



ADDENDUM

**Virtual Meeting of the Connect Transit Board of Trustees
April 27, 2021 – 4:30 P.M.
351 Wylie Drive – Training Room
Normal, Illinois 61761**

- E. Consent Agenda
 - 4. Cardinal Infrastructure Federal Report
 - 5. Cornerstone – Illinois Weekly Update

**Federal Update for Connect Transit
Prepared by Cardinal Infrastructure
April 27, 2021 Board Meeting**

Infrastructure Proposal

On March 31st, President Biden announced his Administration's American Jobs Plan; a \$2.25 trillion infrastructure initiative over eight years. The investments proposed would be, if enacted, in addition to the surface transportation reauthorization bill (previously proposed at \$494 billion under the INVEST in America Act). The proposal includes, but is not limited to:

- \$85 billion to modernize transit services and help agencies expand their systems to meet rider demand.
- \$115 billion to modernize bridges, highways, roads, and main streets in most critical need of repair.
- \$174 billion investment in electric vehicles; establishing grant and incentive programs for state and local governments to build a national network of 50,000 electric vehicle chargers by 2030; and replacing 50,000 diesel transit vehicles and electrify at least 20% of school buses.
- \$20 billion to improve road safety for all users, including increases to existing safety programs and a new Safe Streets for All program to fund state and local "vision zero" plans and other improvements to reduce crashes and fatalities, especially for cyclists and pedestrians.
- \$20 billion for a new program to reconnect neighborhoods cut off by historic investments and ensure new projects increase opportunity, advance racial equity and environmental justice, and promote affordable access.
- \$25 billion for a dedicated fund to support ambitious projects that have tangible benefits to the regional or national economy but are too large or complex for existing funding programs.
- Smart, coordinated infrastructure permitting to expedite federal decisions while prioritizing stakeholder engagement, community consultation, and maximizing equity, health, and environmental benefits.
- \$213 billion for the construction and preservation of affordable housing.

A document from the U.S. Department of Transportation (U.S. DOT) was provided to Congress that provides a further breakdown of the funding dedicated to transportation, including but not limited to:

- \$25 billion - Zero emission transit vehicles
- \$55 billion - Transit State of Good Repair (maintenance of existing infrastructure)
- \$25 billion - Transit Expansion
- \$50 billion - "Fix it Right" road modernization
- \$5 billion - Transportation Alternatives
- \$8 billion - Highway Safety Improvement Program
- \$10 billion - Safe Streets for All Fund
- \$15 billion - Highways to Neighborhoods Program
- \$25 billion - Transformational Infrastructure Projects Fund
- \$5 billion - Expand BUILD program

To pay for this infrastructure proposal, the Administration is coupling the American Jobs Plan with a Made in America Corporate Tax Reform Plan that would offset the full cost of the infrastructure initiative over 15 years, raising over \$2 trillion. The proposed tax changes include increasing the corporate tax rate to 28%, increasing the minimum tax on U.S. multinational corporations, preventing tax havens, and increasing Internal Revenue Service enforcement.

The plan faces an uphill battle in Congress, not only due to the types of investments made, but on the proposed tax changes to pay for the bill. The tax proposal has already proved to be a hard sell to the GOP, with the Republicans on House Ways and Means Committee condemning the "series of job-killing tax hikes as a part of

his next spending plan.” On the flip side, the Congressional Progressive Caucus has said the overall figure is too small, and more dedicated funding is needed for investments in green infrastructure.

President’s Budget

On April 9th, the President released an overview of the Administration’s FY 2022 Budget Request to Congress. The budget requests \$769 billion for non-defense programs and \$753 billion in national defense funding, which represents a 16% increase to non-defense programs from current funding levels. Overall, the request is an 8.4% increase from FY 2021 levels.

