



PB Washington Update

PREPARED BY CATHY CONNOR
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Both houses of Congress are in session the week of June 20, however after that is a two-week period when only one house is in session and the other is not which will make it difficult to make significant progress on critical legislation such as the annual appropriations bills.

FY'12 Appropriations

The House is making some progress on its FY'12 federal agency funding bills, moving a number of the bills through committee and to the floor. However, the House DOT/HUD Appropriations Subcommittee does not plan to introduce or act on the DOT/HUD bill until July 14. The full committee is not scheduled to act until July 26, leaving very little time before the month-long August recess to bring the bill to the floor. There is still no schedule for any of the Senate appropriations subcommittees to act. Senate leadership is waiting to see what the "Gang of 5" and Vice President Biden's deficit reduction group comes up with related to the debt ceiling increase before they proceed with the FY'12 funding bills.

House transportation appropriations staff have indicated that in order to develop an annual funding bill that does not bankrupt the Highway Trust Fund, the FY'12 level for the highway program may only be about \$27B (versus the current \$41B) and there may not be sufficient General Funds available for FTA's New Starts program to fund even the existing FFGA projects at their scheduled levels. It is possible the total funding level for the transit program could be as low as \$6.8B (versus the current \$10B).

In a very disturbing development, the House Energy & Water Appropriations Subcommittee included a provision in its FY'12 funding bill that, if passed, would rescind unobligated ARRA high-speed rail funds to pay for Corps of Engineers' programs. It is a highly unusual move to take funding from one subcommittee's jurisdiction to pay for another's programs. It is unlikely that the Senate will support such a provision when it takes up its version of the Energy & Water bill.

Surface Transportation Reauthorization

This week, House T&I Committee Chairman John Mica (R-FL) said he plans to roll out his surface transportation bill next month. He plans to introduce a draft the week of July 4 (likely July 6), take comments on the draft and then mark it up on July 12. He was not clear whether they will do a subcommittee mark-up first or go directly to full committee. This will not give Mica much time before the August recess begins to get the bill to the floor. House Whip Eric Cantor (R-VA) recently released a tentative floor schedule for the



remainder of the summer session that did not include consideration of the surface transportation bill.

This could potentially be a problem for Chairman Mica who likely will not want to have his bill hang out there for a month or so, allowing industry groups to pick it over and mount campaigns to oppose provisions they don't like.

In the Senate, the EPW Committee may introduce its potential \$339.2B six-year bill as early as next week, but without certain funding levels and the all-important highway formulas. Speculation continues to grow that absent any new funding revenue, the Senate may opt to pursue only a two-year bill. EPW Chairman Barbara Boxer (D-CA) would like to mark-up the highway title of the bill before the July 4 recess. There is no word yet from the Banking or Commerce committees about the schedule for the transit, rail and safety titles.

In both houses, floor time during July is expected to be dominated by debate on the FY'12 appropriations bills and the debt ceiling increase.

Mica/Shuster Amtrak/HSR Bill

On June 15, House T&I Committee Chairman John Mica and Railroad Subcommittee Chairman Bill Shuster (R-PA) rolled out the draft of an Amtrak/HSR bill, the "Competition for Intercity Passenger Rail in America Act". The bill incorporates competitive bidding and private sector involvement to bring high-speed rail to the Northeast Corridor and to improve service on other Amtrak routes. Here is a [link](#) to information about the bill, including the bill text, a press release, summary, a section by section and a video of the roll out event.

Unlike most other bills introduced by the House T&I committee, this bill does not have bipartisan support. No Democratic members or staff attended the roll out and the Ranking T&I Democrat issued a statement in strong opposition – see link below.

Chairman Mica will take comments on his draft bill until COB today, June 17. He will formally introduce the bill next Tuesday and mark it up in full committee on Wednesday, June 22. It is currently a stand-alone bill, but it is highly unlikely it can move on its own. The assumption is that it will be added to the larger surface transportation bill at some point.

Although no Democratic House members were in attendance, former Pennsylvania Governor Ed Rendell, a prominent Democrat, called into the event. Through a webinar connection, people outside of DC were able to phone in and ask questions similar to a radio talk show. Rendell made numerous comments in strong support of the bill.

