



Federal Policy Update: The first 100 days

May 2, 2017
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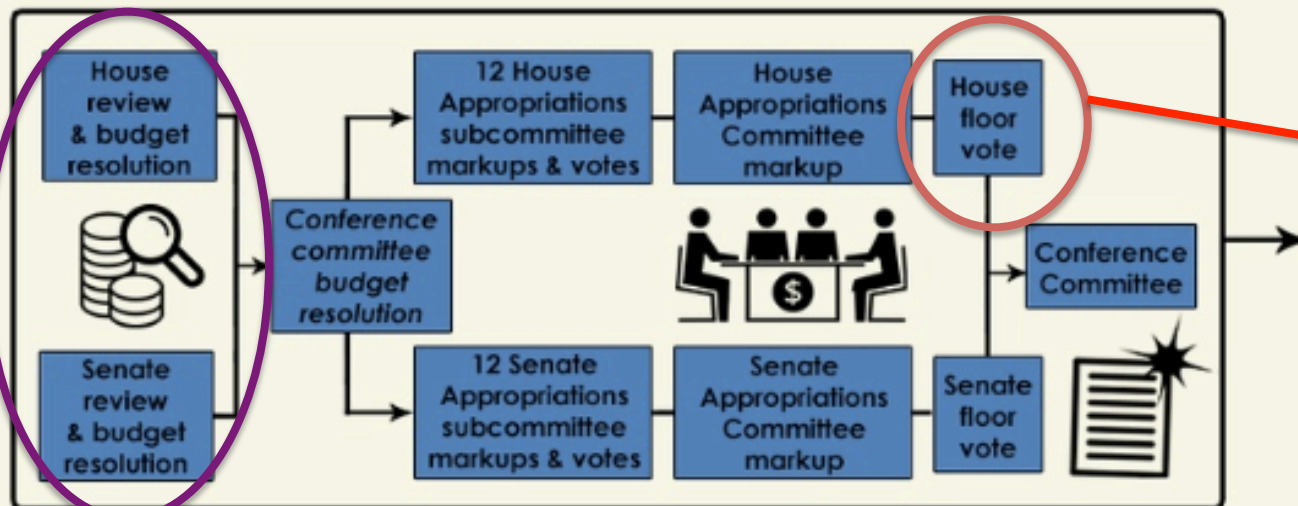
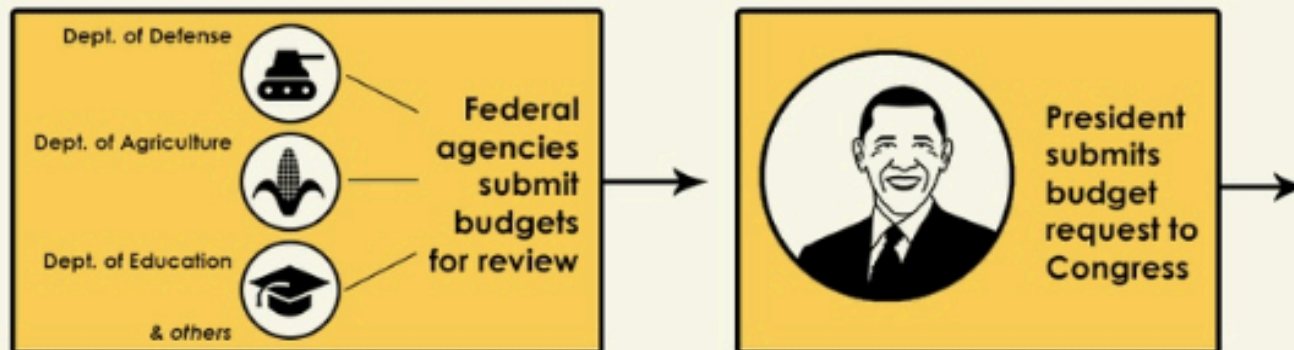
Agenda

- Budget
- Infrastructure Package
- Tax Reform
- Moscow International Cycling Conference

