



May 6, 2015

MAP-21 Reauthorization

There are only 25 days until the MAP-21 authorization expires on May 31, 2015. Congress is scheduled to begin its Memorial Day recess on May 22 and not return until June 1. There is still no consensus on how to proceed. Some Members of Congress, including nine House Democratic leaders who signed a recent [letter](#) to Speaker Boehner, are still pushing for a long-term bill to be passed before the deadline. Others concede that a short-term extension will be needed but there is no agreement whether it should be very short – through the end of the fiscal year on September 30 - or through the end of the calendar year to get through the 2015 construction season. US DOT Secretary Foxx and Senate EPW Committee leaders Jim Inhofe (R-OK) and Barbara Boxer (D-CA) are advocating to keep the pressure on Congress for a long-term solution by not extending MAP-21 beyond the end of July which would not require any new funding.

There is also growing talk of possibly doing a clean, policy-only reauthorization by the May 31 expiration and not dealing with the Highway Trust Fund (HTF) solvency/funding issue until later this summer. The HTF is not expected to run out of money until sometime in early August. Congress could opt to deal with the funding issue separately later this summer before they adjourn for the August recess which would buy them two more months – June and July – to sort out the revenue issue.

In the meantime, little progress has been made on identifying long-term or even short-term funding sources. Approximately \$10B in new revenue is required to fund the HTF through the end of the calendar year. Over \$100B is required to fund even a flat program for six years.

One funding proposal that is gaining interest is a bill, HR 1846, introduced by Rep. Jim Renacci (R-OH), a member of the House Ways & Means Committee. The bill, "The Bridge to Sustainable Infrastructure Act" has been co-sponsored to date by 22 Republicans and Democrats. The bill would index the gas tax to inflation (which only increases the tax by 0.4 cents) and establish a bicameral, bipartisan commission to come up with a long-term solution. The proposal is somewhat complicated and would not grow the program, but it is a start and is notable in that it has Republican support and the support of several members of the important Ways & Means Committee. Here is a [link](#) to the Renacci bill.

On Monday, Senators Ron Wyden (D-OR), senior Democrat on the Senate Finance Committee, and John Hoeven (R-ND) introduced a bi-partisan bill "The Move America Act of 2015", S. 1186, to create a new "Move America" bond program that would funnel more money to infrastructure projects and increase private sector involvement. The Wyden-



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PREPARED BY CATHY CONNOR
MANAGER OF GOVERNMENT AFFAIRS

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Hoeven bill would offer up to \$180B in tax-exempt bonds and up to \$45B billion in infrastructure tax credits over the next decade. Interest on the bonds would not be subject to the alternative minimum tax (AMT) and the bonds could be used for privately owned public infrastructure, such as highways. The bill is meant to be a supplement, not a substitute for new, sustainable HTF revenue. Here a [link](#) to a summary of the bill.

On a related note, Rep. Alan Lowenthal (D-CA) has introduced HR 1308, "The National Multimodal and Sustainable Freight Infrastructure Act" which would establish a National Freight Trust Fund to provide \$8B per year in formula and competitive grants to fund freight projects around the country. It would be paid for by a 1% waybill user fee. Here is a [link](#) to information about the bill.

FY'16 Appropriations

On April 29, the House THUD Appropriations Subcommittee easily approved the FY'16 DOT Appropriations bill. The bill will go to the full House Appropriations Committee later in May where it may face more serious opposition over proposed funding cuts to several popular programs such as Amtrak, TIGER, transit Capital Investment Grants (New Starts/Small Starts/Core Capacity) and DC's WMATA transit system. The bill also includes several controversial policy riders related to increased truck size and weight and travel to Cuba. The Senate has not yet introduced its version of the FY'16 THUD bill. In past years, the Senate (at least while under Democratic control) has frequently restored some or all of the funding for the popular discretionary grant programs. Here is a [link](#) to information about the bill.

Program	Final FY'14 Funding Level	Final FY'15 Funding Level	House THUD Subcomte. Proposed FY'16 Funding
Core Highway Program – Obligation Limit	\$40.25B	\$40.25B	\$40.25B
Transit Formula – including Bus and Bus Facilities	\$8.6B	\$8.6B	\$8.6B
Transit Capital Improvement Grants (New Starts/Small Starts/Core Capacity)	\$1.94B plus prior year funding = \$2.13B total	\$2.12B	\$1.921B
Airport Improvement (AIP) Grants	\$3.35B	\$3.35B	\$3.35B
TIGER Discretionary Grants	\$600M	\$500M	\$100M
Amtrak Total	\$1.39B	\$1.39B	\$1.13B



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On May 1, the full House passed the FY'16 Energy & Water funding bill, HR 2028, which includes funding for the US Army Corps of Engineers water programs. The bill provides \$5.6B for the Corps which is \$154M more than current funding. Two important amendments were agreed to on the House floor. The first, offered by Reps. Janice Hahn (D-CA) and Bill Huizenga (R-MI), adds funding to the Corps Operations & Maintenance program in order to bring it in line with the FY'16 funding target for the Harbor Maintenance Trust Fund (HMTF) agreed to in the recently passed Water Resources and Reform Development Act (WRRDA). A second amendment, offered by Reps. Peter DeFazio (D-OR), Grace Napolitano (D-CA) and Ted Poe (R-TX), requires the Corps to follow the WRRDA provisions that outline spending targets and allocations to order to assure funds in the HMTF are spent on eligible projects. Here is a [link](#) to information about the bill.

FAA Reauthorization

The FAA authorization legislation expires on September 30, 2015. The House and Senate committees continue to hold hearing on various aspects of FAA's programs, but no committee reauthorization bills have been introduced to date.

Here is a [link](#) to information on recent House T&I Committee FAA reauthorization hearings and a [link](#) to an April 23 Senate Commerce Committee hearing on airport issues and infrastructure financing. Rep. John Mica (R-FL) has introduced a bill, HR 1835, that would transfer ownership of the national air traffic control system from the FAA to a new private entity. Here is a [link](#) to the Mica bill.