



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH
419 New Jersey Avenue, SE, Washington, D.C. 20003 202-546-3700
Fax: 202-546-2390 E-mail: ransdell@calinst.org Web: <http://www.calinst.org>

SPECIAL REPORT:

Senate Transportation Appropriations and California Implications - *August 2, 2001*

On Wednesday, August 1, 2001, by unanimous consent, the Senate House passed the Transportation Appropriations for Fiscal Year 2002, S.1178. It had passed the Senate Appropriations Committee on July 12. The Committee Report is S.Rept. 107-38. This analysis of the Senate bill is available at <http://www.calinst.org/pubs/trap02s.htm> . A printable version in Adobe Acrobat (pdf) format is available at <http://www.calinst.org/pubs/trap02s.pdf> . The following is a quick analysis of the bill from a California perspective as prepared by the California Institute. We apologize for any errors or omissions in our discussion of these documents, and would appreciate any input/feedback on how to make improving corrections. The ordering of items generally reflects their presence in the bill does not mean to imply any relative importance.

The House passed its version of the bill on June 26, 2001, by a vote of 426 to 1, H.R. 2299. A California Institute analysis of that bill is available at <http://www.calinst.org/pubs/trap02.htm> .

Essential Air Service

The Senate bill maintains the prior year's level of funding of \$50,000,000 for the Essential Air Service [EAS] and Rural Airport Improvement Program, which provides funds directly to commuter/regional airlines to provide air service to small communities that otherwise would not receive air service and for rural airport improvement. The bill notes the EAS subsidy rates under new eligibility standards and notes that two California airports receive federal EAS funding: Crescent City at \$314,865 and Merced at \$1,022,712 annually.

Federal Aviation Administration

The Senate Transportation appropriations bill makes an appropriation of \$6,916,000,000 for the Federal Aviation Administration

Facilities and Equipment - Northern California Metroplex

Within \$2,914,000,000 for Facilities and Equipment, a 10% increase over the FY 2001 level, the Senate bill specifies that \$5,000,000 be spent for the Northern California Metroplex, the same as the President's request and \$1 million below the FY 2001 appropriation.

Airport Discretionary Grants

Within the overall obligation limitation in this bill, over \$1,200,000,000 is available for discretionary grants to airports. Specifically, the Committee expects the FAA to give priority consideration to applications for listed projects listed, including the following in California:

San Francisco International Airport Site and engineering studies
Stockton Metropolitan Airport Various improvements

Coast Guard

Under Shore Facilities and Aids to Navigation, the report notes FY 2001 transportation improvements spending for Coast Guard Island in Alameda of \$8,000,000, but the Senate bill includes no new funding for FY 2002.

Boat Safety: Vessel traffic safety fairway, Santa Barbara/San Francisco.- The report contains the following text: “retains a general provision (sec. 312) that would prohibit funds to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than 5 miles wide between the Santa Barbara traffic separation scheme and the San Francisco traffic separation scheme. On April 27, 1989, the Department published a notice of proposed rulemaking that would narrow the originally proposed 5-mile-wide fairway to two 1-mile-wide fairways separated by a 2-mile-wide area where off-shore oil rigs could be built if Lease Sale 119 goes forward. Under this revised proposal, vessels would be routed in close proximity to oil rigs because the 2-mile-wide non-fairway corridor could contain drilling rigs at the edge of the fairways. The Committee is concerned that this rule, if implemented, could increase the threat of offshore oil accidents of the California coast. Accordingly, the bill continues the language prohibiting the implementation of this regulation.”

Federal Highway Administration

The Senate appropriates \$316,521,000 for the administration and operation of the Federal Highway Administration.

Federal-Aid Highways

The bill includes language limiting fiscal year 2002 Federal-aid highways obligations to \$31,919,103,000, an increase of \$2,257,297,000 over the fiscal year 2001 enacted level and \$355,946,000 over the budget request.

The Senate funds the Administration’s new initiatives while increasing the overall highway obligation ceiling to a level that exceeds the President’s request by more than \$350,000,000 and exceeds the TEA21 “guarantee” level by more than \$200,000,000. Under the estimated FY 2002 distribution of obligation authority including Revenue Aligned Budget Authority (RABA) based on the Senate recommendation California would receive \$2,625,371,789, an amount higher than either the FY 2001 level (\$2,575,356,363) or the TEA21 guarantee level (\$2,613,436,166).

Bridge Discretionary Program

Of the Funds provided for the bridge discretionary program in fiscal year 2002 in the Senate Appropriations, the Golden Gate Bridge seismic retrofit program would receive \$3,500,000.

