

May 23, 2016

Congress continues to make progress on various legislation, including the annual federal agency FY'17 appropriations bills; however, with the lengthy summer and fall recesses looming, there are a limited number of days left before the November elections to complete its work.

FY'17 US DOT Appropriations

The full Senate approved its version of the FY'17 THUD (US DOT) FY'17 appropriations bill on May 19 by a vote of 89 to 8. Here is a <u>link</u> to the text of the Senate bill and a <u>link</u> to the committee report.

On Tuesday, May 17, the House THUD Subcommittee released and approved its version of the US DOT FY'17 Appropriations bill. Here is a <u>link</u> to the House Subcommittee-approved bill and a <u>link</u> to the committee report. Full Committee action is scheduled for May 24. Floor debate will likely have to wait until after the Memorial Day recess.

Like the Senate, the House proposes to fully fund all Highway Trust Fund (HTF) supported programs, such as the federal highway program and transit formula grants, at the same amounts authorized in the FAST Act. The House provided more money than the Senate for transit discretionary Capital Improvement Grants (CIG). The House provided less money for TIGER grants – only \$450M versus the Senate's \$525M, but given that the House has typically zeroed out or provided very limited funds for TIGER, the \$450M is a step forward.

Funding details:

Program	Current FY'16 Funding	FAST Act Authorization for FY'17	Senate- Passed FY'17 Funding	House THUD Subcomte. FY'17 Funding
Core Highway Program – Obligation Limit	\$42.36B	\$43.26B	\$43.26B	\$43.26B
Transit Total	\$11.6B	\$12.17B	\$12.18B	\$12.5B
Transit Formula and Bus Grants	\$9.35B	\$9.73B	\$9.73B	\$9.73B
Transit CIG-New Starts, Small Starts, Core Capacity	\$2.17B	\$2.30B	\$2.33B	\$2.5B
DC WMATA	\$150M	NA	\$150M	\$150M
TIGER	\$500M	NA	\$525M	\$450M

Page 1 of 4 5/23/2016

Connor@pbworld.com 202.783.0241





Amtrak Northeast Corridor	NA – Total Amtrak Funding \$1.39B	\$474M	\$345M	\$420M
Amtrak National Network	NA	\$1.02B	\$1.07B	\$1.0B
FRA Rail Discretionary Grants Total – see below	\$0	\$350M	\$85M	\$50M
Airport Improvement Grants (AIP)	\$3.35B	NA	\$3.35B	\$3.35B

Additional details:

FTA Capital Improvement Grants -

Program	Current FY'16	FY'17	FY'17 House
	Funding	Senate	THUD
		Passed	Subcomte.
CIG Total	\$2.177B	\$2.3B	\$2.5B
New Starts w/Existing	\$1.25B	\$1.2B	\$1.2B
FFGAs			
New Proposed FFGAs	\$497M	\$511M	\$500M
Small Starts	\$353M	\$241M	\$408M
Core Capacity	\$50M	\$333M	\$332M
Expedited Delivery	\$5M	\$20M	TBD
Program			

The House bill includes language prohibiting any new FFGAs with a federal cost share of over 50%.

FRA Discretionary Rail Grants -

Program	FAST ACT FY'17 Authorized	FY'17 Senate Passed	FY'17 House Subcommittee
Consolidated Rail Infrastructure and Safety Improvement (CRISI)	\$190M	\$50M	\$25M
State of Good Repair (SOGR)	\$140M	\$20M	\$25M
Restoration/Enhancement (R/EG)	\$20M	\$15M	\$0

Page 2 of 4 5/23/2016 Connor@pbworld.com 202.783.0241





FAST Act Implementation

Last week, US DOT announced that it has received 212 applications totaling nearing \$9.8B for grants for the newly-created FAST Act FASTLANES freight discretionary program. Of the applications received by the April 14 deadline, 136 represent projects in urban areas and 76 represent projects in rural areas. The FAST Act authorized \$800M for this program in FY'17. Grant announcements are expected to be made this summer.

FAA Reauthorization

There has been no public action on reauthorization of FAA programs ever since the full Senate passed an 18-month (FY'16 and FY'17) authorization on April 19. The House T&I Committee approved a six-year FAA bill, H.R. 4441, earlier this year that, in a highly controversial move, would take the air traffic control (ATC) system out of FAA and transfer it to a nonprofit corporation. Opposition to the ATC provision has prevented the bill from moving to the House floor. There has been no further action by the House to date. The current short-term extension of FAA programs expires on July 15.

Water Resources Reauthorization

On April 28, the Senate Environment and Public Works Committee (EPW) approved its version of the Water Resources Development Act (WRDA) of 2016 by a vote of 19 to 1. Here is a <u>link</u> to the text of the bill (S.2848) and a <u>link</u> to a 20 page section-by-section summary. The bill has not yet moved to the Senate floor. The House T&I Committee has scheduled a markup of its version of the WRDA bill for May 25. The WRDA bill is one that Congress has indicated it plans to complete before the November elections.

Other News

The Chairman and Ranking Member of the House T&I Subcommittee on Highway and Transit, Reps. Sam Graves (R-MO) and Eleanor Holmes Norton (D-DC), are circulating a letter to the bi-partisan leadership of the House Ways & Means Committee urging them to make "a permanent solution to the Highway Trust Fund's structural revenue deficit a priority in any tax reform proposal". Industry groups are working to get as many House members as possible to sign the letter. The Committee may introduce a comprehensive tax reform bill as early as June, although serious action is not likely until 2017. Here is a <u>link</u> to the draft letter. Over 100 House members have signed the letter to date.

Last week, as part of Infrastructure Week, the Eno Center for Transportation released a new report entitled "Delivering the Goods: Recommendations for Funding a Federal Freight Program" which was developed by its Freight Working Group. Here is a <u>link</u> to the

Page 3 of 4 5/23/2016

Connor@pbworld.com 202.783.0241





report. The report recommends that in the short-term Congress should appropriate general fund revenues of at least \$2B per year for a national multi-modal freight discretionary grant program. In the long-term, it recommends Congress authorize the implementation of a "cost of freight shipment" (COFS) fee dedicated to such a program.

Additional information and materials, including archived Washington Updates, are located on the WSP | Parsons Brinckerhoff *Federal Briefing* website at www.federalbriefing.com. This is a new URL and title for the website previously named *PB Transportation Update*. The old website URL will automatically redirect to the new website, but please bookmark this new address for future reference.