



## City of Phoenix

**To:** Mayor and Council  
Executive Team

**Date:** October 31, 2008

**From:** Karen Peters  
Government Relations Director

**Subject:** FEDERAL UPDATE: OCTOBER 24 – OCTOBER 31, 2008

This memorandum provides an update of the past week's federal activities – Congressional action, lobbying and national meetings. Please let me or Tom Remes know if you have any questions or need further information on specific legislation or issues.

### **OCTOBER 24 – OCTOBER 30, 2008**

#### **Senate Appropriations Staff Tour**

On Friday, U.S. Senate Appropriations staffer Ellen Beares, was in Phoenix to review various federally-funded transit projects. Government Relations joined Phoenix Transit staff in providing a tour of the Phoenix Transit West Operating Facility as well as a presentation on our various transit services. Ms. Beares also received a briefing and tour from METRO, the Regional Public Transportation Authority and the City of Tempe.

#### **Economic Stimulus Package**

The House Transportation and Infrastructure (T&I) and Ways and Means Committees held separate hearings this week to examine options for a second economic stimulus package. The T&I committee examined how infrastructure investments in highways, bridges, public transportation, rail, aviation, ports, waterways, wastewater treatment facilities and federal buildings could impact the economy. Committee Chairman James Oberstar (D-MN), cited government surveys showing that work could begin within 90-to-120 days on \$17.6 billion in road and bridge projects, \$8 billion in transit projects and more than \$9 billion in clean water improvements, and declared his intent to have a funding measure ready when Congress returns November 17.

Government Relations staff is coordinating a citywide list of “ready to go” projects in the area of highways, streets, transit, water, aviation and energy related issues. Various national associations – US Conference of Mayors, National Association of Regional Councils, etc. – are requesting potential projects to use in support of a stimulus package.

#### **WATIR Task Force on the Stimulus Package and SAFETEA-LU Reauthorization**

At a meeting this week of the Washington Area Transit Industry Representatives Task Force, Mr. Jim Kolb, Staff Director for the House T&I's Subcommittee on Highways and

Transit, discussed both the potential stimulus bill and Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) reauthorization. The current legislation expires September 30, 2009.

Mr. Kolb said that Congress wants the stimulus money to be spent “turning dirt” and hiring construction workers, not for hiring consultants. Additionally, he said this would be “one year money” that would go away if unused. For highways, he talked about redistributing unused money during the usual August redistribution. Mr. Kolb emphasized that the new stimulus bill, like the old one, would route infrastructure spending through formula programs, i.e., the bill will not contain specific projects. Efforts by national organizations to collect information on “ready to go” projects are just to give Congress illustrative examples.

The stimulus funds would be 100% federal, with no local match requirement. The highway funds would be routed through the Surface Transportation Program, because it is flexible, but without set-asides for transportation enhancements and other programs. Further, the November stimulus bill likely will be much larger than the September bills (\$150-300 billion vs. \$60 billion), but it's not yet clear what the infrastructure share might be. The transit share was \$4.6 billion in the House September bill and \$2 billion in the Senate bill.

On SAFETEA-LU reauthorization, Mr. Kolb stated that Congressman James Oberstar (D-MN) wants to start work on the bill in the near future. He predicted that T&I would produce a detailed outline by early February, followed by a “road show” to sell the concept around the country. He predicted legislative text by early April, committee markup just before the Easter recess, and then action on the House floor before the Memorial Day recess, after which the bill would go, quoting Oberstar, “to the Senate, where all good bills go to die”. He said that it is an ambitious schedule that could slip.

### **AASHTO Recommendations for Transportation Reauthorization**

State transportation officials this week called for major reforms, accountability, and increased federal funding for the nation's transportation programs as Congress considers reauthorization legislation in the coming year.

Meeting in Hartford, Connecticut on Monday, the American Association of State Highway and Transportation Officials (AASHTO) approved recommendations for next year's authorization of federal highway and transit programs. The multi-modal package of recommendations urges that the federal program go "back to basics" by focusing on areas of national interest – preservation and renewal, interstate commerce, safety, congestion, system reliability, and enhanced environment and quality of life.

Among the AASHTO goals are:

- Increasing funding for congestion relief projects and metro areas;
- Improving highway connections and transit access for rural America;
- Doubling transit ridership to 20 billion by 2030, and 50 billion by 2050;
- Trimming 6-12 months from project delivery time by expanding state environmental responsibilities and integrating planning;
- Dedicating federal funding for a fast and reliable intercity passenger rail network;
- Reducing highway traffic fatalities by half in two decades; and

- Moving as swiftly as practical from current funding methods to a distance-based user fee.

Emphasizing the need to employ every kind of transportation to meet future demands, AASHTO calls for an overall \$545 billion investment from 2010 through 2015 for highways, transit, freight movement, and intercity passenger rail, including:

- \$375 billion for highways,
- \$93 billion for transit,
- \$42 billion for freight improvements (from sources outside the Highway Trust Fund), and
- \$35 billion dedicated funding for intercity passenger rail.

The proposal identifies a number of funding options for consideration by Congress and calls for maximum flexibility for state and local governments in how funds are used.

### **Rail Safety Improvement Act**

On October 16, the President signed into law *The Rail Safety Improvement Act* (HR 2095). The bill provides \$13 billion over five years for Amtrak, \$1.9 billion for intercity passenger rail and \$1.5 billion for high speed routes. The funding for intercity passenger rail would go to the states to pay for capital costs of facilities and equipment to provide new or improved intercity passenger rail, with a federal cost share of up to 80 percent. These grants would be awarded on competitively by DOT based on expected ridership, economic performance and other measures. The funding is subject to appropriation.

### **UASI Guidance Announcement**

The Continuing Resolution (CR) signed into law by President Bush on September 30 provides FY 09 funding for the Department of Homeland Security (DHS), including \$4.2 billion for *First Responder and Port Security Grant Programs*, which is \$2 billion above the President's request and \$24 million above 2008. Included in the first responder funding is \$837.5 million for the Urban Area Security Initiative Program (UASI). According to the Federal Emergency Management Agency, Office of Grants, DHS will be making guidance available for the UASI program sometime next week.