

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Morning Transportation
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Subject: POLITICO's Morning Transportation, presented by American Public Transportation Association: Trump's budget requests land with a THUD — Winter is coming — (Self-)driving the day

By Stephanie Beasley and Lauren Gardner | 07/28/2017 10:00 AM EDT

With help from Brianna Gurciullo and Tanya Snyder

TRUMP'S BUDGET REQUESTS LAND WITH A THUD: The Senate Appropriations Committee on Thursday approved its fiscal 2018 spending bill for all things transportation. In doing so, Congress dismissed President Donald Trump's requests to get rid of federal funding for Essential Air Service and Amtrak's long-distance routes, and phase out the Capital Investment Grant program. The House's spending bill, which was approved by committee last week, also shoots down those proposals, but it would cut off federal funding for TIGER grants as Trump requested.

No love for Gateway: Unlike the House's legislation, the Senate version doesn't throw a chunk of grant money at projects like the ones that make up the Gateway program. Instead, the Senate Appropriations Committee just says in its report that it "encourages Amtrak to use funding provided to continue the Northeast Corridor Gateway Project."

You would now be free to move up your PFCs: As airports expected, the Senate bill would bump up the Passenger Facility Charge cap from \$4.50 to \$8.50 at the point of origin. The House's bill contains no such increase, and airlines are sure to loudly oppose the provision.

Got trucks? The Senate committee also adopted amendments offered by Sens. John Hoeven (R-N.D.) and Jeanne Shaheen (D-N.H.) related to exemptions for their states from federal limits on truck weight. "My amendment would not put heavier trucks on New Hampshire's roads," Shaheen said during the markup. "It would simply fix an error that has come to light that the Federal Highway Administration has raised concerns about." Read Hoeven's amendment here and Shaheen's here.

SMH: Senate appropriators said in their bill report that the panel "strongly disagrees with the administration's assertion that providing federal dollars for infrastructure has created, 'an unhealthy dynamic in which state and local governments delay projects in the hope of receiving federal funds.'" The committee quoted from a fact sheet that the White House released about Trump's infrastructure vision. Appropriators also think it's "troubling" that the president's budget "assumes that after fiscal year 2020, Highway Trust Fund outlays will be at levels that are supported with existing tax receipts," which would lead to a \$95 billion drop in outlays from fiscal 2021 to 2027. "The administration's approach is dangerously close to support for devolution of federal funding provided by the Highway Trust Fund, an idea the committee strongly opposes," they said.

WINTER IS COMING: Does that mean an infrastructure bill is, too? It's still early (congressional leaders are only just starting to pivot toward priority No. 2 of the Trump

administration's policy agenda, which is of course a tax code overhaul), but a small group of senators were invited to the White House on Thursday to discuss just that. "The ball is starting to roll," Sen. [Jim Inhofe](#) gleefully [told](#) our Lauren Gardner. GOP Sens. [Deb Fischer](#) of Nebraska and [Roger Wicker](#) of Mississippi were also on hand at the meeting with DJ Gribbin, one of Trump's infrastructure advisers, and Reed Cordish, assistant to the president for intergovernmental and technology initiatives.

Not quite there yet: Inhofe characterized the confab as a general discussion to assess lawmakers' priorities and compare how they line up with the administration's. While he wouldn't get into the thorny issue of how to cover the \$1 trillion price tag the administration is shooting for, Inhofe did say he would be talking with EPW Committee Democrats during the health care "vote-a-rama" Thursday to get their input on a package. "They are just as anxious to get into an infrastructure bill as I am," said Inhofe, who was sporting a snazzy orthopedic sandal Thursday just like your MT co-author. (The Oklahoma Republican, fortunately, didn't break anything. Leave that to me, folks.)

