



Executive Committee Agenda

Friday, January 12, 2024
9 a.m.

Welcome to SANDAG. The Executive Committee meeting scheduled for Friday, January 12, 2024, will be held in person in the SANDAG Board Room. While Executive Committee members will attend in person, members of the public will have the option of participating either in person or virtually.

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Public Comments: Members of the public may speak to the Executive Committee on any item at the time the Committee is considering the item. Public speakers are generally limited to three minutes or less per person.

Persons who wish to address the members on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerkoftheboard@sandag.org (please reference Executive Committee meeting in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. the business day before the meeting will be provided to members prior to the meeting. All comments received prior to the close of the meeting will be made part of the meeting record.

If you desire to provide in-person verbal comments during the meeting, please fill out a speaker slip, which can be found in the lobby. If you have joined the Zoom meeting by computer or phone, please use the "Raise Hand" function to request to provide public comment. On a computer, the "Raise Hand" feature is on the Zoom toolbar. By phone, enter *9 to "Raise Hand" and *6 to unmute. Requests to provide live public comment must be made at the beginning of the relevant item, and no later than the end of any staff presentation on the item. The Clerk will call on members of the public who have timely requested to provide comment by name for those in person and joining via a computer, and by the last three digits of the phone number of those joining via telephone. Should you wish to display media in conjunction with your comments, please inform the Clerk when called upon. The Clerk will be prepared to have you promoted to a position where you will be able to share your media yourself during your allotted comment time. In-person media sharing must be conducted by joining the Zoom meeting on the personal device where the content resides. Please note that any available chat feature on the Zoom meeting platform should be used by panelists and attendees solely for procedural or other "housekeeping" matters as comments provided via the chat feature will not be retained as part of the meeting record. All comments to be provided for the record must be made in writing via email or speaker slip, or verbally per the instructions above.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe. A physical copy of this agenda may be viewed at the SANDAG Toll Operations Office, 1129 La Media Road, San Diego, CA 92154, at any time prior to the meeting.

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Message from the Clerk: In compliance with Government Code §54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Executive Committee (EC) \$100, Board of Directors (BOD) \$150, and Regional Transportation Commission (RTC) \$100. Compensation rates for the EC and BOD are set pursuant to the SANDAG Bylaws, and the compensation rate for the RTC is set pursuant to state law.



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Vision Statement: *Pursuing a brighter future for all*

Mission Statement: *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

Our Commitment to Equity: *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Executive Committee

Friday, January 12, 2024

Comments and Communications

1. Non-Agenda Public Comments/Member Comments

Members of the public shall have the opportunity to address the Executive Committee on any issue within the jurisdiction of the Executive Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Executive Committee members and SANDAG staff also may present brief updates and announcements under this agenda item.

Consent

+2. Approval of Meeting Minutes

Approve

Robyn Wapner and Tessa Lero, SANDAG

The Executive Committee is asked to approve the minutes from its December 8, 2023, meeting.

[EC Meeting Minutes_120823.pdf](#)

+3. Review of Draft Board Agendas

Approve

Robyn Wapner and Ariana Galvan, SANDAG

The Executive Committee is asked to approve the draft agendas for the January 26, 2024 and February 9, 2024 Board of Directors meetings.

[Draft 012624 BOD Agenda.pdf](#)

[Draft 020924 BOD Agenda.pdf](#)

Reports

+4. Preliminary FY 2025 Program Budget and Strategic Planning Framework

Information

Susan Huntington, SANDAG

Staff will present preliminary information on the development of the FY 2025 Program Budget.

[Preliminary FY 2025 Program Budget Strategic Framework.pdf](#)

[Att. 1 - Overall Authority, Responsibilities, and Mandates.pdf](#)

[Att. 2 - Strategic Planning Framework.pdf](#)

[Att. 3 - Fund Sources.pdf](#)

[Supporting Materials.pdf](#)

+5. Legislative Status Report

Information

Robyn Wapner, Hannah Stern, Jose Alvarez, and Hector Vanegas, SANDAG

Staff will present an update on SANDAG legislative and policy activities.

[Legislative Status Report.pdf](#)

[Att. 1 - Report from Ellison Wilson LLC.pdf](#)

[Att. 2 - Report from Peter Peyser Assoc. LLC.pdf](#)

6. Adjournment

The next meeting of the Executive Committee is scheduled for Friday, February 9, 2024, at 9 a.m.

January 12, 2024

December 8, 2023, Meeting Minutes

[View Meeting Video](#)

Chairwoman Nora Vargas (County of San Diego) called the meeting of the Executive Committee to order at 8:35 a.m.

1. Public Comments/Communications/Member Comments

Alan C. member of the public, commented regarding inflation and raises in costs in the region.

Sara Ochoa, member of the public, commented regarding the unrest in the world and creating positive change.

Blair B., member of the public, commented regarding security measures in the country and the region.

Paul the Bold, member of the public, commented regarding limitations on free speech and speaking time during the meetings.

The OriginalDra, member of the public, commented regarding the recitation of the Pledge of Allegiance and depriving sovereignty of the people.

Phone #813, member of the public, commented regarding rules, regulations, and laws in society.

There were no member comments.

Consent

2. Approval of Meeting Minutes

The Executive Committee was asked to approve the minutes from its November 3, 2023, meeting.

3. Review of Draft Board Agenda

The Executive Committee was asked to approve the draft agenda for the January 12, 2024, Board meeting.

4. SANDAG Board of Directors Advisory Membership Request by Association of Planning Group - San Diego County

The Executive Committee was asked to recommend that the Board of Directors approve the request of the Association of Planning Groups – San Diego County to be appointed as a regular advisory member of the SANDAG Board of Directors.

5. Legislative Status Report

This report provided an update on SANDAG legislative and policy activities.

Blair B. commented regarding Item No. 2 and security issues.

The OriginalDra commented regarding Item No. 5 and legislative authority.

Action: Upon a motion by Councilmember Jack Shu (East County), and a second by Second Vice Chair Lesa Heebner (North County Coastal), the Executive Committee voted to approve the Consent Agenda.

The motion passed.

Yes: Chairwoman Vargas, Vice Chair Sean Elo-Rivera (City of San Diego), Second Vice Chair Heebner, Councilmember Shu, and Councilmember John Duncan (South County).

No: None.

Abstain: None.

Absent: North County Inland.

