

## Senate Commerce Committee Surface Reauthorization

The Senate Commerce Committee voted on the rail portion of the surface transportation reauthorization bill in June 2021. The legislation would allocate \$78 billion toward transportation programs under the committee's jurisdiction. The bill, which passed the Committee on an overwhelmingly bipartisan 25-3 vote, includes \$36 billion for rail, \$28 billion for multimodal and freight, and \$13 billion for safety initiatives.

Notable provisions include the following:

- Multimodal Discretionary Grants
  - \$10 billion for a multimodal national infrastructure project assistance program (Section 1201, subsection 6701), including integrated intercity and passenger rail projects;
  - \$7.5 billion for a multimodal local and regional project assistance program (modeled after the RAISE grant program, previously known as BUILD and TIGER) which would fund important regional and local projects;
  - \$6 billion for a multimodal freight discretionary grant program
  
- Intercity and Passenger Rail
  - \$19 billion for Amtrak
  - \$7.5 billion for Intercity Passenger Rail grants (formerly called the Federal-State Partnership for State of Good Repair)
  - \$320 million for the Railroad Rehabilitation and Improvement Financing Program;
  
- Safety
  - \$5 billion for Consolidated Rail Infrastructure and Safety Improvements Grants (CRSI);
  - \$2.5 billion for a new rail crossings safety program

*Note: CRSI is an important source of funding for transit and commuter rail operators to implement positive train control and the new rail crossing program discretionary could help fund planned grade separations improvements along the Peninsula and near the Port of Oakland and other rail crossing safety improvements throughout the Bay Area.*

We worked closely with the Committee to include significant funding increases for passenger rail and multimodal grant programs to fund projects of national and regional significance. This included work to specify that the Bay Area's suite of integrated intercity and passenger rail projects—the region's high-priority megaprojects (\$500 million in capital costs or more) that don't fit neatly under the existing federal grant structure—are both eligible and likely to score well in the "multimodal" category in the new grant National Infrastructure Project Assistance program. See attached for an illustrative list of megaprojects that could benefit from this program.

**Attachment A**

**Bay Area Integrated Rail Expansion: Bringing High Speed Rail to the Bay Area and Related Projects**

MTC’s federal advocacy approach to date is well-targeted to advance *most* of the transportation investment priorities identified in the Plan Bay Area 2050 Final Blueprint, but there is an opportunity to expand upon this strategy to help fund integrated passenger rail projects (projects that benefit both intercity rail and commuter rail/transit) that would help bring High Speed Rail to the Bay Area and into the East Bay. Integrated passenger rail projects don’t fit neatly into the existing federal program structure, which can make competing for funding and project administration challenging.

To highlight the need for a new federal passenger rail program that spans both intercity and commuter rail, MTC has developed the following illustrative list of megaprojects—projects with capital costs exceeding \$500 million—from the Plan Bay Area 2050 Final Blueprint that could benefit from such a program and that are essential to delivering the Bay Area’s passenger rail vision of bringing California High Speed Rail to San Francisco and, ultimately, to the East Bay. The Commission will need to develop a funding plan for these projects at a later date.

<b>Megaproject Title</b>	<b>Capital Cost<sup>1</sup></b> (Millions in 2020\$)	<b>Estimated Funding Gap<sup>2</sup></b> (Millions in 2020\$)
<b>Near-Term: Anticipated Project Opening 2021 – 2035</b>		
Caltrain/High Speed Rail   Downtown Extension	\$3,525	\$2,281
Caltrain/High Speed Rail   Grade Separations and Modernization <i>(Anticipated opening of some portions of this project extend into the 2036 – 2050 timeframe)</i>	\$3,490	\$3,104
Caltrain/High Speed Rail   Electrification	\$2,313	\$333 <sup>3</sup>
Transbay Rail   New San Francisco-Oakland Crossing <i>(planning &amp; environmental only)</i>	\$950	\$735
<b>Longer-Term: Anticipated Project Opening 2036-2050</b>		
Diridon Station Improvements	\$3,220	\$3,120
Caltrain/High Speed Rail   Electrification and Modernization (Central Valley to the Bay Area) <sup>4</sup>	\$1,820	\$1,820
Caltrain   Enhanced Frequency   8 Trains Per Hour <i>(Capital improvements needed to facilitate this increased frequency)</i>	\$1,235	\$1,235
<b>Total</b>	<b>\$16,533</b>	<b>\$12,628</b>
<ol style="list-style-type: none"> <li>Capital costs reflect the capital portion of project costs in the Plan Bay Area 2050 Final Blueprint’s transportation element adjusted from YOES\$ to 2020\$.</li> <li>Funding gap estimated by MTC staff based on the difference between estimated capital cost in 2020\$ minus the sum of committed funding in the current TIP plus other known committed funding. Regional Measure 3 funds are included in “known committed funding.”</li> <li>The \$333 million funding gap does not reflect the \$52.4 million in American Rescue Plan funds provided to the Caltrain Electrification project since the funds have not yet been received.</li> <li>This project cost is reflective of the electrification and modernization needs to bring HSR from the Central Valley (Pacheco Pass) into the Bay Area (Tamien) and the project cost is reflective of the cost within the Bay Area.</li> </ol>		
<p>Note: Regional megaproject defined as projects in Plan Bay Area 2050 final blueprint with a capital cost greater than or equal to \$500 million in 2020\$. High Speed Rail   Millbrae SFO Station is a HSR-related project but the cost is \$40 million in YOES\$, far under the \$500 million megaproject threshold.</p>		