Federal Policy Update: The first 100 days

May 2, 2017
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Agenda

• Budget
• Infrastructure Package
• Tax Reform
• Moscow International Cycling Conference
• There are 2 budgets in play this week
  ➢ Fiscal Year 2017 (October 1, 2016- September 30, 2017)
    ➢ Several Continuing Resolutions (CR) since October
    ➢ Congress has been working on since January
    ➢ This will be a CR – Omnibus that will be done this year
  ➢ Fiscal Year 2018 (October 1, 2017- September 30, 2018)
    ➢ This is the budget that President Trump’s ‘skinny budget’ applies to
The Annual Federal Budget Process

President submits budget request to Congress

Federal agencies submit budgets for review

Dept. of Defense
Dept. of Agriculture
Dept. of Education
& others

House review & budget resolution

Conference committee budget resolution

12 House Appropriations subcommittee markups & votes

House Appropriations Committee markup

Senate review & budget resolution

12 Senate Appropriations subcommittee markups & votes

Senate Appropriations Committee markup

Conference Committee

House floor vote

Senate floor vote

President vetoes or signs into law

FY 2018 Budget

2017 Cromnibus

nationalpriorities.org
Timeline

January- new Congress starts working on appropriations bills

March 13th- President Trump releases ‘skinny-budget’ for FY 2018

March 30th- President Trump asks for additional cuts in FY 2017
The “Skinny Budget” overall

- Defense
- Homeland Security
- Veterans Affairs

(everything else)

- EPA 31%
- State 29%

- Transportation 13%
- Commerce Justice 4%

Everyone else got a cut (EPA and State ~30% cuts to 4% for Justice and Commerce)

Transportation got a 13% cut
Transportation in skinny budget

Sec Chao – “75% of Budget under Trust Funds”
Suggests Cutting
- TIGER
- FTA’s Capital Investment Program (New Starts)
  - Fund only those with existing grant agreements
- Cut Amtrak Long distance lines

Also
- Cuts Essential Air Services
- Privatize Air Traffic Control
Argument: Inefficient

Essential Air Services

Map of Essential Air Services
https://www.researchgate.net/figure/273608756_fig2_Figure-2-EAS-airport-load-factors-2011-Note-EAS-14-Essential-Air-Service

Amtrak cuts results

States in black would lose all Amtrak service
Map by National Association of Rail Passengers.
Argument: Not Federal Issue
2107 Budget bill (this week)

- White House released list of preferred cuts in 2017 Budget
  - Included zeroing out TIGER and cutting Transit Funds, CDBG grants
- Congress response
  - Too much work already done
  - Transportation HUD bill already agreed to
Current Budget Bill - Good

- TIGER funded at $500 Million
- Transit New starts funded
- Amtrak slight increase in Funding
Current Budget - Rescissions

- Transportation rescissions of $857 Million by June 30th
- $857 divided by states based on total authorization and % unobligated
- Some programs exempt – safety, railway crossings
- Within state, Rescissions by program
  - Calculated based on % of each program unobligated as of May 31st
  - Should be proportionate
- STBGP sub-allocated funds are exempt
  - BUT TA sub-allocated funds are not
  - Also TA is not its own program
Lessons

- Transpo HUD Appropriations committee
  - Open to multi-modal
- Congress/ Appropriations committee - have ownership over the process
- How effective will White House pressure be for FY 2018?
Infrastructure Package

- Secretary Chao –
  - Administration’s plan by the end of May
  - As part of tax reform (to find funding)

- Secretary Mnuchin- Not it tax reform

- House Republicans- after Health care and tax reform...

- Others in Congress- next year (before mid-terms)
White House
3 prong Approach

- Remove/ Reduce regulations
  - Sec Chao “Money is not the problem”
  - Congressional support
- Public Private Partnerships
  - DJ Gribbins- former ARBTA P3 Division
  - House T&I report- can’t rely on these
  - Small part of solution
- Direct Investment - $200-300 Billion
  - House and Senate Transpo committees agree
  - No agreement on how to fund
Gas Tax Increase or index?

Trump

Congress

- DeFazio has a bill, Blumenauer will reintroduce bill
- Sen. Enzi (R-WY), Rep Renacci (R-OH)

Changes to gas tax in tax reform

- Unlikely but not impossible

Commuter Benefit
Commuter Benefit

2013 loss in Taxes (Pew Data)
- Parking benefit ~ $3 Billion a year
- Transit benefit ~ $1.5 Billion a year
- 7 % of US Workers use it
  - (Bureau of Labor Statistics)

- Association for Commuter Transportation
- a sign on for employers to save commuter benefits in general
  - Read the Letter goo.gl/6T480
  - pavulchuk@actweb.org or caron@clwconsulting.net
  - Actweb.org
Bike Benefit

Needs changes to be user friendly

- Ability to combine with other benefits
- Eliminate “substantial portion” of trip requirement
- Eliminate “constructive receipt’ limitation so employee can contribute salary to it
- Add bike share
- Change language so the benefit isn’t tied to a specific bike

Potential Opportunity

- Rep. Blumenauer is working on a bill to make ride share eligible for parking.
Summary

Budget

- Rescissions coming in June
  - The more unobligated funds there are on May 31, the more to lose
- FY2018 Budget still in progress

Infrastructure package

- Funding is the biggest sticking point, of many..
- Administration focusing on regulatory change
Summary

Tax Reform

➢ Opportunity and challenges
  ➢ Possible new funding for infrastructure and transportation
  ➢ Possibility to fix bike benefit

➢ Challenges
  ➢ Changes to gas tax
  ➢ Changes to Commuter benefit
Thank you!

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