Reports

6. Amendments to Bylaws and Board Policies

Deputy General Counsel Amberlynn Deaton presented the item. The Executive Committee was asked to consider the amendments to the Bylaws and Board Policies.

Alan C. commented regarding responsible spending and taxpayer funding.

Phone #731, member of the public, commented regarding sponsorship approval policies and lack of online media notifications.

Phone #813 commented regarding public participation restriction changes in policy.

Blair B. commented regarding public participation and decorum at meetings.

The OriginalDra commented regarding laws and rules created to control the people and restrict public participation.

Action: Upon a motion by Vice Chair Elo-Rivera, and a second by Second Vice Chair Heebner, the Executive Committee voted to recommend the Board approve the amendments to the Bylaws and Board Policies.

The motion passed.

Yes: Chairwoman Vargas, Vice Chair Elo-Rivera, Second Vice Chair Heebner, Councilmember Shu, and Councilmember Duncan.

No: None.

Abstain: None.

Absent: North County Inland.

7. Upcoming Meetings

The next meeting of the Executive Committee is scheduled for Friday, January 12, 2024, at 9 a.m.

8. Adjournment

Chairwoman Vargas adjourned the meeting at 9:14 a.m.

Confirmed Attendance at Executive Committee Meeting

| Jurisdiction | Name | Member/ Alternate | Attend |
|------------------------------------|--------------------------------------|----------------------|--------|
| City of San Diego | Vice Chair Sean Elo-Rivera | Primary | Yes |
| | Councilmember Vivian Moreno | Alternate | No |
| | Councilmember Marni von Wilpert | Alternate | No |
| County of San Diego | Chairwoman Nora Vargas | Primary | Yes |
| | Supervisor Terra Lawson-Remer | Alternate | No |
| East County | Mayor Racquel Vasquez | Primary | No |
| | Councilmember Jack Shu | Alternate | Yes |
| North County Coastal | Mayor Lesa Heebner, 2nd Vice Chair | Primary | Yes |
| | Councilmember Melanie Burkholder | Alternate | Yes |
| North County Inland | Mayor Rebecca Jones | Primary | No |
| | Mayor Steve Vaus | Alternate | No |
| South County | Vacant | Primary | No |
| | Councilmember John Duncan | Alternate | Yes |
| Ex-Officio Members | Name | | Attend |
| Chair, Transportation Committee | Councilmember Jack Shu | | Yes |
| Chair, Public Safety Committee | Councilmember Jose Rodriguez | | No |
| Chair, Borders Committee | Mayor Pro Tem Matthew Leyba-Gonzalez | | No |
| Chair, Audit Committee | Deputy Mayor David Zito | | Yes |
| Chair, Regional Planning Committee | Supervisor Terra Lawson-Remer | | No |

January 12, 2024

Draft January 26, 2024, Board of Directors Meeting Agenda

Item No.

Action

Comments and Communications

1. Non-Agenda Public Comments/Member Comments

Members of the public shall have the opportunity to address the Board of Directors on any issue within the jurisdiction of SANDAG that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Board members and SANDAG staff also may present brief updates under this agenda item.

Consent

+2. Approval of Meeting Minutes

Tessa Lero, SANDAG

Approve

The Board of Directors is asked to approve the minutes from its January 12, 2024, meeting.

+3. Approval of Proposed Solicitations and Contract Awards

Melissa Coffelt and Kelly Mikhail, SANDAG

Approve

The Board of Directors is asked to review and approve the proposed solicitations and contract awards.

+4. New Grant Funding: Transportation Network Company Access for All Grant Program

Susan Huntington and Benjamin Gembler, SANDAG

Approve

The Transportation Committee recommends that the Board of Directors approve an amendment to the FY 2024 Program Budget accounting for all grant funding from the California Public Utilities Commission (CPUC) for FY 2022-2024, accepting \$1,078,724 in grant funding from the CPUC, and authorizing the CEO to enter into a grant agreement with the CPUC.

+5. San Dieguito Double Track & Special Events Platform Project - CM/GC Delivery Method

Sharon Humphreys and Angela Anderson, SANDAG

Adopt

The Transportation Committee recommends that the Board of Directors adopt Resolution No. 2024-XX, authorizing the use of the Construction Manager/General Contractor (CM/GC) construction delivery method for the San Dieguito Double Track & Special Events Platform Project.

- | | |
|---|---------------------------|
| <p>+6. Otay Mesa East Port of Entry: Toll Revenue Agreement Amendment <i>Betsy Blake and Maria Rodriguez Molina, SANDAG</i></p> <p>This report provides information related to technical amendments to the 2022 Otay Mesa East Port of Entry Toll Revenue Agreement with Mexico.</p> | <p>Information</p> |
| <p>+7. Overview of Developments in the Financial Markets, Quarterly Finance Report as of September 30, 2023* <i>Andre Douzdjian and Ray Major, SANDAG</i></p> <p>This report provides an update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the TransNet Program.</p> | <p>Information</p> |
| <p>+8. Quarterly Progress Report on SANDAG'S Capital Program – Through September 2023 <i>Susan Huntington and Jennifer Cha, SANDAG</i></p> <p>This quarterly report provides an update on the status of the projects that comprise SANDAG's Capital Program as approved in the FY 2024 Program Budget.</p> | <p>Information</p> |
| <p>+9. Policy Advisory Committee Actions <i>Robyn Wapner and Francesca Webb, SANDAG</i></p> <p>The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.</p> | <p>Approve</p> |
| <p>+10. Chief Executive Officer Delegated Actions* <i>Andre Douzdjian and Beth Lupu, SANDAG</i></p> <p>In accordance with various Board Policies, this report summarizes delegated actions taken by the Chief Executive Officer.</p> | <p>Information</p> |

Reports

- | | |
|--|---------------------------|
| <p>+11. Operational Process and System Control Audit for Board Member and Employee Travel and Other Business-Related Reimbursements <i>Courtney Ruby and Christopher Delgado, Office of the Independent Performance Auditor</i></p> <p>The Office of the Independent Auditor will present the Board of Directors with the audit report as information.</p> | <p>Information</p> |
| <p>+12. 2025 Regional Plan: Initial Concept, Cost, and Revenues Workshop <i>Antoinette Meier, Susan Huntington, and Dr. Cindy Burke, SANDAG</i></p> <p>The Board of Directors will participate in a workshop to help inform development of the 2025 Regional Plan, including an overview of the initial concept to be used for modeling purposes.</p> | <p>Discussion</p> |

+13. Closed Session - Conference with Director of ARJIS regarding Security of Public Services and Facilities (Government Code 54957(a))

Anthony Ray, ARJIS and John Kirk, SANDAG

The Board will be briefed by Anthony Ray, Director of ARJIS and former acting San Diego County Sheriff, regarding enhanced safety and security measures for SANDAG facilities that will provide the safest environment for the public, staff, and Board members to participate in public meetings.

