

Minnesota Transportation Alliance D.C. Virtual Fly-In Funding/Appropriations and the Future...

Dennis McGrann, *Principal FSG*

September 22, 2020

Agenda

- Pelosi, Mnuchin Plan 'Clean' CR...
- Swing States Cash-in with DOT's Latest Grants
- Appropriations Status Table: FY2021
- Grants/Projects/Earmarks
- Senate Races
- Seats Flip
- 117th Congress – Transportation Committees

Pelosi, Mnuchin plan ‘clean’ CR...

But length, other details unclear

“Neither party sees political advantage in risking a partial government shutdown just ahead of the elections”

- **clean stopgap** spending measure significantly reduces the chances of a government shutdown at month's end but leaves most other funding questions unanswered.
- **clean stopgap** may be shorthand for avoiding “poison pills” or other controversial provisions that could hamper such a measure's enactment. Nevertheless, the door is open to potentially dozens of tweaks to spending provisions and temporary extensions of expiring programs, which often ride on a stopgap.
- The White House requested three dozen adjustments or “anomalies” to current fiscal 2020 spending laws that would be extended into the next fiscal year in a stopgap, and another 51 extensions of, or legislative tweaks to, federal programs set to expire before the end of the year. The House and Senate Appropriations committees have compiled their own lists of adjustments after conversations with agency officials.
- The White House and GOP lawmakers prefer a continuing resolution into December, giving the current Congress and president leverage to negotiate the final fiscal 2021 spending bills before a new Congress convenes in January.
- Some Democrats speculate Pelosi may prefer a stopgap that extends into next year, when Democrats hope they will take control of the Senate and the White House in addition to holding the House.

Swing States Cash-in with DOT's Latest Grants

- Some states that may be competitive in November's election — including Florida, Pennsylvania and Texas — raked in millions in infrastructure grants awarded by the Department of Transportation, while blue states like New York got comparatively little.
- Arizona, Minnesota and North Carolina — all important swing states — led the pack too, with more than 10 percent of the \$1 billion haul among them.
- **US 14:** New Ulm to Nicollet Mobility and Safety Improvement Project - \$22,000,000 Rural
- **US Highway 10:** Rum River Bridge Replacement, Intersection Improvements - \$15,000,000 Urban

Appropriations Status Table: FY2021

- 1** **H.R. 7617**, Six-bill House FY2021 Consolidated Appropriations measure including by division appropriations for Defense, CJS, Energy & Water, Financial Services, Labor-HHS-Education, and Transportation-HUD.
- 2** **H.R. 7608**, Four-bill House FY2021 Consolidated Appropriations measure including by division appropriations for State-Foreign Operations, Agriculture, Interior, and Military Construction-Veterans Affairs.
- 3** No FC action: Homeland Security; Legislative Branch

The House bill would provide \$107.2 billion for the U.S. Department of Transportation, an increase of \$21.1 billion from the fiscal 2020-enacted level and \$19.4 billion more than the president's request. The legislation also proposes \$62.9 billion for the Federal Highway Administration. It would provide the Federal Transit Administration \$18.9 billion; and the Federal Aviation Administration would receive \$18.1 billion.

Appropriations Status Table: FY2021 Con'td

It includes major increases in contract authority for formula programs that draw resources from the Highway Trust Fund rather than direct appropriations: an increase of \$14.7 billion for highways and \$5.8 billion for transit compared to last year's levels. This is consistent with the INVEST in America Act, which passed the House as part of H.R. 2 on July 1st. All modes receive robust funding including highways, transit, rail, aviation, bike & pedestrian projects, and ports.

- BUILD program receives \$1 billion, equal to last year;
- CRISI program for passenger and freight rail improvements is funded at \$500 million, a very deliberate increase of more than 50% compared to last year.
- The bill provides funding for FTA's Capital Investment Grants to ensure all projects in the pipeline can move forward and provides nearly half a billion dollars for discretionary grants for buses, bus facilities, and the "Low-No" emission program to allow transit agencies to recapitalize their aging fleets.
- Provides the Federal Motor Carrier Safety Administration (FMCSA) \$881 million for its operations. The proposed allocation would be a \$202 million increase from the fiscal 2020-enacted level, and \$179 million more than the president's request.

Grants/Projects/Earmarks

January 2020

“House Democrats eye new earmarks plan — spooking endangered freshmen”

- There has been “more interest than heartburn at this point” when it comes to the idea, a Democratic aide said.