The request includes \$25.6 billion for U.S. DOT. This is a \$317 million increase over FY 2021 funding, providing a \$3.2 billion (14%) increase for U.S. DOT discretionary programs, including, but not limited to:

- \$250 million for Low-No Emission Vehicle Grant Program
- \$2.5 billion for the Capital Investment Grant Program
- \$1 billion for BUILD
- \$110 million for a new Thriving Communities Initiative Pilot Program

Surface Transportation Reauthorization

House Transportation and Infrastructure Committee Chairman DeFazio said he intends for the Committee to markup a surface transportation reauthorization bill in the Spring, with a formal process to accept earmarks submitted by Members. (A similar earmark solicitation process is also underway at the House Appropriations Committee for the FY 2022 appropriations bills.)

On the Senate side, the Senate Environment and Public Works Committee aims to advance a bipartisan surface transportation authorization bill out of Committee by Memorial Day. Chairman Carper intends to work from top-line funding levels proposed last year in the Senate’s \$287 billion America’s Transportation Infrastructure Act bill and the House’s \$494 billion INVEST in America Act bill.

At this point, the timing is uncertain on when the Senate Commerce, Senate Banking (with jurisdiction over the transit programs), and Senate Finance Committees will act - though they are ready when leadership directs them.

FTA Nomination

On April 9th, the White House submitted its nomination to Congress for Nuria Fernandez to serve as Administrator of the Federal Transit Administration. Ms. Fernandez currently serves as Deputy and Acting Administrator. While the timeline for a confirmation hearing is uncertain, the Senate Banking Committee, of which Senator Cortez Masto is a member, has jurisdiction over the nomination.

APTA Legal Affairs Seminar

Cardinal Infrastructure participated in the APTA Legal Affairs Seminar, where we received an update FTA’s Deputy Chief Counsel, Dana Nifosi.

Dana discussed the steps FTA has taken to encourage transit agencies to partner with their state and local health officials to make sure that transit workers are deemed essential workers and receiving vaccines. She mentioned some incentives agencies are providing employees for vaccinations are eligible for reimbursement under CARES, CRRSA, and ARPA funding. Furthermore, Dana discussed the federal mask order and the security directive. What is required are "best efforts" in implementing the order and directive.

Dana gave a general overview of available funding from the previous relief bills. She encouraged everyone to "try to keep moving on the obligation side of things." The current breakdown is: CARES - more than 70% of funds

obligated have been drawn down by grantees; CRRSA - FTA has awarded 28 grants totaling \$337.8 million of the \$14 billion available, with \$2.1 billion "in process".

Dana discussed the Administration's priorities most relevant to DOT and FTA specifically; COVID response, climate change, equity and support for underserved communities, and Buy America. These priorities are implemented in competitive grants, as evidenced by the highlighted priorities in the recent Low-No solicitation. Furthermore, FTA is examining circulars, orders, guidance documents, to identify anything inconsistent with the Executive Orders, and will make updates as necessary.

Business Case for Climate Solutions

The House Transportation and Infrastructure Committee held a hearing on March 17th entitled, "The Business Case for Climate Solutions, "to explore private sector actions to develop and implement solutions to climate change, with an emphasis on the surface transportation sector".

Proterra CEO Jack Allen, among the Committee's witnesses, noted Proterra's support for increased Low or No Emission Vehicle grant program and zero emission grant program funding, expanded eligibility for the Advanced Technology Vehicle Manufacturing loan program, and support for a "Low-No-type" program for school buses and municipal fleets, and federal fleet electrification.

Highways and Transit Subcommittee Chairwoman Norton (D-DC) mentioned that WMATA has concerns about manufacturers meeting the demand for battery electric buses; asking how Congress can support scaling up of manufacturing to meet the growing demand for electric buses. Allen emphasized increased funding to existing discretionary grant programs, and other witnesses endorsed the increased funding to help increase the transition to zero emission vehicles while also providing resources for related charging infrastructure.

Chairman DeFazio said there are a number of issues with hydrogen distribution and questions the current cost effectiveness of zero carbon green hydrogen compared to hydrogen from fossil fuels. Throughout the hearing, hydrogen was brought up numerous times, mostly by members in support for investing in the technology and related infrastructure.

Environmental Justice

Cardinal Infrastructure joined the first meeting of the White House Environmental Justice Advisory Council. The Council will provide advice and recommendations on issues including but not limited to the clean energy transition, sustainable infrastructure, transportation, and NEPA.