AND THEN THERE'S THE HOUSE FAA BILL: House Transportation Chairman [Bill Shuster](#) [acknowledged](#) Thursday what we had long expected: his FAA reauthorization bill, [H.R. 2997 \(115\)](#), won't get any floor time until September, if ever. Meanwhile, the Senate's FAA bill is just as much in limbo with its controversial changes to the 1,500-hour co-pilot training rule. An extension is all but assured now, folks.

IT'S FRIDAY: Thanks for tuning in to POLITICO's Morning Transportation, your daily tipsheet on all things trains, planes, automobiles and ports. Lauren and Steph are sailing the MT boat into the weekend, so please send along tips, feedback and lyrics to lgardner@politico.com or [@Gardner_LM](#) and sbeasley@politico.com or [@Steph_Beasley](#). (And send birthday wishes to our Tanya Snyder at tsnyder@politico.com or [@TSnyderDC](#) while you're at it.)

"So grab your friends/Get the train comin' through/Climb on board/Where you leave's up to you"
(h/t APTA's Mantill Williams)

GET LISTENING: Follow MT's [playlist](#) on Spotify. What better way to start your day than with tunes (picked by us and readers) that are all about flying, driving, commuting and sailing?

(SELF-)DRIVING THE DAY: The House Energy and Commerce Committee on Thursday unanimously approved Congress' first bill, [H.R. 3388 \(115\)](#), to deal with driverless cars. In the week since a subcommittee marked up a draft bill that was still full of placeholder text, Democrats and Republicans worked out significant compromises in an act of bipartisanship that, these days, could almost bring you to tears. One of those compromises accepted the Republican cap of 100,000 exemptions per year per manufacturer from old-school safety standards - but layered on some Democrat conditions, like ramping up to 100,000 over the course of several years, with DOT rulemakings in between and public reporting of crash data. (Carmakers don't love that part, by the way.)

States of play: Another big wrinkle the committee ironed out involved the latitude states and cities have to come up with their own rules for self-driving cars. Industry wants one consistent

standard nationwide, but governors and mayors want to be able to weigh in, and they worry that NHTSA is too lax (and too understaffed) to be an effective enforcer. The agreement maintains traditional divisions between state and federal responsibilities but eliminated some ambiguities in order to carve out a little more space for state action. The bill also requires manufacturers to sign off on a vehicle safety assessment that NHTSA designed but left optional in its guidance.

Hurry up and wait: Members and staff worked at breakneck speed over the past couple of weeks to get to a deal - and it's now going to sit on the shelf till September since the House heads out today for a monthlong recess (barring Senate action on the health care bill, but that's a whole 'nother Pro vertical). Meanwhile, Sen. [Gary Peters](#) (D-Mich.) hinted strongly this week that the upper chamber's driverless car bill would be released imminently, but we haven't seen it yet. Tanya's got [more](#) for Pros.

DELANEY 2020? Longtime infrastructure bank advocate Rep. [John Delaney](#) (D-Md.) is contemplating a 2020 presidential run. Former MT scribe Heather Caygle and Kevin Robillard [write](#) that Delaney is "seriously considering" a plan where he would skip challenging GOP Gov. Larry Hogan and instead aim straight for the White House. Democrats in the state say they expect he will announce his plans today in a Washington Post op-ed. Delaney has established a reputation among infrastructure groups because of his various proposals to establish public-private partnerships for highway projects, but he is largely unknown outside of those circles. So this could be a very long shot.

**** A message from American Public Transportation Association:** Public transportation is a vital part of an integrated transportation network that drives our economy forward, creating 50,000 jobs for every \$1 billion invested. Without public transit, America simply can't move forward. And in order to improve our public transportation systems, states and localities need continued federal investment. Learn more at APTA.com/InvestNow. **

NOT SO FAST: House Democrats said DOT's plan to prioritize consideration of projects that would require minimal federal funding when it hands out \$1.5 billion in INFRA (formerly FASTLANE) grants "does not align with the impetus of the program" created by President Barack Obama, POLITICO's Mary Lee [reports](#). Thirteen Democrats, including Transportation Committee ranking member [Peter DeFazio](#) (D-Ore.), signed off on a letter sent to Transportation Secretary Elaine Chao urging her against altering the program before the agency distributes fiscal 2017 grants for highway and freight projects.

