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Broward Metropolitan Planning Organization
Federal Update
May 2018

CONGRESS

FY 2019 Appropriations Process Begins: The House and Senate Appropriations Committees have begun consideration of the FY 2019 appropriations bills. Both the House and Senate on Transportation, Housing and Urban Development (THUD) Appropriations Subcommittees have held hearings with the Department of Transportation (DOT) Secretary Chao, and the modal administrators. The House THUD Appropriations Subcommittee will mark-up the FY 2019 THUD bill on May 17 and the full House Appropriations Committee will probably markup the bill the following week. The Senate THUD Appropriations Subcommittee may markup the Senate FY 2019 THUD bill during the first week of June.

Senate Appropriations Committee Chairman Richard Shelby (R-AL) recently said that the Senate leadership has agreed to expedite the spending bills and bypass procedural battles, and plan to avoid controversial policy riders that present obstacles to passage. Democrats agreed that they may be willing to refrain from voting on motions to proceed to the bills, in order to expedite the measures.

House Passes FAA Reauthorization: On April 27, the House passed H.R. 4, a bill reauthorizing the Federal Aviation Administration (FAA) for five years, in a 393-13 vote. The bill provides funding for the FAA through FY 2023, following a six month extension of the agency in the FY 2018 omnibus spending bill passed in March. The reauthorization bill received bipartisan support, and included a disaster relief provision making changes to FEMA and the Stafford Disaster Relief Act. The FEMA language seeks to improve infrastructure and preparation to handle natural disasters. However, some provisions received criticism from Democrats. House Minority Leader Nancy Pelosi (D-CA) urged Democrats to vote against two trucking amendments, including a bipartisan amendment from Reps. Jeff Denham (R-CA), Henry Cuellar (D-TX), and Jim Costa (D-CA) that sought to refine regulations on meals and rest periods for truckers. The amendment passed with 222 votes. Additional amendments included one in the managers' package that incorporated language requiring the FAA to conduct an engine safety review and present a report to the House Transportation and Infrastructure Committee. The managers' amendment addressed several key issues, from certification of commercial space support flights to treatment of disabled passengers. The amendment was introduced by House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA) on April 24. Highlights of changes included in the amendment are:

- Modifies the bill's funding authorizations to align with the Congressional Budget Office's (CBO) updated baseline;

- Creates a new grant program for airports classified as non-primary; primary airports that are categorized as small, medium, or non-hub; or that are participating in a general aviation privatization pilot;
  - Authorizes $1.02 billion for Airport Improvement Program (AIP) grants in FY 2019, increasing to $1.1 billion in FY 2023.
- Establishes a Chief Technology Officer position to oversee operation, maintenance, and security of current air traffic control systems as part of the FAA;
- Requires the FAA to prepare a comprehensive report on the effort by the federal government to modernize the air traffic control system;
- Requires FAA to report to Congress on costs and benefits of the NextGen technology upgrade program;
- Requires the FAA to initiate a review of engine safety;
- Directs DOT to develop a bill of rights document for disabled passengers; and
- Eliminates the cap on the general aviation airport privatization pilot project (currently limited to 10 airports).

The passage of the legislation with strong bipartisan support could help move the bill through the Senate with greater ease. However, House Transportation and Infrastructure Committee Ranking Member Peter DeFazio (D-OR) said he voted for the bill despite reservations about broad language, and hopes that trucking and other issues will be addressed in Senate negotiations. Senate Commerce Committee Chairman John Thune (R-SD) said that he is working to get floor time for the bill before the July 4 recess, but did not specify when.

