

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 9, 2019

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.19, Action Item

Prepared By: Giles Giovinazzi, Chief of Staff

Subject: **CALIFORNIA FEDERAL SURFACE TRANSPORTATION REAUTHORIZATION PRINCIPLES**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Federal Surface Transportation Reauthorization Principles, a Consensus Principle document for submittal to Congress for consideration on the next surface transportation legislative act, being submitted at the October 2019 Commission meeting?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission approve California Federal Surface Transportation Reauthorization Principle document for submittal to Congress, for consideration on the next surface transportation legislative act.

BACKGROUND:

On December 4, 2015, President Barack Obama signed the Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94) into law—the first federal law in over a decade to provide long-term funding certainty for surface transportation infrastructure planning and investment. While the FAST Act does not expire until September 30, 2020, funding and policy priorities need to be developed well in advance of the expiration date in order to most effectively influence how the next surface transportation legislation is shaped by Congress and the Trump Administration.

Earlier this year, the Department convened the California Federal Affairs Working Group (Working Group) to develop a "Consensus Principles" document. This Working Group is composed of the stakeholders in the State's transportation system, whose members include the State of California, Metropolitan Planning Organizations (MPOs), Regional Transportation

*"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability"*

Planning Agencies (RTPAs), Tribal Governments, transportation providers, the private sector, and labor.

The “California Federal Transportation Infrastructure Investment Principles” document is intended to be high-level and attempts to capture core federal transportation priorities that integrate California stakeholder comments received during statewide conference calls, as well as written follow-up comments that were received after those calls. The transportation principles contained in this document will benefit California, have support from Californians statewide, and the undersigned organizations want Congress to seriously consider incorporating them into the 2020 surface transportation reauthorization.

On July 30, 2019, the Senate Environment and Public Works Committee passed its much-anticipated five-year federal highway program reauthorization entitled “America’s Transportation Infrastructure Act of 2019,” which marks the official start of the FAST Act reauthorization process in Congress. At this time, the U.S. House of Representatives has not yet introduced a multi-year proposal. In California, we hope the Federal Surface Transportation Reauthorization process gains momentum this fall and that Congress and the President, can work together in a bipartisan way, to recognize the importance of maintaining our nation's transportation infrastructure. Reauthorizing the FAST Act will improve the movement of goods across our transportation infrastructure, helping to preserve and maintain the lifeblood of our nation's economy.

Attachments

- (1) California Federal Surface Transportation Reauthorization Principles
- (2) California Federal Surface Transportation Reauthorization Principles-(Booklet Format with Graphics)
- (3) Confirmed Signatories as of September 23, 2019

“Provide a safe, sustainable, integrated and efficient transportation system to enhance California’s economy and livability”

California Federal Surface Transportation Reauthorization Principles
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Transportation is vital to California's economy - *the world's fifth largest economy* - representing 12 percent of the U.S. population. Measured by value, more international goods enter the nation through California than any other state – moving through its 12 seaports, 12 major cargo-handling airports and 3 land ports of entry with Mexico. So, *investment in California's transportation infrastructure powers the entire national economy, and Californians are stepping up and doing their part to support infrastructure investment.*

- California has joined cities, counties, regions and states across the country to increase infrastructure funding. Senate Bill (SB) 1, the landmark *Road Repair and Accountability Act of 2017*, which was backed by a broad coalition of supporters, invests \$54 billion over the next decade - \$5.4 billion annually - to fix roads, freeways, bridges, and put more dollars toward transit, safety programs and active transportation infrastructure in communities across California.
- What is more, residents of California's "Self-Help Counties", representing more than 88 percent of the state's population, have voted to fund regional transportation improvements. Twenty-five California counties have passed measures that will provide over \$194 billion in funding over the next 30 to 40 years for multi-modal transportation improvements across the State.

With the passage of SB 1 and local sales tax measures, Californians have prioritized funding for transportation projects – *including nationally significant projects and the preservation of federal-aid highways*. California is eager to partner with the federal government, and we stand ready and willing to match increased federal infrastructure investment.

We join other state, local and tribal governments across America in our need for a strong federal partner to make needed "fix it first" investments to preserve our existing assets, deliver transportation infrastructure improvements that will create jobs, increase safety, improve mobility, address emerging issues including climate change resiliency and keep the economy growing in California and across the nation. We also believe that federal infrastructure investment should recognize and reward states like California that come to the table with new funding to support successful partnership with the federal government.

We recommend the principles below guide the development of Surface Transportation Reauthorization legislation. We would also note that the U.S Senate Environment and Public Works Committee has already advanced the *America's Transportation Infrastructure Act of 2019* reauthorization legislation, which moves in certain policy directions that are consistent with a number of principles we have outlined.

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Restore Highway Trust Fund Solvency and Provide a Multi-Year Surface Transportation Reauthorization

To simply maintain the current federal Highway Trust Fund spending levels adjusted for inflation after the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-94) expires in federal fiscal year (FFY) 2020, Congress will need to identify an additional \$114 billion for a six-year surface transportation reauthorization bill. At the same time, it is crucial that federal transportation programs provide long-term funding stability for transportation projects that can take multiple years to plan and construct.

- Any new Surface Transportation Reauthorization legislation should include new sustainable, user-based revenues to ensure the long-term solvency of the Highway Trust Fund and provide for increased, multi-year direct federal investment. Federal revenue options can draw upon the experience of California and 30 other states that have successfully enacted transportation revenue packages since 2012.
- California supports a six-year Surface Transportation Reauthorization bill that will provide funding stability and certainty and allow for deliberate infrastructure planning and investment.
- In addition to robust General Fund support, Surface Transportation Reauthorization legislation should ensure that the Federal Transit Administration (FTA) programs continue to receive their historical funding share from the Highway Trust Fund.
- The California Department of Transportation (Caltrans) conducted the nation's largest vehicle miles traveled (VMT) road charge pilot to date, which included 5,000 participating vehicles travelling more than 37 million miles. Congress should continue providing funding to states willing to research or pilot innovative transportation user-based revenue mechanisms.

Build on Bipartisan FAST Act Structure and Address Emerging Issues – Climate Resiliency and New Mobility Technologies

California strongly supported the passage of the bipartisan FAST Act. Adopted in 2015, the FAST Act provided long-term certainty needed to advance multi-year highway, transit, passenger rail and multi-modal freight improvements. Any new Surface Transportation Reauthorization legislation should increase funding for the core highway, transit, passenger rail, and multi-modal freight programs authorized by the FAST Act. Congress should also explore ways to improve core FAST Act programs to provide states greater flexibility to achieve national goals, such as improving safety. Policy recommendations follow:

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- Congress should repeal FAST Act section 1438 that requires the rescission of \$7.57 billion in unobligated contract authority for core FAST Act highway programs; the American Association of State Highway and Transportation Officials (AASHTO) estimates that California may have approximately \$693.2 million in unobligated contract authority subject to rescission in FFY 2020 because of FAST Act section 1438. Congress should also exclude any rescission in the next Surface Transportation Reauthorization.
- California supports maintaining the federal and local match for transportation projects, so that the required local match for projects does not increase unless state or local grantees opt to voluntarily increase their match. Additionally, Congress should maximize the use and flexibility of federal funds by eliminating requirements for non-federal matches, particularly in rural and tribal areas that have fewer resources.
- California supports increasing Highway Safety Improvement Program (HSIP) funding, consistent with our request to grow the core highway programs, and we recommend restoring flexibility to HSIP funds to be used for non-infrastructure safety programs such as behavioral efforts, public awareness, education, enforcement, research, improving system resilience, and pilot or experimental projects. To improve safety for bicyclists and pedestrians, Congress should consider targeting a portion of HSIP funding to address vulnerable user safety in areas where user fatalities are above the national average.
- California has maintained the Highway Bridge Program for locally-owned bridges that was eliminated by the Moving Ahead for Progress in the 21st Century Act (MAP-21, P.L. 112-141). Consistent with our request to grow core highway programs, California supports increased funding for the National Highway Performance Program (NHPP) and Surface Transportation Block Grant Program (STBG program), which support California's local Highway Bridge Program. California also supports maintaining the flexibility Congress provided in the FAST Act to use NHPP funding for bridges on non-National Highway System federal-aid roads. The current California local Highway Bridge Program need greatly exceeds the \$300 million allocated annually to the program. Any new bridge program Congress creates must distribute funding on needs-based criteria.

While California supports the FAST Act program structure as the starting point for a Surface Transportation Reauthorization bill, Congress should also consider new funding programs, flexibility or policies to ensure our infrastructure is prepared for rapidly emerging issues, including: *making our infrastructure more resilient to climate change and preparing it for new mobility technologies.*

In recent years, California has experienced extreme weather exacerbated by climate change. Through emergency repair work in the aftermath of the 2017 winter storms and 2018 wildfires, California incurred hundreds of millions in Federal Highway Administration (FHWA) Emergency Relief-eligible costs. Sea level rise due to climate change, in combination with storm surges, has the potential to inundate hundreds of miles of the coastal highway by the end of the century. California's 2018 4th Climate Change Assessment shows that increasing temperatures are expected to increase road construction costs between 3 and 9 percent.

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- Congress should increase planning funds to help state and local governments identify and address complexities around climate change.
- Congress should create a new needs-based multi-modal formula program that will make our transportation networks resilient in the face of a changing climate.
- AASHTO has noted that certain federal requirements slow the delivery of transportation projects using the FHWA's Emergency Relief funds, and it has called for the program to be streamlined. At the same time, federal regulations require Emergency Relief eligible projects to be ready for funding obligation within two years of the disaster event. California believes the Emergency Relief Program should be streamlined, and that state and local governments should be provided five to six years to obligate federal Emergency Relief funds, as called for in H.R. 3193, Transportation Emergency Relief Funds Availability Act.

California is also a national leader in technology and intelligent transportation systems. We urge Congress to support emerging transformative technologies - including connected and autonomous vehicles; app-enabled crowd-sourced data gathering; and integrated, automated multi-modal ticketing that will ease accessibility to all modes of transportation - and take measures to prepare our infrastructure for these technologies.

- Congress should create a new flexible program to fund transportation capital and operational investments to take advantage of and prepare our transportation infrastructure for emerging technologies that are transforming the way people and goods are moved.

Freight/Goods Movement

California is the nation's international trade leader in terms of value and quantity of goods handled by its seaports, airports, railroads and roadways. In fact, more than 40 percent of the total containerized cargo entering the U.S. arrives through California and almost 30 percent of the nation's exports flow through ports in the Golden State. The State's agricultural sector, supported by California's rural freight infrastructure, is a critical source of goods for export and is the largest producer of food in the U.S. With the passage of SB 1 and local sales tax measures, California is coming to the table with significant new, non-federal funding to keep goods moving efficiently and boost national economic growth.

Nevertheless, in 2017 and 2018, the U.S. Department of Transportation (U.S. DOT) Announced \$2 billion in discretionary *Better Utilizing Investments to Leverage Development* (BUILD) grants. In those two years, California received five BUILD grants totaling \$81.5 million, representing only 4 percent of the total funding from the 132 grants awarded nationwide. Likewise, during that period California was awarded two *Infrastructure for Rebuilding America* (INFRA) grants totaling \$97 million, representing only 6.3 percent of the \$1.53 billion awarded. Congress and the U.S. DOT can do better to ensure federal freight/goods movement programs prioritize eligibility for regions with nationally significant freight flows – which clearly include several parts of California:

California Federal Surface Transportation Reauthorization Principles
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- California supports freight funding programs to address critical issues facing our nation’s major freight corridors and mitigating the impacts on local transportation systems and public health. A Surface Transportation Reauthorization bill should increase funding for freight/goods movement programs and discretionary freight funding programs should prioritize eligibility for regions with nationally significant freight flows, major port complexes and rural/agricultural freight networks, including support for short line rail freight operators to maintain the region’s economic competitiveness.
- California supports increasing funding for the National Highway Freight Program (NHFP), removing the 10 percent cap on non-highway investment and providing flexibility for states to use discretion in determining the amount of NHFP formula funding dedicated to multi-modal freight projects identified in the state’s freight investment plan. Congress should also consider apportioning NHFP funding based on need. Additionally, Congress should remove the caps on the INFRA Program used for grants to freight rail, water (including ports), or other freight intermodal projects.
- Congress should reestablish the National Cooperative Freight Research Program (NCFRP) to provide research products to assist states in their delivery of freight transportation projects with funding beyond the amount prescribed for the federally managed Research Technology & Education Programs, and State Planning & Research-funded programs.

Sustainability and Climate Action

California is a national leader in efforts to address climate change, with more than decade of policy leadership that includes the Sustainable Communities and Climate Protection Act (SB 375), which requires metropolitan planning organizations (MPOs) to create “sustainable communities strategies” to reduce Greenhouse Gas (GHG) in their long-range transportation plans. California state and local agencies are working to reduce the transportation sector’s GHG emissions consistent with state goals, and to adapt the system so it is more resilient to climate risk.

Additionally, some California agencies are investigating pricing strategies, such as tolled express lanes, toll bridges, and cordon pricing, as a means of reducing VMT and providing revenue for transit and active transportation improvements, to subsidize transportation costs for low income households, or to attract private investment.

Moreover, California supports policies that will empower and reward transportation agencies for operating, investing in and managing the transportation system to more efficiently move people and goods with lower environmental, health and climate impacts, through higher vehicle occupancy, support of Zero-Emission Vehicles (ZEV) technology, increased use of rail, transit, cycling and walking, and other strategies.

We are very concerned that the National Highway Traffic Safety Administration (NHTSA) and the U.S. Environmental Protection Agency (EPA) recently proposed to amend Corporate Average Fuel Economy (CAFE) and GHG emissions standards for passenger cars and light trucks. The Safer Affordable Fuel Efficient (SAFE) Vehicles Proposed Rule for Model Years 2021-2026 (SAFE Vehicle Rule) would also revoke California’s waiver of

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

preemption to set more stringent vehicle emissions standards than the federal government, and potentially harm the delivery of transportation projects that must demonstrate conformity with air quality plans.

