



### March 29, 2016

Congress is currently on a two-week recess. The Senate will return to session on April 4 and the House on April 12. The remainder of this year's session is very limited because Congress will adjourn on July 15 for the two party conventions (which are being held unusually early) and not return until after Labor Day in September. Congress hopes to leave town for the final campaign push by October 1.

Between early April and July 15, the primary focus in Congress will be on passing the FY'17 federal agency appropriations bills. The goal is to pass individual agency funding bills by the October 1 start of the new fiscal year. However, efforts in the House by tea party members to undermine last year's budget deal and reduce federal funding for FY'17, including for transportation programs, could result in a government-wide Continuing Resolution (CR) until a Lame Duck session is convened after the November elections.

#### FAA Authorization

Just prior to adjourning for the spring recess, Congress passed another short-term extension of FAA programs and aviation taxes. The previous extension expires on March 31. This latest extension goes through July 15, the final day before Congress adjourns for its lengthy summer recess.

On March 16, the Senate Commerce Committee passed its version of a "long-term" FAA reauthorization bill – an eighteen-month bill – covering FY'16 and FY'17. The bill, S.2658, would strengthen consumer protections for airline passengers and expedite rules addressing drone safety and privacy initiatives. Unlike the House version of a multi-year FAA authorization bill, the Senate bill does not propose to privatize the Air Traffic Control (ATC) system. It does not include an increase in the Passenger Facility Charge (PFC) used to finance airport construction, but it does increase funding for the Airport Improvement Program (AIP), up from the current \$3.35B to \$3.75B in FY'17 (versus the House proposed FY'17 level of \$3.59B). Senate Commerce Committee Chairman, John Thune (R-SD), says he hopes to bring the bill to the Senate floor in April.

Here is a <u>link</u> to S. 2658.

The related House bill, HR 4441, a six-year bill which was approved by the T&I Committee on February 11, remains in limbo over concerns about a controversial provision that would remove the ATC system from FAA control and turn that responsibility over to a non-profit, user-fee-supported corporation. The House could ultimately agree to support the shorter Senate bill without the ATC fix, revise their bill to drop the ATC privatization, or opt to pass yet another short-term extension until after the elections and revisit the legislation in 2017.

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## **FAST Act Implementation**

US DOT continues to expedite implementation of the five-year surface transportation FAST Act. A number of critical regulations, requests for comments, and grant notices have been released in recent weeks. Numerous webinars, summits, and industry briefings have been held. The Department has been particularly aggressive about issuing Notices of Funding Opportunities (NOFOs) – see details below – for the various discretionary grant programs authorized in the bill, in large part out of a desire to be able to announce the FY'16 grant recipients prior to the November elections.

FHWA, FTA and FRA have established FAST Act websites which include fact sheets on the various provisions, FAQs and other materials. Here are links to the <u>US DOT</u> website, the <u>FHWA</u> website, the <u>FTA</u> website and the <u>FRA</u> website.

A number of the key announcements include:

National Highway Freight Program (NHFP) – guidance was issued on February 29 for this new state freight formula program. It outlines available funding, eligible projects, eligible project costs, federal share requirements, etc. Here are links to the <u>guidance</u>, the <u>FAQs</u>, and a <u>fact sheet</u>.

National Freight Strategic Plan (NFSP) – the draft NFSP was first released in October 2015 and US DOT plans to release a FAST Act-compliant final NFSP by July 2016. Comments on the draft must be submitted by April 25. Here are links to the <u>draft NFSP</u> and the <u>comment deadline</u> notice.

National Highway Freight Network – on March 25, FHWA published the National Highway Freight Network, including state maps and tables, as required by the FAST Act. Here is a <u>link</u> to the Freight Network webpage.

Transit State Safety Oversight, Public Transportation Agency Safety Plans, and National Public Transportation Safety Plan – FTA has issued a final rule on transit State Safety Oversight (SSO), a proposed rule on Agency Safety Plans and a notice of availability on National Safety Plans. All were first required by MAP-21 and then reauthorized in the FAST Act. Comments are due on both Plans by April 5. Here are links to the <u>SSO</u>, the <u>Agency Plans</u> notice, and the <u>National Plan</u> notice.

# FAST Act Notices of Funding Opportunity (NOFO)

Program – Nationally Significant Freight and Highway Projects (NSFHP) – now called FASTLANE

Details – New freight discretionary competitive grant program to fund critical freight and highway projects, including projects of regional and national significance. A total of \$4.5B is

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authorized through FY'20. Up to \$500M over the life of the bill is available for eligible multimodal projects.