The Council discussed the Justice40 Initiative, the White House initiative with the goal of delivering 40% of the overall benefits of relevant federal investments to disadvantaged communities and track performance toward that goal through an Environmental Justice Scorecard. The Office of Management and Budget is developing interim guidance for federal agencies on how to implement Justice40.

Christopher Coes, Acting Assistant Secretary for Transportation Policy at U.S. DOT discussed advancing transportation equity, including environmental justice. To that end, Secretary Buttigieg created an Equity Leadership Team (ELT), taking a deep dive in how they can advance transportation equity. Secretary Buttigieg also established the Equity Task Force (ETF), which includes 90 DOT-wide staff. The ETF is working to incorporate Justice40 principles in discretionary grants - as can be seen in the Low or No Emission Vehicles Grant Program and INFRA Grant Program notices.

TO: Connect Transit Board of Directors
FROM: Cornerstone Government Affairs – Illinois Team
SUBJECT: Legislative Update
DATE: April 27, 2021

Summary

Our team at Cornerstone Government Affairs compiled an update for the Connect Transit Board of Directors to highlight current legislative affairs within the state. This past month, we also scheduled a meeting and onsite tour for the newly appointed State Senator Sally Turner with the Connect Transit team. Additionally, our team is looking into the DCEO grant Connect received for further details on how those funds can be used. We will continue to be available throughout session to keep Connect Transit up to date as legislation is amended or heard in committees and to assist with other matters as they arise.

Bill Tracking

Please note only active bills are included.

HB 588

Short Description: HUMAN RTS-TRAFFICKING-NOTICE

House Sponsors

Rep. Stephanie A. Kifowit-Joyce Mason-Sue Scherer, Deb Conroy, Tony McCombie and Dan Caulkins

Senate Sponsors

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Synopsis As Introduced

Amends the Human Trafficking Resource Center Notice Act. Provides that certain businesses and establishments shall post the notice required by the Act in all restrooms open to the public.

House Floor Amendment No. 1

Provides that certain businesses and establishments may (rather than shall) post the notice required by the Act in all restrooms open to the public.

Last Action

Date	Chamber	Action
4/21/2021	Senate	Placed on Calendar Order of First Reading April 22, 2021

HR 207

Committee Hearing:

Revenue & Finance Committee Hearing Apr 28 2021 3:00PM www.ilga.gov Virtual Room 3
Springfield, IL

Short Description: REBUILD ILLINOIS-SUPPORT

House Sponsors

Rep. Marcus C. Evans, Jr.-Deb Conroy-Lawrence Walsh, Jr.-Daniel Didech-Jaime M. Andrade, Jr., Jay Hoffman, Nicholas K. Smith, Robert Rita, Frances Ann Hurley, Natalie A. Manley, Margaret Croke, Dave Vella, Michelle Mussman, Kelly M. Burke, Anthony DeLuca, Martin J. Moylan, Eva Dina Delgado, John C. D'Amico, Jonathan Carroll, Ann M. Williams, Mary E. Flowers, Rita Mayfield, LaToya Greenwood, La Shawn K. Ford, Thaddeus Jones, Lakesia Collins, Cyril Nichols, Maurice A. West, II, Justin Slaughter, Jim Durkin, Lindsey LaPointe, Barbara Hernandez, Lance Yednock, Angelica Guerrero-Cuellar, Ryan Spain, Aaron M. Ortiz, Deanne M. Mazzochi, Will Guzzardi, Kambium Buckner, Jeff Keicher, Bob Morgan, Kelly M. Cassidy, Michael Halpin, Tim Butler, Sue Scherer, Katie Stuart and Michael T. Marron

Synopsis As Introduced

Urges the General Assembly and the Governor's Administration to invest our transportation and infrastructure dollars as promised under Rebuild Illinois to make good on our collective commitment to fix our roads, bridges, and schools while creating jobs and opportunities for all residents of Illinois.

