

STAFF REPORT

SUBJECT: Federal Legislative Agenda

MEETING DATE: January 21, 2010

AGENDA ITEM: 11

STAFF CONTACT: Gregg Hart, Jim Kemp

RECOMMENDATION:

- A. Approve federal legislative agenda including project earmark requests and designating 101 HOV project as the highest regional transportation priority for federal funding.
- B. Request that local agencies support the 101 HOV project as Santa Barbara County's highest regional transportation priority for federal funding.
- C. Direct staff to initiate a process for establishing regional priorities (policies and projects) for the reauthorization of SAFETEA LU

SUMMARY:

SBCAG is periodically afforded an opportunity to request discretionary federal funding through the annual budget appropriations and funding authorization processes. This report identifies the projects that would be submitted to our congressional representatives for both the FY 2010/11 appropriations bill and the federal reauthorization of the current Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) legislation which expired on September 30, 2009. In addition, staff has been working with SBCAG's federal lobbyist, Thomas Walters and Associates, to develop a legislative strategy that will increase the opportunities to successfully obtain discretionary federal funding for high priority transportation projects in Santa Barbara County.

Unfortunately, none of the projects that SBCAG submitted last year for the FY 2009-10 appropriations bill were funded. Our project funding requests for the SAFETEA-LU reauthorization are on hold, and have not yet been acted on, since the multi-year transportation reauthorization bill has not yet been passed by congress. It may be possible to amend our previous reauthorization requests which are still pending to increase funding for the 101 HOV Widening Project. In previous discussion the SBCAG Board has directed staff to make widening of the 101 its highest federal funding priority.

Approval of this staff recommendation would authorize staff to work with members of Congress in the House and Senate to secure the earmarks in the FY10/11 appropriations and federal transportation program reauthorization bills.

The success of our legislative agenda will also depend upon the willingness of local agencies to present a unified regional voice to our representatives in Washington. To maximize our chances for success in Washington, staff and TTAC recommend the SBCAG Board request local agencies to also support the 101 HOV Widening Project as Santa Barbara County's highest regional transportation priority for federal funding. Finally, the multi-year reauthorization bill is not just an earmarking opportunity it also sets national transportation policy and creates authorized programs that SBCAG could receive formula funding from. TTAC recommended that staff begin to develop a platform that could be presented to our congressional delegation for such things as formula program eligibility criteria or funding emphasis areas we should ask our delegation to support, (highways, alternative modes or green transportation technology).

DISCUSSION:

The 2010/2011 federal budget appropriations and transportation funding reauthorization cycles are underway. Earmark funding requests must be submitted by February 5th, 2010 to Senator Feinstein, by February 10th to Congressman Gallegly and February 12th to Congresswoman Capps and Senator Boxer to meet the 10/11 budget appropriations preparation timeline.

Since the current transportation funding authorization bill, SAFETEA-LU, expired on September 30, 2009, and has not yet been renewed, it is anticipated that federal legislators will consider the reauthorization bill in the upcoming months as well. The new federal transportation program is being dubbed MAP-21, Moving Ahead for Progress in the 21st Century, and would authorize the federal surface transportation programs for highways, highway safety, and transit for the next five years. The surface transportation reauthorization bill allows an additional opportunity beyond the annual appropriations process to submit funding requests for projects in Santa Barbara County. Last year, our federal representatives solicited local earmark projects for inclusion in MAP-21. The funding requests approved last year by the board and submitted to our congressional representatives are listed in the table below.

Since MAP 21 legislation was never moved in Congress, many of the earmark requests that had originally been proposed for inclusion in the legislation may have been funded through the American Recovery and Reinvestment Act (stimulus), or through other sources. As more time goes by without the legislation passing, the original list of earmarks that were to be included in MAP-21 grows stale. Congressional leaders may decide to reopen the legislation for new or amended earmark requests.