Additional high-speed rail provisions such as environmental streamlining and innovative financing are not addressed in this bill, but will be included in a rail title as part of the larger



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SAFETEA-LU reauthorization bill. There is no funding for Amtrak or the existing federal high speed rail program in this bill.

The bill has three components – Northeast Corridor (NEC), state supported intercity/commuter rail lines, and long distance lines. All will be open to competitive bids from the private sector. The bill establishes a five member Executive Committee as part of the PRIIA-created NEC Commission which will be responsible for selecting the winning private sector bids for the NEC. Mica repeatedly made the point that rail labor and freight rail would be protected.

A number of members of Congress, industry groups, unions, and Amtrak issued responses to the Mica/Shuster proposal, many in strong opposition. Here are links to several of them:

[AASHTO](#)

[Amtrak](#)

[T&I Committee Ranking Members Nick Rahall \(D-WV\) and Corrine Brown \(D-FL\)](#)

[Senator Frank Lautenberg \(D-NJ\)](#)

[Transportation Trades Department/AFL-CIO](#)

FAA Reauthorization

Congress continues to struggle to reconcile the House and Senate versions of the multi-year FAA reauthorization bill. While several controversial issues have been resolved, disagreements remain over some labor issues and funding for the Airport Improvement Program (AIP). The 19th extension of the current program expires on June 30. Since the House will be on recess the week of June 27, it is unlikely there is enough time before then to finalize a long-term bill, meaning a 20th extension will need to be passed, perhaps this time through the end of the fiscal year.

Livability Grants

On June 16, US DOT Secretary Ray LaHood announced the availability of up to \$175M in federal livability grants to help urban, suburban and rural communities develop better transit options. The competitive grant program will begin accepting applications as soon as the Notice of Funding Availability (NOFA) is published in the Federal Register which is expected the week of June 20. The funding comes from the FY'11 Bus and Bus Facility (\$150M) and Alternative Analysis (AA) programs that were not earmarked for specific



projects by Congress in the FY'11 DOT Appropriations bill. The money can be used for projects that meet the existing criteria for those two programs.

Reports

A number of interesting and informative industry and government reports related to infrastructure investment have been released over the past few weeks including:

Bipartisan Policy Center's National Transportation Policy Project released a major [report](#) on "Performance Driven: Achieving Wisser Investment in Transportation", which proposes steps that can be taken to restructure the existing federal surface transportation program to be more performance driven and to better leverage non-federal resources. The proposal implies acceptance of the lower surface transportation funding levels that can be supported solely within existing tax revenues.

The Institute for Transportation and Development Policy issued a [study](#) on "Recapturing Global Leadership in Bus Rapid Transit", which rates five US cities as being on the cutting edge of BRT technology – LA, Cleveland, Las Vegas, Eugene and Pittsburgh.

House New Democratic Coalition Task Force on Critical Infrastructure and Manufacturing issued a [report](#) portraying infrastructure investment as critical to long-term economic growth with an emphasis on goods movement, leveraging private investment and supporting exports.

National Conference of State Legislatures (NCSL) and AASHTO's Center for Excellence in Project Finance produced a comprehensive [review](#) of transportation governance and finance of all 50 states which focuses on transportation finance and the roles and relationships among the branches of state government.

Natural Resources Defense Council (NRDC) released a new [report](#) on oil dependence called "Fighting Oil Addiction", which ranks states on their gas price vulnerability and presents solutions for change.

Transportation Research Board (TRB) issued a [report](#) entitled "Performance Measures for Freight Transportation". The report's areas of emphasis include efficiency, effectiveness, capacity, safety, security, infrastructure condition, congestion, energy, and the environment.

Council of State Governments produced a [report](#) on "Transportation and Infrastructure Finance", which looks at ways different states consider and implement innovative ways to fund transportation infrastructure.

Livable Communities Task Force, along with APTA, the Center for American Progress and House members Earl Blumenauer (D-OR), Jim Moran (D-VA), Lois Capps (D-CA) and Peter



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Welch (D-VT) unveiled a [report](#), "Freedom from Oil", which focuses on short and long-term solutions to high gas prices and oil dependence.

Additional information and materials can be found on the PB Transportation Update website at www.PBTransportationUpdate.com
