

Congress of the United States

House of Representatives

Washington, D.C. 20515

June 30, 2015

The Honorable Bill Shuster Chairman Committee on Transportation and Infrastructure 2165 Rayburn House Office Building

The Honorable Sam Graves Chairman Subcommittee on Highways and Transit 1415 Longworth House Office Building The Honorable Peter A. DeFazio Ranking Member Committee on Transportation and Infrastructure 2163 Rayburn House Office Building

The Honorable Eleanor Holmes Norton Ranking Member Subcommittee on Highways and Transit 2136 Rayburn House Office Building

Dear Chairman Shuster, Ranking Member DeFazio, Chairman Graves, and Ranking Member Norton:

As Members of the California Delegation, we write to respectfully request that the surface transportation bill include provisions that are important to our state. We greatly appreciate your ongoing work in drafting a long-term reauthorization bill that will rebuild our crumbling infrastructure and invest in our future. We ask for your strong consideration of these proposals that will benefit our nation.

The provisions include: 1) Providing for a long-term, well-funded transportation bill, 2) Increasing transit funding, 3) Investing in passenger rail, 4) Creating a funded freight program, 5) Maintaining the Railway-Highway Crossings Program 6) Allowing for a local hiring preference on transportation projects, 7) Including local transportation agencies as eligible recipients of grant funds, 8) Reinstating dedicated funding for local on-system bridges, 9) Opposing efforts to require or incentivize the outsourcing of public engineering, design, and inspection services on transportation projects, 10) Creating an America Fast Forward Bonds program, 11) Increasing funding for transportation alternatives such as walking and biking, 12) Improving the Surface Transportation Project Delivery Program, 13) Allowing for park and ride relinquishment, 14) Reforming HOV access and degradation rules, 15) Allowing for electric vehicle charging stations at public rest stops, 16) Reauthorizing the electric vehicle charging property tax credit 17) Providing pre-tax transportation benefit parity, 18) Continuing the alternative transit fuel tax credit, 19) Rural Broadband Deployment, 20) Improving the Small Transit Intensive Cities (STIC) Program, and 21) Re-establishing the High-Risk Rural Roads Program.

1) Long-Term and Well-Funded Transportation Bill

We strongly support the implementation of a 6 year reauthorization bill that funds our roads, bridges, highways, transit systems and rail lines at the President's Grow America Act funding level of \$478 billion. Providing long-term, robust investment will allow states, cities and rural communities the certainty they need to plan and execute transportation improvements for the future.

2) Increase Transit Funding

We support the President's proposal to increase transit funding by 76% to \$115 billion over 6 years to support the 3.5 million Californians who use transit every day. Transit ridership is dramatically growing across the country and we must invest in buses, rail systems and ferries to meet the increasing demand. Transit is an important part of our national transportation system as it relieves our highways of congestion, increases safety, and improves air quality.

3) Passenger Rail Investment

We strongly support the Grow America Act proposal to provide \$29 billion over six years to improve rail safety and invest in a National High-Performance Rail System. California has 3 of the top 5 Amtrak corridors in the Country - the *Pacific Surfliner*, *San Joaquin*, and *Capitol Corridor*. Our state is also home to two of the busiest commuter rail systems with Metrolink in Southern California and Caltrain in Northern California. Making these necessary investments in passenger rail will help agencies implement positive train control and other safety measures to prevent deadly crashes that we have experienced recently in California and across the country.

4) Freight Program

We support the Committee's efforts to include a funded freight program in the next transportation bill. We believe the best ideas for a freight program can be found in the proposals introduced by Members of our delegation in HR 935, the National Freight Network Trust Fund Act of 2015 by Rep. Hahn, and HR 1308, the Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act by Rep. Lowenthal. These bills expand and modernize our freight system while simultaneously improving air quality, reducing congestion, increasing safety and efficiency, and strengthening our nation's economic competitiveness. This is especially important in California where over 45% of the nation's exports and imports transit through our state. Improving goods movement will increase business opportunities, reduce consumer prices, and mitigate the impacts that freight has on local communities. A freight program will also assist local agencies in achieving federal clean air standards which will improve the health of millions of Americans who are adversely impacted by the rapidly growing volume of freight movement in our country.

