



Washington Update

PREPARED BY CATHY CONNOR
MANAGER OF GOVERNMENT AFFAIRS

**PARSONS
BRINCKERHOFF**

December 19, 2014

The 113th Congress adjourned sine die earlier this week. The new 114th Congress will commence on January 6 with the swearing-in of Members. In the frantic rush to finish up the session before the holidays, Congress passed the massive \$1.1 trillion FY'15 "CRomnibus" appropriations package which will fund most federal agencies (including US DOT) through September 30, 2015. The Department of Homeland Security is funded only through the end of February which will give the new Republican-majority Congress a "must-pass" bill which they plan to use as a vehicle to protest the Administration's executive action on immigration.

Congress also passed a tax extenders bill, but following a veto threat by the White House, a larger, more comprehensive, permanent extenders package was scuttled in favor of another short-term bill which retroactively extends the affected tax provisions only through 2014. Congress will therefore have to address tax extenders again next year. A provision to restore the transit commuter tax benefit parity with the parking benefit, which would have increased the current transit employee benefit from \$130 per month to \$235 per month, was stripped out when the bill's size and scope were drastically reduced. A continuation of the transit alternative fuels tax credit through 2014 was included in the bill.

Regrettably, the tax extenders package did not become a legislative vehicle for a potential gas tax increase as many in the industry had advocated for. The hope had been that Republicans might want to get the transportation funding issue off the table before they take over control so that they could concentrate on writing a robust, multi-year reauthorization bill. With the price of gas at recent historic lows and with so many lame duck Members of Congress who never have to worry about facing the voters again, some industry observers thought it might be possible to slip a gas tax increase into a larger tax extenders bill. But once the bill was slimmed down in the face of a veto threat, that opportunity disappeared.

All legislation not completed before adjournment is now dead and must be reintroduced next year.

Despite last minute efforts, Congress did not pass an extension of the Terrorism Risk Insurance Act (TRIA) and did not complete action on a long list of pending nominations, including a number of transportation-related nominees such as Therese McMillan for FTA Administrator, the US DOT Assistant Secretary for Policy, and nominees for the Surface Transportation Board (STB) and NTSB. One success was the confirmation of Mark Rosekind to be the new NHTSA Administrator. It is possible the White House could opt to name some of these nominees to temporary recess appointments, but such appointments would only extend through December 2015.



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114th Congress Agenda

The Republican majority has announced a busy schedule for the next Congress with fewer recesses and a return to “regular order” for the FY’16 budget and appropriations process. But they have a large number of difficult and controversial issues facing them including FY’16 sequestration, the debt ceiling which needs to be raised in late spring, immigration reform, Keystone pipeline and potentially tax reform.

In addition to the FY’16 funding bills, there are a number of critical infrastructure-related bills that must be addressed in 2015. The MAP-21 extension expires on May 31, the FAA authorization expires on September 30, and the PRIIA rail/Amtrak authorization previously expired on September 30, 2014. Since Congress cannot proceed to draft a MAP-21 bill without additional revenue, which has yet to be identified, there is some speculation that the House T&I Committee may proceed to work on an FAA bill early next year before addressing MAP-21. Issues to be addressed as part of FAA reauthorization include, an increase in the Passenger Facility Charge (PFC), privatization of the air traffic control (ATC) system, FAA regulation of drones, and Airport Improvement Program (AIP) funding.

Congressional Committee Assignments

Not all committee assignments have been finalized, but here is what has been announced to date.

<u>Committee</u>	<u>Chairman</u>	<u>Ranking Member</u>	<u>New Members</u>
House Appropriations	Full Comte – Rogers (KY) THUD Subcomte – Diaz-Balart (FL)	Lowey (NY) Not named yet	Not named yet
House Transportation & Infrastructure	Shuster (PA)	DeFazio (OR)	R - Woodall (GA), Rokita (IN), Katko (NY), Babin (TX), Hardy (NV), Costello (PA), Graves (LA), Walters (CA), Comstock (VA), Curbelo (FL), Rouzer (NC), Zeldin (NY)



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			D – not named yet
House Ways & Means	Ryan (WI)	Levin (MI)	R & D – not named yet
Senate Appropriations	Full Comte – Cochran (MS) THUD Subcomte – Collins (ME)	Mikulski (MD) Murray (WA)	Full Comte – R – Capito (WV), Cassidy (LA), Lankford (OK), Daines (MT) D- Schatz (HI), Baldwin (WI), Murphy (CT)
Senate Environment & Public Works - highways	Inhofe (OK)	Boxer (CA)	R – Capito (WV), Rounds (SD), Sullivan (AK) D – no new members
Senate Commerce – aviation, rail, highway safety	Thune (SD)	Nelson (FL)	R – Moran (KS), Sullivan (AK), Gardner (CO), Daines (MT) D – Udall (NM), Manchin (WV), Peters (MI)
Senate Banking - transit	Shelby (AL)	S. Brown (OH)	R - Cotton (AR), Rounds (SD), Sasse (NE) D - Donnelly (IN)
Senate Finance	Hatch (UT)	Wyden (OR)	R - Coats (IN), Heller (NV), Scott (SC) D - no new members



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The two new Republican committee chairmen in the Senate with jurisdiction over significant transportation programs – Senator Jim Inhofe (R-OK) at the Environment & Public Works Committee (highway programs) and Senator Richard Shelby (R-AL) at the Banking Committee (transit programs) - both chaired their respective committees and worked with their ranking members in previous Congresses and are very knowledgeable about the issues and viewed as strong champions of federal funding for these programs. Senators Patty Murray (D-WA) and Susan Collins (R-ME) are simply swapping roles in the leadership of the Senate THUD (US DOT) Subcommittee. They work well together and are strong supporters of transportation programs.

Chairman Bill Shuster (R-PA) will continue to lead the House T&I Committee. He is highly respected by both parties and has already proven his legislative leadership by passing a major bi-partisan water resources bill and bi-partisan Coast Guard reauthorization bill. Rep. Peter DeFazio (D-OR) previously served as the ranking Democrat on the T&I's Highways & Transit Subcommittee and after a stint as ranking member on House Natural Resources Committee is returning to the T&I Committee leadership replacing Rep. Nick Rahall (D-WV) who lost his reelection. Rep. Mario Diaz-Balart (R-FL) is not only the new Chairman of the House THUD (US DOT) Appropriations Subcommittee; he is a new member of the Subcommittee, although he once served on the House T&I Committee.