



Washington Update

PREPARED BY CATHY CONNOR
MANAGER OF GOVERNMENT AFFAIRS

**PARSONS
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June 30, 2015

Congress is currently on a one-week recess. Last week was a very busy one in Congress. As reported in the June 23 Update (parts I and II), the Senate version of the FY'16 THUD (US DOT) annual appropriations bill was introduced, the Senate Environment & Public Works (EPW) Committee introduced the highway title of a six-year MAP-21 reauthorization bill, and Senators Wicker and Booker introduced a bi-partisan rail/Amtrak authorization bill. By the end of the week, the full Senate Appropriations Committee approved the THUD bill, the full EPW Committee approved the highway bill, and the full Senate Commerce Committee approved the rail bill.

All three bills are now ready to go to the floor, however Senate floor time is very limited in the four weeks prior to the August recess. In addition, it is unclear if any of the Senate FY'16 federal agency appropriation bills will get floor time because the Senate Democratic leadership is threatening to filibuster any appropriation bills which are funded under the reduced budget caps mandated by sequestration. It is unlikely that the Senate highway bill will be given floor time until the Senate Finance Committee comes up with additional revenue to fund the bill. Also, the Senate Banking and Commerce Committees still need to produce and approve the transit and highway safety titles of the overall surface transportation reauthorization bill.

Next week, when Congress returns, House T&I Committee Chairman Bill Shuster (R-PA) is expected to introduce the House version of a bi-partisan FAA reauthorization bill which will propose privatizing the air traffic control system. The bill may be marked up in committee as early as July 9.

At some point in July, Congress will have to pass another extension of MAP-21 since the latest short-term bill expires on July 31. One big difference with the next extension is that Congress will have to identify at least \$10B in new revenue or spending cuts in order to fund the highway and transit programs through the end of the calendar year.

FY'16 Appropriations

Last Thursday, the full Senate Appropriations Committee approved the Senate version of the FY'16 THUD funding bill by a vote of 20 to 10. A number of amendments were offered to increase funding for Amtrak, TIGER grants, New Starts, and Passenger Train Control (PTC) implementation, but none were adopted. The full House previously approved its version of the THUD bill on June 10. A partisan battle in the Senate over sequestration may prevent the THUD bill from getting Senate floor time. If that occurs, it is likely that US DOT programs, as well as many other federal agency programs, would be funded through a



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Continuing Resolution (CR) as of the October 1 start of the new fiscal year. A CR would fund programs at the existing FY'15 levels. In addition, any funding for programs funded by the Highway Trust Fund is dependent upon reauthorization of MAP-21.

Here is a [link](#) to the bill text, a [link](#) to the Committee Report (114-75), a [link](#) to a committee summary, and a [link](#) to the provisions included in the Manager's amendment. Below is an updated chart of funding for key programs.

Program	Final FY'14 Funding Level	Final FY'15 Funding Level	Final House-Passed Bill – HR 2577	Senate Full Committee Funding
Core Highway Program – Obligation Limit	\$40.25B	\$40.25B	\$40.25B	\$40.25B
Transit Formula – including Bus and Bus Facilities	\$8.6B	\$8.6B	\$8.6B	\$8.6B
Total Transit Capital Improvement Grants – CIG – (New Starts/Small Starts/Core Capacity)	\$1.94B plus prior year funding = \$2.13B total	\$2.12B	\$1.921B	\$1.58B - \$336M less than the House
CIG - Existing FFGAs CIG – Proposed FFGAs CIG - Small Starts CIG – Core Capacity		\$1.51B \$325M \$171M \$120M	\$1.25B – Admin Request \$250M \$353M – Admin Request \$40M Specific projects named for FFGAs and Small Starts	\$1.25B – Admin Request \$210M \$30M \$75M No specific projects are named
Airport Improvement (AIP) Grants	\$3.35B	\$3.35B	\$3.35B	\$3.35B
TIGER Discretionary Grants	\$600M	\$500M	\$100M	\$500M
Amtrak Total	\$1.39B	\$1.39B	\$1.13B	\$1.68B - \$289M for operations, \$1.1B for capital grants, +\$17M for the NEC



Senate EPW DRIVE Highway Bill

Last Wednesday, the full Senate EPW Committee approved the “Developing a Reliable and Innovative Vision for the Economy” Act (DRIVE) highway bill, S. 1647, by a vote of 20 to 0. The bipartisan bill was introduced by Chairman Jim Inhofe (R-OK) and Ranking Member Barbara Boxer (D-CA). The EPW Committee does not have jurisdiction over transit or safety programs. The bill provides increased funding levels for existing highway programs and authorizes two major new programs. However, the bill does not include any new revenue, leaving that up to the Senate Finance Committee to identify. The bill provides \$277.4B in funding over the six-year period of fiscal years 2016 to 2021. Total highway funding (Contract Authority) would increase from the current FY’15 level of \$40.9B to \$48.9B per year by FY’21 – approximately a 3% increase per year. The timing for floor action is unclear and unlikely to occur until the Senate Finance Committee identifies additional new revenue.

The two major new programs include a National Freight Program funded at \$13.5B over six years and a Assistance for Major Projects Program (AMPP), similar to the Projects of National and Regional Significance (PNRS) program. AMPP is funded at \$2.4B over six years. See the June 23 Update for more details.

Here a [link](#) to a detailed summary of the bill prepared by ARTBA. In addition, here is a [link](#) to the bill text and a [link](#) to a summary of the bill prepared by the EPW committee.

Senate Rail/Amtrak Authorization Bill

Last Thursday, the full Senate Commerce Committee approved S. 1626, a four-year rail authorization bill, by voice vote. The bill was introduced by Senators Roger Wicker (R-MS) and Cory Booker (D-NJ). The bi-partisan bill, “Railroad Reform, Enhancement, and Efficiency Act,” (R2E2) authorizes federal funding to improve passenger rail safety, reauthorize Amtrak, and improve existing rail infrastructure. The Senate bill would authorize significantly more money for Amtrak than the House-passed bill – an annual average of \$1.65B (up to \$1.9B in year 4) versus the current level of \$1.39B. It would create a discretionary competitive grant program funded at an annual average of \$570M (up to \$900M in year 4) by consolidating a number of existing programs and expanding eligibility, including for RRIF credit risk premiums. High-speed passenger rail projects would be eligible.

The bill would reform the RRIF financing program to make it more user friendly and streamline the permitting process to make it more compatible with the MAP-21 process. The bill does not address the issue of extending the December 31 deadline for installing Passenger Train Control (PTC), although PTC would be eligible for funding under the new consolidated grant program. Commerce Committee Chairman John Thune (R-SD) is



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considering the possibility of attaching the rail bill to the MAP-21 authorization bill on the Senate floor. The rail bill is not expected to go to the Senate floor until after the August recess.

Earlier this spring, the House passed its version of a rail reauthorization bill, HR 749 "PRRIA", which differs in many areas from the Senate bill.

Here is a [link](#) to the Senate bill text as introduced and a [link](#) to a summary of the bill and the amendments adopted at the committee mark-up.