

## 2023 FEDERAL LEGISLATIVE PROGRAM

The California Transit Association's 2023 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 state and federal decision makers to enact policies and funding solutions supporting, expanding, developing 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 supporting transit and defeating those impeding transit's ability to meet the public's mobility needs.
- Using public and private partnerships to successfully influence favorable policy outcomes.
- Enhancing public awareness of transit and its daily positive impact on the lives of all Californians.

## 2023 FEDERAL LEGISLATIVE PROGRAM – SUMMARY OF NEW / ACTION ITEMS

The following summarizes the specific and highest priority policy goals the California Transit Association (Association) is pursuing in 2023:

- **Public Employees' Pension Reform Act of 2013:** The Association will continue to monitor the ongoing litigation related to implementation of the Public Employees' Pension Reform Act of 2013 and will engage, as appropriate, the Biden Administration and the United States Congress to ensure funding to California transit agencies remains unimpeded.
- **Transportation Appropriations:** The Association will continue to support a minimum appropriation level for federal surface transportation programs equal to, at least, authorized spending levels, and advocate for the highest possible levels of funding for individual highway, rail, project finance, innovation, safety and transit programs.
- **IJA Implementation:** The Association will continue to monitor and respond to federal rulemakings and notices to ensure that new programs and new requirements are implementable by California's transit and rail agencies and to ensure that California's transit and rail agencies are well-positioned to receive discretionary grant awards.
- **IRA Implementation:** The Association will respond to federal rulemakings and notices and pursue amendments, as necessary, to ensure that new programs allow transit agencies to apply and benefit California transit projects. As new programs will be overseen by the United States Environmental Protection Agency, the Association will work to develop new relationships at USEPA.
- **COVID-19 Relief:** The Association will continue to monitor the disbursement of COVID-19 relief funds and engage Congress and the Administration, as necessary, to address any barriers related to access and use of these funds. Additionally, the Association will scope – in concert with our federal partners and in discussion with California's congressional delegation – the potential for pursuing and securing additional federal relief to address near-term expected operational funding shortfalls.
- **New Mobility:** The Association will continue to engage state and federal decisionmakers to ensure the priorities of our transit agency and original equipment manufacturer members are included in federal policies related to mobility on demand, automated and connected vehicles and infrastructure.

## **2023 FEDERAL LEGISLATIVE PROGRAM – ALL ACTION ITEMS**

The following summarizes all policy goals the Association will actively pursue in 2023. These are a mix of our existing goals and new items added for 2023.

### **OBJECTIVE 1: Existing transit funds are protected.**

#### **A. Monitor Ongoing PEPPRA and 13(c) Matter and Engage the Biden Administration and Congress, as Appropriate, to Ensure Funding to California Transit Agencies is Unimpeded**

On October 28, the United States Department of Labor (USDOL) released a letter (henceforth referred to as “October 28 determination”), nullifying their previous 2019 determination on the impact of PEPPRA on collective bargaining rights and prohibiting the further certification of federal transit grants owed to California transit agencies.

With support from the Association, the State of California secured temporary injunctive relief against implementation of the United States Department of Labor’s October 28 determination, permitting federal transit grants to continue to flow to California transit agencies. As of the drafting of this program, this injunctive relief remains in place.

The Association will continue to monitor this ongoing legal matter and will engage, as appropriate, the Biden Administration and the United States Congress to ensure funding to California transit agencies continues to flow unimpeded. The Association will pursue legal action in concert with the State of California, as appropriate; and may support transferring the transit grant certification process under 49 U.S.C. Section 5333(b) [commonly referred to as “Section 13(c)”] of the federal Urban Mass Transportation Act of 1964 from the United States Department of Labor to the United States Department of Transportation, if necessary.

#### **B. Ensure Transit and Rail Funding in Federal Appropriation Bills Match or Exceed Authorized Levels**

In general, the Association’s advocacy efforts related to the Fiscal Years (FYs) 2023 and 2024 appropriations bills will emphasize the following:

- Support, at a minimum, appropriations levels for all transit, passenger rail and highway formula programs consistent with the spending levels authorized in the Infrastructure Investment and Jobs Act (IIJA). Support efforts to increase funding for Federal Transit Administration (FTA) formula programs that benefit California transit agencies above the authorized spending levels.
- Support, at a minimum, appropriations levels for the Capital Investment Grants (CIG) program consistent with the spending levels authorized in the IIJA. Funding for the CIG program must support allocations to existing projects and new projects in the CIG pipeline as well as additional funding for the Expedited Project Delivery for Capital Investment Grants Pilot Program.
- Support, at a minimum, the appropriations levels for all transit, passenger rail, and multimodal competitive grant programs consistent with the spending levels authorized in the IIJA. Support efforts to ensure California receives a “fair share” of funding from competitive grant programs.
- Support blocking the application of the Rostenkowski Test.