Since SBCAG submitted its original list of six projects for inclusion in MAP-21 work has been underway in developing the Measure A Strategic Plan. The Measure A Strategic Plan development process has highlighted the need to aggressively pursue new federal and state funding opportunities to ensure the projects promised to voters in the Measure A Investment Plan can be delivered as soon as possible and to potentially free up matching funds being used by SBCAG to deliver Measure A projects for other purposes. If an opportunity becomes available to amend the list of projects under consideration by our federal representatives for inclusion as earmarks in MAP-21, staff recommends the original \$10 million earmark request for the Highway 101 HOV Widening project be increased to \$30 million. The other six projects that SBCAG had submitted last year, the Highway 101 Santa Maria River Bridge (\$1.4 million), Highway 166 safety improvements (\$3 million), Highway 101 Union Valley Parkway Interchange (\$10.4 million, Clean Air Express Bus Purchase (\$4 million) and the Santa Barbara County rail siding project (\$10 million) would also continue to be pursued for their originally requested funding amounts.

In addition to the MAP-21, multi-year transportation reauthorization bill, the annual appropriations process is another opportunity to request federal earmarks for local transportation projects at a lower funding level. SBCAG staff has identified three projects that upon board approval would be submitted by staff for incorporation into the 2009/10 appropriations bill. All three of the projects were submitted last year, but did not receive funding. SBCAG staff recommends the Highway 101 HOV Widening Project again be listed as the region's highest transportation priority and \$3 million in funding for this project be requested for funding in the 2009/10 transportation appropriations legislation. In addition to the 101 widening project two other projects are recommended for inclusion in this year's appropriation bill, the Union Valley Parkway Interchange project in north county (\$1 million) and a rail siding project in south county (\$1 million).

The criteria staff used to develop the candidate projects for federal funding include: Project priorities established by SBCAG board (101 HOV), project need and benefits, continuity with prior earmark requests, projects requiring matching funds in Measure A investment plan, regional, statewide or national significance of project, geographic balance, congressional member interest in project, size of project and amount of earmark funds likely to be available, potential for funding from different federal earmark sources (eg., FHWA, FTA, FRA, etc)

The table below summarizes the projects that SBCAG submitted for funding in the 2009 SAFETEA-LU reauthorization, the increased funding to \$30 million for the 101 HOV Widening Project that would be included if an opportunity becomes available to amend our original project list and the three projects that are recommended for funding in the 2010/11 federal appropriations request.

Project	Congressional Representative(s)	2009 SAFETEA-LU Reauthorization Request	2010 SAFETEA-LU REVISED Reauthorization Request	2010/11 Appropriations Request
Highways				
Highway 101 HOV Widening Project	Congressmembers Capps & Gallegly Senator Boxer Senator Feinstein	\$ 10.0 M (Carp Creek Br.)	\$30.0 M (Carp Creek Br. & Adjacent Improvements)	\$3.0 M
Highway 101/Santa Maria River Bridge Widening Project	Congressmember Capps	\$ 1.4 M	<i>No change</i>	-
Highway 101/UVP Interchange	Congressmember Gallegly	\$ 10.4 M	<i>No change</i>	\$1.0 M
Highway 166 Safety Improvements	Congressmembers Capps & Gallegly	\$ 3.0 M	<i>No change</i>	-
Bus Transit				
Clean Air Express Vehicle Purchase	Congressmember Capps	\$ 4.0 M	<i>No change</i>	-
Rail				
Santa Barbara County Rail Siding Project	Congressmember Capps Senator Boxer Senator Feinstein	\$ 10.0 M	<i>No change</i>	\$1.0 M

SBCAG staff has worked very closely with our federal lobbyist to develop this list of projects. Thomas Walters and Associates have also developed a legislative strategy that will increase our chances for success. The legislative strategy memorandum is included as an attachment to this staff report.

The single most important aspect of the proposed legislative strategy is the need for all the local agencies in Santa Barbara County to have a united position regarding the 101 HOV Widening project as the region's highest transportation priority. Members of Congress and Senators receive numerous worthy project requests from their constituents. As they weigh these many requests for support, one of the major factors they will take into account is the extent and degree of support for the project from other entities in the region and the State.

Regional support for all of SBCAG's project requests would be beneficial. In particular, pursuit of significant funding for the 101 widening project will require significant regional support.

Regional support for the 101 project could come in the form of letters or adopted resolutions from the cities and county. For maximum impact, however, other local jurisdictions should also submit the project as part of their 2010 federal legislative agendas and indicate specifically that it is their highest regional transportation priority. They should also discuss the project as part of their federal legislative agenda when they meet with members of our Congressional delegation. Identifying the 101 HOV Widening Project as the highest regional priority does not preclude local agencies from seeking earmark funding for local priorities.

