



## San Joaquin Council of Governments

# TRANSIT FUNDING

### FY17

Although Congress has not yet finalized the FY17 appropriations bills, we anticipate the FY17 Omnibus will include funding for transit at the authorized levels of Fixing America's Surface Transportation Act (FAST) of 2015. Both the House and Senate FY17 draft bills provide funding levels that are consistent with the increases included in FAST.

•**Transit** – both draft bills provide \$9.7 billion for formula transit grants, consistent with the FAST Act. However, the House draft bill would provide more discretionary funding for the Capital Investment Grants (CIG) program than the Senate does, while the Senate would provide more funding for the TIGER program.

◦*Capital Investment Grants (formerly known as New Starts)* – Although we are very concerned about President Trump's proposed FY18 skinny budget that would call for a significant decrease to the Capital Investment Grants (CIG) program, we anticipate robust funding in FY17. The Senate bill would provide \$2.33 billion for CIG, an increase from \$2.177 billion in FY16, and exceeds the FAST Act authorization target of \$2.302 billion. The House draft would provide \$2.5 billion for Capital Investment Grants. Within CIG, the bills would fund the following:

- Core Capacity -- \$333 million is provided for core capacity projects in both the House and Senate bills, a \$283 million increase compared to FY16 enacted levels.
- Small Starts -- The big difference between the House and Senate versions is in Small Starts. The House bill provides \$408 million; this is \$167 million more than the Senate level of \$241 million for Small Starts projects.

•**TIGER Grants** – The Senate bill would provide \$525 million for TIGER grants (also known as National Infrastructure Investments), while the House would only provide \$450 million. We do expect the final bill to include funding for the TIGER program.

### FY18 Skinny Budget Request

The President's FY18 budget request for the Department of Transportation provides a 12.7 percent decrease from the current rate of funding under the FY17 Continuing Resolution.

- The budget request proposes to eliminate funding for DOT's TIGER grant program, which provides competitive grants for major surface transportation projects. The program is currently funded at \$499 million in the FY17 CR.
- The budget also proposes to significantly reduce funding for the FTA's Capital Investment Grant program by only funding projects that are currently under a Full Funding Grant Agreement. The budget does not assume any additional federal funding for projects that are working through the new starts process, the core capacity program, or the small starts program. The budget assumes that funding will be provided through local resources.
- The budget eliminates funding for Amtrak's long distance routes and provides funding for the Northeast Corridor and State Supported Amtrak routes. State supported routes include the Capitol Corridor service (San Jose – Auburn), the Pacific Surfliner service (San Luis Obispo – San Diego) and the San Joaquins service (Bakersfield – Sacramento/Oakland).

The San Joaquin Council of Governments supports the funding levels included in the FAST Act and urges Congress to oppose the proposed funding reductions included in the FY18 skinny budget request.