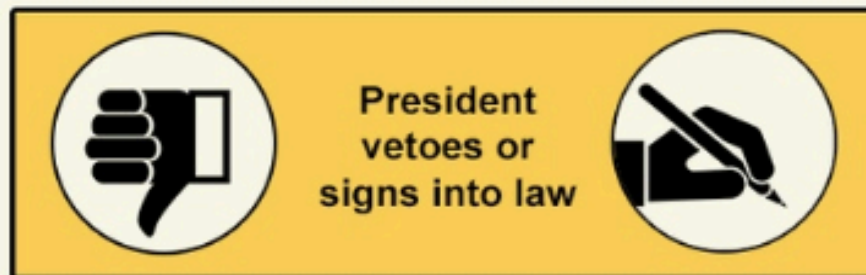
BUDGET

- 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



2017
Cromnibus



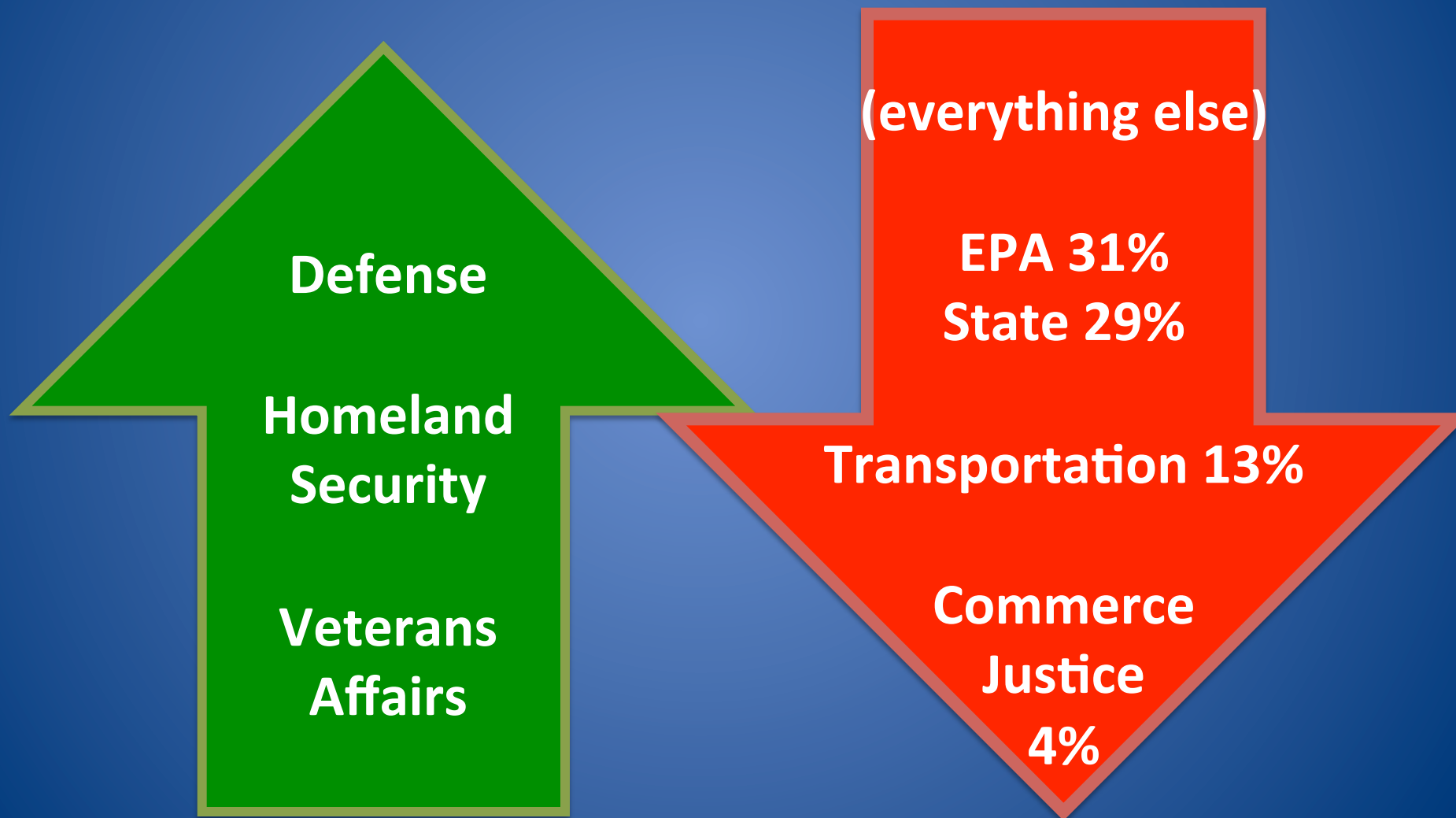
Timeline

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



Transportation in skinny budget

Sec Chao – “75% of Budget under Trust Funds”

