POLICY RUNDOWN
For Advocacy Trust and Start-Up Members
March 5-9, 2018

Federal Administration Policy and Regulatory News

More Support for Vehicle-to-X Communications from the Department of Transportation

Deputy Assistant Secretary Finch Fulton, at an AASHTO Washington Roundtable (see CSPAN video clip) on Automated Vehicles, reiterated DOT’s support for connected vehicles. On Friday, March 2, ITS America President and CEO Shailen Bhatt attended and pressed the panel to address spectrum for ITS (see Shailen in CSPAN video clip), suggesting more attention is needed at Federal Communications Commission (FCC) action on DSRC.

Deputy Assistant Secretary Finch’ remarks supported what Secretary Chao said at the March 1st AV summit that announced that Vehicle-to-X Communications will be a priority for the Department in reference to automated vehicle. “The Department will provide stakeholders with guidance, best practices, pilot programs, and other assistance to facilitate the safe integration of automated vehicles into our transportation system. The Department will also prepare for complementary technologies that enhance the benefits of automation, such as vehicle-to-vehicle and vehicle-to-infrastructure communications.”

ITS America Submits Comments to U.S.D.O.T. on Automated Vehicle, Infrastructure, and Transit

ITS America submitted comments to Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) on how development of transit and road infrastructure may need
to adjust to accommodate automated vehicles. ITS America also attended a March 6 National Highway Traffic Safety Administration (NHTSA) public meeting on regulatory barriers in the existing Federal Motor Vehicle Safety Standards (FMVSS) on the testing, compliance certification and compliance verification of motor vehicles with Automated Driving Systems (ADSs) and certain unconventional interior designs.

In its comments to FHWA, ITS America recommended that infrastructure and infrastructure operations must be made more compatible with automated driving systems. “The association generally believes that for highly automated vehicles to navigate safely, roadways must be better maintained and modernized, traffic signals and ramp meters must be further standardized and connected, and road signage and lane markings may need to be upgraded. New driving conventions, such as how robotic vehicles might “wave through” pedestrians on crosswalks, or they how to identify and pull over for emergency vehicles, will be required for robotic vehicles to interact with other road users.” The comments also suggested a role for infrastructure operators to share their planning and operations data with operators of automated vehicle fleets.

In the comments to FTA, ITS America focused on how requirements for accessibility may stunt deployment of automated systems in transit, stating: “For a future driverless vehicle to be fully accessible, automation of operation does not apply just to the driving task, but also to how the vehicle is dispatched, how it parks or docks, how it manages passengers entering and exiting, and how it secures passengers in seating.” Attendees at NHTSA’s March 6th public meeting suggested new vehicle interiors (ones without driver positions and potentially “omnidirectional” seating arrangements) should be designed to protect occupant safety. (Comments to NHTSA are now due March 20). Please send your feedback to Steven Bayless at sbayless@itsa.org if you would like ITS America to include your priorities in the association’s NHTSA filing.

Federal Communications Commission (FCC) Pushes For Streamlining of Wireless Infrastructure

On March 1, 2018, the Federal Communications Commission (FCC) released the draft text of its Wireless Infrastructure Streamlining Report and Order (WT Docket No. 17-79). The Report and Order will be voted on at the FCC’s Open Meeting on March 22, 2018. This Order focuses on the types of deployments that are subject
to National Historic Preservation Act (NHPA) and National Environmental Policy Act (NEPA) review and reexamines and revises Commission rules and procedures for such deployments.

Legislative News

**ITS America’s Infrastructure Bill Advocacy Day: March 21, 2018**

ITS America leadership will bring their collective voices to Washington on March 21, 2018, to call for an infrastructure bill that prioritizes intelligent transportation investments. With the release of the Trump Administration infrastructure principles and the start of Senate and House hearings, ITS America will use a three-pronged approach to make the case the nation must deploy intelligent transportation technologies on a large scale to remain competitive in an increasingly global economy:

1. ITS America Board Meeting with U.S. Department of Transportation Secretary Elaine Chao

2. Meetings with House and Senate infrastructure leaders and top aides to infrastructure leaders in Congress

3. Smart Cities/Smart States Roundtable

**Infrastructure Bill: House and Senate Meetings** 9:00 a.m. – 12:00 p.m.

The ITS America leadership will meet with Senate Environment and Public Works Committee Ranking Member Tom Carper (D-DE), Moving FIRST Sponsor Senator Catherine Cortez Masto (D-NV), House Transportation and Infrastructure Committee Ranking Member Peter DeFazio (D-OR), and House Highways and Transit Subcommittee Ranking Member Eleanor Holmes Norton (D-DC). We will also meet with senior aides to Senate Commerce, Science, and Transportation Committee Chairman John Thune (R-SD), Senate Environment and Public Works Committee Chairman John Barrasso (R-WY), Senate Surface Transportation and Merchant Marine Infrastructure, Safety and Security Subcommittee Chairman Deb Fischer (R-NE), Senate Communications, Technology, Innovation and the Internet Subcommittee Chairman Roger Wicker
(R-MS), House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA), and House Highways and Transit Subcommittee Chairman Sam Graves (R-MO). Additional meetings will be confirmed shortly.

Lunch/Briefing for Secretary Chao meeting at ITS America 1:00 – 1:30 p.m.

Meeting with Secretary Elaine Chao, US DOT 2:00 – 3:00 p.m.

The ITS America Board of Directors will meet with Secretary Elaine Chao to discuss our priorities for funding smart infrastructure investments and make the case that the infrastructure plan is the vehicle to increase the nation’s investment in the transportation technologies that will shape mobility for decades to come.

Infrastructure Bill: House and Senate Meetings (continued) 3:30 – 5:00 p.m

(Briefing materials for all meetings are forthcoming)

“Smart Cities/Smart States Reception Roundtable”

5:30 – 7:30 P.M. (Registration and Refreshments at 5 p.m. / Roundtable at 5:30 p.m.) 2322 Rayburn House Office Building

The roundtable will showcase the latest technologies that cities, states, Metropolitan Planning Organizations (MPOs), research universities, and the private sector are deploying to build transportation infrastructure that will ensure that the U.S. is competitive in a global economy.

Participants include:

- Kirk Steudle, Director, Michigan Department of Transportation
- Cordell Schachter, Chief Technology Officer, New York City Department of Transportation
- Tina Quigley, General Manager, Regional Transportation Commission of Southern Nevada
- Rebecca Hunter, External Affairs, Corporate Development & Strategy, Crown Castle
After House and Senate Hearings on Trump Infrastructure Plan, Still No Clear Path Forward on Pay-Fors

The House Transportation and Infrastructure Committee held a hearing on March 6, 2018, entitled “Examining the Administration’s Infrastructure Proposal.” The hearing followed the U.S. Senate Committee on Environment and Public Works March 1 hearing. U.S. Secretary of Transportation Elaine Chao testified on the plan’s transportation infrastructure principles at both hearings.

The question of how to pay for the $200 billion federal share continues to be the issue.

“The White House envisions that the new money that they can take credit for as Presidentially-led investments will actually come from the State and local level – by tolling and taxing citizens more, or by bonding to be paid off by future tax revenues,” said Vice-Ranking Member Elizabeth Esty, (D-CT), at the House hearing. “Congress and the White House missed a massive opportunity to raise revenues for infrastructure in the tax bill. Which is mind boggling, because over 250 Members of Congress—with robust representation from both sides of the aisle—wrote to the leadership of the Ways and Means Committee, urging that a permanent solution to our Highway Trust Fund crisis be included in a tax bill.”

House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA) focused his remarks on the pending insolvency of the Highway Trust Fund, which largely funds federal investments in roads, bridges, transit, and freight. He said, “Fixing the Highway Trust Fund for the future and modernizing how we fund infrastructure in this country must be part of our solution.”
Chao testimony stated that the President’s proposal would stimulate at least $1.5 trillion in infrastructure investment, which includes a minimum of $200 billion in direct Federal funding. “The guiding principles are to: 1) use Federal dollars as seed money to incentivize infrastructure investment; 2) provide for the needs of rural communities; 3) streamline permitting to speed up project delivery; and, 4) reduce unnecessary and overly burdensome regulations.”

Read more:

U.S. Department of Transportation Secretary Elaine Chao’s Opening Remarks:  

House Transportation and Infrastructure Chairman Bill Shuster’s (R-PA) Opening Statement:  

House Transportation and Infrastructure Vice Ranking Member Elizabeth Esty’s (D-CT) Opening Statement:  

**ITS America Calls for an Infrastructure Bill that Prioritizes Investments in Intelligent Transportation Technologies**

In anticipation of the House Transportation and Infrastructure Committee hearing on March 6, 2018, ITS America President and CEO Shailen Bhatt sent a letter to the Committee urging that the infrastructure plan prioritize investment in intelligent transportation technologies.