Last Action

Date	Chamber	Action
4/20/2021	House	Assigned to Revenue & Finance Committee

SR 215

Short Description: REBUILD ILLINOIS-SUPPORT

Senate Sponsors

Sen. Linda Holmes, Bill Cunningham-Melinda Bush-Julie A. Morrison, David Koehler, Dale Fowler, Dan McConchie, Rachele Crowe, Christopher Belt, Mike Simmons, Cristina Castro, Steven M. Landek, John Connor, Michael E. Hastings, Robert F. Martwick, Meg Loughran Cappel and Adriane Johnson

Synopsis As Introduced

Urges the General Assembly and the Governor's Administration to invest our transportation and infrastructure dollars as promised under Rebuild Illinois to make good on our collective commitment to fix our roads, bridges, and schools while creating jobs and opportunities for all residents of Illinois.

Last Action

Date	Chamber	Action
4/20/2021	Senate	Assigned to Transportation

GOVERNOR'S HIGHLIGHTS:

COVID-19 Update: Today, the Illinois Department of Public Health reported that the state had 3,369 new cases of COVID-19, including 22 additional deaths. As of Thursday evening, Illinois hospitals had 2,112 patients with COVID, of which 506 patients were in the ICU and 230 were on ventilators. Overall, the preliminary seven-day case positivity rate is 3.6% across the state.

With respect to COVID vaccines, Illinois has a total of 10,802,075 doses; 8,610,478 have been administered. Taken as a rolling seven-day average, Illinois administered 118,741 doses daily. For April 22, the state reported 136,525 vaccines being given.

A total of four COVID-19 variants have been discovered so far in Illinois -- 1,286 cases of the B.1.1.7 variant; 106 cases of the B.1.427/B.1.429 variant; 367 cases of the P.1 variant; and 21 cases of the B.1.351 variant.

Illinois community colleges will offer the University of Illinois' saliva-based COVID-19 test at no cost to their own students and staff as well as any state resident who wants one. There are currently five active SHIELD Illinois community college testing sites – Black Hawk College, Heartland Community College, Lincoln Land Community College, Oakton Community College, and Sauk Valley Community College – with more expected to come online soon.

DePaul University and Loyola University, both located in Chicago, announced they will require all students to have a COVID-19 vaccine for attendance in the Fall of 2021.

Vaccine availability continues to expand in Illinois. This week, Chicago joined the rest of the state in making the COVID vaccine available to anyone over the age of 16. Starting today, all Chicago mass vaccination sites are accepting walk-ins.

In an attempt to reverse concerning COVID-19 trends, state support is being directed to various counties via the Rural Vaccination program and Rapid Response vaccination teams. The rural counties have shown an uptick in case numbers and hospitalizations. In total, eight counties are slated to receive more vaccine assistance from the state: Boone, Carroll, Fayette, Jefferson, Marion, Ogle, Stephenson, and Whiteside.

Federal COVID Funds: Governor Pritzker along with Speaker Welch and President Harmon penned an op-ed this week outlining their collective priorities for spending the federal COVID funds. All three leaders agree, Illinois “needs to stay the course by managing our state and federal funds responsibly.” To that end, their first priority is to pay off the remaining \$2.5 billion in COVID related short-term borrowing. They are also dedicated to “spurring job creation and economic growth through accelerating infrastructure plans for rebuilding Illinois, supporting small businesses, and making sure educational and health care institutions thrive.”

Early Childhood Education: Governor JB Pritzker announced \$1.6 billion in federal aid -- including \$140 million in direct grants for child care providers -- is being allocated to expand access to early childhood education and child care for children and families in Illinois.

A new network of statewide early childhood planning councils -- tasked with ensuring all communities have access to the early childhood services they need -- is also being created. Working with Northern Illinois University, the Early Childhood Transformation Team will help implement recommendations from the Illinois Commission on Equitable Early Childhood Education and Care Funding Commission and a network of local councils (with the latter representing children, families, providers, and communities). In addition, the new Division of Early Childhood in the Illinois Department of Human Services will strengthen and centralize the state's existing childcare, home visiting and early intervention services within the agency.