The legislative strategy prepared by our lobbyist also indicates the importance of SBCAG members meeting with our congressional representatives, committee staff and Department of Transportation staff to communicate our priorities. They recommend that these meetings be scheduled in Washington, D.C. in early February to provide timely input on both the appropriations process and the transportation reauthorization process. Chair Carbajal has proposed that a delegation of the SBCAG Chair, Vice-Chair, immediate past Chair and the executive director attend these meetings which will be arranged with the assistance of our lobbyist.

COMMITTEE REVIEW:

At the January 7th TTAC meeting the committee made the following unanimous recommendations:

- That the SBCAG Board request that local agencies support the 101 HOV project as Santa Barbara County's highest regional transportation priority for federal funding.
- That SBCAG staff be directed to initiate a process for establishing regional priorities (policies and projects) for the reauthorization of SAFETEA- LU.

Mr. Don Gilchrest of Thomas Walters & Associates participated in the TTAC meeting by phone and presented an outline of the proposed legislative strategy. There was a great

deal of discussion regarding the best strategy for SBCAG to employ in its efforts to secure federal discretionary transportation funding. Some members of TTAC advocated that SBCAG only submit the 101 HOV Widening Project for federal funding through the transportation reauthorization process and not the annual appropriations process and instead have local agencies submit local projects for appropriations earmarks. This strategy however, would send a mixed message to our representatives in Washington that would undercut the position of the 101 HOV Widening Project as the region's highest priority. Instead, it was agreed the SBCAG Board should request that local agencies also support the 101 HOV Widening Project as the highest regional priority for federal funding recognizing, that if we are successful, it could free up other discretionary funds to accelerate delivery of other Measure A projects or enable other new projects to receive funding.

TTAC also unanimously recommended that SBCAG begin a process for establishing regional priorities for the reauthorization of SAFETEA-LU. Given the short deadlines established by our Federal legislators for appropriation earmark requests it was not possible to discuss the specific list of projects with TTAC because staff and our federal lobbyist had not yet prepared the list of projects in advance of the January 7th TTAC meeting. However, if MAP-21 is not acted upon by congress this legislative session and the reauthorization bill is not passed until 2011 there will be time to work collaboratively with TTAC on developing a platform of policies and projects for inclusion in the reauthorization bill.

RECOMMENDATION:

Authorize staff to submit earmark funding requests for the 2010/11 federal appropriations bill for the Highway 101 HOV Widening Project, the Union Valley Parkway Interchange, and a rail siding project in Santa Barbara County. If the opportunity is available to amend the previously submitted application for MAP-21 earmarks, authorize staff to increase the funding requested for the 101 HOV Widening Project from \$10 million to \$30 million. It is recommended that the board request each of the cities and the county include the 101 HOV widening project in their federal legislative agendas and designate this project as the highest regional transportation priority. Finally, direct staff to initiate a process for establishing regional priorities (policies and projects) for the reauthorization of SAFETEA-LU.

ATTACHMENTS:

Thomas Walters & Associates Memorandum to Santa Barbara County Association of Governments re: Proposed 2010 Legislative Strategy

REPORT

Thomas Walters & Associates, Inc.



January 12, 2010

Santa Barbara County Association of Governments Proposed 2010 Legislative Strategy

To: Jim Kemp

**From: Tom Walters
Don Gilchrest**

At your request, we have drafted this proposed strategy for pursuing Federal resources for SBCAG's funding and operational priorities in 2010.

This strategy is intended to position SBCAG to take advantage of a variety of opportunities at the Federal level, including earmarking of Federal funds for SBCAG projects. In addition, significant funding opportunities will likely be available through Jobs Creation Legislation and DOT Discretionary Grant Programs.

Major Funding Opportunities

Appropriations

Most Federal funding for highways and transit in the annual appropriations bill for the Department of Transportation is allocated via formulas. A portion of the appropriations bill, however, is typically earmarked each year for projects requested by Senators and Members of Congress for their States or Congressional Districts. Project earmarking can vary greatly from year to year in the type, number and size of projects that are earmarked. Members of Congress and Senators have established deadlines of early to mid-February for FY 2011 requests so that they can review them before submitting them to the Appropriations Committees.

