



July 18, 2014

Yesterday afternoon, the Senate adjourned for the week without taking action on the Highway Trust Fund (HTF) fix legislation. Following passage of the House bill, HR 5021, on Tuesday, Senate Majority Leader Harry Reid (D-NV) announced that he would attempt to get Unanimous Consent (UC) to bring the House-passed HTF bill directly to the Senate floor. Under the UC agreement, five amendments would be in order:

- A Wyden (D-OR) amendment replacing the finance title of H.R. 5021 with the different \$10.8B package of funding offsets previously approved by the Senate Finance Committee.
- A Boxer (D-CA) amendment shortening the MAP-21 authorization extension in H.R. 5021 from May 31, 2015 to December 19, 2014. It would not reduce the \$10.8B transfer of General Funds to the HTF. Senator Boxer's goal is to keep pressure on Congress to work on a longer-term funding solution, potentially in the post-election Lame Duck session. A number of transportation stakeholder groups plan to advocate in support of the Boxer amendment.
- A Lee (R-UT) amendment adding the text of S. 1702, a bill to devolve the federal highway program to state and local governments, which industry stakeholders plan to oppose.
- A Toomey (R-PA) amendment exempting the reconstruction of bridges destroyed during declared emergencies from federal environmental permitting if reconstructed within the footprint of the original structure.
- A Vitter (R-LA) amendment described only as a "partition of funds", but believed to relate to eliminating bike, pedestrian and other enhancement-type programs from HTF funding eligibility.

If any of the amendments pass – each requires 60 votes which is a very high threshold - the amended bill would be sent back to the House for consideration where the House would likely vote to strip out the Senate amendments. If none of the amendments pass, but the bill does – also requires 60 votes - it would go to the President for signature. In the recently released Statement of Administration Policy (SAP), the White House expressed its support for the House bill.

Senator Reid is expected to continue to pursue the UC agreement early next week with the hope of bringing HR 5012 to the Senate floor for a vote next week. Congress adjourns for a five-week August recess two weeks from today on August 1. If they do not act to patch the HTF, US DOT has indicated it will start to delay and reduce highway reimbursements to the states as early as August 1.



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If all of this has you confused and depressed, here is a [link](#) to a hilarious piece on the HTF by Jon Stewart on Wednesday night's Daily Show entitled "Shabby Road".

Other News

- Yesterday, during a visit and speech in Delaware, President Obama announced a new infrastructure financing initiative. The President will be signing a presidential memo creating a "Build America Investment Initiative" designed to bring more private-sector dollars into transportation. The White House describes it as "a government-wide initiative to increase infrastructure investment and economic growth by engaging with state and local governments and private sector investors to encourage collaboration, expand the market for public-private partnerships (PPPs) and put federal credit programs to greater use." The initiative includes plans for a "Build America Transportation Investment Center" to be housed at US DOT that will "serve as a one-stop shop for state and local governments, public and private developers and investors." The Administration will also create an interagency working group and hold an infrastructure summit in Washington DC on September 9. Here is a [link](#) to information about the Initiative.

The initiative does not include any new funding, however, if the Administration's surface transportation reauthorization proposal, the "GROW AMERICA Act", were to pass Congress, it includes \$87B in additional funding for new programs, such as expanded innovative financing options.

In related news, the House T&I Committee's special P3 panel is expected to produce its final report before the August recess.

- This week, Rep. Janice Hahn (D-CA), Co-Chair of the Congressional Ports Caucus, introduced the National Freight Network Trust Fund Act of 2014, H.R. 5101. The legislation calls for transferring five percent of all import duties collected by U.S. Customs and Border Protection to fund freight transportation projects. Her goal is to use this bill to continue the freight funding discussion as the House Transportation and Infrastructure Committee starts to draft its MAP-21 reauthorization bill.

Hahn's bill:

- creates a freight trust fund that is funded through five percent of annual customs fees (calculated to be about \$1.9B annually);
- operates as a competitive grant program in which the U.S. Secretary of Transportation makes the selections;
- requires a federal project cost share of 90 percent;



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- o names ports, states, and local and regional transportation bodies as eligible entities;
 - o names state freight plan projects and state transportation plan projects as eligible;
 - o specifies that funds can be used for connectors, regional freight projects, cross-border projects, on dock rail, and intermodal freight facility projects;
 - o requires state freight plans be updated every five years.
- This week, the US DOT National Freight Advisory Committee (NFAC) released its recommendations and convened a series of meetings and briefings on Capitol Hill and at US DOT headquarters. The purpose of the joint meetings with congressional leaders and staff was to urge incorporation of the NFAC recommendations in the MAP-21 reauthorization proposals that are currently being drafted by congressional committees.

NFAC released 81 recommendations upon which the 47-member committee (co-chaired by Mort Downey) reached consensus. The recommendations range from capacity enhancement, best practices and streamlining approaches, to getting projects built. The NFAC recommendations will be considered as US DOT moves forward in developing the National Freight Strategic Plan. Here is a [link](#) to the NFAC recommendations.