

Transportation Update

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Top Stories

3/23/16—Department of Transportation (DOT) Secretary Chao stated that the administration will "probably" unveil its infrastructure package in the fall, following health care and tax reform.

3/16/17—The Office of Management and Budget (OMB) released the president's 2018 Budget Blueprint, often referred to as the "skinny budget." The Blueprint requests \$16.2 billion for DOT, a \$2.4 billion, or 13 percent decrease, from the 2017 annualized continuing resolution (CR) level. Additionally, it proposes \$11.6 billion for the Department of Interior (DOI), a \$1.5 billion, or 12 percent, decrease from the 2017 annualized CR level; \$5.7 billion for the Environmental Protection Agency (EPA), a \$2.6 billion, or 31 percent decrease, from the 2017 annualized CR level; \$17.9 billion for the U.S. Department of Agriculture (USDA), a \$4.7 billion, or 21 percent, decrease from the 2017 annualized CR level; and \$28.0 billion for the Department of Energy (DOE), a \$1.7 billion, or 5.6 percent, decrease from the 2017 annualized CR level. Click here to access the budget brief published by Federal Funds Information for States.

3/15/17—EPA announced its intent to review its Final

Determination of the Mid-Term Evaluation of Greenhouse Gas
(GHG) Emission Standards for Model Year 2022-2025 Light

Duty Vehicles, and coordinate its reconsideration process with the DOT. For more information, see NCSL's Info Alert.

3/13/17—The president <u>issued</u> an Executive Order (EO) directing each federal agency to report within 180 days to OMB a reorganization plan "to improve the efficiency, effectiveness, and accountability of that agency." The OMB director would then present recommendation to both the president and

Congress to "eliminate unnecessary agencies, components of agencies, and agency programs" after soliciting public input, and considering if certain functions could be better performed by the private sector or states. In a separate memo to agencies, the White House instructed agencies to "pay careful attention to" the principles and requirements identified in EO 13771, which directs agencies to identify two rules for repeal for every new rule they plan to issue, when submitting regulatory agenda items in the Unified Agenda of Federal Regulatory and Deregulatory Actions. Additionally, the president issued an EO on Feb. 24, calling upon each agency to designate an agency official as its Regulatory Reform Officer who will oversee the implementation of regulatory reform initiatives and policies to ensure that agencies effectively carry out regulatory reforms, consistent with applicable law. That order would also establish a Regulatory Reform Task Force which would evaluate regulations and make recommendations regarding their repeal, replacement or modification.

3/8/17—The American Society of Civil Engineers released their 8th Infrastructure Report Card, which provides a comprehensive assessment of the nation's 16 major infrastructure categories. Cumulatively the nation's infrastructure received a D+, with rail receiving the highest grade of a B, and transit receiving the lowest grade of a D-.

3/7/17—The president named Jeffrey Rosen as his nominee for DOT's Deputy Secretary. Rosen previously served as the DOT's Chief Legal Officer, and had responsibility for the agency's regulatory program, enforcement and litigation activities.

3/1/17—The Congressional Budget Office (CBO) released a report indicating that private financing for infrastructure may only increase overall funding if state or local governments "restrict their spending by imposing legal or budgetary constraints." Further, CBO noted that in 2014 just one-quarter, or \$100 billion of \$416 billion in government spending on infrastructure came from the federal government.

From Congress

3/16/17—In a letter led by Senators Chuck Grassley (R-Iowa), and Amy Kloubuchar (D-Minn), a group of 23 bipartisan Senators <u>requested</u> the White House not to change which companies must comply with the Renewable Fuel Standard, as "such changes are unwarranted and indefensible."

3/8/17—The U.S. Senate passed, by <u>unanimous consent</u>, <u>legislation</u> to repeal the December 2016 <u>final rule</u> from DOT that would have required local metropolitan planning organizations (MPOs) in the same region to merge. The language of the bill states that the regulation "shall have no force or effect, and any regulation revised by that rule shall be applied as if that rule had not been issued."

3/1/17—Senate Appropriations Chairman Thad Cochran, Vice Chairman Patrick Leahy, Ranking Member Jack Reed and Transportation Subcommittee Chairwoman Susan Collins, sent a letter to the Senate Commerce Committee leaders, stating that removing air traffic control functions from the Federal Aviation Administration (FAA) "does not appear to make sense" as it would jeopardize progress from NextGen, and that a "privatized system would provide consumers with no recourse for complaints or mistreatment."

3/1/17—Senator John Thune <u>suggested</u> in a hearing on federal support for transportation infrastructure that while public-private partnerships are useful, an infrastructure plan must consider other options as well, lest rural areas be left out. While they are a "valuable supplement," they are not a "substitute for traditional infrastructure investment."