Suggests Cutting

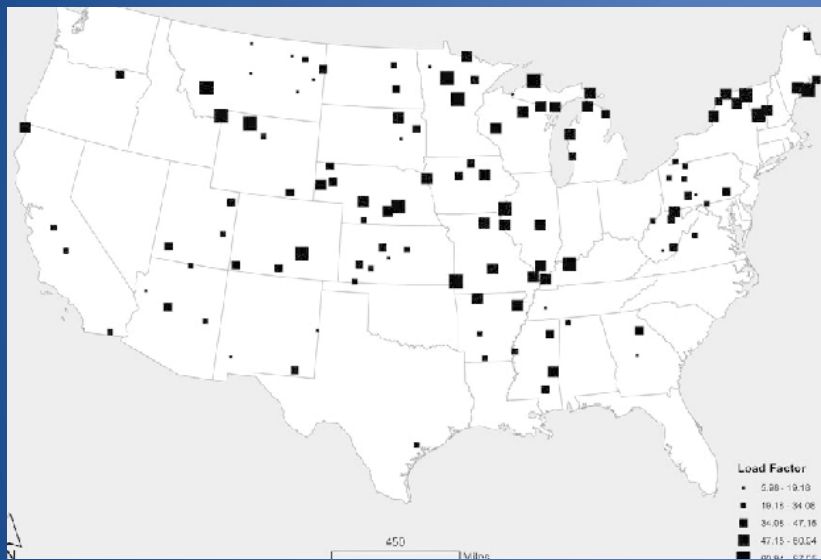
- TIGER
- FTA's Capital Investment Program (New Starts)
 - Fund only those with existing grant agreements
- Cut Amtrak Long distance lines

Also

- Cuts Essential Air Services
- Privatize Air Traffic Control

Argument: Inefficient

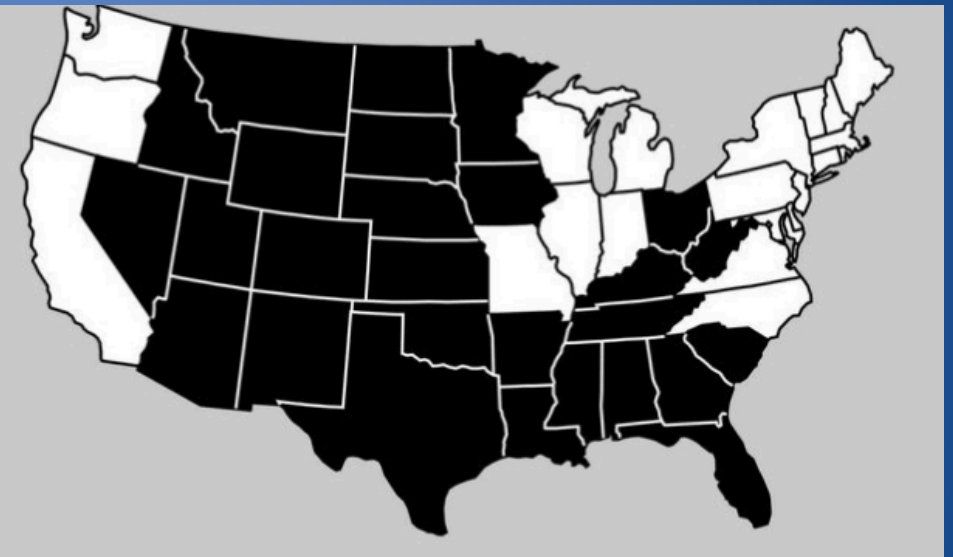
Essential Air Services



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?

Why Congress's
Bipartisan Budget Deal
Should Make Trump
Worried

New York Times · 15 hours ago

Both parties claim
measure of victory in
rare bipartisan budget
deal

NBCNews.com · 23 hours ago

Budget deal may map
U.S. Congress road
ahead, via Trump
bypass

Reuters · 17 hours ago

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



Tax Reform- Issues to Watch

- Gas Tax Increase or index?
 - Trump
 - Congress
 - DeFazio has a bill, Blumenauer will reintro 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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