14. Upcoming Meetings

The next Board of Directors meeting is scheduled for Friday, February 9, 2024, at 9 a.m.

15. Adjournment

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item

January 12, 2024

Draft February 9, 2024, Board of Directors Meeting Agenda

Item No.

Action

Comments and Communications

1. Non-Agenda Public Comments/Member Comments

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Consent

+2. Approval of Meeting Minutes

Tessa Lero, SANDAG

Approve

The Board of Directors is asked to approve the minutes from its January 26, 2024, meeting.

+3. FY 2024 Project Budget Amendment: San Ysidro Mobility Hub

Antoinette Meier, Zach Hernandez, SANDAG

Approve

The Board of Directors is asked to approve an amendment to the FY 2024 Program Budget, accepting \$785,400 in grant funding from the Federal Transit Administration.

+4. Approval of Proposed Solicitations and Contract Awards

Melissa Coffelt and Kelly Mikhail, SANDAG

Approve

The Board of Directors is asked to review and approve the proposed solicitations and contract awards.

+5. Meetings and Events Attended on Behalf of SANDAG

Robyn Wapner, Francesca Webb, SANDAG

This report provides an update on meetings and events attended by Board members.

+6. Policy Advisory Committee Actions

Robyn Wapner and Francesca Webb, SANDAG

Approve

The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.

Chair's Report

- +7. Appointment of the Policy Advisory Committee Members and Designation of Transit Representatives to the Board of Directors**
Chairwoman Nora Vargas, SANDAG

Information

This report summarizes the voting and advisory members appointed to the Policy Advisory Committees, including the Committee Chairs and Vice Chairs appointed by the SANDAG Chair, and the designation of Board members as transit representatives for the purpose of meeting federal requirements.

Reports

- +8. Airport Transit Connection**
Victoria Stackwick, Ryan Kohut, Keith Greer, SANDAG

**Discussion/
Possible Action**

The Board of Directors will be briefed on the Airport Transit Connector, project alternatives, and the environmental clearance process to connect the San Diego International Airport to the regional transit system.

- +9. 2025 Regional Plan: Initial Concept**
Antoinette Meier, Cindy Burke, Susan Huntington, SANDAG

Discussion

The Board of Directors is asked to provide feedback on the initial concept for the Draft 2025 Regional Plan.

10. Upcoming Meetings

The next Board of Directors meeting is scheduled for Friday, February 23, 2024, at 9 a.m.

11. Adjournment

+ next to an agenda item indicates an attachment

January 12, 2024

Preliminary FY 2025 Program Budget Strategic Framework

Overview

The annual budget is the document that authorizes and provides funds for the work that SANDAG does. Progress on this work is documented in regular reports to the Board of Directors and policy committees and summarized in the agency's annual report each year.

Development of the FY 2025 Program Budget is under way. As part of the budgeting process, staff considers work elements related to meeting federal, state, and local mandates; the strategic direction of the agency; and the funding environment and economic outlook for the region, state, and nation.

Key Considerations

The annual Program Budget reflects the programs, projects, services, and activities that SANDAG intends to carry out in the upcoming year to meet our mandates and agency responsibilities and supports implementation of the agency's strategic plan and the Regional Plan.

Attachment 1 outlines various agency responsibilities that are either mandated by federal law, state law, or regulation or delegated to SANDAG through local agreement.

Attachment 2 reflects the strategic plan and initiatives that provide context for the goals that will be undertaken in FY 2025. In addition, the strategic initiatives establish a strong foundation to ensure our success as an organization and build the capacity needed to deliver programs and projects effectively.

Attachment 3 provides an overview of various fund sources identified in the budget. At this early stage in budget development, revenues are generally assumed to be flat, neither increasing nor decreasing. FY 2025 fund estimates will be refined as state and federal agencies release FY 2025 estimates and the TransNet revenue forecast is updated.

Next Steps

Staff will seek authorization from the Executive Committee at its meeting in March 2024 to distribute the Draft FY 2025 Program Budget to funding agencies for review. Pending recommendation from the Executive Committee, the Board of Directors is scheduled to consider the Draft FY 2025 Program Budget for approval in late March. A copy of the approved Draft Budget will be distributed to each member agency.

In April and May 2024, staff will provide additional reviews, as needed, to the Executive Committee. The Board shall adopt the Final FY 2025 Program Budget no later than June 30, 2024.

André Douzdjian, Chief Financial Officer

Key Staff Contact: Susan Huntington, (619) 595-5389, susan.huntington@sandag.org

Attachments:

1. Overall Authority, Responsibilities, and Mandates
2. Strategic Planning Framework
3. Fund Sources

Action: Information

Staff will present preliminary information on the development of the FY 2025 Program Budget.

Fiscal Impact:

Total spending in the FY 2025 Program Budget will be presented as part of the Draft FY 2025 Program Budget presentation in March.

Schedule/Scope Impact:

Staff will return to the Executive Committee in March 2024 with the complete Draft FY 2025 Program Budget document for review.



Organizational Structure

Overall Authority, Responsibilities, and Mandates

SANDAG has several federal, state, and local designations that form the framework for what we do. Below are some of SANDAG's most important designations and critical responsibilities. You can find SANDAG's governing legislation and a complete list of our mandates and designations on our website at sandag.org/about/bylaws-and-policies.

Federal Designations

Metropolitan Planning Organization (MPO): Every major region throughout the country is required to have an MPO. As the San Diego region's MPO, SANDAG is one of 18 in California. In this role, we are required to have a long-range, comprehensive Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP). This role also allows us to receive formula federal funds.

Some of SANDAG's other federal designations include:

- ▶ Co-Lead Agency for Air Quality Planning (federal and state)
- ▶ Area-Wide Clearinghouse (federal and state)

The Federal Land Management Agencies (FLMAs) in our region include: the Bureau of Indian Affairs, U.S. Forest Service, National Park Service, U.S. Fish and Wildlife Service, Bureau of Land Management, Bureau of Reclamation, and the Department of Defense (including the U.S. Army Corps of Engineers and Military Surface Deployment and Distribution Command). SANDAG and its member agencies coordinate with all applicable FLMAs in the San Diego region affected by the various transportation projects included in this budget. We anticipate that the Department of Defense and U.S. Fish and Wildlife will be contacted most frequently.