3/1/17—The Searching for and Cutting Regulations That Are Unnecessarily Burdensome (SCRUB) Act passed the House of Representatives, 240—185. The bill establishes a temporary commission of nine people, picked by the president and confirmed by the Senate, to review rules older than 15 years that may be outdated, or unnecessary and may be repealed. The bill authorizes \$30 million for five years, and aims to repeal 15 percent of all rules published in the Federal Register.

From the Administration

3/24/17—The president announced his intention to re-nominate Robert Sumwalt III to be a member of the National Transportation Safety Board for another five years, expiring Dec. 2021, and to be designated as vice chairman for two years. Sumwalt has been a member of the NTSB since 2006, and served as vice chairman from 2006 to 2008.

3/20/17—DOT is pushing back the effective dates of several regulations for an additional two months—the Federal Railroad Administration (FRA) will delay the requirements of a final <u>rule</u> requiring passenger and commuter railroads to establish programs to ensure safety across their systems; the National Highway and Traffic Safety Administration (NHTSA) is delaying a <u>rule</u> outlining new minimum sound requirements for hybrid and electric vehicles; the Federal Motor Carrier Safety Administration (FMCSA) is delaying a <u>regulation</u> setting baseline training requirements for entry-level commercial drivers; and the Federal Highway Administration (FHWA) will delay the effective dates of <u>two</u> highway performance rules.

3/15/17—FRA released a status update on railroads' progress implementing positive train control systems (PTC) in the final quarter of 2016 showing that freight railroads continue to make consistent progress while passenger industry progress in installing and activating the technology has only slightly increased from 23 percent of locomotives that are fully equipped in the third quarter, to 24 percent. Freight railroads have PTC activated on 16 percent of tracks, up from 12 percent in the previous quarter.

3/8/17—FMCSA <u>submitted</u> a report to Congress finding no net benefit from a 2013 hours-of-service <u>rule</u> for truckers. Based on the findings, the FY 2017 CR stipulates that hours-of-service requirements that were enforced prior to the rule go back into effect.

3/7/17—NTHSA projects that new cars and light trucks will average 32.1 mpg in 2016, falling short of the 32.8 corporate average fuel economy (CAFE) target. Overall, it projects the fleet will get 31.8 mpg, short of a target of 33 mpg.

3/6/17—EPA's Office of Inspector General <u>issued</u> a notice of its plans to begin preliminary research to determine whether EPA's existing internal controls are effective at detecting and preventing light-, medium-, and heavy-duty on-road vehicle emissions fraud. The probe follows the Volkswagen emissions scandal, as well as recent allegations that Fiat Chrysler has also been engaged in a similar emissions scandal.

3/6/17—The International Civil Aviation Organization's approved its first-ever international standard for CO₂ emissions from aircraft beginning with new designs in 2020, and aircraft designs being built today in 2023, with rolling deadlines through 2028. In 2016, EPA declared that greenhouse gas emissions from aircraft present a threat under an endangerment finding.

3/3/17—Amtrak's CEO, C.W. Moorman, in a <u>letter</u> to the Chairman of the Southern Rail Commission, stated Amtrak's commitment to operating both long-distance and corridor services on the Gulf Coast route, as soon as necessary funding and necessary agreements are in place.

3/3/17—FHWA approved the first three state freight plans (Nevada, Idaho and Ohio) that will be tied to future freight program funding under the Fixing America's Surface Transportation (FAST) Act. The FAST Act requires a state department of transportation to put in place an FHWA-approved plan to be eligible to use its allocated freight-designated program funding out of the Highway Trust Fund.

2/27/17—The U.S. Coast Guard <u>released</u> a port access route study for the Chukchi Sea, Bering Strait and Bering Sea,

outlining areas that ships should avoid to prevent disruption of subsistence activities, and to minimize pollution risks. The study comes as more ships use the Bering Strait, and as ice retreats from the Artic.

Other

3/21/17—The U.S. Supreme Court <u>upheld</u> the Federal Vacancies Reform Act, 6-2, affirming that an individual who is nominated to serve as an official in a position which requires Senate confirmation, cannot also serve as the acting nominee.

3/8/17—Volkswagen AG (VW) plead guilty in federal court to three felony counts charging: conspiracy to defraud the United States, engage in wire fraud, and violate the Clean Air Act; obstruction of justice; and importation of merchandise by means of false statements. As part of the plea, VW agreed to pay an additional \$2.8 billion penalty because of the company's scheme to sell diesel vehicles containing software designed to cheat on U.S. emissions tests

2/27/17—The AAA Foundation for Traffic Safety released the 2016 Traffic Safety Culture Report which found that nearly 1 in 3 drivers had a friend or a relative seriously injured or killed in a crash; that 2 in 3 drivers report talking on their cell phone while driving in the last month. Also, nearly half of drivers have driven 15 mph or more over the speed limit in the past month.