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To: Celia McAdam
From: Sante Esposito
Subject: September 2010 Monthly Report

Note: the Congress is now in recess until November 15.

The following addresses various issues with respect to PCTPA.

FY11 Appropriations

Earlier today Congress passed a stopgap funding bill that will keep the government operating through December 3 with only modest adjustments for foreign policy appropriations. That action was necessitated by the fact that the House has only passed two of the twelve FY11 appropriations bills and the Senate has passed none. What happens on the FY11 appropriations when Congress returns after the election is still unclear. To review, earlier this year PCTPA submitted its FY11 appropriations request to the Offices of Senators Feinstein and Boxer for \$3.084M for the I-80/SR-65 Interchange Improvement Project. Congressman McClintock, as he did last year, was not accepting requests as he will not be pursuing earmarks in the appropriations process. Along those lines, on March 11, 2010, the House Republican Conference voted to adopt a one year unilateral moratorium on all appropriation earmarks. The Senate Republicans did not choose to follow suit. In the Senate, Senators Feinstein and Boxer did not include anything in their Transportation Appropriations requests for the I-80/SR-65 Project.

SAFETEA-LU Reauthorization

This month the Administration sent to Congress a \$50 Billion infrastructure package which included funding for highways and transit. No further details have been forthcoming from the White House on the package (i.e., funding source; specific allocations for highway, transit, aviation, and rail; policy structure; etc.). Although no action has been taken to date on this, there is speculation that \$25 Billion of the package could be included when SAFETEA-LU is extended in December as a "down payment" on the first year of the SAFETEA-LU reauthorization. Last week, the US DOT announced that it would be submitting its SAFETEA-LU reauthorization

proposal to the Congress in February. The current SAFETEA-LU program is extended until December 31, 2010. The Administration recommends extending the current authorization through March 2011, during which time it will work with the Congress to reform surface transportation programs and put the system on a viable financing path. The Administration seeks to integrate economic analysis and performance measurement in transportation planning to ensure that taxpayer dollars are better targeted and spent. Regardless of the current extension situation or the Administration's position, the House is committed to passing a bill as soon as possible. They are currently considering creative financing approaches for doing so. The House already has a Subcommittee reported bill without funding totals. In addition, Senator Boxer announced her intent to introduce the Senate's SAFETEA-LU Reauthorization Bill by October 1 with markup to follow in the lame duck session. At this time, the plan is for the bill to not include any funding as the revenue title still remains a challenge. CBO recently projected that the Highway Trust Fund (funded by gas taxes) would remain solvent through 2013 at a total revenue estimate of \$240B. The problem is that both the House and Senate want to do a reauthorization bill at \$400-\$500B. The challenge lies in where/how to come up with the additional revenues in ways that are politically and programmatically acceptable.

To review, on April 29, PCTPA submitted to Congressman McClintock a request for \$4 million to help fund the construction of Phase 2A of the Lincoln Bypass on SR65 as it's a high priority project in the reauthorization of SAFETEA-LU. The Congressman submitted PCTPA's request to the House Committee on Transportation and Infrastructure. It was one of only four projects he submitted. In addition, PCTPA decided to cosponsor SACOG's high priority SAFETEA-LU project request of \$4 million from Congresswoman Matsui for the Roseville-Sacramento rail track improvements. The Congresswoman submitted \$3 million for the SACOG project to the Committee on Transportation and Infrastructure. Federal Advocates is coordinating advocacy of this issue with SACOG's DC representative. The Bypass Project at \$18.203M was also submitted to the Senate Environment and Public Works Committee and Senator Feinstein, per Senator Boxer's July 2009 "call for projects."

Grants

Federal Advocates will continue its grant solicitation service which includes reporting on a weekly basis of possible areas of grant interest; monitoring Federal agency grant announcements; assisting in the application for Federal grant funding; pursuing delegation support letters for grant application; pursuing meeting opportunities before the grant-awarding entity; and, assisting in the implementation process by ensuring appropriate contacts within the Federal agencies.

Please feel free to share this report with the Board.