Surface Transportation Reauthorization

The reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Act – A Legacy for Users provides another opportunity for Senators and Members of Congress to earmark funds for specific projects. This multi-year Surface Transportation legislation will set the policies and define the programs for the Federal Highways Administration and several other DOT agencies. While the bulk

of the spending authorized by SAFETEA-LU is allocated through the States via formula programs, a number of programs are discretionary in nature and are earmarked by Congress in annual appropriations bills. SAFETEA-LU itself also included numerous earmarks for Member's high priority projects, and it is assumed that the next reauthorization package will earmark funds as well. Because the transportation reauthorization legislation is multi-year (typically 6 years), the size and number of earmark projects included are larger than the annual appropriations bill.

Congressional members conducted their processes for accepting reauthorization earmark requests last year and they are currently not accepting new requests. However, the longer that the reauthorization process drags on, the more likely it will be that members will revisit their project requests and allow submittal of new or modified requests. This would present an opportunity for SBCAG to refocus the attention of its representatives on the region's transportation needs and the priority that SBCAG places on the 101 project.

Jobs Creation Legislation

Because of the high unemployment rate, Congressional leaders are proposing additional economic stimulus legislation, with a portion of the funding to be focused on transportation infrastructure investment. The emphasis in this legislation will be on ready-to-go projects - the House proposal would require that fifty percent of the funding would have to be under contract within 90 days – so this funding source may not be a good fit for every project request. If Congress is successful in providing additional transportation funding through jobs creation legislation, it may relieve some of the political pressure for enactment of SAFETEA-LU reauthorization legislation.

Discretionary Grants

The Department of Transportation and other Federal agencies occasionally have opportunities to apply for funding through discretionary grant programs. For example, the DOT funding measure for fiscal year 2010 included funding to continue a discretionary grant program for surface transportation infrastructure similar to the TIGER Grant program from ARRA. These programs are highly competitive and typically attract applications for funding totaling many times the available amount.

Strategy

Targeted List of Priority Projects

SBCAG's 2010 Federal legislative agenda will be most effective if it includes a fairly short list of priority projects for funding opportunities.

Your Federal legislative agenda keeps the advocacy focus on your agency's highest needs and the Board's priorities. As part of this framework, a targeted list allows you to pursue support for your projects from a variety of sources. While it is important to prioritize projects, it is also important to maintain flexibility to ensure that we can take advantage of targeted opportunities.

This approach maximizes the ability to work with the local Delegation since members of the House and the Senate have differences in their personal interests and priorities and are positioned differently in Congress in their ability to help, depending on the issue or project.

SBCAG Board Members have expressed a desire to implement an aggressive strategy to pursue funding for the 101 Widening Project as part of this year's Federal agenda. Integrating that aggressive effort into a targeted list of priority projects will ensure that you are able to pursue funding earmarks for other projects, depending on the opportunities.

For example, the DOT appropriations bill often provides limited opportunities in those annual bills that may be utilized to fund a smaller project, without detracting from the overall effort. SAFETEA-LU Reauthorization will be a multi-year policy setting bill that will have different opportunities for earmarking funds for projects.

In the near term, SBCAG will need to identify its requests for the FY 2011 appropriations process and submit the required information for each request to the members of Congress by the deadlines they have established in early February.

Regional Support

Members of Congress and Senators receive numerous worthy project requests from their constituents. As they weigh these many requests for support, one of the major factors they will take into account is the extent and degree of support for the project from other entities in the region and the State.

Regional support for all of SBCAG's project requests would be beneficial. In particular, pursuit of significant funding for the 101 widening project will require significant regional support.

Regional support for the 101 project could come in the form of letters or adopted resolutions from the cities and county. For maximum impact, however, other local jurisdictions should also submit the project as part of their 2010 agendas and indicate specifically that it is their highest regional transportation priority. They should also discuss the project as part of their agenda when they meet with the Congressional Delegation. Identifying 101 as the highest regional priority does not preclude local agencies from seeking earmark funding for local priorities.

Multiple-Year Effort

We recommend that SBCAG plan on a multi-year effort for some projects on your agenda. Particularly in the case of a large project, requests may not get fully funded all at once.