July 2020

“Investing in a new vision for the environment and surface transportation in America”

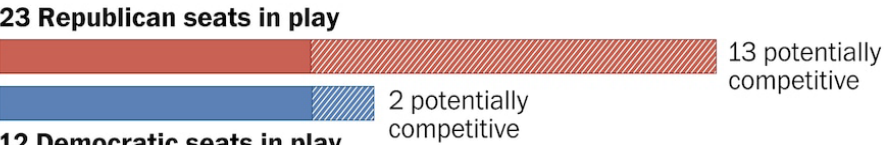
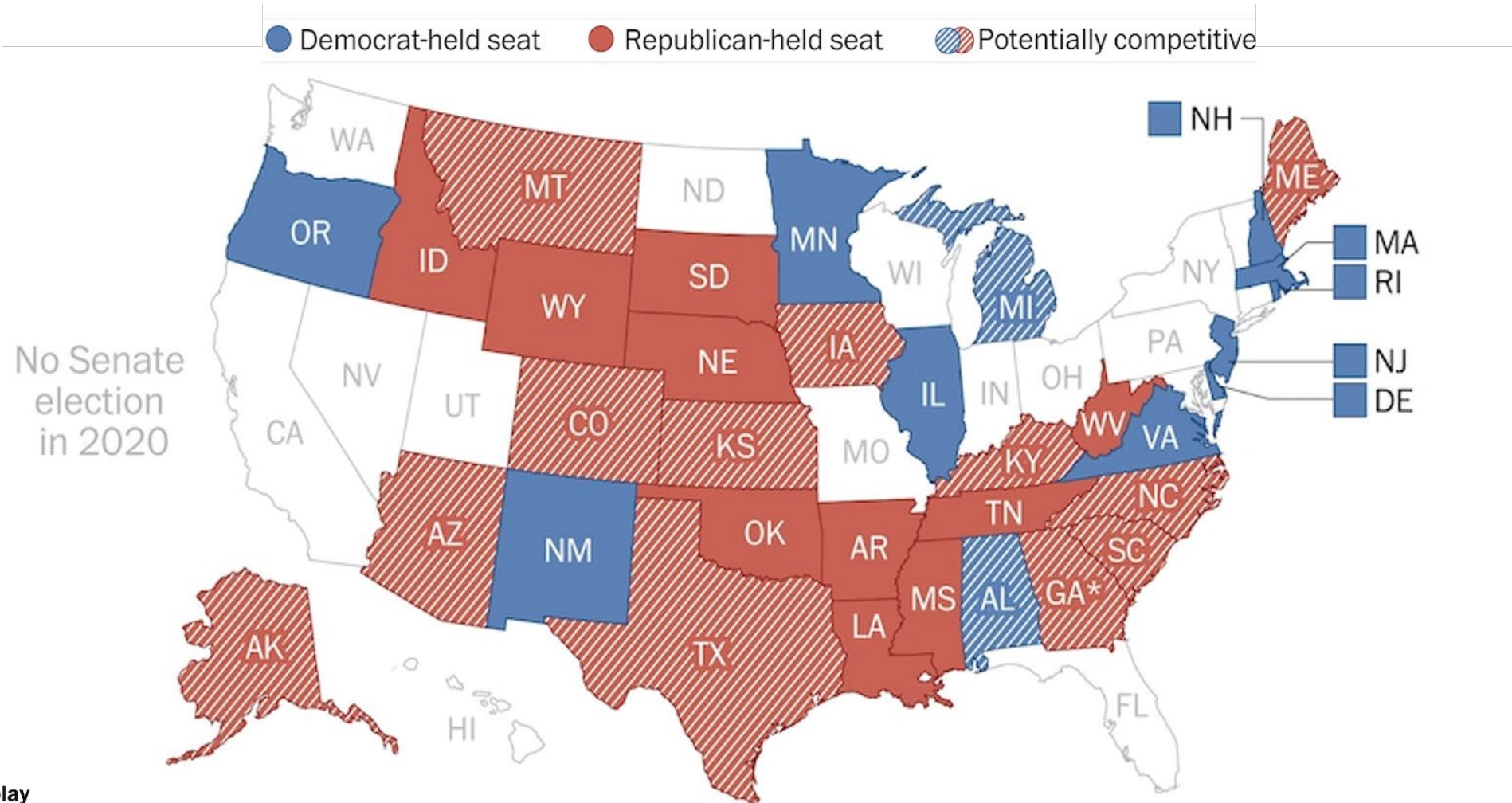
Over \$1 Billion in New Local Transportation Grants

Moving Forward included four new local-specific grant programs.

