

August 13, 2021

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, U.S. Capitol
Washington, DC 20515

Speaker Pelosi and Leader McCarthy:

On behalf of the California Transit Association, I write to you today to express our strong support for the Infrastructure Investment and Jobs Act (IIJA) passed by the United States Senate on August 10. Through this letter, I also wish to communicate to you our profound thanks and appreciation to the House of Representatives for its leadership in initiating the process of reauthorizing federal surface transportation programs and for advancing to the Senate the transformative "Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act." The work of the House of Representatives established a strong baseline for action by the Senate and demonstrated your unwavering commitment to improving the nation's public transportation systems.

The IIJA, much like the INVEST in America Act, furthers a bold vision for the country's surface transportation network by proposing an unprecedented level of federal investment in public transit and passenger rail. The \$209 billion the bill would invest in public transit and rail systems over the next five years builds on the significant relief funding Congress approved for our industry and will help agencies across the country "build back better" from the pandemic. In California, these proposed investments would supplement the investments made by the State of California and self-help counties across our state to bring public transit and passenger rail assets into a state of good repair and to expand access to affordable, frequent, and efficient transit service.

I specifically want to acknowledge and show our support for the following proposed investments and policy provisions that align with the Association's policy priorities, as communicated in our May 5 priorities letter. Included under several of the sections are requests for modest modifications to the bill.

Core Transit and Rail Programs: Consistent with our policy priorities, the IIJA dramatically increases funding for core transit and rail programs. These programs are the lifeblood of public transit and rail agencies across the country and are vital to replacing aging fleets, modernizing our transit and rail assets, and delivering jobs benefits to workers in construction, manufacturing, operations, and maintenance.

Capital Investment Grant Program: Consistent with our priorities, the IIJA includes significant new funding for the Capital Investment Program, building capacity in the program that will support

transformational transit and rail projects. Additionally, the bill increases the caps for Small Starts projects to \$400 million for total cost. As the House considers modifications to the bill, we would encourage you to include language in the bill, consistent with the INVEST in America Act, to increase the federal cost share for these projects to 80 percent.

Low or No Emission Vehicle Program: Consistent with our request, the IIJA significantly increases funding for the Low-No Program. This increased funding level would support California's transit agencies in expeditiously transitioning our entire 12,000 bus fleet to zero-emission technologies. As the House considers modifications to the bill, we would encourage you to include language in the bill, consistent with the INVEST in America Act, to reward states and transit agencies that have made a commitment to transition to fully zero-emission fleets by granting them access to a funding set-aside for these grants.

Grade Crossings and Separations: Consistent with our priorities, the IIJA provides new funding to support the design and delivery of grade crossing improvements and grade separations, including for commuter rail, to improve the safety of surrounding areas and overall service.

Additional Considerations: Consistent with our priorities, the IIJA also advances zero-emission transportation technologies by providing funding to support the deployment of zero-emission ferry technologies.

Finally, as the House continues its work on the bill, we would encourage you to include provisions to expand and streamline the financing tools available to transit and rail agencies, including America Fast Forward Transportation Bonds and Transportation Infrastructure Finance and Innovation Act, including the Rural Project Initiative, to augment direct investment in the nation's transportation infrastructure. We also support the inclusion of a provision to reinstate Advance Refunding of Bonds, allowing state and local governments to realize savings on debt service. Finally, we support creating flexibility in the Railroad Rehabilitation and Improvement Financing program to allow for easier utilization by transit agencies. These changes to project financing can further expand the benefits of the direct investments proposed in the bill.

We look forward to continuing to engage with you on this bill and the reconciliation bill as they move through the legislative process. If you have any questions regarding the amendments we are proposing, please contact me at 916-446-4656 x1034 or via email at michael@caltransit.org.

Sincerely,



Michael Pimentel
Executive Director

cc: California's Congressional Delegation
The Honorable Pete DeFazio, Chair, House Transportation & Infrastructure Committee
The Honorable Gavin Newsom, Governor, State of California
Nuria I. Fernandez, Deputy Administrator, Federal Transit Administration
Amit Bose, Deputy Administrator, Federal Railroad Administration
David Kim, Secretary, California State Transportation Agency
Mitch Weiss, Executive Director, California Transportation Commission
Toks Omishakin, Director, California Department of Transportation
Members, Executive Committee, California Transit Association
Members, Federal Legislative Committee, California Transit Association