



October 19, 2015

On Friday, the bi-partisan leadership of the House Transportation & Infrastructure Committee released details of its version of a multi-year surface transportation authorization bill – the Surface Transportation Reauthorization and Reform Act of 2015 (STRRA). The bill is the House companion to the Senate DRIVE Act which the Senate passed in late July.

The bill will be marked up in the full House T&I Committee at 10:00am on Thursday, October 22. The current short-term extension of the MAP-21 surface transportation authorization expires on October 29.

Here is a [link](#) to the bill text, a [link](#) to an 11-page summary of the bill prepared by the House T&I Committee, and a [link](#) to a live webcast of Thursday's Committee mark-up.

The bill authorizes approximately \$325B from the Highway Trust Fund (HTF) over six years – FY'16 to FY'21 – which maintains current baseline funding levels for highway and transit programs plus a modest annual inflationary adjustment. The bill does not include a revenue title since that is the jurisdiction of the House Ways & Means Committee which has not acted yet. While the bill authorizes six years of funding, it includes a provision that would prohibit US DOT from distributing any funding beyond the first three years of the bill (beyond FY'18) unless new revenues are generated for the HTF and additional legislation is enacted. This is similar to the Senate DRIVE Act which authorizes six years of funding, but only includes enough new revenue to pay for the first three years of the bill.

Thursday's mark-up is expected to go smoothly, but when or if the bill gets to the House floor is unclear given the lack of a revenue title. What is almost certain is that Congress will have to pass another short-term extension of MAP-21 because a final bill cannot be completed by the October 29 expiration of the current extension. It is likely the next extension will last at least into mid-December.

The House bill does not currently include a passenger rail title, unlike the Senate DRIVE Act. However, the full House previously approved a rail/Amtrak reauthorization bill (PRRIA) on March 4. This bill may be added to the STRRA bill during the floor debate. It is also possible that that House may opt to use the STRRA bill as a vehicle to extend the deadline for implementation of Positive Train Control (PTC) from December 2015 to December 2018. Unlike the Senate bill, the House bill does not include an extension of the authorization of the Export-Import Bank.



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Program	Current Funding Level	House STRRA – FY'16	House STRRA – FY'17	House STRRA – FY'18	Senate DRIVE Act – FY'16	Senate DRIVE Act – FY'17	Senate DRIVE Act – FY'18
Highway Ob Limit	\$40.3B	\$40.9B	\$41.6B	\$42.5B	\$41.6B	\$42.9B	\$44.3B
TIFIA	\$1B	\$200M	\$200M	\$200M	\$300M	\$300M	\$300M
NSFHP	NA	\$725M	\$735M	\$750M	NA	NA	NA
Transit Total – HTF & GF	\$10.7B	\$10.9B	\$11.1B	\$11.3B	\$11.6B	\$11.9B	\$12.2B
Transit CIG Grants	\$1.9B	\$2.0B	\$2.06B	\$2.1B	\$2.3B	\$2.35B	\$2.4B

The House bill would:

- Maintain the existing 80/20 split between highway and transit funding.
- Create a new Nationally Significant Freight and Highway Projects (NSFHP) program that would provide grants to highway, bridge, rail-grade crossing, intermodal and freight rail projects costing more than \$100M. The program is authorized at \$725M in FY'16, \$735M in FY'17, and \$750M in FY'18. The program would allow up to \$500M to be allocated to freight rail and/or intermodal projects. This funding could also be used to pay for TIFIA subsidies and administrative costs.
- Establish a National Highway Freight Network, a National Multimodal Freight Policy and Multimodal Freight Network, a National Freight Strategic Plan, State Freight Advisory Committees, and State Freight Plans.
- Accelerate the delivery of surface transportation improvement projects through a number of reforms to the environmental review and approval process. STRRA would: strengthen the abilities of the US DOT to set schedules and deadlines for



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other agencies participating in environmental reviews, help eliminate duplication of reviews in the transportation planning and environmental approval processes, and expand and clarify the use of “categorical exclusions”.

- Revise the current Surface Transportation Program (STP) - into a “Surface Transportation Block Grant Program (STBGP).” The proposal is intended to give state and local governments more flexibility to use federal highway funds by expanding the existing STP to include activities such as ferry boat construction, border infrastructure projects, truck parking facilities, recreational trails, and others that had received separate funding in prior highway authorization acts.
- Reduce funding allocated to the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program to support credit assistance and loan guarantees from the current \$1B per year to \$200M annually. The Senate DRIVE Act reduces TIFIA funding to \$300M per year. The bill does not include the Senate's provision to permit the carryover of unobligated TIFIA funds.
- Create a new Bus Discretionary Program funded at \$90M in FY'16 and \$200M million annually in subsequent fiscal years. The bill provides an increase of \$32M in FY'16 for the State of Good Repair Program, and modest increases in the out years. The bill provides very modest increases for the Capital Investment Grants (CIG) program – New Starts/Small Starts/Core Capacity and reduces the current statutory Federal match for New Start projects from 80% down to 50%. It also contains language, almost identical to the Senate bill, increasing domestic content under current Buy-America law from 60% to 65% after two years and to 70% in the fifth year of the bill.
- Establish a Surface Transportation System Funding Alternative Program funded at between \$15M and \$20M per year to provide grants to states to demonstrate user based alternative revenue mechanisms such as Mileage Based User Fees.
- Promote the deployment of transportation technologies and congestion management tools through a new Innovation Title which includes funding for Highway R&D (\$125M per year), Technology and Innovation Deployment (\$67.5M per year), and Intelligent Transportation Systems (\$100M per year). It also includes a new Advanced Transportation and Congestion Management Technologies Deployment competitive grant program funded at \$75M per year taken from the overall R&D funding.
- Creates the National Surface Transportation and Innovative Finance Bureau to integrate current federal credit programs under TIFIA and the Railroad Rehabilitation and Infrastructure Financing (RRIF) program with institutional capacity-building and project permitting and expediting efforts under one office at US DOT.



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- Retains the current three pilot program slots under the existing Interstate tolling pilot program, but limits the slot reservation to three years. Existing slots would expire in one year.
- Reinstates state's ability to use up to 10% of their formula dollars to capitalize a State Infrastructure Bank (SIB).