- Federal policy should further reward states like California that have made significant multi-modal investments to improve air quality and advance sustainability strategies.
- Congress should authorize an incentive grant program that rewards states, local governments, tribal governments and MPOs that have adopted or are willing to adopt “Best Practices” to reduce VMT and GHG emissions (including congestion pricing) and integrate transportation planning and investment decisions with other land-use, economic development, pricing and other strategies, and also provide financial incentives for rural sustainability initiatives.
- Congestion Mitigation and Air Quality Improvement (CMAQ) program funds, STBG and other flexible highway and transit programs support California in implementing innovative carbon reduction strategies and, as noted earlier in our letter, we support growing those core programs.
- Congress should provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change. Congress should also provide funding, training, tools, and uniform standards for the collection and sharing of roadway and traffic data specifically for local, rural and tribal roadways, including assistance and funding for data collection required by federal performance management rules.
- Current federal restrictions on commercial activity (and the charging of fees) along interstate right-of-ways (23 U.S.C. § 111) inhibit public-private partnerships to deploy ZEV charging infrastructure. California continues to urge Congress to provide the flexibility needed to encourage private investment in ZEV infrastructure and facilitate its successful deployment along the federal-aid and interstate right-of-way. California also supports S. 674, the Clean Corridors Act of 2019, which would provide grant funding for the installation of electric vehicle charging stations and hydrogen fueling infrastructure along designated corridors across the National Highway System.
- A new Surface Transportation Reauthorization bill should facilitate the expanded use of tolling by lifting restrictions on tolling existing interstate general purpose surface lane capacity. California also supports reversing the FTA policy of excluding bus service provided in HOT lanes from the 49 U.S.C. § 5337 “High Intensity Motorbus” funding program; this policy reduces funding for regions across California that convert high-occupancy vehicle lanes to High Occupancy Toll (HOT) Lanes.
- California supports funding for wildlife crossings and programs to prevent wildlife-vehicle collisions.
- California strongly opposes the NHTSA/EPA SAFE Vehicle Rule’s revocation of California’s waiver of preemption to set more stringent vehicle emissions standards than the federal government.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

Fund Multi-modal Mobility Solutions

The transportation sector in California accounts for 50 percent of the state’s total GHG when accounting for associated fuel production, making it the single largest source of emissions in the state. At the same time, cities across California suffer from tremendous gridlock – in fact, 5 of the 20 most congested cities in North America are in California. Additionally, California’s population is aging: between now and 2026, the number of Californians 65 or older is expected to climb by 2.1 million; an ageing state requires transportation solutions for those who cannot drive. And, when 50 percent of California households cannot afford the cost of housing in their local markets, the transportation system must still provide access to jobs and opportunity for those who do not have cars.

Changing this reality requires a multi-modal approach to mobility and increased investment – from all levels of government – in proven solutions like public transportation, active transportation and passenger rail. In California, we are doing our part – SB 1, the state’s landmark transportation funding package, directs significant funding annually to public transportation, active transportation, and passenger rail; and counties across the state are choosing to tax themselves to invest in an “all of the above” approach to mobility.

Public Transportation: California urges Congress to ensure that the next Surface Transportation Reauthorization bill recognizes California’s significant commitment to public transportation programs, and we request that Congress craft policies to reward California’s public transit agencies for this commitment.

Additionally, in December 2018 the California Air Resources Board adopted the Innovative Clean Transit regulation (ICT). The regulation establishes a zero-emission bus purchase mandate, beginning as soon as 2030 (2023 for large transit agencies), with the goal of converting all transit buses in California to zero-emission (battery-electric, fuel cell) technologies by 2040. The successful implementation of the ICT will eliminate climate-changing fossil fuels from more than 10,000 buses in California. Components and supply chains developed for transit buses, as a result of the ICT, may one day support electrification in other heavy-duty sectors.

- California supports growing core federal transit programs and transit-eligible highway programs, which have proven effective in delivering essential funds to transit operators to address their pressing state of good repair and capital investment needs. Specifically, the Surface Transportation Reauthorization legislation should increase funding for the following formula programs: FTA’s Section 5307 and Section 5311 Urbanized Area and Non-Urbanized Area formula; FTA’s Section 5337 State of Good Repair; FTA’s Section 5339 Bus and Bus Facilities; FHWA STBG and CMAQ Programs.
- California supports increased investment in the FTA’s Capital Investment Grants (CIG) Program (greater than \$2.6 billion annually) to fully fund existing Full Funding Grant Agreements (FFGAs) and support new FFGAs. California also supports legislative language directing the U.S. DOT to expeditiously execute FFGA and administer CIG Program as intended by Congress.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

- California urges Congress to increase funding of the federal transit program for Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities (49 U.S. § 5310) to address the growing transportation needs for these target populations.
- The Surface Transportation Reauthorization bill should help states and transit agencies transitioning to ZEVs by tailoring FTA's Low Emission/No Emission Program to incentivize and reward pursuing aggressive climate change solutions, while also increasing the funding authorized for the Program.
- California supports actions to grow on the successes found through the FTA's Mobility on Demand (MOD) Sandbox Pilot Program. Mobility on Demand and/or Micro Transit projects implemented by local transit agencies and/or transit agency partnerships with shared mobility providers are proving successful for enhancing mobility for the traveling public. These solutions could not be possible without the advent of travel planning application technology. These tools are enabling on-demand ride-hailing-sharing services, and in many cases proving to increase transit's share of overall transportation trips taken regionally and inter-regionally.
- The FTA's Section 5311(f) Program allocates discretionary grants to California's rural transit agencies. These agencies use this funding to provide critical intercity bus services that connect rural and urban populations. However, funding for this program is not adequate. Caltrans routinely receives more applications than the program can fund. As California's population continues to grow, and the need for transportation between California's communities continues to increase, funding for intercity bus services will become critical to the inter-regional transportation systems that move people across the State and beyond. California therefore requests an increase to the 5311(f) Program without decreasing the regional apportionments currently allocated to rural transit agencies for services funded through the 5311(f) parent program – FTA's Section 5311.
- California supports initiatives to develop and retain the workforce necessary to successfully deliver transit services, including additional flexibility on the use of federal funds like FTA's sections 5307 and 5311 for training purposes, as well as a significant increase in the funding authorized for FTA's Section 5314 Program. This funding could be used for apprenticeship and other workforce development programs and to expand funding for regional and statewide training consortium programs that provide advanced transit specific training through local community colleges, transit associations and similar educational institutions.
- California supports flexibility in the State of Good Repair Program, including reduction of the waiting period for eligibility to access Section 5337 fixed guideway funds. Flexibility will allow public transit agencies that receive funding under both the High-Intensity Fixed Guideway and High-Intensity Motorbus Elements to apply their formula shares toward their highest-priority state of good repair needs.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

Active Transportation: Investing in active transportation furthers the State’s sustainability and climate preparedness objectives and improves the quality of life and public health of Californians. California has made a major commitment to walking and bicycling through investment in our Active Transportation Program, and we want to continue to increase that investment with new federal funding.