ALMOST THERE: FMCSA is working faster to bring high-risk carriers into compliance by tackling the cases that need immediate intervention first, but the agency isn't effectively keeping track of compliance review results or making sure that the quality-assurance tools used by its inspectors are actually effective, according to an [audit report](#) from DOT's Office of Inspector General. The report was requested by Sen. [Dick Durbin](#) (D-Ill.) following a fatal commercial truck crash on an Illinois highway in 2014. FMCSA previously flagged the carrier as high-risk but had not conducted an investigation.

METRO BOARD SHAKE-UP: DOT's two new appointees to the WMATA board of directors made their debut Thursday at the group's last meeting for the summer. Neither David Horner nor

Steve McMillin would opine on whether they believe the federal government should help cover Metro's expenses, a major question that Congress has yet to tackle outside of the \$150 million that's been authorized annually for the system's capital expenses through fiscal 2019. But the appointees - both of whom served in the George W. Bush administration - said they're eager to apply the Trump administration's infrastructure principles to their roles, though McMillin noted they don't have specific "marching orders" they're expected to fulfill. "Their policies, our policies, concerning infrastructure are bold, they've innovative," Horner said. "They recognize that the status quo doesn't cut it any longer, and we need to shake things up in order to deliver better service to the riding public."

MT MAILBAG: The Owner-Operator Independent Drivers Association wrote a letter to FMCSA encouraging the agency to work with lawmakers to delay implementation of a congressional mandate for truckers to use electronic logging devices despite the American Trucking Associations urging FMCSA to do the opposite. "Despite being the self-proclaimed 'most authoritative voice in the trucking industry,' ATA by no means represents the hundreds of thousands of crucial owner-operators and independent drivers working within our industry," Todd Spencer, OOIDA's executive vice president, wrote to Deputy FMCSA Administrator Daphne Jefferson. Separately, the group signed on to a letter to Rep. Brian Babin (R-Texas) in support of legislation that would extend the deadline for the ELD mandate.

ARRIVALS AND DEPARTURES: Lauren Huston will be leaving her position as press secretary and digital director at the Senate Commerce Committee to pursue a J.D. at Catholic University. Huston will be replaced by Brianna Manzelli, a former member of the RNC press team.

THE AUTOBAHN:

- "Cuomo on Trump's infrastructure plan: 'Where is it?'" POLITICO.
- "The boycott that wasn't: How United weathered a media firestorm." The New York Times.
- "Robert Moses and the decline of the NYC subway system." Curbed NY.
- "GE to cut 575 jobs at century-old locomotive plant." Bloomberg.
- "Demand overseas keeps Mustang on top despite lower U.S. sales." The Associated Press.
- "TSA gains popular following on Instagram." CBS News.
- "Candidate for DHS job withdraws because of transgender ban." POLITICO.

THE COUNTDOWN: DOT appropriations run out in 64 days. The FAA reauthorization expires in 64 days. Highway and transit policy is up for renewal in 1,160 days.

**** A message from American Public Transportation Association:** Our nation's public transit systems do more than carry Americans to work-they're a critical part of an integrated

transportation network that drives our economy forward. That's why states and localities have partnered with the federal government for more than 35 years to repair and expand services. But President Trump's budget would eliminate funding for vital public transportation projects-and put 800,000 jobs at risk, including more than 500,000 construction-related jobs. Communities can't improve public transportation alone. To protect our future, we need continued federal investment in public transportation. Congress: Fully fund the FAST Act, and include public transportation in any infrastructure bill. Visit APTA.com/InvestNow to learn more. **

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<http://www.politico.com/tipsheets/morning-transportation/2017/07/28/trumps-budget-requests-land-with-a-thud-221584>

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