



**Edmund G. Brown Jr.**  
Governor

**Brian P. Kelly**  
Secretary

915 Capitol Mall, Suite 350B  
Sacramento, CA 95814  
916-323-5400  
[www.calsta.ca.gov](http://www.calsta.ca.gov)

May 12, 2017

The Honorable Susan Collins  
Chairman  
Subcommittee on Transportation, Housing and  
Urban Development and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Jack Reed  
Ranking Member  
Subcommittee on Transportation, Housing and  
Urban Development and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Madam Chairman and Senator Reed:

Last month, Governor Edmund G. Brown Jr. signed SB 1, the landmark "Road Repair and Accountability Act of 2017," which was backed by a broad coalition of supporters and invests \$52.4 billion over the next decade to fix roads, freeways and bridges in communities across California and put more dollars toward transit and safety. States all over the country are stepping up: California has now joined 21 other states that have enacted new transportation funding to improve infrastructure since 2013 - so the partnership with the federal government is more important now than ever.

President Donald J. Trump and several Members of Congress have pledged to dramatically increase federal infrastructure investment this year. California is certainly making significant investments in transportation and infrastructure, and is eager to partner with the federal government to advance important projects, many of which are significant both for California and the entire nation. Therefore, on behalf of the California State Transportation Agency, I respectfully urge you to consider the following requests in the federal fiscal year (FY) 2018 appropriations bill for Transportation, Housing and Urban Development (THUD).

### **Honor FAST Act Authorized Funding Levels**

California strongly advocated for a multi-year surface transportation reauthorization that would provide stability and certainty, allow for deliberate investment and job growth, and improve the conditions of the nation's roads and bridges. Therefore, California welcomed the enactment of the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-094), a five-year authorization of highway, transit, safety and rail programs.

The FAST Act included approximately \$225 billion in contract authority over five years for the Federal-aid highway program, increasing funding from \$41 billion in federal FY 2015 to \$47 billion in federal FY 2020 – a 15 percent increase. Therefore, we are pleased that the federal FY 2017 Consolidated Omnibus Appropriations bill provides obligation limitations that fully honor increased FAST Act funding levels for Highway Trust Fund programs instead of keeping these programs level-funded through a year-long Continuing Resolution.

While we urge Congress to further increase infrastructure spending through Federal Infrastructure Investment Legislation this year, at a minimum, we ask that the federal FY 2018 THUD appropriations bill fully honor FAST Act funding levels for Highway Trust Fund programs.

### **Passenger Rail**

As the state responsible for delivering the nation's first high-speed rail system, California has made significant investments in high-speed intercity passenger rail and therefore supports dedicated long-term federal investment and partnership in passenger rail programs.

In addition to \$3.5 billion in federal funding, the State of California has made an unprecedented commitment to the project, dedicating 25 percent of annual proceeds from its Greenhouse Gas Reduction Fund ("Cap and Trade") program to the development of the system -- this has provided \$1.2 billion for the high-speed rail project to date. Additionally, last month California sold its first \$1.13 billion of Proposition 1A construction bonds for the high-speed rail project.

Continued partnership with the federal government will be critical to the California High-Speed Rail program's success, and we ask that Congress provide significant funding for the High-Speed Intercity Passenger Rail program and fully fund FAST Act authorized FRA grant programs: the Consolidated Rail Infrastructure and Safety Improvements (FAST Act sections 11102 and 11301); the Federal-State Partnership for State of Good Repair (FAST Act sections 11103 and 11302); and the Restoration and Enhancement Grants (FAST Act sections 11104 and 11303).

Further, California joins with the American Road and Transportation Builders Association, the American Public Transportation Association, the Transportation Trades Department, AFL-CIO and several other industry and labor organization to oppose the inclusion of riders that would impede the development of state high-speed passenger rail programs in the federal FY 2018 THUD appropriations bill. In addition to the damage adverse provisions in the appropriations bill would do to California's high-speed rail efforts, we believe they would also send a negative message to other states, regions and the private sector planning to invest in any kind of major infrastructure project.

Moreover, California opposes the Trump Administration's *America First – A Budget Blueprint to Make America Great Again* ("FY 2018 Trump Administration 'Skinny Budget'") proposal to terminate federal support for Amtrak's long distance train services. We are pleased the federal FY 2017 Consolidated Omnibus Appropriations bill provided funding for Amtrak long-distance service, and we ask that Congress continue to fund this service in the federal FY 2018 THUD bill.

### **Public Transportation**

Cities in California and throughout the nation are planning large, new public transportation facilities. Therefore, we are concerned that the federal FY 2018 Trump Administration "Skinny Budget" appears to retreat from full federal partnership in these important projects by stating, "Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects."

California does not support the federal FY 2018 Trump Administration's "Skinny Budget" proposal to cut Federal Transit Administration (FTA) funding and limit funding for FTA Capital Investment Program (New Starts) to projects with existing full funding grant agreements (FFGAs). Therefore, we are pleased that the federal FY 2017 Consolidated Omnibus Appropriations bill provided full FAST Act Highway Trust Fund funding levels for FTA and over \$2.4 billion for FTA Capital Investment Grants, including funding for new California FFGAs - \$100 million for the Caltrain Peninsula Corridor Electrification Project and \$50 million for the Santa Ana and Garden Grove Streetcar. The Caltrain Peninsula Electrification Project alone will result in the creation of over 9,600 jobs, including over 1,300 located outside of California in places like Jacksonville, Florida; Richmond, Virginia; Hudson, Wisconsin; Littleton, Colorado and Salt Lake City where a domestic railcar assembly plant will be built.