House Appropriations Subcommittee Questions FHWA, FTA Budget Requests: The acting heads of the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) defended the President's FY 209 budget request before the House THUD Appropriations Subcommittee on April 26. Subcommittee members questioned FTA Acting Administrator Jane Williams about the Capital Investment Grant (CIG) program, with Chairman Mario Diaz-Balart (R-FL) urging the administration to grant executed construction agreements to projects that have gone through the FTA's rating and evaluation process and met requirements. Williams noted that there are currently 55 projects in varying stages of the process that are seeking construction agreements. The subcommittee also questioned acting FHWA Administrator Brandye Hendrickson about various FHWA programs, including Buy America, federal lands/tribal projects, and the Administration's proposal to increase the flexibility of states to toll existing interstate lanes. Rep. David Young (R-IA) also questioned Hendrickson on the status of the Highway Trust Fund (HTF); Hendrickson said the agency projects the HTF to remain solvent through the end of FY 2020, but added that – like Secretary Chao – she could not support any specific revenue increases.

THUD Appropriations Subcommittee Chair and Ranking Member Send Letter on TIGER to DOT: Senate THUD Appropriations Subcommittee Chairwoman Susan Collins (R-ME) and Ranking Member Jack Reed (D-RI) sent a letter to Transportation Secretary Elaine Chao to express their disapproval with aspects of the BUILD grant program, formerly known as TIGER. The senators wrote that the grant program is not suitable for testing new policies, and took issue with the focus on non-federal revenue and how far back the administration is willing to reward a state or region that's already moved to generate more funding. Congress has set guidelines for how grants are awarded, but BUILD is an unauthorized program – this means the Department of Transportation (DOT) has the ability to adjust aspects of the program as they see fit. House Transportation Appropriations Chairman Mario Diaz-Balart (R-FL) said he will have to examine what DOT changed in the criteria, but hinted that appropriators may adjust the program as well.

Senator Sends CIG Letter: Sen. Dianne Feinstein (D-CA) sent a letter to Secretary Elaine Chao on April 30, asking that she put an end to administrative delays that have held up DOT from handing out money for Capital Investment Grants (CIG) projects. The White House proposed cutting funding for the program in its budget, but Congress committed to expanding the program in its FY 2018 omnibus appropriations bill – the bill provided $2.645 billion for the program, a 10 percent increase over the FY 2017 enacted level.

GRANTS

DOT Rebrands TIGER Grants as BUILD Grants; Releases NOFO: The Department of Transportation (DOT) announced on April 20 that the previously existing TIGER grant program would be renamed the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants program. BUILD grants will be used for surface transportation infrastructure, awarded on a competitive basis for projects that have significant local or regional impact. Grants can be used to support roads, bridges, transit, rail, ports, or intermodal transportation. Projects are evaluated on merit criteria, including safety, economic competitiveness, quality of life, environmental protection, state of good repair, innovation, partnership, and additional non-Federal revenue for future transportation infrastructure investments. DOT released the Notice of Funding Opportunity (NOFO), with an application deadline date of July 19, 2018. For FY 2018, the maximum grant award is $25 million, and no more than $150 million can be awarded to a single state, under provisions outlined in the FY 2018 omnibus appropriations act.

DOT staff have said that the agency's priorities are rural, road, freight/intermodal, and innovation (AVs, ITS, etc.). In addition, the NOFO includes a section for applicants to explain new transportation revenue.

The FY 2018 appropriations bill was specific about not DOT not prioritizing cost share: "the Secretary shall not use the Federal share as a selection criteria in awarding projects." However, the NOFO does indicate that DOT is still focusing on this issue:

> "The Administration believes that attracting significant new, non-Federal revenue streams dedicated to transportation infrastructure investment is desirable to maximize investment in transportation infrastructure. The Department will assess the extent that applications provide evidence that the applicant will secure and commit new, non-Federal revenue to transportation infrastructure investment. New revenue means revenue that is not included in current and projected funding levels and results from specific actions taken to increase transportation infrastructure investment. For example, an applicant may generate new revenue through asset recycling, tolling, tax-increment financing, or sales or gas tax increases.