Executive Orders: [Executive Order 2021-07](#) temporarily suspends, until June 30, 2021, two provisions of the Illinois Energy Assistance Act. The order expands the use of available emergency relief dollars for Illinois utility customers currently at risk of service disconnections following the end of the winter moratorium and maximizes the number of households eligible for relief.

[Executive Order 2021-08](#) Ensures future vehicles purchased or leased by the State of Illinois will be low-emission and zero-emission vehicles. The order establishes the State Fleet Working Group to lead the effort and encourage the use of electric vehicles. The Department of Central Management Services (CMS) will develop a plan to install electric vehicle chargers on State property for employees and public-use. Directs the Illinois State Board of Education to collaborate with the Department of Transportation and the Illinois Environmental Protection Agency to develop tools and provide information to assist school districts in assessing the benefits and costs of zero emission bus options when replacing school buses.

The Governor's press release is [here](#).

Gubernatorial Appointments: Governor Pritzker made the following appointments:

- Gary Johnson will Chair of the Abraham Lincoln Presidential Library and Museum Board,
- Dr. Sekile M. Nzinga will serve as Chief Diversity Officer for the Office of the Governor.

COGFA MARCH REPORT:

Three main aspects were addressed in the March report of the Commission on Government Forecasting and Accountability: the FY 2022 State Employees Group Insurance Plan Summary; the March 2021 bond sale; and a FY2021 revenue update. A copy of the full report is [here](#).

Keying in on the revenue update, the report notes that March base general funds grew by \$422 million -- bolstered by personal and corporate income taxes and vibrant sales tax revenues. Those encouraging performances were muted, however, by weaker than normal federal revenue sources and lower transfers. Looking at some specifics: the Cook County IGT was up \$94 million; inheritance taxes climbed by \$58 million; corporate franchise taxes saw a boost of \$33 million; an uptick of \$31 million was seen in

insurance taxes; public utility taxes increased by \$2 million; and a \$1 million jump was seen in both liquor taxes and vehicle use taxes.

March downturns did occur though. Cigarette taxes fell by \$15 million; other sources decreased by \$31 million; and interest income dropped by \$4 million. Also adding to the month's woes were a drop of \$36 million in the transfers into the state's general funds and a \$42 million decline in other miscellaneous transfers (thus quickly offsetting the \$10 million increase in Lottery transfers). Also offering up a disappointing performance was the sale of the 10th casino license (off by \$4 million). The southward trend continued in federal source revenues, down \$73 million.

ILLINOIS GENERAL ASSEMBLY:

finish negotiating final language on their bills. The result is an unusually large number of bills that passed out of both chambers with sponsors promising continued work on their bills in the opposite chamber. Friday, April 23rd is the deadline to pass substantive legislation out of the chamber of origin. It is likely that deadlines may be extended on some legislation on a case-by-case basis.

The Illinois House unanimously approved legislation, [HB 642](#) (DeLuca), which imposes term limits for the legislative leaders. Under the bill, the Speaker of the House, Senate President and Minority Leaders in both chambers would be limited to serving 10 consecutive years in their leadership position. HB 642 heads to the Senate.

The Senate Ethics Committee approved an amendment to [SB 4](#) (Gillespie) which represents an omnibus ethics bill. Many of the bill's provisions were debated, but not approved, during the January lame duck session. The amendment makes several changes to ethics laws including: streamlining statements of economic interest, prohibiting members of the General Assembly from lobbying other entities of government, allowing the Legislative Inspector General to open an investigation without approval from the Legislative Ethics Commission, prorating the salaries of members of the General Assembly and making the provisions of the Lobbyist Registration Act applicable to municipalities and counties. The amendment is now pending adoption by the full Senate.

The Illinois House unanimously approved legislation to reform the practice of prior authorization in Illinois [HB 711](#) (Harris). Amendments were adopted to remove opposition. HB 711 now heads to the Senate.

The Illinois Senate unanimously approved [SB 1360](#) (Fowler) which requires evidence of a project labor agreement in the license application process for the Southern Illinois casino. SB 1360 heads to the House for consideration.

