



February 12, 2013

Both the House and Senate are in session this week with the highlight of the week being the annual State of the Union address this evening. President Obama is expected to focus on jobs and the economy in his address to Congress with some indication that he will reiterate the importance of education, research and infrastructure investment as key to economic growth. Florida Senator Marco Rubio will give the Republican response. The other focus of attention is the looming implementation of the government-wide sequestration in 17 days. The White House and Congress have yet to reach an agreement on how to avoid the mandatory spending cuts, although some are discussing the possibility of temporarily postponing them once again. In addition, the Continuing Resolution (CR) currently funding the government expires on March 27.

Given the impasse on sequestration and lack of a deal on a full-year appropriations bill, the White House has opted to delay the introduction of the FY'14 Budget Request until sometime in March.

Hurricane Sandy Supplemental Funding

The Disaster Relief Appropriations Act of 2013 was enacted into law on January 29, 2013. The law appropriates a total of \$50.7B in funding for Hurricane Sandy disaster relief and mitigation. Here is a link to the final bill, [HR 152](#). All funding is available until expended. However, as it stands now, if the sequestration goes into effect at the end of the month, as much as \$700M of the approximately \$13B of the Sandy supplemental funding going to US DOT will be cut.

On February 6, FTA issued a Notice of Funding Availability (NOFA) in the Federal Register for the \$2B available immediately from the recently created MAP-21 Public Transportation Emergency Relief Program. Applications are due by March 8 and funding will be allocated on a rolling basis. There are three categories of projects eligible for funding and a two-step application process. Here is a [link](#) to the NOFA.

FTA will issue a separate NOFA at a later date regarding the process for applying for the \$8.9B in remaining Emergency Relief funds after FTA enters into an MOU with FEMA and issues interim regulations. The interim regs will be open for public comment.

An overview, prepared by Parsons Brinckerhoff, of the transportation-related provisions in the Sandy funding bill and links to various background documents is attached to this email.



Other News

No announcement has been made yet by the Administration on a replacement for US DOT Secretary Ray LaHood. The leading candidate seems to be NTSB Chairman Debbie Hersman after Los Angeles Mayor Antonio Villarigosa took his name out of the running. Two other rumored candidates, Rep. Jim Clyburn (D-SC), who is being promoted by the Congressional Black Caucus, and recently retired Senator Kay Bailey Hutchison (R-TX) also announced that they were not interested. However, with a woman nominated to be Interior Secretary and women rumored to be in line for EPA and Commerce, the White House may be more focused on potential hispanic candidates for US DOT in an effort to increase diversity, such as Michael Huerta, newly confirmed FAA Administrator, Victor Mendez, FHWA Administrator, or someone else not currently in the transportation field.

The House Transportation & Infrastructure Committee, led by new Chairman Bill Shuster, will hold its first hearing of the new Congress on Wednesday, February 13 at 11:00am. The topic is "The Federal Role in America's Infrastructure" and features testimony from US Chamber of Commerce CEO Tom Donohue, former Pennsylvania Governor Ed Rendell, and Laborers' International Union President Terry O'Sullivan. Here is a [link](#) to additional information about the hearing, including a link to a live webcast of the [hearing](#).

In the February 6 Federal Register, FHWA issued a notice outlining the process by which the National Freight Network will be defined, as required by MAP-21. Here is a [link](#) to the Notice. MAP-21 stated that three pieces will make up the new National Freight Network: 1) a Primary Freight Network of not more than 27,000 centerline highway miles critical to moving freight; 2) up to 3,000 additional miles critical to the future of moving goods intermodally; and 3) a State-designation of critical rural freight corridors.

The Northeast Corridor Commission has released a new report outlining where capital investment is most needed along the rail corridor. Here is a [link](#) to the report. The full list of 37 critically needed infrastructure projects is on page 13. _____

In the February 7 Federal Register, FTA and FHWA published the Final Rule on Environmental Impact and Related Procedures. The rule makes revisions to expedite the environmental review process for transit projects. Among the provisions in this rule are the creation of 10 new categorical exclusions (CE), the expansion of public involvement methods to include electronic means, the addition of language on early scoping into the regulations, and a modification to the list of project types that normally result in the preparation of an EIS. The rule goes into effect immediately. Here is a [link](#) to the Final Rule.