In addition, SAFETEA-LU Reauthorization is currently at an impasse and the outlook for its enactment is uncertain. SAFETEA-LU expired on September 30, 2009, and the law has been extended under temporary authorities. Unless a financing mechanism, such as an increase in the Federal gas tax, is identified, this legislative effort could carry over into 2011. Most likely, additional temporary extensions will be needed before Congress can work out the details of this bill and

bring it to a vote. Since the effort to reauthorize SAFETEA-LU has been at an impasse, the requests submitted last year for reauthorization support are still in play and carry over into 2010.

One of the initial steps for the 101 widening project request would be to work with your local Congressional Delegation and Senators Boxer and Feinstein to communicate the importance of this project to the region and seek their support for an opportunity to increase the amount of funding requested for the project through SAFETEA-LU reauthorization. Projects were originally solicited by the authorizing committees last year. As the reauthorization process continues, additional projects may be added or dropped from those lists, particularly if it carries over into 2011.

Multiple-Source Effort

Because of the unpredictability of the earmarking process, it is best to plan on utilizing multiple sources for your projects. As noted above, there are several potential sources for earmarked funding.

We will work with you and project sponsors in Congress to match up projects with those opportunities. Depending on the specific circumstances, it can be possible to pursue earmarks for the same project from different sources such as both the annual appropriations bill and the reauthorization legislation. In the case of a large regional project, this approach may be necessary to fully fund the request.

There may also be other opportunities to fund your projects, including jobs creation legislation, DOT discretionary grant programs, or programs at other agencies.

Breaking down the 101 Widening Project into components would provide more flexibility in seeking funding from a variety of sources. Also, the budget justification for any earmark request should include details such as the cost of various phases. This will avoid sending an "all-or-nothing" message so that project sponsors in Congress can provide the maximum assistance possible.

Washington, D.C., Advocacy Trips

Your legislative strategy will be greatly affected by the active advocacy of members of your Board and agency staff. SBCAG Board Members and staff provide essential expertise on project requests. In addition, face-to-face meetings can be effective ways to communicate the political and community support for projects that is taken into account by Members of Congress. Finally, information gleaned from these meetings can then be used to improve the lobbying effort.

An advocacy trip to D.C. is planned for early February. This will be timed well to impact legislation under development on a number of fronts, including appropriations, reauthorization and jobs creations bills. Meetings are being planned with Congressional Committees writing reauthorization and appropriations legislation, House Members and Senators requesting projects on your behalf and Administration officials.

Follow-up trips to Washington, D.C., throughout the year can be scheduled as needed.

Particularly in the case of a regional priority such as the 101 Widening Project, it will also be beneficial to include SBCAG's Federal agenda in meetings that Board Members have locally with Members of Congress, Senators or their staffs.

Other Federal Strategy Implementation

Some aspects of the earmarking process are well-defined, including the types of information required, deadlines and formatting of requests. However, most of this process remains highly political and unpredictable, and will require a considerable amount of action to follow up requests that are submitted.

Throughout this year, we will work in close coordination with SBCAG staff to implement the Federal agenda adopted by the Board. Our efforts will include:

- Briefing the delegation on your Federal legislative agenda.
- Working with SBCAG Staff to develop and submit the initial requests.
- Consulting with Congress and helping to tailor project requests to achieve the best fit for the particular circumstance and opportunity.
- Following up on requests at key times throughout the year.
- Assisting with contacts made on SBCAG advocacy trips or in other meeting venues and any related follow up.
- Advising you on developments and opportunities as they occur throughout the year.
- Heading off problems and responding to unpredictable events.

Maintain Regional Effort

The need for regional support for your Federal Legislative agenda will be an ongoing one throughout this year. As specific information about this support from regional partners becomes available, we will integrate it into our advocacy efforts. Sharing of information by regional partners about the responses they receive from their advocacy efforts throughout the year can be used to improve the legislative strategy and follow up advocacy efforts.

It would also be advantageous to work together with regional partners on a proactive campaign to highlight the importance of the 101 Corridor for the regional economy and transportation system and the benefits of the widening project. This effort could eventually be broadened to include MPOs and counties from other parts of the corridor in the State who have similar interests or projects that would benefit.