



National Beat

Congress

The Congressional Budget Office (CBO) released its [Annual Budget Baseline Report](#), which includes key updates to the 2023 to 2024 budget outlook. The overall cash flow for the Highway Trust Fund (HTF) is projected to remain stable beyond Fiscal Year (FY) 2026--i.e., the end date of the [Infrastructure, Investment, and Jobs Act](#) (IIJA) Surface Transportation Law--and expand to FY 2028. While optimistic on the longevity of funds beyond the end of IIJA, concerns remain surrounding potential future imbalances and increased deficits. Particularly, as it relates to higher spending under IIJA in tandem with annual [declines in gas tax revenue](#). Should Congress continue to increase spending beyond the end of IIJA in 2026, deficits could rise beyond \$45 billion annually, outweighing tax revenue (Eno).

This month, anxieties have sweltered surrounding the U.S. debt limit (i.e., the legal maximum debt amount the federal government can accumulate). Treasury Secretary Yellen announced that the U.S. could hit the limit as early as June 1st, 2023. The key questions raised include: will Congress raise the limit? If the limit is raised, how much and what concessions will be made? President Biden has pushed for an increased debt limit level. While opposed to raising the cap, the House of Representatives GOP hopes to make a deal. Their primary request is to reinstate annual caps on discretionary appropriations. This would result in a \$131 billion cut to the FY 2023 base appropriations cap (Eno). With the COVID-19 pandemic emergency declaration expiration, unobligated COVID-19 program related funds are most vulnerable to cuts. USAspending.gov reported that, "if Congress simply passed a law rescinding all unobligated balances of designated federal COVID aid, about \$8.8 billion would be taken from transportation-related programs as of the status of obligations on March 31, 2023." This action would affect critical discretionary transportation programs such as transit infrastructure grants, highway infrastructure grants, and transportation services economic relief grants. Consequently, should this resolution be accepted, mass transit systems could lose nearly \$3.0 billion in unobligated funds (Eno).

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The Senate passed a resolution to overturn the new Environmental Protection Agency (EPA) [Heavy-Duty Vehicles Emissions Rule](#). The new EPA rule seeks to improve air quality and reduce nationwide diesel emissions by placing stricter limits on emissions. If passed, the nitrogen oxide emissions are projected to decrease by nearly 48% by 2045. Despite potential environmental benefits, legislators raised concerns surrounding high-costs and economic challenges to the trucking industry. The House of Representatives have not yet voted on the rule. However, President Biden has vowed to veto should it be overturned again (Eno).

Members of the House of representatives Transportation and Infrastructure (T&I) Committee, Salud Carbajal (Democrat, CA) and Daniel Webster (Republican, FL), introduced a [bill](#) to create a national infrastructure bank. The proposed bank would provide local governments with additional revenue streams in the form of loans and loan guarantees to finance infrastructure projects. Thirty-one legislators in the House of Representatives signed a [request](#) addressed to Transportation Secretary Buttigieg. The request works to improve pedestrian and cyclist provisions in the recently updated New Car Assessment Program (NCAP) from the National Highway Traffic Safety Administration (NHSTA) to reduce roadway fatalities.

Chairman of the House of Representatives T&I Committee, Sam Graves, expressed concerns over new National Environmental Policy Act (NEPA) guidance in a [letter](#) to the Council on Environmental Quality. Chairman Graves noted that updated NEPA guidance that alters permitting, funding, approval, and review processes place weighty barriers upon energy and infrastructure developments that may threaten national growth.

The Department of Housing and Urban Development (HUD) released a notice of [Allocations for Community Block Grant Disaster Recovery \(CDBG-DR\) and Implementation of the CDBG-DR Consolidated Waivers and Alternative Requirements](#). The notice details HUD allocations of over \$3.0 billion in CDBG-DR funds appropriated by the Continuing Appropriations Act of 2023 for major disasters that occurred in 2022. The notice details requirements for grant funding and amendments to the CDGB-DR Consolidated Notice that are applicable for disasters that occurred between 2020 to 2022. The notice also includes waivers, alternative requirements, agency-specific regulatory requirements, award processes, criteria for action plan approval, and eligible disaster recovery actions.

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USDOT

The Federal Transit Administration (FTA) proposed updates to the [Public Transportation Agency Safety Plans](#) (PTASP) rule to improve transit worker safety protections. Additions to the rule include mandatory worker risk reduction programs and statutory requirements for transit agencies in smaller urban areas to create PTASPs alongside local transit labor representatives. The majority of the updates to the PTASP rule arose due to a nationwide increase of assaults on transit workers (i.e., a 121% increase, [AASHTO](#)).

