3/23/2020 - Washington Policy Update

Congressional response to the Coronavirus pandemic continued.

- PHASE 1 Congress passed and the President signed an \$8.3 billion emergency supplemental appropriations bill to support state and local health agencies, vaccine and treatment development, and loans for affected small businesses to lessen the economic blow. Further, the package authorizes an additional \$500 million in mandatory spending for telehealth through Medicare.
- PHASE 2 Congress passed, and the President signed the Families First Coronavirus Response Act. This second coronavirus spending bill that directs \$100B at nutrition and food assistance programs, tax provisions for paid sick and family and medical leave, reimbursement for testing, and unemployment insurance.
- PHASE 3 (SENATE) The "Coronavirus Aid, Relief, and Economic Security Act" or the
 "CARES Act. The CARES Act was primarily crafted by Senate Republicans. The Senate
 failed to clear a procedural step in advancing the CARES Act toward final passage in the
 Senate. House and Senate Democrats were not satisfied with several provisions
 including, assistance to corporations, stock buybacks, and executive compensation. Five
 Senators are either under self-quarantine or have been diagnosed with coronavirus,
 which leaves Senate Majority Leader McConnell without five Republican votes. The
 House and Senate continue to negotiate provisions of the bill.
- PHASE 3 (HOUSE) "Take Responsibility for Workers and Families Act". This bill has been proposed by the House Democrats in response to the Senate CARES Act.
- Senate failed twice to advance the CARES Act forward.

Division A of this bill would establish a program for small business loans, provide relief for individuals and families, provide assistance to severely distressed sectors of the economy, amend the tax code to delay tax payments or suspend the collection of certain taxes, address the manufacturing and supply of medical products, expand testing for the virus and other healthcare related issues, as well as education and labor provisions linked to the impact of the coronavirus.

Division B of the bill would provide emergency appropriations to several federal departments and agencies including transportation (Title VII).

\$10B for Airport Grants (Identical amount in the House)

- \$500M to pay 100% federal share of grants made in the 2019 Omnibus appropriations bill.
- \$7.4B for any purpose for which airport revenues may be used under current aviation law. 100% federal share.

- 50% allocated to all commercial service airports based on 2018 enplanements.
- 50% allocated to all commercial service airports based on airports debt service.
- \$2B is distributed using the AIP formula (which also ensure a minimum apportionment to commercial service airports). 100% federal share.
- The reduction in AIP for airports that collect a PFC has been waived for these funds.
- \$100M appropriated to general aviation airports at 100% federal share.

\$20B for Transit Infrastructure Grants to prevent, prepare for, and respond to coronavirus. (House provides \$25B and distributes amounts using the urbanized area grants formulas under law, with some exceptions. Funding for each transit program will be in proportion to what the program received in 2020.)

- \$4B in grants to rural areas.
- \$16B in formula grants for urbanized area.
- Funds shall be apportioned within 7 days of enactment of the bill. (Same in the House)
- 2020 apportionment formulas are to be used to distribute the funds. (Same in the House)
- Waives the restrictions on using funds for the operating costs of transit agencies in urbanized areas, rural areas, and under the emergency relief program. Waives the requirements to include operating expenses in metropolitan or statewide transportation plans or list of projects. (Same in the House)
- The Secretary shall NOT waive labor standards like prevailing wage or worker protections. (Same in the House)
- Funds are all general funds, and not subject to any limitation on obligations. (Same in the House)
- Federal share in the House bill is 100%.

Railroads

- \$492M to Amtrak NEC to remain available until expended, to prevent, prepare for, and respond to coronavirus. Funds may be transferred and merged with Amtrak National Network grants.
- House provides the same amount, but funds remain available until September 30, 2021.
- \$526m to Amtrak National Network grants to remain available until expended, to prevent, prepare for, and respond to coronavirus.

States shall not be required to pay more the 80% of the amount paid in 2019.

\$239M is made available for use in lieu of any increase in a State's payment.

- Funds under both categories may be used to amend existing grants.
- House provides the same amount, but funds remain available until September 30, 2021.

The CARES Act does not include funding for highways like the 2008 ARRA did. There is strong speculation that a PHASE 4 stimulus will be crafted to address other infrastructure not included in PHASE 3. States and local governments have all requested funding for the loss of revenues from fuel taxes and sales taxes that are invested in transportation.

On Friday, March 20th, AMPO, NADO, and NARC sent a joint <u>letter</u> to Congress requesting several legislative provisions to assist with the impact of the coronavirus. Please feel free to share our <u>letter</u> with members of your delegation and others, as permissible.

As discussions begin regarding PHASE 4, AMPO and its partners will strongly advocate for the priorities as described in our letter.

We are also working with the USDOT to provide some administrative relief that may be needed in order to avoid non-compliance with regulations, such as public meetings or policy board meetings.

As the impacts of the coronavirus continue to be felt, please let us know how your MPO is being impacted and what could potentially be done to provide relief.

AMPO will continue to provide updates as things develop and move forward in Washington.

If you have any questions about our letter or otherwise please feel free to contact AMPO staff at any time.