

Issue Brief

Bus Rapid Transit, Capital Improvement Grants Program

Grant Proposal Background

The Downtown-Oakland Bus Rapid Transit (BRT) is an important project and our organization fully supports this investment. The grant proposal, supported by both the City of Pittsburgh and Allegheny County, is being submitted by the Urban Redevelopment Authority of Pittsburgh (URA) and is seeking to be included in the FTA's Small Starts program funding for fiscal year 2019. The Allegheny Conference and affiliates (ACCD) are fully supportive of this grant proposal. In fact, over 50 ACCD board members delivered a sign-on letter to support the project. Over the past two years, the Regional Transportation Alliance (RTA) developed a paradigm shifting set of transportation development principles, and identified 50 critical projects to improve our region's long-term connectivity. This project is one of the 50 projects identified as a path to achieving regional mobility goals.

Capital Investment Grant Program Background

In 2017, the submission of the so-called FY 2018 "skinny budget" proposal from the Administration called for the phase-out of the Federal Transit Administration's (FTA) Capital Investment Grant (CIG) program that funds new start, small start, and core capacity projects. The Administration's skinny budget proposal also called for deep cuts in the CIG program in the FY 2017 appropriations process, but those were rejected. Any slow-down in the project pipeline and any hurdles put in place by the Administration, may delay or halt our BRT application.

The full Appropriations Committees in both chambers of Congress have approved FY 2018 Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations bills. Neither bill has been approved by the full House or Senate. Congress is unlikely to complete action on the FY 2018 THUD Appropriations prior to start of the new federal fiscal year in October, and is instead expected to approve a continuing resolution to keep all federal programs temporarily funded at last year's levels in the short-term. Final action on a full-year FY 2018 THUD Appropriations bill is more likely to be included in an Omnibus Appropriations bill that would be taken up by the Congress likely between October and December, or later.

While each of the FY 2018 THUD Appropriations bills approved by the House and Senate largely reject Administration proposals to phase out the CIG program, they differ in significant ways. The House bill sets total FTA funding at \$11.75 billion, while the Senate bill sets FTA funding at \$12.13 billion. Both bills fully fund Mass Transit Account (MTA) formula programs at levels authorized under the FAST Act, both bills include both statutory and report language directing the U.S. Department of Transportation (DOT) to rate and enter into new full funding grant agreements (FFGA's) to fund those projects, and both bills provide funding for the CIG program at levels above those requested by the Administration.

However, the Senate bill would fund the CIG program at \$2.13 billion, while the House bill would fund the CIG program at \$1.75 billion, both below the \$2.3 billion level authorized in the FAST Act. While the House bill is \$549 million below the authorized level, the bill provides an additional \$500 million for the Gateway project under the Federal Railroad Administration title of the bill, in addition to the funding that is provided for Gateway under the CIG program. Both bills also reject the Administration proposal to reduce Amtrak funding and the Senate bill provides \$500 million for TIGER grants, which the Administration budget proposed to eliminate.

Conclusion

- We support the Senate's FY 2018 THUD Appropriations of \$2.13 billion, as opposed to the House's \$1.75 billion.
- We support the bill and report language which rejects the Administration's proposal to terminate this program. This language also compels DOT to assist project sponsors, such as our city, as they proceed from project development to construction.
- We support the URA's proposal to be included in the FTA's Small Starts program funding for fiscal year 2019, we ask all of our delegation to support this application.
- Our chamber supports the Administration's goal of advancing a large-scale infrastructure package, but we also support existing resources that provide stability for regional transportation networks.