State Designations

Regional Transportation Planning and Fund Allocation Agency: As the regional transportation planning agency, SANDAG adopts the RTP and RTIP, the five-year programming of state and federal transportation funds. The agency also allocates Transportation Development Act funds (local quarter-percent sales tax collected statewide and returned to the county based on the amount collected, approximately \$205 million in FY 2024).

San Diego Regional Consolidated Agency: This designation consolidated regionally significant transit planning, programming, project development, and construction into SANDAG. Day-to-day operations responsibilities remain with the existing transit operators. SANDAG is also authorized by statute to place a ballot measure before the voters and use revenues from the sales tax to provide infrastructure that maintains and improves the region's quality of life. Examples include habitat conservation, shoreline preservation, water quality enhancement, and public transit.

Some of SANDAG's other state designations include:

- ▶ Co-Lead Agency for Air Quality Planning (federal and state)
- ▶ Area-Wide Clearinghouse (federal and state)
- ▶ Housing
- ▶ Otay Mesa East Toll Facility Act
- ▶ Congestion Management Agency (state and local)

Local Designations

Council of Governments: This designation makes SANDAG the public forum for regional decision making among the area's 18 cities and county government relating to a broad range of topics pertinent to the region's quality of life. Some of the regional topics include strategic planning, allocation of resources, and the creation of accurate, timely, and useful demographic, economic, transportation, planning, borders, environmental, and public safety information.

San Diego County Regional Transportation Commission (Local and Voter Approval): In this role, SANDAG administers the local half-cent sales tax, TransNet, for transportation purposes including oversight and funding. In FY 2023, TransNet brought in approximately \$443 million.

Regional Toll Authority (Congestion Management and Infrastructure Financing): In this role, SANDAG is responsible for the delivery and operation of pricing programs such as the Interstate 15 Express Lanes and future managed lanes. Fees support the operation and maintenance of the program and provide additional funding for *Rapid* transit and vanpool services in the corridor.

Automated Regional Justice Information System (ARJIS): The purpose of the ARJIS Joint Powers Agency is to develop and maintain state-of-the-art criminal justice information technology that provides its members with seamless, cross-jurisdictional access to essential, accurate, real-time data via a secure criminal justice enterprise network. As the convening agency for regional justice technology, ARJIS enhances officer and public safety.

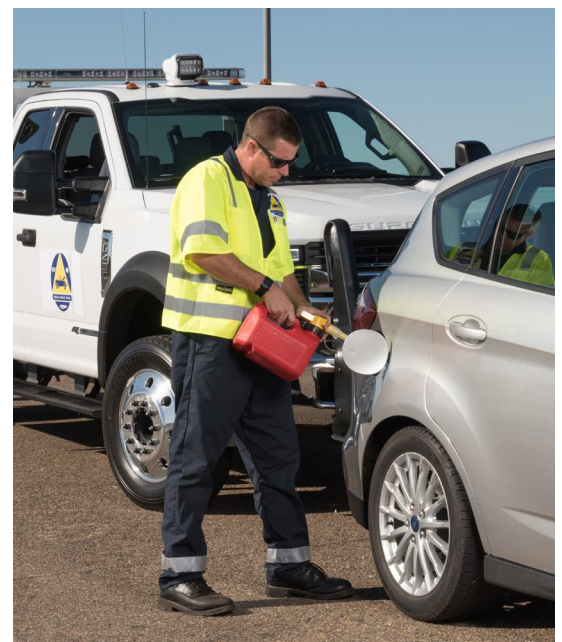
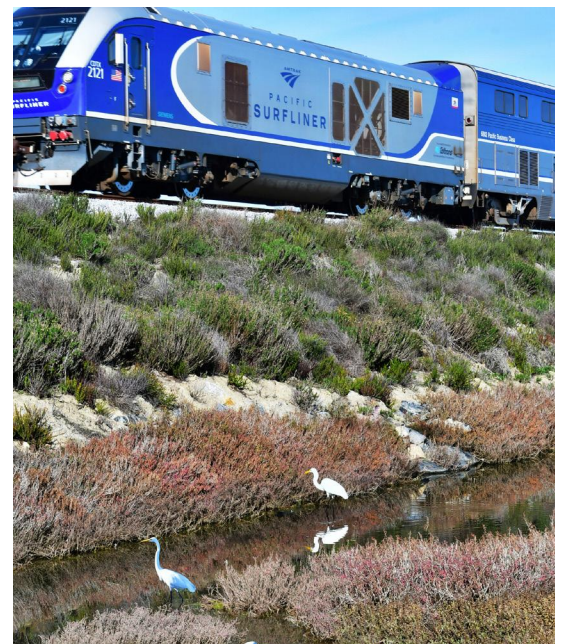
Freeway Service Patrol Administration: In this capacity, SANDAG provides rapid assistance to stranded motorists during peak traffic periods on various highways. This service reduces congestion and increases safety.

Some of SANDAG's other local designations include:

- ▶ Congestion Management Agency (state and local)
- ▶ Regional Census Data Center
- ▶ Regional Criminal Justice Clearinghouse

Other Designations:

- ▶ North County Multiple Habitat Conservation Program
- ▶ Successor Agency for the San Diego Service Authority for Freeway Emergencies
- ▶ Regional Transportation Demand Management Program Administration
- ▶ State Route 125 Toll Facility
- ▶ Intergovernmental Review
- ▶ Regional Information System
- ▶ SANDAG Service Bureau
- ▶ Fee-for-Services
- ▶ Master Agreement with Caltrans
- ▶ Memoranda of Understanding with Member Agency(ies)
- ▶ Memoranda of Understanding with Metropolitan Transit System and North County Transit District
- ▶ Local, State, or Federal Grant Conditions
- ▶ Regional Beach Sand Replenishment Program



Strategic Planning Framework

Vision

Pursuing a brighter future for all

Mission

We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.

Our Guiding Principles:

Imagine the possibilities, partner for success, make it happen.

Core Values:

The advancement of equity and inclusion is embedded in everything we do.

Our organizational culture inspires people to do their best work.

We effectively use data and analytics to inform decision making.