“The nation is entering a technology revolution that will define the way people, goods, and services move for decades to come,” Bhatt said. “We must deploy intelligent transportation technologies on a large scale to remain competitive in an increasingly global economy.”

ITS America put forth six key recommendations (as it did to the Senate last week):
1. Leverage existing FAST Act programs: Increase funding for FAST Act programs. Intelligent transportation technologies, including vehicle-to-infrastructure, are eligible uses of most FAST Act highway program funds.

2. Create grants for emerging technologies that support congestion relief: Provide new funding for intelligent transportation deployment activities that support congestion relief.

3. Expand opportunities for smart communities: Build on the successes of the 2015 Strengthening Mobility and Revolutionizing Transportation (SMART) Cities Challenge administered by the U.S. Department of Transportation by including new federal funding to expand opportunities for communities – large and small/urban and rural – to compete for resources that will fund innovative and sustainable smart transportation projects.

4. Increase development of Electric Vehicle (EV) charging infrastructure: Additional development of EV charging station corridors based on federal and state incentive projects as well as public private partnerships. Continue to look at new technologies such as inductive charging to speed the deployment of EVs.

5. Develop additional opportunities for broadband deployment: Provide new federal funding for broadband in unserved areas – both rural and metropolitan – to support the deployment of intelligent transportation applications that depend on connectivity.

6. Provide investments to stabilize the Highway Trust Fund and more resources for intelligent transportation technologies: Provide new and long-term investments to stabilize the Highway Trust Fund, increase federal funding for intelligent transportation technologies, and provide a multi-faceted approach to leveraging public and private resources.

Read ITS America’s letter to the Transportation and Infrastructure Committee here

**Senate Democrats Unveil $1 Trillion Infrastructure Plan**

Senate Democrats unveiled an infrastructure plan on Wednesday, March 7, 2018, that would provide $1 trillion for the nation’s
infrastructure. The plan would be paid for by "repurposing some federal revenues spent in the Tax Cuts and Jobs Act of 2017." The plan states that funding would come from restoring the top individual tax rate to 39.6%, closing the current interest rate loophole, restoring the estate tax, restoring the Alternative Minimum Tax, and increasing the corporate tax rate to 25%.

The proposal includes the following for key surface transportation programs:

- $140 billion to ensure the solvency of the Highway Trust Fund for the next ten years
- $97 billion for the Federal-aid highway program
- $40 billion for a new bridge program
- $10 billion for TIGER
- $115 billion for Transit
- $40 billion for a new Vital Infrastructure program (mega projects)
- $30 billion for Revitalize Main Street & Promote Innovative Transportation (including $3 billion for a charging and refueling infrastructure grant program)
- $40 billion for Universal High-Speed Internet

**Snapshot of the Trump Infrastructure Plan**

The Trump infrastructure principles call for allocating at least $200 billion in federal funds over 10 years to spur a total of $1.5 trillion in new investment in infrastructure. Offsets are not identified to "pay-for" the proposed level of spending.

The proposal breaks down the $200 billion as follows:

- $100 billion for an Incentives Program – A new discretionary grant program available to states and local governments to construct infrastructure projects;
- $50 billion for a Rural Infrastructure Program – New formula and discretionary grant programs for infrastructure projects in areas with populations of less than 50,000;
- $20 billion for a Transformative Projects Program – A new discretionary grant program for projects that “would fundamentally transform the way infrastructure in delivered or operated”;

- $10 billion for a Federal Capital Financing Fund – The funding would be used to capitalize a revolving fund to finance the acquisition of federal real property, such as new federal buildings;

- $14 billion to expand eligibility under existing credit programs, such as the Transportation Infrastructure Finance and Innovation Act (TIFIA), Water Infrastructure Financing Act (WIFIA), and Railroad Rehabilitation and Improvement Financing (RRIF) programs; and

- $6 billion to offset the cost of expanding eligibility and lifting the current volume caps on tax-exempt Private Activity Bonds.

**House Panel Looks at Long-Term Funding Issues for Roads and Transit**

The Highways and Transit Subcommittee held a hearing on Wednesday, March 7, 2018, entitled “Building a 21st Century Infrastructure for America: Long-Term Funding for Highways and Transit Programs.” The hearing looked at the benefits of long-term funding for highways and transit programs and the sustainability of current methods of providing funding.