- California supports increasing funding for both the STBG Program, including proportionate growth for the Transportation Alternatives (STBG-TA) set-aside, and HSIP. Funding from STBG-TA and HSIP support California’s Active Transportation Program. Congress should ensure that active transportation projects continue to be eligible for funding from the Highway Trust Fund.
- To address the low obligation rate of STBG-TA funding, Congress should take steps to ease the obligation of STBG-TA funds, including: allowing up to 5 percent of these funds to be used for staff or consultant technical assistance to strengthen potential grant applications and allowing HSIP funding to serve as a state or local match for STBG-TA projects that address a safety concern. Generally, California supports expanding opportunities for micro-businesses to participate in transportation projects.
- Congress should authorize a competitive grant program to fund planning, design and construction of regional active transportation networks and long-distance inter-regional cycling infrastructure. Congress should also authorize a study to determine best available estimate of the total amount of non-highway recreational fuel taxes received by the Department of the Treasury and transferred to the Highway Trust Fund to support the Recreational Trails Program.

Passenger Rail: California is making significant investments in intercity passenger and commuter rail, and therefore supports dedicated long-term federal investment in passenger rail programs. Modernizing the state’s passenger rail system will: reduce emissions by enabling more Californians to switch from driving and flying to traveling by clean, fast and efficient rail service; open freight capacity to enhance the flow of goods from our fields and ports; connect regional economies (e.g., the Central Valley and the Coast) and sustain an innovative state economy that will help drive America’s economic competitiveness. Any new Surface Transportation Reauthorization legislation should provide significant funding for the High-Speed Intercity Passenger Rail program, establish dedicated funding for intercity passenger and commuter rail, increase funding for the FHWA’s Railway-Highway Crossings Program (23 U.S.C. § 130), and reauthorize and fully fund FAST Act authorized Federal Railroad Administration intercity passenger rail grant programs, including the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program and State of Good Repair (SOGR) Program.

- Congress should establish a dedicated formula capital funding program for intercity passenger rail that is additive to existing transit formula programs. The program should cover capital projects to improve and expand passenger rail service and capital maintenance of equipment. Eligible project costs should be made available under multi-year federal support agreements, with partial funding of project elements (without independent utility) not impacting future applications for additional allocations.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

- Railroad crossing incidents are the second leading cause of rail-related deaths in America. California supports strengthening Section 130 to accelerate the number of critically important safety projects that are constructed each year and providing 100 percent federal contribution for Section 130 projects. Many communities are doing what they can to improve safety at at-grade crossings, but the most effective method – grade separation - is often expensive. Additionally, recent requirements for 10 percent non-federal matching funds has created significant challenges as railway-highway grade crossing projects often involve railroad companies, small cities or counties with little or no resources. Increasing Section 130 federal participation to 100 percent would help ensure the selection of projects for this program would continue to be data driven and not influenced by the availability, or lack of, the 10 percent matching funds.
- California supports reauthorizing the CRISI Grant Program, and the SOGR, at no less than FFY 2018 funding levels. California also supports expanding the eligibility of the SOGR Program. The current program is limited to publicly owned assets. This restriction limits the ability for States to partner with private freight railroads to invest in critical assets that are required to serve passenger rail. The program should expand eligibility to allow for funding for non-public assets with the requirement that such funding results in some guaranteed level of public access (e.g., railroad slots) or shared public ownership. Such an approach will incentivize privately owned railroads to partner with public agencies and potentially expand the provision of passenger railroad service.
- California supports creating a legislative resolution to the issue of “States as Railroads” and System Safety Program responsibility. States who sponsor, but do not operate, intercity passenger rail services, are not railroads nor are they railroad carriers. Section 225 of the Railroad Advancement of Innovation and Leadership with Safety (RAILS) Act includes language that clarifies that States are not rail carriers if they do not operate a rail service.
- Congress should include a multi-billion dollar, dedicated and sustainable Positive Train Control Operations and Maintenance support program for intercity passenger and commuter rail operators.
- California stands with the American Road and Transportation Builders Association, the American Public Transportation Association, the Associated General Contractors of America, the International Brotherhood of Teamsters and the Transportation Trades Department AFL-CIO and others in requesting Congress prohibit the U.S. DOT from terminating its cooperative grant agreements with the California High-Speed Rail Authority.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

Shorten Project Delivery Time and Provide Flexibility To Fully and Efficiently Utilize Federal Funds

California transportation agencies are proactively identifying efficiencies and policy improvements to responsibly manage the public's money and assets. For example, under Assembly Bill (AB) 1282, the California State Transportation Agency has convened a multi-agency Transportation Permitting Task Force to establish reasonable deadlines for transportation project permit approvals and provide for greater certainty of permit approval requirements. Additionally, SB 1, the Road Repair and Accountability Act of 2017, requires Caltrans to achieve \$100 million in annual efficiencies that can be redirected towards maintaining and rehabilitating the State Highway System. And since 2007, Caltrans has performed federal responsibilities for environmental decisions and approvals under the National Environmental Policy Act (NEPA) for highway projects in California funded by the FHWA. Through "NEPA Assignment," Caltrans has been able to cut the regulatory burden on thousands of road projects, achieving time savings of months and years in reviewing and approving environmental documents.

- California strongly supports efforts to streamline federal regulations to facilitate more expeditious project delivery without diminishing environmental standards and safeguards.
- Given California's successful track record in the NEPA Assignment Program, California supports extending statutory term of years for NEPA Assignment agreements from five to ten years.

Public/Private Partnerships and Financing

Public-private partnership (P3) procurement methods are not a substitute for robust direct federal transportation investment nor a solution for federal infrastructure funding challenges. Rather, the financing element of P3 projects, in some instances, may leverage private sector resources in addition to mitigating design, construction, maintenance, and operations risks for the public sector. These arrangements often involve a project-related revenue stream, such as vehicle tolling and/or federal credit assistance programs.

- California supports innovative financing tools and urges Congress to fund and streamline the application process for the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation and Improvement Finance (RRIF) Programs, ensuring continuing eligibility for Transit Oriented Development (TOD) projects in both programs, and clarify that federal loans should be classified as local funds on federal grant applications.
- California supports expanding tolling options on the interstate highway system, and authorizing the America Fast Forward Transportation Bonds and Build America Bonds to provide a powerful new finance tool for transportation agencies to use when financing major capital projects, and restoring tax exemption for advance refunding bonds.
- California supports new and increased funding for FTA's Section 3005(b) Expedited Project Delivery Program.

California Federal Surface Transportation Reauthorization Principles
Final Draft – DEADLINE TO SIGN ON FRIDAY 9/13/2019

Tribal Transportation

California has 109 federally recognized Native American tribes and is home to 750,000 Native Americans, the highest population of any state. There are over 580,000 acres of Tribal trust lands found throughout California. Tribal governments provide transportation infrastructure, including road and bridge construction and maintenance.

In many states, the Native American population is disproportionately represented in fatalities and crash statistics. Native Americans' risk of motor-vehicle related death is about four times that of the general population. The risk is even higher for the population between 4 and 44 years old. Tribal communities must have the tools and funding to provide safe and efficient infrastructure.