High priority projects

TEA21 includes 1,850 high priority projects specified by the Congress. Funding for these projects totals \$9,500,000,000 over the 6 year period

National corridor planning and border infrastructure programs

The Senate bill includes the following funding directives:

Alameda corridor east construction project - \$5,000,000

I-905 Otay Mesa Border Port of Entry - \$10,000,000

Border Inspection Stations [*some in CA, some not*] - \$56,300,000

Ferry boats and ferry terminal facilities - TEA21 reauthorized funding for the construction of ferry boats and ferry terminal facilities. Funds provided for the Ferry boats and ferry terminal facilities program under the Committee recommendation would be available for several activities including the Baylink Ferry intermodal center - \$2,000,000

Transportation and community and system preservation pilot program

The program provides grants to States and local governments for planning, developing, and implementing strategies to integrate transportation and community and system preservation plans and projects. Funds provided for this program for fiscal year 2002 would be available for the following activities:

- Los Angeles county bike path - \$1,000,000
- Stockton Miracle Mile/Pacific Avenue resurfacing - \$1,000,000

Specified ITS deployment projects

The following projects contribute to the integration and interoperability for intelligent transportation systems in metropolitan and rural areas and promote deployment of the commercial vehicle intelligent transportation system infrastructure. Funding for deployment activities according to the Senate appropriations bill are to be available as follows:

- Sacramento \$6,000,000
- Santa Anita \$1,000,000

Truck Safety - Mexican Border

The Committee provided \$103,200,000 for initiatives to enhance truck safety at the Mexican Border. The amount provided is \$15,000,000 more than the level included in the President's request. The funding provided includes:

- \$13,900,000 funded in the Federal Motor Carrier Safety Administration limitation on administrative expenses to hire 80 additional truck safety inspectors;
- \$18,000,000 requested for enhanced Motor Carrier Safety Grants for the border; and
- \$71,300,000 in funding for the construction and improvement of Motor Carrier Safety Inspection facilities along the United States-Mexico border.

The Senate report includes the following text regarding truck safety: "Even though most State truck inspectors are compensated largely with Federal tax dollars, many inspectors at the border do not enforce Federal registration regulations when they differ from State requirements. For example, only California inspectors require Mexican trucks to show proof of operating authority. Moreover, State inspectors, when they find a deficiency that is a violation of Federal but not State law, do not always refer the case to a Federal inspector for enforcement. The Committee provision prohibits the full opening of the border until the DOT requires that all State inspectors funded in part or in whole with Federal funds check for violations of Federal regulations. All violations detected by State inspectors of Federal law will be either enforced by State inspectors or forwarded to Federal authorities for enforcement action."

The Senate bill requires border inspections for Mexican trucks, safety audits of trucking companies at their Mexican locations, and insurance coverage provided by U.S. companies. Only if the trucks and companies passed these requirements would they be allowed to operate beyond the 20-mile border zone in the United States. The House passed an out and out ban on Mexican trucks operating beyond the 20-mile zone in its Transportation Appropriations bill. [Opponents of the amendment argue that it discriminates against Mexican trucks, as Canadian trucks are not subjected to such stringent requirements. However, proponents argue that Mexican trucks have proven to be less safe than U.S. and Canada trucks and the restrictions are required for public safety. President Bush, in keeping with NAFTA requirements, had proposed opening the U.S. border to Mexican trucks in January of 2002. Administration officials have indicated that Bush would veto the Transportation Appropriations bill if it contained the trucking restrictions. Opponents, including Sens. John McCain (AZ) and Phil Gramm (TX) have vowed to continue to fight the provisions through conference on the bills.]

Federal Railroad Administration

Next Generation High-Speed Rail

Within Corridor Planning funds of \$9,600,000 for passenger rail corridor planning, the Senate bill includes \$4,500,000 for California high-speed rail.

Within \$7,000,000 for magnetic levitation transportation, the senate specifies \$2,000,000 to be spent for Nevada-California: Environmental impact studies, design and engineering.

Railroad Research and Development

The bill includes the following text under the heading of Passenger Rail Studies: "The Committee also includes \$100,000 to be transferred to Amtrak to conduct an analysis to determine the cost and feasibility of implementing high-speed intercity rail service between Los Angeles and Las Vegas. The study will include an assessment of existing capacity and the identification of infrastructure improvements necessary to increase capacity, allow for improved train speeds, and reduce trip time."

