

Parsons Brinckerhoff Washington Update - October 15, 2013 - Interim Update

It is now half-way through the month of October and the federal government is still shutdown. This week is when it is all supposed to be resolved since the government will officially hit the debt ceiling limit on Thursday. However, despite some progress in the Senate, a deal on both FY'14 funding and the debt ceiling remains elusive. Republican and Democratic moderates in the Senate have developed a potential plan that might be able to pass the full Senate, however House tea party members and some fiscal conservatives, led by Senator Ted Cruz (R-TX), appear to have rejected the plan this morning.

The latest Senate plan would fund the government under a Continuing Resolution (CR) at FY'13 post sequestration levels through January 15, raise the debt ceiling through February 7, and set December 3 as the deadline for broader budget negotiations. It would suspend the medical device tax for two years, but make no other changes to the Affordable Care Act. Obviously, at best, this would only be a short-term solution.

The House continues to pass various stand-alone bills to fund aspects of the federal government including national parks, veterans benefits, the National Institutes of Health, back pay for all federal employees, etc. but to date, the Senate and the White House continue to refuse to consider any piecemeal funding bills.

The Senate Commerce Committee held a hearing last week on the economic impacts of the shutdown on the transportation programs under its jurisdiction – FAA, Amtrak, NHTSA and NTSB. Here is a [link](#) to the testimony and a [link](#) to a report on the issue prepared by the Committee. Amtrak has announced that it can continue to run all trains with existing funds, at least through Thanksgiving.

At US DOT, with most FRA, FTA, FAA, and other staff on furlough, employees are not able to attend industry conferences (even by conference call), work on drafting or reviewing pending regulations, or perform project reviews despite a MAP-21 mandate to expedite project delivery. Environmental reviews of transportation projects by other federal agencies such as EPA and US Fish & Wildlife Service are also on hold.

In the meantime, no routine legislation is being considered in the House or Senate, including the Water Resources bill which had been promised House floor time in early October.