Whenever a continuing resolution is necessary, the Association will support including language in it directing FTA to immediately issue grants to transit agencies no matter the duration of the measure.

### **C. Advocate for Restoration of Highway Trust Fund Solvency and Mitigation of Near-Term Cuts**

The Association supports restoring the Highway Trust Fund (HTF), so that it can continue to fully fund federal transit programs at baseline spending levels, at a minimum. Options include raising the gas tax and exploring other revenue sources that can be devoted to transit programs. Revenue sources for the HTF should be indexed to keep up with inflation. If no action is taken to address HTF solvency, the Association will urge Congress to:

- Ensure that HTF insolvency does not result in federal transportation funding cuts.
- Support a long-term solution to restore HTF solvency.
- Oppose any efforts to eliminate the HTF's role in funding mass transportation projects.
- Support ensuring federal transit programs funded from the Mass Transit Account continue to receive at least 20% of the HTF's federal surface transportation funding.
- Additionally, maintain a strong federal role in a multimodal national surface transportation system and oppose any efforts to reduce or eliminate federal funding for transit from the General Fund or HTF.

#### **OBJECTIVE 2: New transit funds are secured.**

##### **A. Monitor disbursement of federal COVID-19 relief funding and engage Congress and the Administration, as necessary, to address barriers that may arise. Scope the potential for securing additional federal relief.**

The COVID-19 pandemic dramatically reduced state and local transit revenue sources and increased the cost of transit operations, threatening the viability of public transit in the short- and long-term. In response, the Association mobilized to help secure approximately \$10 billion in emergency funding through the Coronavirus Aid, Relief, and Economic Security Act, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, and the American Rescue Plan for California transit agencies.

The Association will continue to monitor the disbursement of COVID-19 relief funds and engage the United States Congress, the Biden Administration, and the State of California as necessary, to address any barriers related to access and use of these funds. Additionally, the Association will scope – in concert with our federal partners, in discussion with California's congressional delegation, and with the appropriate sensitivities – the potential for pursuing and securing additional federal relief to address expected operational funding shortfalls.

#### **OBJECTIVE 3: Laws and regulations supporting transit are enacted and those impeding transit's ability to meet the public's mobility needs are defeated.**

##### **A. Engage on Implementation of the Infrastructure Investment and Jobs Act**

The IIJA created various new funding programs and established new requirements on transit agencies on matters including, but not limited to, the transition to zero-emission technologies, Build America/Buy America, and transit safety and security.

The Association will continue to monitor and respond to federal rulemakings and notices to ensure that new programs and new requirements are implementable by California's transit and rail agencies and to ensure that California's transit and rail agencies are well-positioned to receive discretionary grant awards.

## **B. Engage on Implementation of the Inflation Reduction Act**

The Inflation Reduction Act (IRA) created various new funding programs at the United States Environmental Protection Agency to support, among other things, the transition to zero-emission vehicles.

The Association will respond to federal rulemakings and notices to ensure that new programs benefit California transit projects. The Association will also work to develop new relationships at USEPA.

## **C. Continue to Monitor Contract Price Adjustment Request**

International supply chain issues have increasingly resulted in manufacturers and suppliers filing contract price adjustment requests for transit vehicles and componentry with California transit and rail agencies.

The Association will monitor industry trends related to these requests, share best practices for responding to these requests, and may consider pursuing and/or supporting legislative and/or regulatory measures to address the supply chain issues.

## **D. Update Commercial Drivers' Licensing Requirements**

California transit agencies face continued challenges related to the hiring of transit operators. These challenges are, on one level, indicative of larger societal and economic conditions, but also reflect the rigidity of commercial drivers' license requirements and requirements on key licensing programs, like the Employer Testing Program.

The Association will work with its Operations Committee to ideate and pursue updates to commercial drivers' licensing requirements and improvements to the Employer Testing Program. Additionally, the Association will pursue with its Operations Committee the appropriateness of modifying age requirements for commercial drivers' licenses.

## **E. Seek the Expansion of the Alternative Fuel Tax Credit.**

The Alternative Fuels Tax Credit is an important source of revenue for many public transportation agencies that utilize natural gas for a portion, or all, their fleet fueling needs and supports reduction of greenhouse gas emissions.

The Association will continue to evaluate options for extending the credit to include electricity and hydrogen, used in transit vehicles, as an eligible alternative transportation fuel.

The Association also supports the extending the credit for alternative fuel vehicle refueling property and legislative efforts to increase access to availability of this credit for fuel and charging infrastructure and batteries used to support electric and hybrid-electric vehicles.

## **F. Seek Guaranteed Railroad Access for Public Transit Agencies.**

The Association supports granting 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.