California strongly urges Congress to honor FAST Act funding levels for transit programs and to provide robust funding for FTA discretionary programs and new FFGAs in the federal FY 2018 THUD Appropriations bill.

### **Freight and Goods Movement**

California is the nation's international trade leader, in terms of value and quantity of goods handled by its seaports, airports, railroads and roadways; and California's commitment to improving its freight system is unmatched in the U.S.

California strongly urges Congress to invest more in the national freight transportation system, which is of critical importance to the national economy. Specifically, California urges Congress to provide the fully authorized amount for FAST Act freight programs in the federal FY 2018 THUD bill, including \$900 million for the Fostering Advancements in Shipping and Transportation for the Long-Term Achievement of National Efficiencies (FASTLANE) grants program.

Moreover, California opposes the federal FY 2018 Trump Administration 'Skinny Budget' proposal to terminate the Transportation Investment Generating Economic Recovery (TIGER)

grant program. We are pleased that the federal FY 2017 Consolidated Omnibus Appropriations bill provided \$500 million for the TIGER program, and we ask Congress to continue funding the TIGER program in the federal FY 2018 THUD bill.

### **2017 California Winter Storms and FHWA Emergency Relief Funding**

In 2017, California suffered the most severe winter storm events it has seen in 20 years, brought on by an "atmospheric river" weather phenomena. In addition to damages to the Oroville Dam Spillway, there was major storm damage to highways, roads and bridges throughout California. In January, more than nine feet of snow fell over Donner Summit in only seven days. In that same week, the storm brought as much as ten inches of rain in some places, and several corridors were flooded along the coast and inland. February offered no respite, as torrential winter continued, and California's Department of Transportation (Caltrans) dealt with mudslides, rockslides, slip outs, and washouts – not to mention snowdrifts and avalanche control. All-in-all, the Donner Summit area received more than 56 feet of snow between January and February 2017.

As a result of the 2017 Severe Winter Storms, Caltrans current (as of mid-April 2017) preliminary damage estimate for the State Highway System is more than \$900 million with an additional \$400 million for local roads. However, only \$100 million is authorized annually for the FHWA Emergency Relief Program for the emergency repair and restoration of Federal-aid highway facilities. In fact, the \$100 million Emergency Relief Program annual authorization is frequently exceeded, and therefore Congress has periodically provided additional funds for the Emergency Relief Program through Supplemental Appropriations. To date, Caltrans has received a \$10 million FHWA



The Honorable Susan Collins  
The Honorable Jack Reed  
May 12, 2017  
Page 5

“quick release” Emergency Relief allocation for work associated with the 2017 Severe Winter Storms.

California greatly appreciates the \$1 billion of FHWA Emergency Relief funding Congress provided nationally in the federal FY 2017 Continuing Resolution enacted in December 2016, and the \$528 million Congress provided nationally in the federal FY 2017 Consolidated Omnibus Appropriations bill enacted in May 2017. However, given the magnitude of the California 2017 Severe Winter Storm damage, which greatly exceeds the total annual authorization for the FHWA Emergency Relief Program, we are asking Congress to include additional FHWA Emergency Relief funding in the federal FY 2018 THUD bill or a Supplemental Appropriations bill to address California's 2017 Severe Winter Storm damage.

### **Federal Infrastructure Investment Legislation**

As Congressional authorizers and appropriators work with the Trump Administration this year to craft Federal Infrastructure Investment Legislation, California acknowledges that several different ideas will be considered. We are ready to work with you.

To offer a few initial thoughts, California supports the position taken by the American Association of State Highway and Transportation Officials (AASHTO) and others that a new federal program should include, as a foundation, additional sustainable revenue to ensure the permanent solvency of the Highway Trust Fund. It should also build upon the good work Congress has done by enacting the FAST Act and include direct federal assistance through programs Congress has already authorized – this would immediately provide a stream of “Fix it First” funding to repair existing assets, and also directly fund work supporting the state’s strategic priorities for highway, transit and rail programs.

California is a diverse state, and we believe that infrastructure investment should be through a balanced program of guaranteed discretionary and formula programs that will provide for regional priorities and major projects in critical border and trade corridors, improve safety and meet the needs of rural communities and tribal governments, and improve the performance of our transportation system as a whole.

We are also encouraged by Executive Order 13766 and President Trump’s focus on streamlining the environmental review and permitting processes. California is a national leader in sustainable infrastructure development and the first state to participate in National Environmental Policy Act Assignment. We have a proven track record of achieving significant results. California strongly supports streamlining of Federal regulations to facilitate more expeditious project delivery without diminishing environmental standards and safeguards, and we look forward to engaging Congress and the Trump Administration in this discussion.

The Honorable Susan Collins  
The Honorable Jack Reed  
May 12, 2017  
Page 6

Sincerely,



BRIAN P. KELLY  
Secretary

cc: Members of the California Congressional Delegation