New revenue does not include the proceeds of a new bond issuance unless an applicant raises or commits to raising new revenue to repay the bonds. The Department will consider actions to create new revenue only if those actions occurred after January 1, 2015 or will occur in the future; it will not consider actions that occurred before January 1, 2015. For applications that propose to generate revenue over multiple years, the maximum time period that should be used is 10 years, beginning on January 1, 2018. Among otherwise similar applications, applicants that generate more new non-Federal revenue for future transportation infrastructure investment will be more competitive. The Department recognizes that applicants have varying abilities and resources to generate non-Federal revenue. If an applicant describes broader legal or fiscal constraints that affect its ability to generate non-Federal revenue, the Department will consider those constraints. As mandated by the FY 2018 Appropriations Act, the Department will not use the Federal share as a selection criterion in awarding projects."

Funds are only available for obligation through September 30, 2020. Obligation occurs when a selected applicant and DOT enter into a written grant agreement after the applicant has satisfied applicable administrative requirements, including transportation planning and environmental review requirements. All FY 2018 BUILD funds must be expended (the grant obligation must be liquidated or actually paid out to the grantee) by September 30, 2025.

DOT Announces ATCMTD Grants: The Federal Highway Administration (FHWA) announced the availability of funds for the Advanced Transportation and Congestion Management Technologies Deployment Initiative (ATCMTD) grants. Up to $60 million in federal funding is available to provide grants to eligible entities to develop model deployment sites for large scale installation and operation of advanced transportation technologies to improve safety, efficiency, system performance and infrastructure return on investment. To be selected for an ATCMTD award, an applicant must be an eligible applicant. Eligible applicants are state or local governments, transit agencies, metropolitan planning organizations (MPO) representing a population of over 200,000, or other political subdivisions of a state or local government (such as publicly owned toll or port authorities), or a multijurisdictional group or consortia of research institutions or academic institutions. Partnership with the private sector or public agencies, including multimodal and multijurisdictional entities, research institutions, organizations representing transportation and technology leaders, or other transportation stakeholders, is encouraged. Applications are due by June 18, 2018.

DOT Begins Soliciting Applications for FY 2018 Grant Funding: DOT has begun soliciting applications for many programs funded under the FY 2018 omnibus spending bill, signed into law in March. The following programs had been announced as of April 23 (amount in millions):

	Program	FY 2018 Amount	Funding Notice (NOFO) Issued	Application Deadline
FHWA	INFRA (formerly FASTLANE)	$825.3	July 3, 2017	November 2, 2017
MARAD	Aid to Small Shipyards	$19.6	April 9, 2018	May 22, 2018
FTA	No-Low Emission Buses and Bus Facilities	$84.5	April 23, 2018	June 18, 2018
FHWA	Advanced Transportation and Congestion Management Technologies Deployment Initiative	$55.0	April 18, 2018	June 18, 2018
FHWA	Surface Transportation System Funding Alternatives	$18.3	April 13, 2018	July 18, 2018
OST	BUILD (formerly TIGER)	$1,475.0	April 20, 2018	July 19, 2018
	Total, To Date	**$2,477.7**		

Source: Eno Transportation Weekly

INFRA grant funding deadlines have passed, as funding for the program falls under the contract authority provided in the FAST Act, but the exact amount available was not known until the FY 2018 omnibus bill was passed. The Federal Highway Administration (FHWA) combined FY 2017 money with the anticipated FY 2018 amount in one grant announcement, and recipients are anticipated to be identified in earl June.

DOE Announces Vehicle Technologies Grant: The Department of Energy (DOE) announced the availability of grant funds for its FY 2018 Advanced Vehicle Technologies Research program. The Office of Energy Efficiency and Renewable Energy is issuing, on behalf of the Vehicle Technologies Office, this Funding Opportunity Announcement (FOA), which seeks research project to address priorities in the following areas: batteries and electrification; materials; technology integration and energy efficient mobility systems; energy efficient commercial off-road vehicle technologies; and co-optimized advanced engine and fuel technologies to improve fuel economy. All applications are due by July 13, 2018.