Federal Transit Administration

Formula Program

The bill notes formula program funds within each of the TEA21 program categories for California:

- Urbanized area - \$518,704,526
- Nonurbanized area - \$10,428,595
- Elderly and persons with disabilities - \$8,077,729
- Total formula programs - \$537,210,850

Transit Planning and Research

Within funding of \$31,500,000 for National Planning and Research activities, the Senate bill specifies that \$500,000 be spent on a Georgia Regional Transportation Authority/Southern California Association of Governments transit trip planning partnership.

Bus and Bus Facilities

The Committee recommends \$568,200,000 for bus and bus facilities funding. These funds may be used to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities. Funds for bus and bus facilities shall be distributed as follows:

- Folsom railroad block project \$1,250,000
- Santa Clara Valley Transportation Authority Line 22 articulated buses \$500,000
- San Joaquin Regional Transit District bus facility \$500,000
- Orange County buses \$500,000
- Contra Costa Connection buses \$250,000
- Palmdale Transportation Center \$350,000
- Palo Alto intermodal transit center \$250,000
- Costa Mesa CNG facility \$150,000
- Livermore park and ride \$250,000
- Livermore Amador Valley Transit Authority buses and facility \$1,500,000
- Los Angeles Metro Transportation Authority rapid buses and bus facilities \$5,000,000
- Monterey-Salinas Transit facility \$1,500,000
- San Francisco Municipal bus and bus facilities \$6,500,000
- Sierra Madre Villa & Chinatown intermodal transportation centers \$3,500,000

Fixed Guideway Modernization

The Senate recommends a total of \$1,136,400,000 for the modernization of existing rail transit systems. Under TEA21 all of the funds are distributed by formula. California would receive \$126,085,672 .

Transit New Starts

The bill provides \$1,236,400,000 for new starts. These funds are available for major investment studies, preliminary engineering, right-of-way acquisition, project management, oversight, and construction for new systems and extensions. The Senate bill lists the following:

- Yosemite Area Regional Transportation System project \$500,000
- San Diego, Mission Valley East light rail transit extension project \$65,000,000
- Los Angeles, East Side corridor light rail transit project \$10,000,000
- San Francisco, BART extension project \$80,605,331
- Los Angeles, North Hollywood extension project \$9,289,557
- Stockton, Altamont commuter rail project \$5,000,000
- San Jose, Tasman West, light rail transit project \$113,336

In transit new starts project detail, the report includes the following language:

Los Angeles, California, East Side corridor light rail transit project.—The Los Angeles County Metropolitan Transportation Authority is proposing to implement a 5.9 mile light rail transit (LRT) line in the Eastside Corridor, connecting Downtown Los Angeles with low-to moderate-income communities in East Los Angeles. The proposed system would include 8 stations and will traverse eastward from Union Station (the city’s major intermodal hub, serving intercity, commuter, and regional rail service, as well as local and express bus services) along Alameda Street through the City Terrace, Belvedere, and East Los Angeles communities of unincorporated Los Angeles County. The project would terminate at Beverly and Atlantic Boulevards, where a 500 space park-and-ride facility is planned. The project is primarily at-grade, with a 1.8 mile mid-section underground in tunnel. The project is intended to improve mobility for residents and employees in the corridor, and provide improved access to employment opportunities throughout the MTA service area. 15,000 average weekday boardings are forecasted on the proposed line in 2020, including 9,700 daily new riders. The project is estimated to cost \$759,500,000 in escalated dollars, with a section 5309 New Starts share of \$402,300,000. This project has been authorized in TEA21. The Committee has recommended \$10,000,000 in new starts funding for this project in fiscal year 2002.