Here the key takeaways:

“Through the FAST Act, we made great progress in providing states the certainty they need to make critical investments in projects that will build a modern and efficient 21st-century infrastructure. But that certainty ends soon and once again the Highway Trust Fund will face insolvency.” -- House Committee on Transportation and Infrastructure Chairman Bill Shuster (R-PA)

“Beginning as early as the spring of 2020, states may have to halt construction of surface transportation projects because, once again, the Highway Trust Fund will not be able to meet its obligations. There are many reasons for this – motor fuel taxes have not been raised in 25 years, fuel economy standards have increased, not all users pay into the Trust Fund. But the fact remains, the Highway Trust fund is going broke and Congress must act to fix it.” -- House Subcommittee on Highways and Transit Chairman Sam Graves (R-MO).
“Secretary Chao came yesterday ... with no solutions or pay-fors. Well, that means we’re dead in the water, if she represents the views of this administration. This is not going to come from Congress. If the president supports a gas tax, I will stand next to the president. If you don’t increase taxes, we’re not having an infrastructure bill and we’re doing nothing.” -- House Committee on Transportation and Infrastructure Ranking Member Peter DeFazio (D-OR).

Testimony from witnesses:

Tennessee Department of Transportation Commissioner John Schroer’s testimony:  

Colorado Department of Transportation Executive Director Michael Lewis testimony:  

American Trucking Associations President and CEO Chris Spear testimony:  

U.S. Chamber of Commerce Executive Director for Transportation and Infrastructure Ed Mortimer’s testimony:  

Economic Policy Institute President Thea Lee’s testimony:  

Coalition for Future Mobility Joins More Than 100 Organizations Urging Senate to Take Action on AV START Act

On Monday, March 5, 2018, the Coalition for Future Mobility, of which ITS America is a founding member, joined with more than 100 organizations and companies in sending a letter to the U.S. Senate advocating for action on the AV START Act (S. 1885). ITS America supports passage of the AV START Act in the Senate. Read the letter [here](https://transportation.house.gov/uploadedfiles/2018-03-07_-_spear_testimony.pdf)

Smart Cities Caucus Launching in the House
Congressman Darrell Issa (R-CA) and Congresswoman Yvette D. Clarke (D-NY) will launch the Congressional Smart Cities Caucus on Tuesday, March 13, 2018, from 2 pm to 4 pm in 2247 Rayburn House Office Building. To RSVP, please visit; https://smartcitiescauselaunch.splashthat.com/. The Congressional Caucus on Smart Cities will serve as an informal group of Members dedicated to issues related to the transformation of communities to smart cities. The caucus will look at how to bring about innovation and technological change and the role that Congress can play in this transformation.

State and Local Policy

MN Governor Dayton Establishes Advisory Council on Connected and Automated Vehicles

On March 7, 2018, Minnesota Gov. Mark Dayton (D) issued Executive Order 18-04, establishing the Governor’s Advisory Council on Connected and Automated Vehicles. Charles Zelle, the MN Commissioner of Transportation and Christopher Clark, President of Xcel Energy-Minnesota, North Dakota, and South Dakota, will serve as Co-Chairs of the Advisory Council. The Advisory Council must consist of 13 other members, appointed by the governor, with relevant experience in various sectors. In addition, 14 ex-officio members will serve on the Council. By December 1, 2018, the Council will recommend policy changes in such areas as transportation infrastructure and network, cyber security and data privacy standards and vehicle registration, driver training, licensing, insurance and traffic regulation. The Council also will look at accessibility and equity issues. According to the press release, individuals interested in serving on the Advisory Council may apply at the Secretary of State website at https://commissionsandappointments.sos.state.mn.us.

AZ Governor Ducey Issues Updated AV Executive Order

On March 1, 2018, Arizona Gov. Doug Ducey (R) issued Executive Order 2018-04, updating 2015-09, on autonomous vehicles. According to the press release, the updated Order requires all automated driving systems to be in compliance with all federal and state safety standards, including: achieving a reasonably safe state, such as bringing the vehicle to a complete stop, upon
experiencing a failure of the vehicle’s automated driving system; complying with all Arizona traffic and safety laws; and meeting all applicable certificate, title registration, and licensing and insurance requirements. The updated Order instructs the Department of Public Safety to work with other relevant law enforcement agencies to develop protocols on how first responders shall interact with a fully autonomous vehicle in emergency and traffic enforcement situations; persons operating or testing AVs will then be required to submit to the Department of Public Safety a statement that they meet this protocol.

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