5) Railway-Highway Crossings Program

We support maintaining funding for the Railway-Highway Crossings Program (Section 130), which funds safety improvements to reduce the number of fatalities, injuries, and crashes at public grade crossings. According to the California Public Utilities Commission, there are over 10,000 open grade crossings in our state. It is critically important that the federal government

maintains its commitment to improve safety at these crossings. We urge the Committee to retain the program and to ensure it is funded at the highest possible level.

6) Local hire Preference for Transportation Agencies

The Transportation bill should include HR 3620, the Local Hire Act, which was legislation introduced in the 113th Congress by our colleague Rep. Karen Bass. This bill would allow local agencies to create a local hiring preference on transportation projects. A similar provision was passed by unanimous consent in the House in the FY 2015 Transportation and Housing Appropriations bill.

For over 50 years federal law has prohibited local hiring preferences when one dollar in federal funds is used on a project. This outdated law comes from a time when 80% of the funds spent on major transportation projects were federal. Today, over 80% of the funds spent on transportation projects are local. Local taxpayers should be given an incentive to be hired for projects that they are paying for. This is especially important in California where many jurisdictions have local transportation revenues.

7) Eligibility of Local Transportation Agencies for Grant programs within the bill

We respectfully request that language is included in the "eligible applicants" section for any transportation grant program within the bill to make eligible "a public authority". In California there are many public transportation agencies that are created by coalitions of cities to solve local transportation problems. Examples of this include grade separation agencies that are formed by groups of cities impacted by a rail corridor, transit construction agencies that are formed in a specific region to construct a transit project, and highway expansion agencies that are formed by cities along a congested highway to construct additional lanes. Because these local public agencies are not one city or state or Metropolitan Planning Organization (MPO), they often are not eligible for federal grant programs although they are some of the most important local transportation agencies in our state.

Using the term "public authority" along with cities, states, transit agencies and MPOs is necessary to ensure that all local transportation agencies are eligible to receive funding. The term "public authority" is also consistent with language used in the Senate DRIVE Act.

8) Local On-system Bridges

The bill should provide a dedicated funding stream for locally owned bridges on Federal-aid highways. Prior to MAP-21, all structurally deficient or functionally obsolete bridges, regardless of ownership, were eligible for funding under the Highway Bridge Program (HBP). MAP-21 eliminated the program, and shifted a majority of HBP funding to the National Highway Performance Program (NHPP). However, just 23 percent of the nation's bridges are eligible for assistance under the NHPP, as the program only supports bridge projects that are a part of the National Highway System (NHS).

The problem is that locally owned bridges on Federal-aid highways lost a direct funding source. Many of the bridges in California that are structurally deficient or functionally obsolete fall into

this category. These bridges are integral to our national transportation system and should be able to receive dedicated funding from the federal government.

9) Oppose Efforts to Require or Incentivize the Outsourcing of Engineering, Design, and Inspection work

We ask that you do not include language in the bill that would require or incentivize the outsourcing of engineering, design and public inspection services on transportation projects. California and many other states employ public engineers and inspectors that are key to ensuring the safe design and construction of our bridges, highways, and other transportation projects. There have been efforts in previous transportation reauthorization bills to require or incentivize states to outsource their public engineering, design and inspection services. States should be allowed the flexibility to have these services performed by engineers employed by the people and loyal to the public. We should not force states to outsource this work if they believe it is better performed by their own employees.

10) Creating an American Fast Forward Bond Program

The Transportation Bill should include an American Fast Forward (AFF) Bond Program that would allow state and local agencies to issue Qualified Tax Credit Bonds for transportation projects. Through this program state and local agencies that have a long-term transportation revenue stream, such as dedicated sales taxes, could issue bonds tied to that revenue stream in order to build the projects quickly and save inflationary costs. The bonds would be interest free to the local and state transportation agencies because the federal government would provide tax credits to the bondholders equal to the interest payments. This is a low cost way for the federal government to invest in additional infrastructure projects and create jobs.