Los Angeles, California, North Hollywood extension project.—The Los Angeles Metro Rail Red Line rapid-rail system is being planned, programmed and constructed in phases, through a series of “Minimum Operable Segments” (MOSs). The first of these segments (MOS–1), a 4.4-mile, 5-station segment, opened for revenue service in January 1993. A 2.1-mile, three-station segment of MOS–2 opened along Wilshire Boulevard in July 1996; an additional 4.6-mile, 5-station segment of MOS–2 opened in June 1999, and the Federal funding commitment has been fulfilled. On May 14, 1993, an FFGA was issued to the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the third construction phase, MOS–3. MOS–3 was defined under ISTEA (section 3034) to include three segments: the North Hollywood segment, a 6.3-mile, three-station subway extension of the Hollywood branch of MOS–2 to North Hollywood through the Santa Monica mountains; the Mid-City segment, a 2.3-mile, two-station western extension of the Wilshire Boulevard branch; and an undefined segment of the Eastside project, to the east from the existing Red Line terminus at Union Station. LACMTA later defined this eastern segment as a 3.7-mile, four-station extension under the Los Angeles River to First and Leona in East Los Angeles. On December 28, 1994, the FFGA for MOS–3 was amended to include this definition of the eastern segment, bringing the total commitment of Federal new starts funds for MOS–3 to \$1,416,490. In January 1997, FTA requested that LACMTA submit a recovery plan to demonstrate its ability to complete MOS–2 and MOS–3, while maintaining and operating the existing bus system. On January 14, 1998, the LACMTA Board of Directors voted to suspend and demobilize construction on all rail projects other than MOS–2 and the MOS–3 North Hollywood Extension. The MTA submitted a recovery plan to FTA on May 15, 1998, which was approved by FTA on July 2, 1998. In 1998, LACMTA undertook a Regional Transportation Alternatives Analysis (RTAA) to analyze and evaluate feasible alternatives for the Eastside and Mid-City corridors. The RTAA addressed system investment priorities, allocation of resources to operate existing transit

services at a reliable standard, assessment and management of financial risk, countywide bus service expansion, and a process for finalizing corridor investments. On November 9, 1998, the LACMTA Board reviewed the RTAA and directed staff to reprogram resources previously allocated to the Eastside and Mid-City Extensions to the implementation of RTAA recommendations, including the LACMTA Accelerated Bus Procurement Plan. LACMTA continued to study transit investment options for the Eastside and Mid-City corridors. In October 2000, FTA approved entry into preliminary engineering for a 5.9-mile, 8-station light rail line in the Eastside Corridor between downtown Los Angeles and East Los Angeles. The Mid-City corridor is still undergoing alternatives analysis. FTA will consider the prior Federal commitment under the MOS-3 FFGA as an "other factor" for rating and evaluation purposes for these projects, as long as the identified projects otherwise meet the requirements of the new starts program. On June 9, 1997, FTA and LACMTA negotiated a revised FFGA covering the North Hollywood segment (Phase 1-A) of MOS-3, which opened in June 2000. The total capital cost of the North Hollywood project is estimated at \$1,310,820, of which the revised FFGA commits \$681,040,000 in section 5309 new starts funds. Through fiscal year 2000, a total of \$581,820,000 has been appropriated for the North Hollywood segment of MOS-3; an additional \$49,530,000 was provided in fiscal year 2001. This project has been authorized in TEA21. The Committee has recommended \$9,289,557 in new starts funding for this project in fiscal year 2002.

San Diego, California, Mission Valley East LRT Extension project.—The Metropolitan Transit Development Board (MTDB) is constructing a 5.9-mile, 4-station light rail extension of its existing Blue Line, from east of Interstate 15 to the City of La Mesa, where it will connect to the existing Orange Line near Baltimore Drive. The Mission Valley East line will serve four new and two existing stations, and would include elevated, at-grade, and tunnel portions. The project includes two park and ride lots and a new access road between Waring Road and the Grantville Station. The corridor runs parallel to Interstate 8 in eastern San Diego and La Mesa, and is characterized by a mix of low- to moderate-density industrial, residential, and commercial uses, but includes several major activity centers such as San Diego State University, the Grossmont regional shopping center, Kaiser Hospital, the Alvarado Medical Center, and the Grantville employment area. Over 24,000 jobs and nearly 10,000 residences are located within walking distance of the proposed stations, and existing zoning is generally supportive of transit. Total capital costs are estimated at \$431,000,000. On June 22, 2000, FTA issued an FFGA committing a total of \$329,960,000 in section 5309 new starts funding to this project. Through fiscal year 2000, Congress has appropriated \$22,110,000 for this project, and an additional \$31,210,000 was provided in fiscal year 2001. The Committee has recommended \$65,000,000 in new starts funding for this project in fiscal year 2002.