- California supports an overall increase in federal transportation spending, including an increase in Tribal Transportation Program (TTP) and TTP planning funds.
- California also supports funding the Tribal High Priority Projects Program that has not been funded since the enactment of MAP-21. This program is crucial to tribal governments to complete their highest priority projects, which often include efforts to repair and reconstruct facilities following an emergency or natural disaster.
- California administers a tribal set-aside for projects using HSIP funding, and California supports an overall increase in HSIP funding that can be used to improve tribal transportation safety.
- The California Native American Advisory Committee has expressed concerns with the new centralized formatting of the Tribal Transportation Technical Assistance Program (TTAP), including reduced quality of training, a lack of one-on-one interaction with trainers, a lack of relevant training subject matter for California tribal transportation programs, and inconvenient course locations. California urges Congress to review recent changes to the TTAP to ensure that it meets the needs of tribal customers, including possibly authorizing a Government Accountability Review of TTAP. Additionally, the TTAP curriculum should include quality instruction on grant application writing and grant administration.
- California supports tribal transit pass programs or other mobility support for tribal members in areas with existing public transit services.

California Federal Surface Transportation Reauthorization Principles

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Transportation is vital to California's economy — the world's fifth largest economy — representing 12 percent of the U.S. population. Measured by value, more international goods enter the nation through California than any other state — moving through its 12 seaports, 12 major cargo-handling airports and 3 land ports of entry with Mexico. So, investment in California's transportation infrastructure powers the entire national economy, and Californians are stepping up and doing their part to support infrastructure investment.

- California has joined cities, counties, regions and states across the country to increase infrastructure funding. Senate Bill (SB) 1, the landmark Road Repair and Accountability Act of 2017, which was backed by a broad coalition of supporters, invests \$54 billion over the next decade — \$5.4 billion annually — to fix roads, freeways, bridges, and put more dollars toward transit, safety programs and active transportation infrastructure in communities across California.
- What is more, residents of California's "Self-Help Counties", representing more than 88 percent of the state's population, have voted to fund regional transportation improvements. Twenty-five California counties have passed measures that will provide over \$194 billion in funding over the next 30 to 40 years for multi-modal transportation improvements across the State.

With the passage of SB 1 and local sales tax measures, Californians have prioritized funding for transportation projects — including nationally significant projects and the preservation of federal-aid highways. California is eager to partner with the federal government, and we stand ready and willing to match increased federal infrastructure investment.

We join other state, local and tribal governments across America in our need for a strong federal partner to make needed "fix it first" investments to preserve our existing assets, deliver transportation infrastructure improvements that will create jobs, increase safety, improve mobility, address emerging issues including climate change resiliency and keep the economy growing in California and across the nation. We also believe that federal infrastructure

investment should recognize and reward states like California that come to the table with new funding to support successful partnership with the federal government.

We recommend the principles below guide the development of Surface Transportation Reauthorization legislation. We would also note that the U.S Senate Environment and Public Works Committee has already advanced the America's Transportation Infrastructure Act of 2019 reauthorization legislation, which moves in certain policy directions that are consistent with a number of principles we have outlined.

Restore Highway Trust Fund Solvency and Provide a Multi-Year Surface Transportation Reauthorization

To simply maintain the current federal Highway Trust Fund spending levels adjusted for inflation after the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-94) expires in federal fiscal year (FFY) 2020, Congress will need to identify an additional \$114 billion for a six-year surface transportation reauthorization bill. At the same time, it is crucial that federal transportation programs provide long-term funding stability for transportation projects that can take multiple years to plan and construct.



- Any new Surface Transportation Reauthorization legislation should include new sustainable, user-based revenues to ensure the long-term solvency of the Highway Trust Fund and provide for increased, multi-year direct federal investment. Federal revenue options can draw upon the experience of California and 30 other states that have successfully enacted transportation revenue packages since 2012.
- California supports a six-year Surface Transportation Reauthorization bill that will provide funding stability and certainty and allow for deliberate infrastructure planning and investment.
- In addition to robust General Fund support, Surface Transportation Reauthorization legislation should ensure that the Federal Transit Administration (FTA) programs continue to receive their historical funding share from the Highway Trust Fund.
- The California Department of Transportation (Caltrans) conducted the nation's largest vehicle miles traveled (VMT) road charge pilot to date, which included 5,000 participating vehicles travelling more than 37 million miles. Congress should continue providing funding to states willing to research or pilot innovative transportation user-based revenue mechanisms.
- Congress should repeal FAST Act section 1438 that requires the rescission of \$7.57 billion in unobligated contract authority for core FAST Act highway programs; the American Association of State Highway and Transportation Officials (AASHTO) estimates that California may have approximately \$693.2 million in unobligated contract authority subject to rescission in FFY 2020 because of FAST Act section 1438. Congress should also exclude any rescission in the next Surface Transportation Reauthorization.
- California supports maintaining the federal and local match for transportation projects, so that the required local match for projects does not increase unless state or local grantees opt to voluntarily increase their match. Additionally, Congress should maximize the use and flexibility of federal funds by eliminating requirements for non-federal matches, particularly in rural and tribal areas that have fewer resources.
- California supports increasing Highway Safety Improvement Program (HSIP) funding, consistent with our request to grow the core highway programs, and we recommend restoring flexibility to HSIP funds to be used for non-infrastructure safety programs such as behavioral efforts, public awareness, education, enforcement, research, improving system resilience, and pilot or experimental projects. To improve safety for bicyclists and pedestrians, Congress should consider targeting a portion of HSIP funding to address vulnerable user safety in areas where user fatalities are above the national average.
- California has maintained the Highway Bridge Program for locally-owned bridges that was eliminated by the Moving Ahead for Progress in the 21st Century Act (MAP-21, P.L. 112-141). Consistent with our request to grow core highway programs, California supports increased funding for the National Highway Performance Program (NHPP) and Surface Transportation Program Block Grant Program (STBG program), which support California's local Highway Bridge Program. California also supports maintaining the flexibility Congress provided in the FAST Act to use NHPP funding for bridges on non-National Highway System federal-

Build on Bipartisan FAST Act Structure and Address Emerging Issues — Climate Resiliency and New Mobility Technologies

California strongly supported the passage of the bipartisan FAST Act. Adopted in 2015, the FAST Act provided long-term certainty needed to advance multi-year highway, transit, passenger rail and multi-modal freight improvements. Any new Surface Transportation Reauthorization legislation should increase funding for the core highway, transit, passenger rail, and multi-modal freight programs authorized by the FAST Act. Congress should also explore ways to improve core FAST Act programs to provide states greater flexibility to achieve national goals, such as improving safety. Policy recommendations follow:

aid roads. The current California local Highway Bridge Program need greatly exceeds the \$300 million allocated annually to the program. Any new bridge program Congress creates must distribute funding on needs-based criteria.

While California supports the FAST Act program structure as the starting point for a Surface Transportation Reauthorization bill, Congress should also consider new funding programs, flexibility or policies to ensure our infrastructure is prepared for rapidly emerging issues, including: making our infrastructure more resilient to climate change and preparing it for new mobility technologies.