FTA released [its FY 2023 Apportionments, Allocations, and Program Information](#) detailing updated programmatic priorities for FY 2023, the new [Consolidated Appropriations Act](#), full-year appointments, and allocations for grant programs. The notice also provides specific contract authority and gives comprehensive descriptions of plans for several competitive programs.

USDOT released a new [Emergency Relief Program](#) (ER Program) from the Highway Trust Fund for the repair of Federal-aid highways and roads on Federal lands damaged by natural disasters and/or catastrophic failures from an external cause. \$100 million has been authorized annually for the program (Federal-share requirements apply). Eligibility to receive ER Program funds is based in the extent of damage to highways that resulted in high expenses to a highway agency.

This morning, the USDOT released new guidance for [Bicycle and Pedestrian Planning, Program, and Project Development](#). The guidance details different opportunities for improving bicycling, walking, and shared micro mobility conditions to support a diverse range of users.

Note: "Except for the statutes and regulations cited, the contents of this document do not have the force and effect of law and are not meant to bind the States or the public in any way. This document is intended only to provide information regarding existing requirements under the law or agency policies" (USDOT).

National Transportation News

Transportation Secretary Buttigieg traveled to Detroit, Michigan to announce the first [binational Electric Vehicle \(EV\) corridor](#) in U.S. history. The nine-hundred-mile corridor equipped with EV charges every fifty miles will run through Southeastern Michigan through Ontario, Canada. The binational EV corridor is part of the White House plan to deploy 500,000 public EV charges across the country.

Nationwide, public transit systems continue to face financial and operational hurdles due to stagnant ridership levels. Many highly trafficked public transit systems continue to see less than 80% of their pre-COVID-19 pandemic ridership numbers, largely due to the rise in remote/hybrid employment models (POLITICO). Top U.S. transit systems are projected to face a \$6.6 billion deficit by FY 2026 ([CityLab](#)). This issue is causing governments and transit agencies to identify and secure new funds beyond user fees to support public transit systems.

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Congressional Hearings

On [May 17th, 2023, at 10:15 AM](#) the Senate Committee on Environment and Public Works held a hearing on federal actions to improve project reviews for a cleaner and stronger economy. The committee discussed potential changes to infrastructure permitting and environmental authorization laws. Issues surrounding permitting reform were discussed at length (e.g., FAST-41 permitting reform effectiveness, enforceable timelines, regulatory clarity, etc.).

On [May 17th, 2023, at 10:00 AM](#) the House T&I Economic Development, Public Buildings and Emergency Management Subcommittee held a hearing on the impacts of FEMA's strategic plan on disaster preparedness and response as it relates to citizens, housing, and transportation systems.

On [May 17th, 2023, at 2:00 PM](#) the House Oversight and Accountability Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs held a hearing to examine the EPA's tailpipe emissions rules and impacts of a national rapid EV transition. Issues discussed include stricter mandates on fleet emissions, consumer/manufacturer costs, additional grid strain, and the availability of critical minerals and raw materials for EV production.

On [May 16th, 2023, at 10:00 AM](#) the House T&I Subcommittee on Water Resources and Environment held a hearing to discuss proposed updates to the Clean Water Act (CWA) and its potential impact on infrastructure development projects.

On [May 10th, 2023, at 10:00 AM](#) the House T&I Subcommittee on Highways and Transit held a hearing to address supply chain issues facing the freight industry and stakeholder concerns. Topics discussed include labor shortages in the trucking industry, infrastructure inadequacy, safety, and pitfalls of the Federal Motor Carrier System (FMCSA) safety audit system.

On [May 10, 2023 at 10:00 AM](#) the Senate Committee on Commerce, Science, and Transportation held a hearing to discuss the [Railway Safety Act of 2023](#). The bill makes eight changes to current regulations, primarily surrounding timely issues of high-hazard train collisions. Section 104, 113, 204, and 205 in the updated bill are most relevant to MPOs.

On [April 20th, 2023, at 10:00 AM](#): the House Appropriations Subcommittee on Transportation, Housing, and Urban Development and Related Agencies held a hearing on the FY 2024 request for the U.S Department of Transportation (USDOT). During the hearing, Transportation Secretary Buttigieg defended the USDOT FY 2024 budget proposal (i.e., is a 6.9 trillion-dollar package that includes \$114.9 billion in budget authority and obligation limitations to USDOT).

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