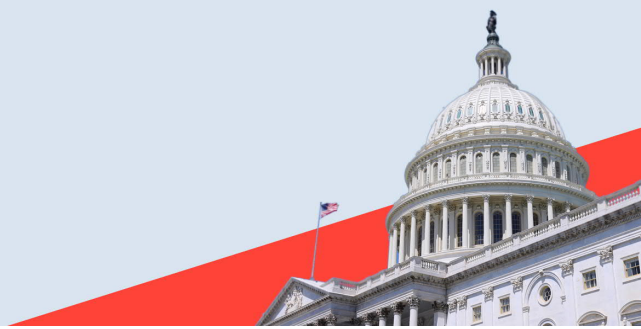




# WASHINGTON UPDATE

PREPARED BY CATHY CONNOR,  
DIRECTOR OF FEDERAL GOVERNMENT AFFAIRS



## June 27, 2019

Congress has now entered the “choppy” summer season when work sessions are interrupted by multiple recesses. Congress will be on recess next week for the July 4<sup>th</sup> holiday, then back in session for three weeks, then out again for the month of August (unless their plans change like the Senate’s did last summer), and then not back to work until after Labor Day – three short weeks before the start of the new fiscal year on October 1.

The House has made considerable progress in passing the FY’20 federal agency appropriations bills. Over the past week, the House passed two “minibus” bills – legislative packages which together include ten separate funding bills - leaving only two bills pending, including the one for the Department of Homeland Security. The completed bills include funding for such key agencies as the Department of Defense, US Army Corps of Engineers (USACE), and US DOT.

The House action could prove pointless, however, if congressional leaders are not able to strike a bipartisan agreement with the White House to increase the overall FY’20 defense and domestic budget caps, which is required in order to accommodate the higher funding levels approved by the House. Without such an agreement in place, the Senate has opted to not yet introduce any of its annual funding bills.

Further complicating the House appropriations process, the White House has threatened to veto both House “minibus” bills over opposition to various contentious policy provisions in the bills related to the contents of the 2020 census, immigration, funding for the Mexican border wall, offshore drilling, climate change, and health care, among others.

Last week, White House officials publicly suggested the idea of enacting a one-year, stopgap Continuing Resolution (CR) that would keep federal funding static until a month before the 2020 presidential election. This could further complicate the process by potentially taking the pressure off Congress to pass a budget deal. A potential CR could be coupled with a one-year extension of the debt ceiling which also must be addressed this fall to avoid a government default.

## FY’20 Appropriations

Funding for important infrastructure-related agencies, including US DOT and USACE, was included in the House-passed “minibus” packages. The table below provides general



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information about funding for key programs. Here is a [link](#) to the May 23 WSP Washington Update which includes additional details and a [link](#) to a House press release (US DOT programs are under Division E) with more specifics.

A number of proposed floor amendments in the House that would have cut key program funding or eliminated important policy provisions, particularly related to transit and high-speed rail programs, were either not allowed, withdrawn, or defeated after strong opposition was expressed by transportation industry advocates.

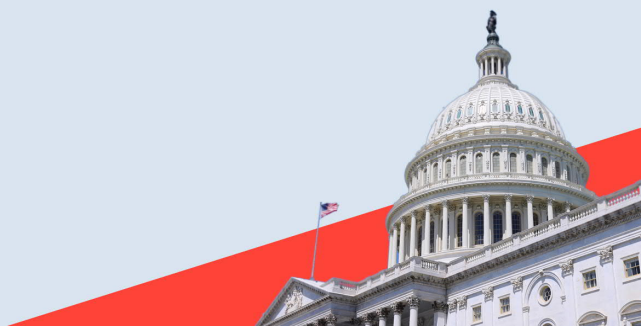
The Energy & Water appropriations bill provides \$7.4B for the civil works program of the USACE, \$357M more than last year and \$2.5B more than the Trump Administration had proposed.

| Program                                                  | FY'18 Enacted | FY'19 Enacted                                                                             | FY'20 House-Passed Version                                                                                      |
|----------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Highway Program                                          | \$47.5B       | \$49.3B                                                                                   | \$48.85B                                                                                                        |
| BUILD (TIGER) Grants                                     | \$1.5B        | \$900M                                                                                    | \$1B                                                                                                            |
| FTA CIG Grants – New Starts/Small Starts/Core Capacity   | \$2.65B       | \$2.55B Total - \$1.27B for New Starts, \$635M for Core Capacity, \$527M for Small Starts | \$2.3B – Fully funds all FFGAs, \$703M for proposed NS, \$300M for Core Capacity, \$431M for SS, \$50M for EPD. |
| FTA Formula Grants                                       | \$10.5B       | \$10.64B                                                                                  | \$10.8B                                                                                                         |
| MARAD Port Infrastructure                                | NA            | \$293M                                                                                    | \$225M                                                                                                          |
| FAA Airport Improvement Program (AIP)                    | \$4.35B       | \$3.85B                                                                                   | \$3.85M                                                                                                         |
| Amtrak NEC                                               | \$650M        | \$650M                                                                                    | \$700M                                                                                                          |
| Amtrak National Network                                  | \$1.29B       | \$1.29B                                                                                   | \$1.3B                                                                                                          |
| FRA CRISI Grants                                         | \$593M        | \$255M                                                                                    | \$350M                                                                                                          |
| FRA SOGR Grants                                          | \$250M        | \$400M                                                                                    | \$350M                                                                                                          |
| Corps of Engineers – Investigations – 6 new study starts |               | \$125M                                                                                    | \$135M                                                                                                          |
| Corps – Construction – 6 new starts                      |               | \$2.18B                                                                                   | \$2.34B                                                                                                         |
| Corps – O&M                                              |               | \$3.73B                                                                                   | \$3.92B                                                                                                         |
| Harbor Maintenance Trust Fund                            |               | \$1.55B                                                                                   | \$1.69B                                                                                                         |