In recent years, California has experienced extreme weather exacerbated by climate change. Through emergency repair work in the aftermath of the 2017 winter storms and 2018 wildfires, California incurred hundreds of millions in Federal Highway Administration (FHWA) Emergency Relief-eligible costs. Sea level rise due to climate change, in combination with storm surges, has the potential to inundate hundreds of miles of the coastal highway by the end of the century. California's 2018 4th Climate Change Assessment shows that increasing temperatures are expected to increase road construction costs between 3 and 9 percent.

- Congress should increase planning funds to help state and local governments identify and address complexities around climate change.
- Congress should create a new needs-based multi-modal formula program that will make our transportation networks resilient in the face of a changing climate.
- AASHTO has noted that certain federal requirements slow the delivery of transportation projects using the FHWA's Emergency Relief funds, and it has called for the program to be streamlined. At the same time, federal regulations require Emergency Relief eligible projects to be ready for funding obligation within two years of the disaster event. California believes the Emergency Relief Program should be streamlined, and that state and local governments should be provided five to six years to obligate federal Emergency Relief funds,

as called for in H.R. 3193, Transportation Emergency Relief Funds Availability Act.

California is also a national leader in technology and intelligent transportation systems. We urge Congress to support emerging transformative technologies — including connected and autonomous vehicles; app-enabled crowd-sourced data gathering; and integrated, automated multi-modal ticketing that will ease accessibility to all modes of transportation — and take measures to prepare our infrastructure for these technologies.

- Congress should create a new flexible program to fund transportation capital and operational investments to take advantage of and prepare our transportation infrastructure for emerging technologies that are transforming the way people and goods are moved.

Freight/Goods Movement

California is the nation's international trade leader in terms of value and quantity of goods handled by its seaports, airports, railroads and roadways. In fact, more than 40 percent of the total containerized cargo entering the U.S. arrives through California and almost 30 percent of the nation's exports flow through ports in the Golden State. The State's agricultural sector, supported by California's rural freight infrastructure, is a critical source of goods for export and is the largest producer of food in the U.S. With the passage of SB 1 and local sales tax measures, California is coming to the table with significant new, non-federal funding to keep goods moving efficiently and boost national economic growth.

Nevertheless, in 2017 and 2018, the U.S. Department of Transportation (U.S. DOT) announced \$2 billion in discretionary Better Utilizing Investments to Leverage Development (BUILD) grants. In those two years, California received five BUILD grants totaling \$81.5 million, representing only 4 percent of the total funding from the 132 grants awarded nationwide. Likewise, during that period California was awarded two Infrastructure for Rebuilding America (INFRA) grants totaling \$97 million, representing only 6.3 percent of the \$1.53 billion awarded. Congress and

the U.S. DOT can do better to ensure federal freight/goods movement programs prioritize eligibility for regions with nationally significant freight flows — which clearly include several parts of California!

- California supports freight funding programs to address critical issues facing our nation's major freight corridors and mitigating the impacts on local transportation systems and public health. A Surface Transportation Reauthorization bill should increase funding for freight/goods movement programs and discretionary freight funding programs should prioritize eligibility for regions with nationally significant freight flows, major port complexes and rural/agricultural freight networks, including support for short line rail freight operators to maintain the region's economic competitiveness.
- California supports increasing funding for the National Highway Freight Program (NHFP), removing the 10 percent cap on non-highway investment and providing flexibility for states to use discretion in determining the amount of NHFP formula funding dedicated to multi-modal freight projects identified in the state's freight investment plan. Congress should also consider apportioning NHFP funding based on need. Additionally, Congress should remove the caps on the INFRA Program used for grants to freight rail, water (including ports), or other freight intermodal projects.
- Congress should reestablish the National Cooperative Freight Research Program (NCFRP) to provide research products to assist states in their delivery of freight transportation projects



with funding beyond the amount prescribed for the federally managed Research Technology & Education Programs, and State Planning & Research-funded programs.

Sustainability and Climate Action

California is a national leader in efforts to address climate change, with more than decade of policy leadership that includes the Sustainable Communities and Climate Protection Act (SB 375), which requires metropolitan planning organizations (MPOs) to create "sustainable communities strategies" to reduce Greenhouse Gas (GHG) in their long-range transportation plans. California state and local agencies are working to reduce the transportation sector's GHG emissions consistent with state goals, and to adapt the system so it is more resilient to climate risk.

Additionally, some California agencies are investigating pricing strategies, such as tolled express lanes, toll bridges, and cordon pricing, as a means of reducing VMT and providing revenue for transit and active transportation improvements, to subsidize transportation costs for low income households, or to attract private investment.

Moreover, California supports policies that will empower and reward transportation agencies for operating, investing in and managing the transportation system to more efficiently move people and goods with lower environmental, health and climate impacts, through higher vehicle occupancy, support of Zero-Emission Vehicles (ZEV) technology, increased use of rail, transit, cycling and walking, and other strategies.

We are very concerned that the National Highway Traffic Safety Administration (NHTSA) and the U.S. Environmental Protection Agency (EPA) recently proposed to amend Corporate Average Fuel Economy (CAFE) and GHG emissions standards for passenger cars and light trucks. The Safer Affordable Fuel Efficient (SAFE) Vehicles Proposed Rule for Model Years 2021-2026 (SAFE Vehicle Rule) would also revoke California's waiver of preemption to set more stringent vehicle emissions standards than the federal

government, and potentially harm the delivery of transportation projects that must demonstrate conformity with air quality plans.

- Federal policy should further reward states like California that have made significant multi-modal investments to improve air quality and advance sustainability strategies.
- Congress should authorize an incentive grant program that rewards states, local governments, tribal governments and MPOs that have adopted or are willing to adopt "Best Practices" to reduce VMT and GHG emissions (including congestion pricing) and integrate transportation planning and investment decisions with other land-use, economic development, pricing and other strategies, and also provide financial incentives for rural sustainability initiatives.
- Congestion Mitigation and Air Quality Improvement (CMAQ) program funds, STBG and other flexible highway and transit programs support California in implementing innovative carbon reduction strategies and, as noted earlier in our letter, we support growing those core programs.
- Congress should provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change. Congress should also provide funding, training, tools, and uniform standards for the collection and sharing of roadway and traffic data specifically for local, rural and tribal roadways, including assistance and funding for data collection required by federal performance management rules.
- Current federal restrictions on commercial activity (and the charging of fees) along interstate right-of-ways (23 U.S.C. § 111) inhibit public-private partnerships to deploy ZEV charging infrastructure. California continues to urge Congress to provide the flexibility needed to encourage private investment in ZEV infrastructure and facilitate its successful deployment along the federal-aid and interstate right-of-way. California also supports S. 674, the Clean Corridors Act of 2019, which would provide grant funding for the installation of electric

vehicle charging stations and hydrogen fueling infrastructure along designated corridors across the National Highway System.