## **G. 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 the Passenger Rail Investment and Improvement Act (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.

## **H. Seek Additional Funding for Positive Train Control.**

Recognizing that Positive Train Control (PTC) is an unfunded mandate and there are significant annual additional costs for maintaining PTC, the Association supports increased funding for PTC maintenance and operations.

## **I. Support Low-Cost Solutions for Increasing Rail Safety.**

The Association supports securing authorization to implement low-cost solutions, such as dynamic envelope painting, to increase safety at at-grade rail grade crossings.

## **J. Oppose Retroactive Application of Rail Liability Cap.**

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.

## **K. Seek Flexibility in Spare Ratio Requirements.**

FTA regulations require that transit agencies maintain a transit vehicle fleet with a spare ratio of no more than 20 percent of the number of vehicles operated in maximum fixed-route service to utilize FTA 5307 formula funds for vehicle purchases. Some transit agencies, in seeking to implement zero-emission transit buses, have found that due to the range limitations of this nascent technology, they must purchase additional buses – possibly in excess of the spare ratio for transit buses – to maintain service levels to their community. In doing so, these transit agencies run the risk of jeopardizing their access to crucial FTA 5307 formula funding.

The Association will work with the FTA or, if necessary, Congress to ensure flexibility in the application of its spare ratio requirements to zero-emission transit buses.

## **L. Engage on Issues related to Automated Vehicles.**

The Association will engage USDOT, the National Highway Traffic Safety Administration, California's Congressional delegation and key members of the California Governor's Administration to ensure the priorities of our transit agency and original equipment manufacturer members are included in final USDOT policy and the state's policy framework for automated vehicles. Additionally, the Association will oppose legislative and/or regulatory efforts that would undermine the authority of states and localities to enact their own testing and deployment requirements.

**M. Monitor Prohibition of Federal Funds for Rolling Stock.**

Subject to the approval of the Executive Committee and Federal Legislative Committee, the Association may choose to communicate the negative impact on transit operations of any prohibition on the use of FTA funding for the purchase of transit assets from specific manufacturers.

**N. Pursue the changes to statutes & regulations and funding necessary to implement the recommendations of the Association’s *Transit is Essential: Recommendations for the Future of Transit report*.**

In July 2020, the Association published its *Transit is Essential: Recommendations for the Future of Transit*, detailing 17 recommendations for improving the safety, efficiency, and viability of transit operations during the COVID-19 pandemic and which aim to establish a more reliable and resilient public transportation network in the future that expands access to mobility and economic opportunity to all Californians.

The Association will pursue changes to statutes & regulation and, to the extent necessary, funding to implement the recommendations contained in the report.

**O. Continue to identify and pursue, as necessary, statutory and regulatory relief measures necessary to address the impacts of the COVID-19 pandemic on transit operations.**

The Association will continue to work with the State Legislative Committee, Federal Legislative Committee, Operations Committee and COVID-19 Transit Crisis Relief Task Force to identify and pursue, as necessary, statutory and regulatory relief measures necessary to reduce costs, relieve administrative burden and otherwise address the impacts of the COVID-19 pandemic on transit operations.

**P. Monitor and support efforts to advance racial justice and transportation equity through federal transportation policy.**

The Association will implement the recommendations of the Actions for a More Equitable, Inclusive and Diverse Association report by reviewing and engaging on federal transportation policy intended to advance racial and social justice, transportation equity, and workforce equity. Such policy may relate to issues, including but not limited to, transit access and affordability, policing, workforce development and training, and zero-emission technologies.

**Q. Support existing and new funding and financial tools to support transit-oriented development and the construction of housing near public transit.**

The Association supports existing and new federal funding and financial tools to encourage transit-oriented development projects and housing near public transit, including for affordable housing projects. The Association also supports the streamlining of existing programs to better facilitate the construction of such projects.

**R. The Association will work with Congress and the Administration to advocate for reforms to the NEPA process that advantage public transit, rail, ferry, bicycle, pedestrian, and TOD projects.**

**OBJECTIVE 4: Public and private partnerships are used to successfully influence favorable policy outcomes.**

The Association will work to ensure that transit agencies are eligible to utilize all innovative funding and finance programs and tax incentives that support and expand opportunities for private investment and other forms of Public-Private Partnerships in transit and mobility initiatives. The Association will

also work to build new, mutually beneficial relationships between the Association, its members, and public & private partners and to enhance existing relationships that support the Association's goals.

**OBJECTIVE 5: Enhanced public awareness of transit and its daily positive impact on the lives of all Californians.**

The Association will provide to decision-makers and partner organizations available polling data and other information that indicates increased public support for transit compared to previous years, and work to engage stakeholders and riders on important policy issues.