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## Disaster Relief Package Signed into Law

After months of delay and controversy, Congress has passed and the President has signed a massive \$19.1B disaster-relief package, more than half of which will fund infrastructure and related work in regions hit by hurricanes, floods, wildfires, volcanos, and other natural disasters. Of the total, \$1.4B will go to Puerto Rico. In addition, the legislation extends the National Flood Insurance Program to September 30, 2019. The funding provided by this bill is designated as emergency spending, which is exempt from discretionary spending limits and other budget enforcement rules. Here is a [link](#) to HR 2157 as signed into law and a [link](#) to a summary of the bill broken down by federal agency.

Infrastructure related funding includes:

- \$3.2B to the US Army Corps of Engineers to repair and build flood and hurricane-protection projects;
- \$2.7B to the Department of Defense to repair and reconstruct military bases hit by hurricanes in Florida and North Carolina and damaged by flooding in Nebraska;
- \$1.65B to the Federal Highway Administration to reimburse states and territories for post-storm repairs;
- \$10.5M for FTA Emergency Relief projects
- \$2.4B to the Housing and Urban Development Department for community development disaster-relief block grants;
- \$349M to the Environmental Protection Agency to improve water system resiliency;
- \$91.2M for the General Services Administration's (GSA) Federal Buildings Fund

## US DOT Competitive Grant Programs

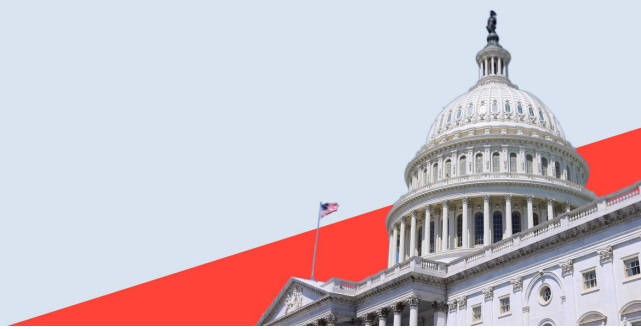
FRA CRISI Grants - FRA has announced the recipients of more than \$326M in FY'18 grant funds under the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program for a wide variety of state and local railroad infrastructure projects. The grants will fund 45 projects in 29 states. The FAST Act authorized the CRISI Program, which funds a wide range of projects that improve the safety, efficiency and reliability of intercity passenger and freight rail systems. Over one-third of the funds — more than \$118M — were awarded to rural projects. Here is a [link](#) to a list of projects selected.

MARAD Port Infrastructure Grants – US DOT's Maritime Administration has announced a Notice of Funding Opportunity (NOFO) to support public port infrastructure development. The new Port Infrastructure Development Program has \$292.7M available in FY'19 grants. Project applications are due by September 16. Here is a [link](#) to the NOFO.



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See the chart below for the status of several of the more popular US DOT competitive grant programs.

| Program                            | Fiscal Year | Funding                    | NOFO Date | Application Due | Grants Awarded |
|------------------------------------|-------------|----------------------------|-----------|-----------------|----------------|
| BUILD (TIGER)                      | FY'19       | \$900M                     | 4/17/19   | 7/15/19         | NA             |
| INFRA                              | FY'19       | \$855M to \$902M           | 12/21/18  | 3/4/19          | Pending        |
| FTA Bus/Bus Facilities             | FY'19       | \$423.3M                   | 5/15/19   | 6/21/19         | Pending        |
| FTA Integrated Mobility Innovation | FY'19       | \$15M total for 3 programs | 5/8/19    | 8/6/19          | NA             |
| FRA CRISI                          | FY'18       | \$318M                     | 7/18/18   | 10/12/18        | 6/12/19        |
| FRA CRISI                          | FY'19       | \$255M                     | NA        | NA              | NA             |
| FRA SOGR                           | FY'19       | \$400M                     | NA        | NA              | NA             |
| MARAD Port Infrastructure Grants   | FY'19       | \$292.7M                   | 6/12/19   | 9/16/19         | NA             |

## FHWA Rescission

The bi-partisan leadership of the Senate Environment and Public Works Committee has officially joined key leaders in the House in calling for the repeal of Section 1438 of FAST Act that would rescind \$7.6B in federal highway program funding on July 1, 2020. They requested that the rescission be addressed as part of any upcoming budget agreement.

The detrimental impact of the rescission on the federal-aid highway program was also highlighted in a recent letter sent to congressional leaders by the American Association of State Highway and Transportation Officials (AASHTO) which was cosigned by 30 other transportation industry groups. "If the FAST Act rescission is allowed to execute, it will virtually wipe out all remaining contract authority available to states nationwide in the programs subject to the rescission," the organization noted. "In addition, if allowed to take place, the rescission will significantly reduce the budget baseline for surface transportation programs beginning in fiscal year 2021." This would have a very negative impact on highway funding in the next FAST Act authorization bill.

Additional information and materials, including archived Washington Updates, are located on the WSP Federal Briefing website at [www.federalbriefing.com](http://www.federalbriefing.com)