- A new Surface Transportation Reauthorization bill should facilitate the expanded use of tolling by lifting restrictions on tolling existing interstate general purpose surface lane capacity. California also supports reversing the FTA policy of excluding bus service provided in HOT lanes from the 49 U.S.C. § 5337 "High Intensity Motorbus" funding program; this policy reduces funding for regions across California that convert high-occupancy vehicle lanes to High Occupancy Toll (HOT) Lanes.
- California supports funding for wildlife crossings and programs to prevent wildlife-vehicle collisions.
- California strongly opposes the NHTSA/EPA SAFE Vehicle Rule's revocation of California's waiver of preemption to set more stringent vehicle emissions standards than the federal government.



Fund Multi-modal Mobility Solutions

The transportation sector in California accounts for 50 percent of the state's total GHG when accounting for associated fuel production, making it the single largest source of emissions in the state. At the same time, cities across California suffer from tremendous gridlock – in fact, 5 of the 20 most congested cities in North America are in California. Additionally, California's population is aging: between now and 2026, the number of Californians 65 or older is expected to climb by 2.1 million; an ageing state requires transportation solutions for those who cannot drive. And, when 50 percent of California households cannot afford the cost of housing in their local markets, the transportation system must still provide access to jobs and opportunity for those who do not have cars.

Changing this reality requires a multi-modal approach to mobility and increased investment — from all levels of government — in proven solutions like public transportation, active transportation and passenger rail. In California, we are doing our part — SB 1, the state's landmark transportation funding package, directs significant funding annually to public transportation, active transportation, and passenger rail; and counties across the state are choosing to tax themselves to invest in an "all of the above" approach to mobility.

Public Transportation: California urges Congress to ensure that the next Surface Transportation Reauthorization bill recognizes California's significant commitment to public transportation programs, and we request that Congress craft policies to reward California's public transit agencies for this commitment.

Additionally, in December 2018 the California Air Resources Board adopted the Innovative Clean Transit regulation (ICT). The regulation establishes a zero-emission bus purchase mandate, beginning as soon as 2030 (2023 for large transit agencies), with the goal of converting all transit buses in California to zero-emission (battery-electric, fuel cell) technologies by 2040. The successful implementation of the ICT will eliminate climate-changing fossil

fuels from more than 10,000 buses in California. Components and supply chains developed for transit buses, as a result of the ICT, may one day support electrification in other heavy-duty sectors.

- California supports growing core federal transit programs and transit-eligible highway programs, which have proven effective in delivering essential funds to transit operators to address their pressing state of good repair and capital investment needs. Specifically, the Surface Transportation Reauthorization legislation should increase funding for the following formula programs: FTA's Section 5307 and Section 5311 Urbanized Area and Non-Urbanized Area formula; FTA's Section 5337 State of Good Repair; FTA's Section 5339 Bus and Bus Facilities; FHWA STBG and CMAQ Programs.
- California supports increased investment in the FTA's Capital Investment Grants (CIG) Program (greater than \$2.6 billion annually) to fully fund existing Full Funding Grant Agreements (FFGAs) and support new FFGAs. California also supports legislative language directing the U.S. DOT to expeditiously execute FFGA and administer CIG Program as intended by Congress.
- California urges Congress to increase funding of the federal transit program for Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities (49 U.S. § 5310) to address the growing transportation needs for these target populations.
- The Surface Transportation Reauthorization bill should help states and transit agencies transitioning to ZEVs by tailoring FTA's Low Emission/No Emission Program to incentivize and reward pursuing aggressive climate change solutions, while also increasing the funding authorized for the Program.
- California supports actions to grow on the successes found through the FTA's Mobility on Demand (MOD) Sandbox Pilot Program. Mobility on Demand and/or Micro Transit projects implemented by local transit agencies and/or transit agency partnerships with shared mobility providers are proving successful for enhancing mobility for the traveling public. These solutions

could not be possible without the advent of travel planning application technology. These tools are enabling on-demand ride-hailing-sharing services, and in many cases proving to increase transit's share of overall transportation trips taken regionally and inter-regionally.

- The FTA's Section 5311(f) Program allocates discretionary grants to California's rural transit agencies. These agencies use this funding to provide critical intercity bus services that connect rural and urban populations. However, funding for this program is not adequate. Caltrans routinely receives more applications than the program can fund. As California's population continues to grow, and the need for transportation between California's communities continues to increase, funding for intercity bus services will become critical to the inter-regional transportation systems that move people across the State and beyond. California therefore requests an increase to the 5311(f) Program without decreasing the regional apportionments currently allocated to rural transit agencies for services funded through the 5311(f) parent program — FTA's Section 5311.
- California supports initiatives to develop and retain the workforce necessary to successfully deliver transit services, including additional flexibility on the use of federal funds like FTA's sections 5307 and 5311 for training purposes, as well as a significant increase in the funding authorized for FTA's Section 5314 Program. This funding could be used for apprenticeship and other workforce development programs and to expand funding for regional and statewide training consortium programs that provide advanced transit specific training through local community colleges, transit associations and similar educational institutions.
- California supports flexibility in the State of Good Repair Program, including reduction of the waiting period for eligibility to access Section 5337 fixed guideway funds. Flexibility will allow public transit agencies that receive funding under both the High-Intensity Fixed Guideway and High-Intensity Motorbus Elements to apply their formula shares toward their highest-priority state of good repair needs.

Active Transportation: Investing in active transportation furthers the State's sustainability and climate preparedness objectives and improves the quality of life and public health of Californians. California has made a major commitment to walking and bicycling through investment in our Active Transportation Program, and we want to continue to increase that investment with new federal funding.

- California supports increasing funding for both the STBG Program, including proportionate growth for the Transportation Alternatives (STBG-TA) set-aside, and HSIP. Funding from STBG-TA and HSIP support California's Active Transportation Program. Congress should ensure that active transportation projects continue to be eligible for funding from the Highway Trust Fund.
- To address the low obligation rate of STBG-TA funding, Congress should take steps to ease the obligation of STBG-TA funds, including: allowing up to 5 percent of these funds to be used for staff or consultant technical assistance to strengthen potential grant applications and allowing HSIP funding to serve as a state or local match for STBG-TA projects that address a safety concern. Generally, California supports expanding opportunities for micro-businesses to participate in transportation projects.
- Congress should authorize a competitive grant program to fund planning, design and construction of regional active transportation networks and long-distance inter-regional cycling infrastructure. Congress should also authorize a study to determine best available estimate of the total amount of non-highway recreational fuel taxes received by the Department of the Treasury and transferred to the Highway Trust Fund to support the Recreational Trails Program.

Passenger Rail: California is making significant investments in intercity passenger and commuter rail, and therefore supports dedicated long-term federal investment in passenger rail programs. Modernizing the state's passenger rail system will: reduce emissions by enabling more Californians to switch from driving and flying to traveling by clean, fast and efficient rail service; open freight capacity to enhance the flow of goods from our fields and ports; connect regional

economies (e.g., the Central Valley and the Coast) and sustain an innovative state economy that will help drive America's economic competitiveness. Any new Surface Transportation Reauthorization legislation should provide significant funding for the High-Speed Intercity Passenger Rail program, establish dedicated funding for intercity passenger and commuter rail, increase funding for the FHWA's Railway-Highway Crossings Program (23 U.S.C. § 130), and reauthorize and fully fund FAST Act authorized Federal Railroad Administration intercity passenger rail grant programs, including the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program and State of Good Repair (SOGR) Program.