Strategic Initiatives

The following strategic initiatives establish a strong foundation to ensure our success as an organization, and build the capacity needed to effectively deliver projects.

1. Refine organizational structure and systems to allow us to **streamline work products and resource teams appropriately** to advance and complete programs and projects.
2. Ensure that **necessary technology and systems** are in place, including for the new office space and a paperless environment with electronic document management.
3. Communicate to the Board and public in a **clear, authentic, timely, and transparent** manner.
4. Continue practices that **attract and retain** highly qualified and motivated staff. Invest in training staff and succession planning.
5. Refine **processes and policies to ensure compliance and integrity of SANDAG operations and allow efficient access** to needed talent and expertise.

Fund Sources

SANDAG's Program Budget includes many fund sources. The following list, though not exhaustive, describes revenue reflected in the Program Budget. Actual estimates in the Draft FY 2025 Program Budget will be developed and updated between November and the end of January.

Local Sales Tax Revenue – Despite two years of strong inflation and economic uncertainty, local sales tax revenue has seen healthy year-over-year gains. FY 2022 recorded an unprecedented 21.5% year-over-year increase in TransNet revenue (\$405.9 million), and FY 2023, sales tax revenue grew another 5.9%. However, expectations for FY 2024 and FY 2025 are being downgraded as inflation wanes and rising interest rates begin to slow the economy. Q1 FY2024 sales tax revenue did not keep pace with the forecast, signaling softening of growth expectations for FY2025 may be needed.

Federal and State Revenue – Revenues are subject to both the state and federal governments approving annual budgets and are initially assumed to remain flat. Actual appropriation of metropolitan planning organization (MPO) planning funds will be announced in subsequent notices appearing in the Federal Register.

Federal formula funds for capital projects increased in FY 2024 pursuant to the Infrastructure Innovation and Jobs Act (IIJA) and based on the region's air quality redesignation from moderate to severe which increased the share of the annual Congestion Mitigation and Air Quality program apportionment. SANDAG and the transit agencies are also eligible for formula funds under several state programs that include planning, operations, and capital funding. Additional funding may become available through formula appropriation in FY 2025 depending on how the State of California distributes the additional funds made available through the passage of the IIJA.

Other Revenue and Grants – Dedicated grants, enterprise revenue, and ongoing multi-year state and federal grant programs provide funding for projects and programs in the OWP, capital, and regional operations budget components. In particular, SANDAG and the transit agencies are eligible for discretionary funds under many federal and state programs with awards continuing in FY 2024 and FY 2025. SANDAG continuously competes for discretionary grants for its planning and capital programs that are added to the Program Budget as they are awarded.

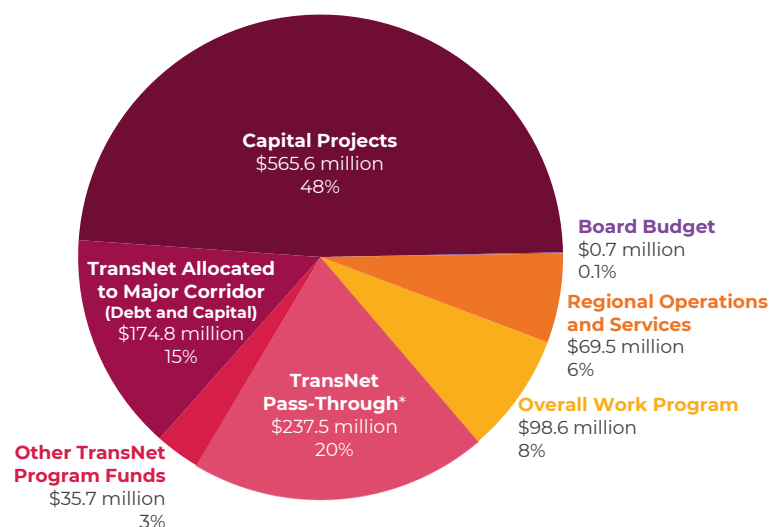
The revenue generated on the State Route 125 (SR 125) toll road and the Interstate 15 (I-15) Express Lanes have shown positive growth. Traffic and revenue on the SR 125 toll road and the Interstate I-15 Express Lanes increased during FY 2023 and the first quarter of FY 2024. Toll and Express Lane revenues will be updated for the Draft 2025 Program Budget along with the rest of the revenues discussed above.



Preliminary FY 2025 Program Budget Strategic Framework

Executive Committee | Item 4
Susan Huntington, Director of Financial Planning, Budgets and Grants
January 12, 2024

FY 2024 Final Program Budget \$1.2 Billion Total



*Pass-through funds go to local jurisdictions and transit operators

NOTE: Administration, Information Technology and Office of Independent Performance Auditor's budget of \$26.2 million is allocated to all major programs

Overall Authority, Responsibilities, and Mandates

(Attachment 1 excerpts)

| Metropolitan Planning Organization (Federal) | San Diego Regional Consolidated Agency (State) | San Diego County Regional Transportation Commission (Local and Voter Approval) |
|---|---|---|
| <ul style="list-style-type: none"> • Adopt the long-range Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP), including air quality conformity analyses. • Adopt the annual Overall Work Program consistent with federal requirements and funding regulations. | <ul style="list-style-type: none"> • Senate Bill 1703 mandated membership in the consolidated agency from the area's 18 cities and county government. • It also consolidated regionally significant transit planning, programming, project development, and construction into SANDAG. | <ul style="list-style-type: none"> • San Diego County Regional Transportation Commission (Local and Voter Approval) • SANDAG is the designated commission and administers the local half-cent sales tax, TransNet, for transportation purposes. |

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Agency Strategic Initiatives

| Organizational Structure | Technology | Communication | Recruitment and Retention | Processes |
|--|---|---|---|---|
| Refine organizational structure and systems to allow us to streamline work products and resource teams appropriately to advance and complete programs and projects. | Ensure that necessary technology and systems are in place, including for the new office space and a paperless environment with electronic document management. | Communicate to the Board and public in a clear, authentic, timely, and transparent manner. | Continue practices that attract and retain highly qualified and motivated staff. Invest in training staff and succession planning. | Refine processes and policies to ensure compliance and integrity of SANDAG operations and allow efficient access to needed talent and expertise. |

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Project Highlights



SANDAG | 5

Funding Estimates



Local Revenue

- TransNet ($\frac{1}{2}\%$)
- TDA ($\frac{1}{4}\%$)
- Toll Road/ Managed Lanes



Federal and State Revenue

- Formula allocations
- Discretionary grants

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Program Budget Development

Executive Committee

Preliminary Discussion
January 12, 2024

Executive Committee

Draft FY 2025 Budget
March 8, 2024

Board of Directors

Draft FY 2025 Budget
March 22, 2024

Executive Committee

Proposed Final FY 2025 Budget
May 10, 2024

Board of Directors

Proposed Final FY 2025 Budget
May 10, 2024

January 12, 2024

Legislative Status Report

Overview

Status reports on SANDAG legislative activities are provided to the Executive Committee on a regular basis.