11) Transportation Alternatives Program

We support increased investment in the Transportation Alternatives Program (TAP) which provides funding for pedestrian and bicycle facilities, recreational trail projects, and safe routes to school projects. The Transportation Alternatives Program (TAP) is incredibly important to California as it creates opportunities for our constituents to walk and bike to work, to school, and to commerce. It also provides important recreational opportunities that improve the health and well-being of our communities.

12) Surface Transportation Project Delivery Program - NEPA-CEQA Delegation

MAP-21 created a permanent program for Caltrans (and other state DOT's) to assume FHWA's responsibilities under NEPA in order to combine both NEPA and our state's environmental review process (CEQA). This blended approach to implementing both federal and state environmental reviews has been very successful at removing duplicative requirements, speeding up the process, and reducing costs. Caltrans has been able to take advantage of this project delivery program when they are the lead agency on implementing a transportation project.

The improvements provided by the project delivery program have not been fully recognized by local agencies when they take the lead role on a transportation project funded by both the state

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and federal government. Local agencies should be provided with a more efficient environmental review process when they are working on parts of CEQA and NEPA that are the same.

13) Park and Ride Relinquishment

We ask that the Committee amend current law to allow states to relinquish Park and Ride lots located on federal-aid highways to local agencies when they can better maintain and invest in these facilities. Park-and-Ride facilities are integral parts of a multimodal transportation system. These facilities enhance the livability and sustainability of communities by supporting transit, carpools and vanpools. In many instances, California MPOs and local and public agencies have expressed interest in taking over Caltrans-owned Park-and-Ride facilities located along Federal-aid routes. Pursuant to Caltrans' relinquishment of these facilities, these agencies plan to make capital improvements, integrate them fully into the regional transit systems, and in some cases, construct Transit-Oriented Developments around them.

However, current federal regulations (23 CFR § 620 Subpart B) do not permit Caltrans to relinquish Park-and-Ride facilities to another agency. Congress should facilitate local investment in public transportation facilities and promote transit usage by providing greater regulatory flexibility for Federal-aid right-of-way relinquishment transactions.

14) HOV Access and Degradation

We ask that the Committee revise the current High Occupancy Vehicle (HOV) degradation standard, and provide more flexibility for state and local agencies to comply. Current federal law (23 USC § 166) authorizes state or local governments to allow low emission, energy-efficient vehicles and toll-paying vehicles to access High Occupancy Vehicle (HOV) lanes without meeting occupancy requirements. This is a powerful tool for managing congestion and promoting important public policy objectives. California allows HOV lane access to low emission and energy-efficient vehicles to incentivize their use and promote the state's sustainability and climate preparedness objectives. This has been incredibly successful in our state.

Federal law also requires state and local governments using this authority to monitor their HOV lanes and ensure that performance has not been degraded. An HOV lane is considered degraded if it fails to maintain a minimum average operating speed of 45 mph 90 percent of the time over a consecutive 180-day period during weekday morning or evening peak hour periods. If an HOV lane is degraded, the state or local operating agency must take steps to bring the facility back into federal compliance – such as disallowing HOV access to low emission and energy-efficient vehicles. The degradation standard is intended to prevent "recurrent congestion" in a specific HOV lane.

The most recent data indicates that almost 60 percent of California's HOV network is degraded under the current federal standard, but it also indicates that "recurrent congestion" is not a primary source of degradation in California. Other variables such as inclement weather, traffic incidents, or unforeseeable nonrecurring congestion have a greater impact on HOV lane performance in California. Since degraded facilities must be brought back into compliance, the high levels of degradation in our state will require scarce resources to correct a problem that, in

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the majority of cases, is relatively infrequent and unpredictable. This will also unnecessarily limit California's ability to use HOV access to promote green technologies.

The most appropriate solution would be to change the HOV performance threshold to correlate HOV degradation more closely to daily recurrent congestion. We support amendments proposed by Caltrans to change the degradation standard so that the 45 mph average speed requirement needs to be met 50 percent of the time over a 180-day period. This means that an HOV facility would be considered degraded if it fails the performance standard, on average, 10 or more weekdays per month, or roughly 2 to 3 times a week. This change would allow resources and actions to be more appropriately focused on those facilities where there is the greatest need for performance improvements because of recurrent congestion.

