

Daily Brief

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Senate Committee Slashes Highway Funding for Alaska; Congress Poised to Make Significant Cuts in Discretionary Programs

In response to a directive issued to all authorizing committees to reduce mandatory spending programs, the Senate Environment and Public Works Committee cleared a measure this afternoon that would repeal a little-known provision in the recently passed surface transportation authorization bill (SAFETEA-LU) aimed at funneling extra highway formula dollars to Alaska. This provision, which was added at the last minute during conference committee, essentially allowed Alaska to engage in "back-door" spending by permitting the state to access a portion of its highway formula money outside of any budgetary limits imposed by the legislation. Alaska was the sole beneficiary of this provision. Repealing this language yields a savings of \$47 million in outlays over the next five years.

As a result of the FY 2006 budget blueprint adopted by Congress several months ago, each committee is required to take steps this year to cut mandatory federal spending programs. The budget resolution directs the Senate Environment and Public Works Committee to reduce spending by \$27 million over five years, whereas the spending cut target for the House Transportation and Infrastructure Committee is \$103 million. Today's committee markup enabled the Environment and Public Works Committee to meet the goal outlined in the budget resolution. Although the House Transportation Committee eventually plans to consider a spending cut package, action has been put on hold pending a possible move by the entire House to increase spending cut targets for various committees.

In light of the complex nature of federal transportation spending, it should be noted that the transportation committees in both chambers actually have very little jurisdiction over "mandatory" spending in the highway and transit programs.

This is because outlays from the Highway Trust Fund (as well as the Mass Transit Account of the Highway Trust Fund) are considered to be "discretionary", not "mandatory". As such, the vast majority of programs and projects funded through SAFETEA-LU are essentially protected from the mandate contained within the budget resolution to reduce mandatory spending.

However, discretionary programs are not likely to be spared from reductions. Given the growing interest among conservative House members to offset the cost of hurricane relief, Congress is widely expected to impose an across-the-board reduction in discretionary spending as part of this year's appropriations process. Such an across-the-board cut would directly impact transportation programs such as the New Starts Transit Program. Although this plan is still in the discussion phase, our federal advocacy team is keeping a close eye on developments and will keep you informed.

Los Angeles City Attorney Files Charges Against Metro

The City Attorney's Environmental Justice Section issued a news release today that charges the MTA with illegally discharging pollutants into the city's storm drain system. City News Service (CNS) inquired regarding the charges and was told by Deputy CEO John Catoe that we were surprised that the City Attorney's Office would bring these charges against an agency that actually monitors its discharge of waste water and reports it to the proper authorities when levels may exceed those permitted. The violations apparently occurred in December 2004 and January 2005 during the heavy rainy season when runoff water at the Metro Red Line's Vermont/Beverly Station was discharged into the storm drain instead of the sewer system. The reporter was told that the situation has long been corrected and that we look forward to working with the City Attorney's Office in providing them with the documentation to resolve this issue.

Orange Line Celebrations

Media Relations issued a news release today that notes the various community celebrations that are planned along the Metro Orange Line alignment when the system opens to the public on Saturday, October 29th.

Of Note

On this day in 1971 the Southern California Rapid Transit District inaugurated its experimental Minibus shuttle services in the downtown Central Business District as part of the Bunker Hill urban renewal project. Subsidized by the Community Redevelopment Agency, the City of Los Angeles and Los Angeles County, natural gas and propane powered Minibus services would later expand to additional routes in downtown, Westwood, the San Fernando Valley and other areas until its transfer to the Los Angeles Department of Transportation on October 25, 1985. It was renamed DASH and now operates 8 routes downtown

and 27 routes throughout Los Angeles.

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