Attachment 1 includes a summary from Ellison Wilson, LLC on state legislative activity related to SANDAG for December 2023.

Attachment 2 includes a summary from Peyser Associates, LLC on federal legislative activity related to SANDAG for December 2023.

Action: Information

Staff will present an update on SANDAG legislative and policy activities.

Fiscal Impact:

None

Schedule/Scope Impact:

None

Robyn Wapner, Director of Public Affairs

Key Staff Contacts: Hannah Stern, (619) 925-0127, hannah.stern@sandag.org
Jose A. Alvarez, (619) 361-2803, jose.alvarez@sandag.org
Hector Vanegas, (619) 699-1972, hector.vanegas@sandag.org

Attachments: 1. Report from Ellison Wilson Advocacy, LLC
2. Report from Peter Peyser Associates, LLC



TO: SANDAG BOARD OF DIRECTORS
FROM: ELLISON WILSON ADVOCACY, LLC
SUBJECT: SANDAG LEGISLATIVE REPORT – DECEMBER 2023

Legislative Overview

The Legislature is currently in its Interim Study Recess and will not return to the Capitol until January 3rd, at which time they will commence the second year of the 2023-24 Legislative Session.

2024 California Legislative Calendar Released

The schedule for the second year of the 2023-24 Legislative Session has been released, which includes the following key dates:

- January 19: Last day to submit bill requests to Leg. Counsel
- February 16: Last day for bills to be introduced
- March 21-April 1: Spring Recess
- April 26: Last day for policy committees to hear first house fiscal bills
- May 3: Last day for policy committees to hear first house non-fiscal bills
- May 17: Last day for fiscal committees to hear first house bills
- May 24: Last day for each house to pass first house bills
- July 3: Last day for policy committees to hear all bills
- July 3-August 5: Summer Recess
- August 16: Last day for fiscal committees to hear all bills
- August 23: Last day to amend bills on the Floor
- August 31: Last day for each house to pass bills
- September 30: Last day for Governor to sign or veto bills
- December 2: 2025-26 Regular Session convenes for Organizational Session

Speaker Rivas Selects New Pro-Housing Leadership and Committee Chairs

Since assuming the office of Speaker of the California State Assembly on June 30, 2023, aside from a few reconfigurations, Robert Rivas had been noticeably quiet on any major overhauls to committee chairmanships. Finally, on November 21st, Speaker Rivas announced several significant changes to his leadership team and committees, which will be effective immediately (unless otherwise noted below).

Overall, Speaker Rivas' selections indicate that he is determined to address the state's housing shortage – namely, affordable housing – through the promotion of pro-housing members and demotion of those who

are less so. It appears that Rivas intends to push legislation to make it easier to build housing of all kinds, even if that comes at the expense of local control over development decisions.

Of key importance to SANDAG, Speaker Rivas made the following changes:

Assembly Transportation Committee – new Chair Lori Wilson

Assembly Member Lori Wilson (D-Suisan City) will take over as Chair of Assembly Transportation and former Chair Laura Friedman has been removed from the Committee (in most cases, old chairs have been removed from the committees completely so as to not undermine the new chair by influencing committee staff and other committee members). Assembly Member Wilson took over Jim Frazier’s seat after his resignation in 2022 (which encompasses Solano County and parts of Contra Costa County, including the city of Oakley, and Sacramento County). She has not previously been a member of the Assembly Transportation Committee and has not authored any significant transportation legislation (last year she introduced an unsuccessful bill to provide tax relief for zero-emission public ferries, as well as a successful effort to regulate commercial nonfranchise solid waste haulers in certain counties.) Before joining the Legislature, Wilson was director of finance for the national homebuilding company, KB Homes.

When asked about her new position, Assembly Member Wilson responded: “Transportation policy should support housing creation, make travel shorter and our quality of life better. It’s not doing that well enough right now at all, so I’m going to ask a lot of questions so we can get better answers that deliver better outcomes for Californians.”

Assembly Housing and Community Development Committee – new Chair Chris Ward

Assembly Member Chris Ward (D-San Diego) will take over as Chair of Assembly Housing and former Chair Buffy Wicks has been removed from the Committee. Assembly Member Ward has developed a strong pro-housing reputation, including his authorship of last year’s AB 68, dubbed the Housing and Climate Solutions Act, which would have prioritized the sustainable development of homes near jobs, schools, transit, and other resources while putting a cap on sprawl across the state. While the bill was unsuccessful, significantly in part due to opposition from builders, his selection as Chair of Assembly Housing suggests Speaker Rivas is supportive of Ward’s pro-density agenda.

Upon his selection as Chair, Assembly Member Ward stated: “As a representative of San Diego where the cost of living has risen dramatically to be the highest in the nation, I hear regularly from constituents the need to be stronger to increase the affordable housing supply throughout California and make the dream of owning a home a reality for working Californians once again. From needs to unlock barriers to housing production, assist local governments in meeting goals, lower the costs associated with new housing, and support renters struggling to keep up, I look forward to the impact our committee can make through our hard work ahead.”

Assembly Appropriations Committee – new Chair Buffy Wicks

Assembly Member Buffy Wicks (D-Oakland) has been selected to take over as Chair of the powerful Assembly Appropriations Committee from former Chair Chris Holden on January 22, 2024. Assembly Member Wicks has been an ardent Rivas supporter (and was a thorn at times in the side of former Speaker Rendon), and while she is also pro-housing, her ascent from Chair of the Assembly Housing and Community Development Committee to Chair of the Assembly Appropriations Committee – where virtually every bill with a state cost has to go – is likely a reward for her efforts in securing Rivas’ speakership.

Assembly Budget Committee – new Chair Jesse Gabriel

Assembly Member Jesse Gabriel (D-Encino) will take over as Chair of the Assembly Budget Committee (but it appears that long-time Chair Assembly Member Phil Ting will remain on the Committee). The 2023 Budget Act signed by Newsom in June projected a \$14 billion shortfall in the next fiscal year, which begins July 1, 2024.