The Illinois House approved [HB 2379](#) (Walsh) which extends the Small Cell Wireless statute. The sponsor indicated that negotiations on the bill will continue in the Senate. HB 2379 heads to the Senate for consideration.

The Illinois House approved [HB 653](#) (Avelar) which increases the fees for permitted facilities accepting clean construction debris or uncontaminated soil. The increased fees are targeted towards inspection efforts. The legislation, as amended, represents an agreement with stakeholders in an effort to protect soil and groundwater. HB 653 heads to the Senate.

[HB 2775](#) (Ford) narrowly passed the House by a vote of 62-48-2. The bill creates additional legal defenses for renters, provides protections against discrimination based on source of income, and prevents renters from being subjected to certain administrative requirements when applying for housing assistance. Under the bill, protected sources of income include various types of income including emergency housing assistance, social security, disability support, and federal Section 8 housing vouchers. HB 2775 heads to the Senate for consideration.

The Senate Executive Committee approved [HB 2877](#) (Ramirez/Aquino) which creates the COVID-19 Federal Emergency Rental Assistance Program Act. The bill makes several changes including: the sealing of a court file in a residential eviction action; emergency sealing of a court file in a residential eviction action during the COVID-19 emergency and economic recovery period; and a temporary COVID-19 stay of certain foreclosure proceedings and filing. HB 2877 is now pending before the full Senate.

The House Housing Committee approved an amendment to [HB 116](#) (Guzzardi) which would allow local governments to opt out of the Rent Control ban by passing a binding referendum. HB 116 is pending before the full House.

The Illinois House approved [HB 3739](#) (Robinson) which creates the Lead Services Line Replacement Act to replace and eliminate lead services lines. Critics of the measure focused on the cost of the legislation and who will pay for the replacement of the lead lines. The sponsor promised to continue working on the legislation in the Senate. HB 3739 now heads to the Senate.

The Illinois Senate approved [SB 820](#) (Lightford) which is a trailer bill to the Black Caucus education and workforce development pillar passed during the lame duck session. SB 820 moves to the House for consideration.

The Illinois House approved [HB 2553](#) (Williams) which creates the Protecting Household Privacy Act which places parameters on the collection and use of household electronic data by law enforcement. HB 2553 now heads the Senate.

The Illinois Senate unanimously approved [HB 2746](#) (Stuart) creating the Know Before You Owe Act to stop unnecessary borrowing on behalf of students enrolled in institutions of higher education. The sponsor noted that an amendment is being drafted for adoption in the Senate which represents an agreement with the Community Bankers Association of Illinois and the Attorney General's Office. HB 2746 heads to the Senate for consideration.

The House Executive Committee will hold a hearing on April 30th at 10 a.m. to discuss pending cannabis proposals. Amendments to address social equity in cannabis licenses were filed to [HB 1443](#) (Ford). The amendments are pending before the House Executive Committee.

The House Executive Committee will hold a hearing on April 28th at 9:30 a.m. and April 30th at 10 a.m. in virtual room 1 to discuss various gaming proposals pending before the committee. Also note, Chicago Mayor Lori Lightfoot released the RFP for the Chicago casino. The RFP can be found [here](#).

WHITE HOUSE

The White House recently released State-by-State fact sheets to highlight the nationwide need for the American Jobs Plan. These fact sheets detail the number of roads in need of improvements, the percentage of households in each state without broadband, the funding needed to create enhanced water infrastructure, and other infrastructure needs. The White House press release can be found [here](#), and the Illinois fact sheet can be found [here](#). In addition to the state-by-state fact sheets, they also released fact sheets on how the American Jobs Plan will impact [Racial Equity](#) and [Rural Communities](#).

COMING UP:

The Illinois General Assembly will reconvene on Tuesday, April 27th at noon. May 14th is the deadline to pass substantive legislation out of committee in the opposite chamber. A little over five weeks remain in the spring session.

2021 Key Session Dates:

April 23 – Deadline: Third Reading Substantive Bills/both chambers

May 14 – Deadline: Substantive Bills out of Committee in opposite chamber/both chambers

May 28 – Deadline: Third Reading Substantive Bills/both chambers

May 31 – Adjournment