partner in the efforts to ensure the security of California's public transit users.

As part of its 2016 Federal Legislative Program, the Association will continue to advocate for full funding for public transit security, as recommended by the 9/11 Commission, to enhance the security and safety of our public transit systems through the FY 2016 U.S. Department of Homeland Security appropriations bill.

OBJECTIVE 3: Laws and Regulations That Support Transit are Enacted and Those That Impede Transit's Ability to Meet the Public's Mobility Needs are Defeated

A. Railroad Access and Freight Issues

The Association supports, either through separate legislation or through the reauthorization of MAP-21 or PRIIA, granting to public transit operators the same guaranteed access to the freight railroad network that currently exists for Amtrak. The Association also supports establishing a mechanism within the STB or some other appropriate federal entity to resolve disputes between public transit operators and the private railroads on freight railroad access issues.

B. Amtrak

The Association supports investment in Amtrak. At the same time, full consideration must be given to the impact that any legislation regarding Amtrak's institutional structure may have on commuter rail services and on public transportation services generally. With the implementation of PRIIA Section 209 Amtrak pricing policy, states now are supporting Amtrak intercity passenger rail (IPR) routes of 750 miles or less and represent nearly 50% of Amtrak's total annual ridership and it is therefore imperative that at least one director on the Amtrak Board represent the interests of these state IPR services.

C. Positive Train Control

The California Transit Association shares with California's Senators, other members of Congress, the NTSB and numerous railroads, the commitment to take all actions possible to meet any statutory deadline established for implementation of Positive Train Control as required by PRIIA of 2008 or enacted thereafter. Recognizing that there are technical and financial barriers to timely PTC implementation by some railroads, the Association supports efforts within Congress and the Administration to revise statutory PTC deadlines as needed after considering cost and service impacts to railroads.

D. Transit Pass Tax Benefits

The Association supports permanent equal federal income tax treatment for employer-provided transit passes, vanpool benefits and parking spaces.

E. Alternative Fuel Tax Credits

On December 31, 2013, the federal excise tax credit for alternative fuels and alternative fueling infrastructure expires. Numerous transit operators in the state utilize alternative fuels, including compressed natural gas (CNG) and liquid natural gas (LNG), and are eligible for a 50 cent per gallon equivalent tax credit.

Many of our member agencies are leaders in alternative fuel efforts and some of our largest fleets in the State use CNG. Additionally, the initial capital investment and the ongoing operating costs are major considerations for other transit agencies who are considering natural gas initiatives. The tax credit is important in the long term in justifying the front-end costs for a fueling facility and building modifications, and also the incremental costs for powering each vehicle. This tax credit is an important source of revenue for many public transportation agencies that utilize natural gas for a portion or all of their fleet fueling needs. Not only does this provision provide significant offsetting revenues to agencies' fuel budgets,

it further supports the industry goals of enhancing our nation's long-term strategy for energy security and its contribution to the reduction of greenhouse gas emissions.

The Association supports a permanent federal Alternative Fuel Tax Credit as it currently exists.

The Association also supports federal legislative efforts to provide incentives for electric and hybrid-electric buses equivalent or comparable to the alternative fuels tax credit currently available for compressed and liquefied natural gas. The Association supports the credit for alternative fuel vehicle refueling property and legislative efforts to increase access to availability of this credit for fuel and power infrastructure related to electric and hybrid-electric vehicles.

F. Rail Liability

The Association opposes the retroactive application of any rail liability cap. Any caps must take into consideration the resources of transit agencies, and state & local governments.

G. Active Transportation Program

The Active Transportation Program (ATP) is an important federal program that encourages investments in pedestrian and bicycle projects that can increase access to public transit, improve public health, increase energy independence and create walkable and bikeable neighborhoods. To support California efforts to enhance such programs, Federal funding should continue at current levels and be provided as block grants without restrictions.

H. Buy America

In order to expedite project delivery, there should be one simplified *Buy America* compliance path for all surface transportation projects (highway and transit) funded by the U.S. Department of Transportation. Currently, the provisions are separate and have given rise to separate regulatory enforcement schemes for highways and transit. The provisions require that steel, iron, and manufactured products used in federally funded projects must be produced in the United States. [See 23 USC section 313 (for highways) and 49 USC section 5323 (j) (for transit).]. Waivers are provided for in the statutes, but each waiver request must be individually granted by the U.S. Department of Transportation (DOT) and differ between FTA and FHWA.

A key area of inconsistency within this Administration has been the consideration of "public interest" waivers for transit projects, particular with regard to rolling stock maintenance components, and several prior existing transit public interest waivers have been repealed in the past few years. Moreover, both FHWA and FTA have expanded their interpretation of "contract" to include agreements with railroads and utilities to do work on federally funded facilities. Under this interpretation, all iron, steel and manufactured products used in these "contracts" must meet Buy America requirements. The inclusion of utilities is extremely burdensome because transit agencies are compelling utilities to move and these entities are not part of the original request for federal funding nor is there the ability to choose a Buy America compliant utility.

As part of its 2016 Federal Legislative Program, the California Transit Association will work to streamline Buy America and limit the expansion of the law, allow components needed for the maintenance of rolling stock to be excluded from Buy America, and find a workable solution to the issue of utility relocations.