Assembly Majority Leader – Cecilia Aguilar-Curry

Assembly Member Cecilia Aguilar-Curry (D-Davis) will replace Isaac Bryan as the top lieutenant to Rivas (while Bryan will take over as Chair of the Assembly Natural Resources Committee). In a post-selection statement, Curry said: “I share the Speaker’s commitment to collaboration with all of our colleagues in the Assembly, and our partners in the Senate and the Newsom Administration. I stand ready to support him, work for all Californians, and fight for the values of our Assembly Democratic Caucus in this new role.”

In regards to Aguilar-Curry, Rivas stated: “The Majority Leader works closely with the Speaker and Speaker Pro Tempore to expedite proceedings and build agreement across our historically large caucus. Cecilia is a trusted friend and colleague who I’m proud to have worked with closely in the past, and has my full confidence for the work ahead. I thank Asm. Bryan for his exceptional work during my transition into the office of Speaker, and look forward to continuing our collaborative work for many years to come.”

Peter A. Peyser

December 1, 2023

Transportation Update from Peyser Associates

No Progress on FY 24 Appropriations this Week

The House and Senate returned from their Thanksgiving breaks this week and their attention has been focused on the Supplemental Appropriations request for foreign aid and border policy and not on advancing fiscal year 2024 appropriations bills.

There are several key sticking points on the Administration's proposal for supplemental funding for Israel, Ukraine, Southeast Asia and border security. In the Senate, Democrats are dividing over the issue of border policy as leaders and the Biden Administration seek a compromise with GOP Senators who are demanding something more than just more money for border security. A change in the criteria for receiving asylum is under consideration and progressive Democrats are alarmed by the potential that their leadership and the Biden Administration might agree to it.

As readers of this report will recall, the House already passed a stand-alone Israel funding bill and is waiting for the Senate to put its cards on the table so a final deal can be negotiated. One might think that with the ball in Senate's court on the supplemental, the House might use the time to advance FY 2024 funding bills. While House Speaker Mike Johnson (R-LA) is certainly looking for a way to advance the four spending bills (including Transportation-HUD) for which he has not been able to find sufficient votes, this week does not appear to have brought any progress. Meanwhile, the House has occupied itself with symbolic bills on foreign policy and the vote to expel Rep. George Santos (R-NY).

Appropriations Committee leaders on both sides of the Capitol expressed concern this week that there have been no substantive bicameral conversations in search of an agreement over the top line spending amounts for each of the 12 appropriation bills. Agreement on those amounts is essential to getting to a final deal on the measures.

In summary, the clock continued to tick down towards the January 18 deadline to complete action on four of the spending bills, including Transportation-HUD, this week with no progress towards that end.

FY 2024 RAISE Grant NOFO Released

The Department of Transportation yesterday released the Notice of Funding Opportunity (NOFO) for the RAISE grant program for FY 2024. The NOFO will award \$1.5 billion in FY 2024 funds already appropriated under the Bipartisan Infrastructure Law. The deadline for applications is February 28, 2024.

Click [HERE](#) to see the NOFO.

Federal-State Partnership Rail Grant Announcement Rumored to be Coming Soon

Rumors abound that the Federal Railroad Administration is on the verge of announcing grant awards under the Federal-State Partnership for Intercity Passenger Rail National Program. Congressional notification as early as today for award announcements early next week is possible.

Final announcements have been delayed because the White House is now involved in planning the roll-out so that the president can be involved. Getting time on his calendar is difficult. Stay tuned.

Administration Announces Rail Funding Awards and Future Corridors for Development

President Biden today will travel to Las Vegas to announce the award of \$8.2 billion in funding for ten passenger rail projects. The funding comes from the Federal State Partnership for Intercity Passenger Rail – National Program (FSP) that was included in the Bipartisan Infrastructure Law. At the same time, he will announce the results of the Federal Railroad Administration’s Corridor ID program analysis of corridors proposed for inclusion in the pipeline of passenger rail projects for future development.

The largest winners in the competition for funding were two high-speed rail projects in the West. The California High Speed Rail Authority will receive \$3.07 billion to help complete the Merced-to-Bakersfield segment of their Phase 1 project from San Francisco to Anaheim. The Brightline West project will receive \$3 billion for its railroad from Las Vegas to Rancho Cucamonga, California. The other largest project to receive funding was a segment of the Richmond-to-Raleigh corridor running from Raleigh to Wake Forest, NC. A grant of \$1.1 billion will be made to that project. All three of these projects will receive their funding through a combination of a grant from the fiscal 2022 and 2023 funds appropriated for the FSP program and a Phased Funding Agreement committing future year funds.

The other seven projects will all be funded with grants from the FY 22 and 23 funds. Those are:

- | | |
|--|------------------|
| • Alaska Railroad Bridge Replacement | \$ 8.2 million |
| • Chicago Union Station Mall Platform Reactivation | \$ 49.6 million |
| • Chicago Union Station Platform Capacity Expansion | \$ 44.0 million |
| • Downeaster Corridor (ME) Track Improvement | \$ 27.5 million |
| • Malta (MT) Corridor Operation Enhancement | \$ 14.9 million |
| • Keystone West Corridor (PA) Improvements | \$ 143.6 million |
| • Northern Virginia Corridor Improvements | \$ 729.0 million |

The full list of projects selected with detailed descriptions is [HERE](#)

In addition to these major grant awards, the Administration today is also releasing the results of its evaluation of rail corridors for inclusion in the Corridor ID program list of potential future corridors for development and improvement. The corridors announced today include 15 existing corridors for improvement, 47 extensions to new and existing non-high-speed corridors and 7 new high-speed rail corridors. The full list of corridor ID projects can be found by clicking [HERE](#)

Click [HERE](#) to see the White House Fact Sheet on today’s announcements.

Small Steps Forward on Fiscal 2024 Appropriations

There were some small signs of progress this week in the process for gaining agreement on spending bills – including for transportation programs – for fiscal year 2024.