San Francisco, California, BART Extension to SFO Airport project.—Bay Area Rapid Transit (BART) in San Francisco and the San Mateo County Transit District (SamTrans) are constructing an 8.7-mile, 4-station extension of the BART rapid transit system to serve San Francisco International Airport (SFO). The project consists of a 7.5-mile mainline extension from the existing BART station at Colma, through Colma, south San Francisco, and San Bruno, terminating at the Millbrae Avenue BART/CalTrain Station. An additional 1.2-mile spur from the main line north of Millbrae will take BART trains directly into the airport, to a station adjoining the new International Terminal. The San Francisco International Airport is a major partner in this project. All structures and facilities to be constructed on airport property, and installation of related equipment, are being funded, designed and constructed by the airport for BART. This project is also part of the FTA Turnkey Demonstration Program to determine if the design/build approach will reduce implementation time and cost. On July 24, 1997, the first contract was awarded for site preparation and utility relocation associated with this project. Bids for the main contract for construction of the line, trackwork and related systems were opened on November 25, 1997. On June 30, 1997, FTA entered into an FFGA for the BART-SFO extension, committing a total of \$750,000,000 in Federal new starts funds to the project; total capital costs at that time were estimated at \$1,054,000,000. The total cost has since increased to an estimated \$1,510,200,000; a recent surge in local construction activity has resulted in higher than estimated costs for construction of this project. Per the terms of the FFGA, any cost increases are the responsibility of

the local project sponsors. Thus, the original Federal commitment is unchanged at \$750,000,000. Through fiscal year 2000, a total of \$217,190,000 has been appropriated for this project. An additional \$79,250,000 was provided in fiscal year 2001. This project has been authorized in TEA21. The Committee has recommended \$80,605,331 in new starts funding for this project in fiscal year 2002.

San Jose, California, Tasman West LRT project.—The Santa Clara County Transit District (SCCTD) is implementing a 12.4-mile light rail system from northeast San Jose to downtown Mountain View, connecting with both the Guadalupe LRT in northern Santa Clara County and the Caltrain commuter rail system. The project is proceeding in two phases: the Phase 1 West Extension will connect the northern terminus of the Guadalupe Light Rail System in Santa Clara with the Caltrain Commuter Rail station in downtown Mountain View, a distance of 7.6 miles; the future Phase 2 East Extension will complete the remaining 4.8 miles. The total capital cost of the Phase 1 West project was \$325,000,000. Construction is complete and the Phase I West Extension opened for revenue service on December 17, 1999, a year ahead of schedule. The Phase II East Extension is being funded with State and local funds. An FFGA was issued for Phase 1 of this project on July 2, 1996, providing a total of \$182,750,000 in section 5309 new starts funding. A total of \$170,500,000 was provided in fiscal year 2000 and prior years, and an additional \$12,140,000 was provided in fiscal year 2001. The Committee has recommended \$113,336 in new starts funding for this project in fiscal year 2002.

Stockton, California, Altamont Commuter Rail project.—The San Joaquin Regional Rail Commission (SJRRC), the Alameda Congestion Management Agency, and the Santa Clara Valley Transportation Authority have proposed to implement a commuter rail system along an existing Union-Pacific Railroad right-of-way operating between the three counties. A Joint Powers Board comprised of members from each of the three agencies was also created to operate the proposed Altamont Commuter Express. The SJRRC would be the managing agency for the initial 36-month term of an agreement executed between the three agencies. In addition to identifying potential sources for capital and operating funds, the member agencies will define the methods for allocating future costs and the shares of future capital improvement contributions from the member agencies. Through fiscal year 2001, Congress has appropriated \$6,910,000 in section 5309 new starts funds for this effort. The Committee has recommended \$5,000,000 in new starts funding for this project in fiscal year 2002.

Yosemite Area Regional Transportation System Project.—The Yosemite Area Regional Transportation System (YARTS) is a fixed route transit system providing service between and among the Yosemite region's gateway communities and Yosemite National Park. YARTS is a joint powers authority formed by the counties of Merced, Mono and Mariposa with transportation to visitors and workers of the park. Funds would be used to help increase participation in the YARTS program, which served 20,000 individuals last year. The Committee has recommended \$500,000 in new starts funding for this project in fiscal year 2002.

Job Access and Reverse Commute Grants

The Committee recommends \$125,000,000 for the Job Access and Reverse Commute Grants program, the level guaranteed under the TEA21 transit category firewall. This program is meant to help welfare reform efforts succeed by providing enhanced transportation services for low-income individuals, including former welfare recipients, traveling to jobs or training centers.

The program makes competitive grants to qualifying metropolitan planning organizations, local governmental authorities, agencies, and nonprofit organizations in urbanized areas with populations greater than 200,000. The Committee recommends the following allocations of job access and reverse commute grant program funds in fiscal year 2002:

- AC Transit \$2,000,000
- Los Angeles County \$2,000,000
- Sacramento Area Council of Governments \$2,000,000
- Santa Clara Valley Transportation Authority \$500,000