

September 24, 2021

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, U.S. Capitol
Washington, DC 20515

Speaker Pelosi, Leader McCarthy, and Members of California's Congressional Delegation:

On behalf of the California Transit Association, I write to you today to express our **support** for the Infrastructure Investment and Jobs Act (IIJA) and the Build Back Better Act. Through this letter, we respectfully urge you to vote "YEA" on these bills as they are brought to their respective floor votes. Together, these bills further a bold vision for the country's surface transportation network by proposing unprecedented levels of federal investment in public transit and passenger rail that would supplement the investments made by the State of California and self-help counties across our state to bring public transit and passenger rail assets into a state of good repair and to expand access to affordable, frequent, and efficient transit service.

I specifically want to acknowledge and show our support for the following proposed investments and policy provisions that align with the Association's policy priorities, as communicated in our May 5 priorities letter and the Association's [2021 Federal Legislative Program](#).

Core Transit and Rail Programs: Consistent with our priorities, the IIJA dramatically increases funding for core transit and rail programs. These programs are the lifeblood of public transit and rail agencies across the country and are vital to replacing aging fleets, modernizing our transit and rail assets, and delivering jobs benefits to workers in construction, manufacturing, operations, and maintenance.

Capital Investment Grant Program: Consistent with our priorities, the IIJA includes significant new funding for the Capital Investment Program, building capacity in the program that will support transformational transit and rail projects. Additionally, the bill increases the caps for Small Starts projects to \$400 million for total cost.

Low or No Emission Vehicle Program: Consistent with our priorities, the IIJA significantly increases funding for the Low-No Program. This increased funding level will support

California's transit agencies in expeditiously transitioning our entire 12,000 bus fleet to zero-emission technologies by 2040.

Grade Crossings and Separations: Consistent with our priorities, the IIJA provides new funding to support the design and delivery of grade crossing improvements and grade separations, including for commuter rail, to improve the safety of surrounding areas and overall service.

Affordable Housing Access Program: Consistent with our priorities, the Build Back Better Act provides new funding to support access to affordable housing and jobs and to enhance mobility for low-income individuals and residents of disadvantaged or persistent poverty communities, including through the deployment of zero-emission technologies. More specifically, this funding would support the establishment of new transit routes; the expansion of service areas; improved frequency on existing routes; zero-emission buses and infrastructure deployment, related to the establishment of new transit routes, the expansion of service areas, and improved frequency on existing routes; the provision of fare-free and reduced-fare transit service; construction of, or state of good repair for, transit facilities; research and workforce development activities; route planning; and, projects to improve accessibility.

Community Climate Incentive Grant Program: Consistent with our priorities, the Build Back Better Act provides new funding to reduce surface transportation-related greenhouse gas emissions, through investment in projects that provide zero-emission transportation options and that reduce dependence on single-occupancy vehicles.

Alternative Fuels Tax Credit: Consistent with our priorities, the Build Back Better Act extends the alternative fuels tax credit through 2031. This tax credit is an important source of revenue for many California transit agencies that utilize natural gas for a portion or all of their fleet fueling needs and supports reduction of greenhouse gas emissions, as these agencies transition to zero-emission technologies by 2040. Importantly, the bill also extends the alternative fuel vehicle refueling property credit through 2031.

Financing: Consistent with our priorities, the Build Back Better Act expands on the financing tools available to transit and rail agencies by, among other things, reinstating the tax exempt status of the Advance Refunding of Bonds, allowing state and local governments to realize savings on debt service; and, providing \$150 million for credit risk premium assistance under the Railroad Rehabilitation and Improvement Financing program, supporting additional federal financing of railroad infrastructure development.

Additional Considerations: Consistent with our priorities, the IIJA also advances zero-emission transportation technologies by providing funding to support the deployment of zero-emission ferry technologies. The Build Back Better Act also includes a tax credit for qualified commercial vehicles and additional funding support for clean heavy-duty vehicles, which could benefit public transit agencies in deploying zero-emission technologies. The bill also includes funding for local transportation priorities, which may deliver still additional investment in public transit and rail projects.

We look forward to continuing to engage with you on these bill as they move through the legislative process. If you have any questions, please contact me at 916-446-4656 x1034 or via email at michael@caltransit.org.

Sincerely,



Michael Pimentel
Executive Director

cc: California's Congressional Delegation
The Honorable Peter DeFazio, Chair, House Transportation & Infrastructure Committee
The Honorable John Yarmuth, Chair, House Budget Committee
The Honorable Gavin Newsom, Governor, State of California
Nuria I. Fernandez, Deputy Administrator, Federal Transit Administration
Amit Bose, Deputy Administrator, Federal Railroad Administration
David Kim, Secretary, California State Transportation Agency
Mitch Weiss, Executive Director, California Transportation Commission
Toks Omishakin, Director, California Department of Transportation
Members, Executive Committee, California Transit Association
Members, Federal Legislative Committee, California Transit Association