- Community Transportation Investment Grants – \$600 million per year for local governments to use for highway and transit projects.
- Community Climate Innovation Grants – \$250 million per year to non-State applicants for highway, transit, and rail projects that reduce greenhouse gas emissions.
- Gridlock Reduction Grants – \$250 million for reducing urban congestion in large metro areas.
- Rebuild Rural Grants – \$250 million to address safety, state of good repair, and access to jobs and services.

Which Senate seats are in play in 2020?

Democrats need to pick up four seats to gain a majority in the Senate.



*Both Senate seats in Ga. will be on the ballot, and both are competitive.

Seats Flip

The Senate seats most likely to flip in November

Republicans currently hold a three-seat edge in the Senate, 53 to 47. At first glance, the 2020 electoral map looks favorable to Democrats. Republicans must defend 23 seats to the Democrats' 12.

But the terrain is *challenging*: **20 of the GOP incumbents hail from states Trump carried in 2016.**



Likely to Flip

Alabama

Democrat-held: Sen. Doug Jones (D)

Colorado

Republican-held: Sen. Cory Gardner (R)

Arizona

Republican-held: Sen. Martha McSally (R)



Toss-ups

North Carolina

Republican-held: Sen. Thom Tillis (R)

Maine

Republican-held: Sen. Susan Collins (R)

Iowa

Republican-held: Sen. Joni Ernst's (R)

Georgia

Republican-held: Sen. David Perdue (R)

Montana

Republican-held: Sen. Steve Daines (R)



Could Flip Under the Right Conditions

Georgia

Special election - Republican-held: Sen. Kelly Loeffler (R)

Michigan

Democrat-held: Sen. Gary Peters (D)

South Carolina

Republican-held: Sen. Lindsey O. Graham (R)

Texas

Republican-held: Sen. John Cornyn (R)

Kansas

Republican-held: Rep. Roger Marshall (R)

Kentucky

Republican-held: Senate Majority Leader Mitch McConnell (R)

Alaska

Republican-held: Sen. Dan Sullivan (R)

117th Congress – Transportation Committees

U.S. House Transportation Committee

Chair: Peter DeFazio (D-OR)

Ranking: Sam Graves (R-MO)

Congresswoman Angie Craig (D-Mn 2nd CD)

- **Subcommittees:** Highways and Transit; Water Resources & Environment; Aviation; Railroads; Pipelines & Hazardous Materials

Congressman Pete Stauber (R-Mn 8th CD)

- **Subcommittees:** Highways and Transit; Railroads, Pipelines & Hazardous Materials; Aviation

Senate Environment & Public Works Committee

Chair: John Barrasso (R-WY)

Ranking: Thomas Carper (D-DE)

The committee has jurisdiction over transportation and infrastructure issues including; the Federal Highway Administration, construction and maintenance of highways, public works, bridges, and dams, the Army Corps of Engineers (Civil Works) and the Water Resources Development Act (WRDA).

Senate Commerce, Science & Transportation Committee

Chair: Roger Wicker (R-MS)

Ranking: Maria Cantwell (D-WA)

The committee has jurisdiction over interstate transportation policy issues. In addition to the committee's broad oversight of the Department of Transportation, the subcommittee has oversight over the Federal Motor Carrier Safety Administration (FMCSA), the Federal Railroad Administration (FRA), the Pipelines and Hazardous Materials Safety Administration (PHMSA), National Transportation Safety Board (NTSB), National Highway Traffic Safety Administration (NHTSA), and the Surface Transportation Board (STB). The subcommittee focuses on safety and infrastructure development related to both freight and passenger rail, including Amtrak.

Senator Amy Klobuchar: Member Subcommittee on Transportation and Safety

Senate Banking Housing & Urban Affairs

Chair: Michael Crapo (R-ID)

Ranking: Sherrod Brown (D-OH)

Subcommittee on Housing, Transportation, and Community Development: Urban mass transit, urban affairs and development; Federal Transit Administration; the Subcommittee on Housing, Transportation, and Community Development is the primary oversight committee for the (HUD). The subcommittee oversees urban mass transit systems and general urban affairs and development issues.

Senator Tina Smith: Member of the Subcommittee

Thank you

Dennis McGrann

Folger Square Group

a 600 Pennsylvania Ave SE Washington D.C., 20003

c 202-669-4591

e dmcgrann@folgersquaregroup.com

FSG FOLGER
SQUARE
GROUP