Speaker Mike Johnson (R-LA) gained an agreement with the Freedom Caucus on a top-line spending total for domestic and defense discretionary spending that equals the amount agreed to earlier this year in the debt limit/spending deal. By dropping their demand for steeper cuts, which has animated the House's work on spending bills so far, the House can now begin in earnest a conversation with the Senate about advancing the appropriations process. Speaker Johnson took the first step in that direction this week by transmitting a top-line spending offer to Senate Majority Leader Chuck Schumer (D-NY). While the full details of the offer are not known, it contains one clear point of contention. The House wants to include supplemental spending bills typically labeled as "emergency" (and therefore outside of spending caps) under the umbrella of the spending caps. This means that bills such as the pending \$110 billion foreign aid and border package would fall under the cap and have to be "paid for" by cuts in other programs.

If Speaker Johnson can retain the license he appears to currently have to negotiate with the Senate, it may be possible a top-line spending agreement can be reached by the end of the year. That would leave time – albeit on an aggressive schedule – for a Transportation-HUD bill to be passed in before January 18, when the current Continuing Resolution for the THUD bill and three others runs out, or at the very least by the February 2nd date when the clock expires on the CR for the other eight spending measures.

This conversation over the annual spending bills is taking place simultaneously with the debate over how to advance the president's proposed aid package for Ukraine, Israel, Southeast Asia and the U.S. Southern border. As reported last week, that legislation is tied-up in the Senate over a disagreement over how to deal with immigration policy. The GOP won a victory this week when the Senate fell 11 votes short of the total needed to advance an aid package that did NOT include changes to asylum policy sought by the GOP. Sen. Schumer must now go back to his caucus and seek some room to negotiate over the asylum issue with the Republicans. The failure of this week's vote may help him convince his colleagues that a deal must be struck with the Republicans for aid to Ukraine and Israel to move quickly.

The debate on the supplemental funding measure is taking the attention of key players who also need to be involved in the effort to enact regular appropriations bills. To the extent it drags on, it could impede progress on those bills.

DOT To Award Funds to Support Transit TOD

In an appearance yesterday at the American Public Transportation Association (APTA) Legislative Committee meeting in Washington, DOT Assistant Secretary for Policy Christopher Coes announced the Department will soon release a notice seeking applications from transit agencies for grants to provide technical assistance to them to support their efforts to leverage their own property and adjacent properties for transit oriented development. The program will award \$40 million in funding to support planning efforts and also provide technical assistance to transit authorities in the form of professional services from pre-selected outside consultants. The announcement of the program and solicitation of applications is coming "soon," said Coes.

Transportation Update from Peyser Associates

Battle Continues over Top-Line Spending Amount for Appropriations Bills

To the extent there is progress to report this week on the fiscal 2024 appropriations agenda, it is limited to noting that the House and Senate are finally talking in earnest about how to set top-line spending amounts for defense and non-defense discretionary spending. Last week's update reported that the House had dropped its insistence on reducing spending below the top-line amount included in the debt limit/spending deal enacted in May. While it seemed as if that concession might break the logjam, a dispute over what's included under that spending cap continues to hold up the process.

The dispute is over a so-called "side deal" agreed to last spring by former House Speaker Kevin McCarthy (R-CA) that would allow Congress to add spending above the agreed-upon limits by reprogramming funds already appropriated. Now, House Republicans want that spending, which could be as much as \$115 billion in fiscal 2024, included under the overall \$1.59 trillion cap. This disagreement over .07% of the federal budget is blocking the setting of spending targets for each individual spending bill.

The House has departed Washington for its holiday break. The Senate is staying in session next week to continue work on a supplemental funding bill to include aid to Ukraine, Israel and Southeast Asia and more funding and asylum policy changes aimed at the crisis on American's Southern border. But while the Members are either gone or focused on something else, staff will continue to work to resolve differences on fiscal 2024 spending bills. If an agreement on how to calculate the top-line spending amounts can be reached next week, staff will spend the recess developing options for resolving House and Senate differences on the individual spending bills. The Transportation-HUD appropriations bill is one of four that is subject to the January 19 deadline for avoiding a funding lapse.

Transit Operating Assistance Bill Re-Introduced in the House

Rep. Hank Johnson (D-GA) this week reintroduced a bill he first sponsored in 2021 to create a new program of operating assistance for large transit agencies who are implementing plans to increase or improve transit service.

The bill, entitled "Stronger Communities through Better Transit Act," would create a formula program to provide operating assistance to transit agencies of any size that add hours or service, increase service frequency or add new service. In the last Congress, the bill had 44 co-sponsors joining Rep. Johnson on the measure.

As written, the bill would not make funds available for the sole purpose of preserving current service – which is the major challenge some large transit agencies currently face. The Johnson bill is a focus for the advocacy of a coalition of national and local transit advocates that played a key role in pushing for the \$60 billion of operating assistance made available in three Covid aid packages passed in 2020 and 2021. That group is actively pushing for House Members to co-sponsor the bill. Sen. John Ossoff (D-GA) is expected to introduce a companion bill in the Senate soon.

December 22, 2023

Transportation Update from Peyser Associates

Congress Wraps Up For the Year Leaving a Packed Agenda for January

The tumultuous first session of the 118th Congress came to a close with a whimper on Tuesday when Senate Majority Leader Chuck Schumer (D-NY) threw in the towel on trying to get a deal on immigration policy and aid to Ukraine, Israel and Southeast Asia. This session just completed will go down as one of the least productive in recent memory, with only 27 bills enacted into law. By comparison, the previous session of Congress produced 248 enacted bill.

In addition to the failure to pass the foreign aid and immigration package, congressional leaders also failed to reach agreement on the top-line spending amounts for fiscal year 2024 for domestic and defense discretionary spending. This means the appropriations process is still in suspension. When Congress returns on January 8, they will only have eight days of session where votes can take place in which to pass the four appropriations bills that will fund the four agencies, including the Department of Transportation, whose continuing spending authority runs out at midnight on January 19. The remaining eight bills have a February 2 deadline to be enacted.

Before leaving town last week, House Speaker Mike Johnson (R-LA) told the media that he would not support any further short-term Continuing Resolutions. Staking out that turf puts severe pressure on the House and the Senate and sets up yet another potential game of chicken as the deadline approaches.

Passing either the aid and immigration supplemental appropriation OR the 12 annual spending bills by February 2 would be a tall order. Doing them both will strain Congress to the limits. The prospect of a full-year CR still cannot be ruled out. It's going to be quite a first month for the 2nd session of the 118th Congress.

Mega Grant Awards Set for Announcement

The Department of Transportation has started congressional notification on the grant awards under the Mega program. The formal release of the award will occur either today or on Monday. Applicants who will receive grants will know of their award by the end of the day today, if they don't already.