Applications Due – April 14

FY'16 Funding - \$800M

NOFO - <a href="https://cms.dot.gov/sites/dot.gov/files/docs/FASTLANE%20NOFO%20Final.pdf">https://cms.dot.gov/sites/dot.gov/files/docs/FASTLANE%20NOFO%20Final.pdf</a> FAQs - <a href="https://www.transportation.gov/fastlanegrants/frequently-asked-questions">https://www.transportation.gov/fastlanegrants/frequently-asked-questions</a> Webpage - <a href="https://cms.dot.gov/FASTLANEgrants">https://cms.dot.gov/FASTLANEgrants</a>

Program - Surface Transportation System Funding Alternatives (STSFA) – Alternative Revenue Approaches

Details - The Act authorized a total of \$95M for this competitive grant program. This is a new program to test user based alternative revenue mechanisms, such as VMT and other road user charges, to help sustain the long term solvency of the Highway Trust Fund. The federal match is 50%.

Applications Due – May 20

FY'16 Funding - \$15M

NOFO - <a href="http://www.fhwa.dot.gov/fastact/nofo\_stsfa\_20160322.pdf">http://www.fhwa.dot.gov/fastact/nofo\_stsfa\_20160322.pdf</a>

Program - Advanced Transportation and Congestion Management Technologies Deployment Program (ATCMTD)

Details – New competitive grant program to fund cutting-edge transportation improvement technologies, such as ITS, advanced traveler information, vehicle to vehicle and vehicle to infrastructure technology, autonomous vehicles, electronic pricing and payment, etc.

Applications Due – June 3

FY'16 Funding - \$60M

NOFO - http://www.fhwa.dot.gov/fastact/nofo\_atcmtd\_20160325.pdf

Program – Bus and Bus Facility Discretionary Grant Program

Details – New competitive grant program to finance capital projects to replace, rehabilitate, purchase or lease buses and related equipment and to rehabilitate, purchase, construct or lease bus-related facilities. There is also a Low or No Emission Bus Competitive Grant Program.

Applications Due – May 13

FY'16 Funding - \$211M for the Bus and Bus Facility grants; \$55M for the LoNo grants NOFO – https://www.gpo.gov/fdsys/pkg/FR-2016-03-29/html/2016-07027.htm

Program – Transportation Infrastructure Finance and Innovation Act (TIFIA) Details – TIFIA was reauthorized in the FAST Act, but funding was cut substantially. Mandatory unobligated funding redistribution was eliminated, project eligibility was expanded, and the application process was streamlined.

Applications Due - rolling basis

FY'16 Funding - \$275M

NOFO - <a href="https://www.gpo.gov/fdsys/pkg/FR-2016-03-11/pdf/2016-05640.pdf">https://www.gpo.gov/fdsys/pkg/FR-2016-03-11/pdf/2016-05640.pdf</a> Comments Due on FAST Act Changes to TIFIA – April 11

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Other Programs – TIGER VIII
Details – TIGER was funded for an 8<sup>th</sup> round through the FY'16 omnibus appropriations bill.
Applications Due – April 29
FY'16 Funding - \$500M
NOFO -

https://www.transportation.gov/sites/dot.gov/files/docs/2016%20TIGER%20NOFO%20-%20Signed\_0.pdf

### Other News

On March 12, US DOT Secretary Foxx announced the seven finalists of the US DOT Smart City Challenge. They are Austin, TX; Columbus, OH; Denver, CO; Kansas City, MO; Pittsburgh, PA; Portland, OR; and San Francisco, CA.

The challenge provides up to \$40M in federal funds and another \$10M in private funding to one mid-sized U.S. city to help them address the challenges associated with the growing demands on transportation infrastructure. US DOT hopes to better understand how burgeoning transportation technologies, applications, and data can be incorporated into existing systems to address transportation needs, including congestion, safety, and the environment. US DOT received applications from 78 cities across the U.S. The seven finalists will receive \$100,000 each in funding to help develop their initial proposals. US DOT will announce a winner in June 2016.

Here are links to the <u>press release</u> announcing the finalists, a <u>list</u> of cities who applied, and a link to additional <u>information</u> about the Challenge.

Additional information and materials, including archived Washington Updates, are located on the WSP | Parsons Brinckerhoff *Federal Briefing* website at <a href="www.federalbriefing.com">www.federalbriefing.com</a>. This is a new URL and title for the website previously named *PB Transportation Update*. The old website URL will automatically redirect to the new website, but please bookmark this new address for future reference.