- Congress should establish a dedicated formula capital funding program for intercity passenger rail that is additive to existing transit formula programs. The program should cover capital projects to improve and expand passenger rail service and capital maintenance of equipment. Eligible project costs should be made available under multi-year federal support agreements, with partial funding of project elements (without independent utility) not impacting future applications for additional allocations.



- Railroad crossing incidents are the second leading cause of rail-related deaths in America. California supports strengthening Section 130 to accelerate the number of critically important safety projects that are constructed each year and providing 100 percent federal contribution for Section 130 projects. Many communities are doing what they can to improve safety at at-grade crossings, but the most effective method — grade separation — is often expensive. Additionally, recent requirements for 10 percent non-federal matching funds has created significant challenges as railway-highway grade crossing projects often involve railroad companies, small cities or counties with little or no resources. Increasing Section 130 federal participation to 100 percent would help ensure the selection of projects for this program would continue to be data driven and not influenced by the availability, or lack of, the 10 percent matching funds.
- California supports reauthorizing the CRISI Grant Program, and the SOGR, at no less than FFY 2018 funding levels. California also supports expanding the eligibility of the SOGR Program. The current program is limited to publicly owned assets. This restriction limits the ability for States to partner with private freight railroads to invest in critical assets that are required to serve passenger rail. The program should expand eligibility to allow for funding for non-public assets with the requirement that such funding results in some guaranteed level of public access (e.g., railroad slots) or shared public ownership. Such an approach will incentivize privately owned railroads to partner with public agencies and potentially expand the provision of passenger railroad service.
- California supports creating a legislative resolution to the issue of "States as Railroads" and System Safety Program responsibility. States who sponsor, but do not operate, intercity passenger rail services, are not railroads nor are they railroad carriers. Section 225 of the Railroad Advancement of Innovation and Leadership with Safety (RAILS) Act includes language that clarifies that States are not rail carriers if they do not operate a rail service.

- Congress should include a multi-billion dollar, dedicated and sustainable Positive Train Control Operations and Maintenance support program for intercity passenger and commuter rail operators.
- California stands with the American Road and Transportation Builders Association, the American Public Transportation Association, the Associated General Contractors of America, the International Brotherhood of Teamsters and the Transportation Trades Department AFL-CIO and others in requesting Congress prohibit the U.S. DOT from terminating its cooperative grant agreements with the California High-Speed Rail Authority.

Shorten Project Delivery Time and Provide Flexibility To Fully and Efficiently Utilize Federal Funds

California transportation agencies are proactively identifying efficiencies and policy improvements to responsibly manage the public's money and assets. For example, under Assembly Bill (AB) 1282, the California State Transportation Agency has convened a multi-agency Transportation Permitting Task Force to establish reasonable deadlines

for transportation project permit approvals and provide for greater certainty of permit approval requirements. Additionally, SB 1, the Road Repair and Accountability Act of 2017, requires Caltrans to achieve \$100 million in annual efficiencies that can be redirected towards maintaining and rehabilitating the State Highway System. And since 2007, Caltrans has performed federal responsibilities for environmental decisions and approvals under the National Environmental Policy Act (NEPA) for highway projects in California funded by the FHWA. Through "NEPA Assignment," Caltrans has been able to cut the regulatory burden on thousands of road projects, achieving time savings of months and years in reviewing and approving environmental documents.

- California strongly supports efforts to streamline federal regulations to facilitate more expeditious project delivery without diminishing environmental standards and safeguards.
- Given California's successful track record in the NEPA Assignment Program, California supports extending statutory term of years for NEPA Assignment agreements from five to ten years.



Public/Private Partnerships and Financing

Public-private partnership (P3) procurement methods are not a substitute for robust direct federal transportation investment nor a solution for federal infrastructure funding challenges. Rather, the financing element of P3 projects, in some instances, may leverage private sector resources in addition to mitigating design, construction, maintenance, and operations risks for the public sector. These arrangements often involve a project-related revenue stream, such as vehicle tolling and/or federal credit assistance programs.

- California supports innovative financing tools and urges Congress to fund and streamline the application process for the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation and Improvement Finance (RRIF) Programs, ensuring continuing eligibility for Transit Oriented Development (TOD) projects in both programs, and clarify that federal loans should be classified as local funds on federal grant applications.
- California supports expanding tolling options on the interstate highway system, and authorizing the America Fast Forward Transportation Bonds and Build America Bonds to provide a powerful new finance tool for transportation agencies to use when financing major capital projects, and restoring tax exemption for advance refunding bonds.
- California supports new and increased funding for FTA's Section 3005(b) Expedited Project Delivery Program.

Tribal Transportation

California has 109 federally recognized Native American tribes and is home to 750,000 Native Americans, the highest population of any state. There are over 580,000 acres of Tribal trust lands found throughout California. Tribal governments provide transportation infrastructure, including road and bridge construction and maintenance.

In many states, the Native American population is disproportionately represented in fatalities and crash statistics. Native Americans' risk of motor-vehicle related death is about four times that of the general population. The risk is even higher for the population between 4 and 44 years old. Tribal communities must have the tools and funding to provide safe and efficient infrastructure.

- California supports an overall increase in federal transportation spending, including an increase in Tribal Transportation Program (TTP) and TTP planning funds.
- California also supports funding the Tribal High Priority Projects Program that has not been funded since the enactment of MAP-21. This program is crucial to tribal governments to complete their highest priority projects, which often include efforts to repair and reconstruct facilities following an emergency or natural disaster.
- California administers a tribal set-aside for projects using HSIP funding, and California supports an overall increase in HSIP funding that can be used to improve tribal transportation safety.
- The California Native American Advisory Committee has expressed concerns with the new centralized formatting of the Tribal Transportation Technical Assistance Program (TTAP), including reduced quality of training, a lack of one-on-one interaction with trainers, a lack of relevant training subject matter for California tribal transportation programs, and inconvenient course locations. California urges Congress to review recent changes to the TTAP to ensure that it meets the needs of tribal customers, including possibly authorizing a Government Accountability Review of TTAP. Additionally, the TTAP curriculum should include quality instruction on grant application writing and grant administration.
- California supports tribal transit pass programs or other mobility support for tribal members in areas with existing public transit services.



Consensus Principles Signatories (As of September 23, 2019)

Confirmed:

Associated General Contractors of California
Association of Monterey Bay Area Governments
California Association for Coordinated Transportation
California Association of Councils of Governments
California Association of Port Authorities
California Department of Transportation
California State Association of Counties
California Transit Association
Humboldt County Association of Governments
LA Metro
Metropolitan Transportation Commission
National Indian Justice Center
Native American Advisory Committee
Placer County Transportation Planning Agency
Rails-to-Trails Conservancy
Rural Counties Task Force
Sacramento Area Council of Governments
San Diego Association of Governments
Santa Cruz County Regional Transportation Commission
Self-Help County Coalition
Solano Transportation Authority
Southern California Association of Governments
Transportation Agency for Monterey County
Transportation California
Urban Counties of California