15) Electric Vehicle Charging Stations and Public Rest Stops

The Transportation bill should allow states to create public-private partnerships to deploy zero-emission vehicle infrastructure at Safety Rest Areas and Park-and-Ride facilities along Interstate and Federal-aid highways. California has adopted a policy of encouraging the development and success of zero-emission vehicles, achieving a zero-emission vehicle infrastructure that will support up to one million vehicles by 2020, and promoting private sector investment in zero-emission vehicle infrastructure (California Executive Order B-16-2012).

The problem is that current federal restrictions on commercial activity along Interstate right-of-ways (23 U.S.C. § 111), and fees that can be charged at facilities on Federal-aid highway right-of-ways (23 U.S.C. § 137), may inhibit states from constructing electric vehicle charging stations at rest stops. We need to amend these current restrictions to encourage private investment in zero-emission vehicle infrastructure and facilitate its successful deployment along Interstate and Federal-aid highways.

16) Electric Vehicle Charging Property Tax Credit

In addition to encouraging private investment along Interstate and Federal-aid highways, we support the reauthorization of the electric vehicle charging property tax credit which expired in 2014. Expanding our charging station network at homes, businesses, Safety Rest Areas and Park-and-Ride locations will continue to lower our reliance on foreign energy resources while improving emissions goals.

We support policy that reauthorizes tax credits which promote the installation of charging stations and amends the expired credit to take advantage of new charging technologies, such as Rep. Hahn's H.R. 1697. This policy is widely supported by electric vehicle producers and trade groups.

17) Pre-Tax Transportation Benefit Parity

We request that the Committee work with the Ways and Means Committee to increase the pretax transportation benefit for transit users and vanpoolers so that it is equal to the parking benefit. There should be parity between all modes of commuting. It is especially important not to have a disincentive for transit and vanpool usage since these modes reduce congestion and improve air quality.

18) Alternative Fuel Tax Credit

We request that the Committee work with the Ways and Means Committee to continue the Alternative Fuel Tax Credit that is very beneficial to the transit agencies in our state that are investing in clean fuel fleets and infrastructure.

19) Rural Broadband Deployment

Broadband access is essential to the nation's global competitiveness. Today, many communities in California and across the country still lack adequate access to broadband, while others require facility upgrades to accommodate growing traffic volumes. We support policies to increase deployment of broadband in rural areas by providing states adhering to best practices with the flexibility to use funding from the National Highway Performance Program and the Surface Transportation Program for the installation of broadband corridors on Federal-aid highway projects in unserved or underserved areas. Such efforts would also foster better coordination between stakeholders at the federal, state, and local levels to expand the use of highway rights-of-way to accommodate broadband infrastructure. This policy is included in the GROW AMERICA Act.

20) Small Transit Intensive Cities (STIC) Program

Congress developed the STIC program to help address the public transportation needs of smaller cities with high transit service consumption levels. This program has been extremely successful across California by providing smaller urbanized areas with assistance to increase efficiency and capacity. We support increasing STIC apportionments from 1.5% to 3% of the Urbanized Area (5307) formula fund.

21) High-Risk Rural Roads Program

This program was eliminated by MAP-21, requiring rural road safety projects to compete for Highway Safety Improvement Program funding. California's rural counties have disproportionately high traffic fatality rates. It is estimated that over 50 percent of California traffic fatalities occur on the local road system, yet California's counties receive less than 35 percent of all available HSIP safety project funding for local high-risk rural roads. We support dedicated federal funding for high-risk rural roads and a program that ensures safety funding is invested in local jurisdictions with the greatest safety needs.

Thank you for your consideration of these requests.

Sincerely,

Grace F. Napolitano
Member of Congress

Member of Congress

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Janice Hahn
Member of Congress

Julia Brownley Member of Congress

Xavier Becerra Member of Congress

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