

## Parsons Brinckerhoff Washington Update - July 31, 2013 - Interim Update

This afternoon, the House Republican leadership opted to pull the pending FY'14 THUD (US DOT) appropriations bill from the House floor despite having spent the past few days debating the bill and considering numerous amendments. It appears they concluded that there are not enough votes to pass the bill given the severe funding cuts proposed. It is believed that no Democrats planned to vote for the bill and the Republicans could not count on enough members of their own party to assure the 218 votes needed to pass it. Rep. Hal Rogers (R-KY), chairman of the full Appropriations Committee, issued the statement below. His main point – “The House, Senate and White House must come together as soon as possible on a comprehensive compromise that repeals sequestration, takes the nation off this lurching path from fiscal crisis to fiscal crisis, reduces our deficits and debt, and provides a realistic topline discretionary spending level to fund the government in a responsible – and attainable – way.”

The House FY'14 THUD funding bill was approximately \$10B below the Senate version of the bill (including funding for HUD as well as US DOT programs) because of the very tight funding limitations set by the House FY'14 Budget Resolution passed earlier this year and the previous Budget Control Act (sequestration law). Many popular programs such as TIGER, transit New Starts, and FAA NextGen were cut significantly.

The Senate continues to debate its version of the THUD bill on the floor and it is expected to vote tomorrow on final passage, assuming leadership believes it has the 60 votes needed for passage. The Democratic majority will need Republican votes to get to 60 which may be difficult given that a number of fiscally conservative Senators oppose the higher Senate funding levels which ignore the 2013 sequester.

Congress will be on recess for five weeks starting the end of this week. That will leave only about 9 legislative days in September for Congress to finish all the federal agency funding bills before the October 1 start of the new fiscal year. Even before the House bill was pulled from the floor, it was clear that was going to be very difficult to accomplish and a temporary Continuing Resolution (CR) was going to be required. Now it is all but certain that US DOT will be funded under a CR, at least initially.

### Chairman Rogers Statement on the THUD Bill

WASHINGTON, D.C. – House Appropriations Committee Chairman Hal Rogers gave the following statement on the removal of the Transportation/Housing and Urban Development (THUD) Appropriations bill from floor consideration today:

“The Transportation, and Housing and Urban Development funding bill that was pulled from floor consideration today was the first major attempt by the House to consider and pass an Appropriations bill that funds domestic programs under the austere level delineated under the Budget Control Act and the House budget resolution.

“The bill today reflected the best possible effort, under an open process, to fund programs important to the American people – including our highway, air and rail systems, housing for our poorest families, and improvements to local communities – while also making the deep cuts necessary under the current budget cap. In order to abide by sequestration budget levels, this bill cut \$4.4 billion below the current,

post-sequestration total to a level below what was approved for these programs in 2006 – over seven years ago.

“I am extremely disappointed with the decision to pull the bill from the House calendar today. The prospects for passing this bill in September are bleak at best, given the vote count on passage that was apparent this afternoon. With this action, the House has declined to proceed on the implementation of the very budget it adopted just three months ago. Thus, I believe that the House has made its choice: sequestration – and its unrealistic and ill-conceived discretionary cuts – must be brought to an end. And, it is also clear that the higher funding levels advocated by the Senate are also simply not achievable in this Congress.

“This Congress must now deal in a productive way to address the nation’s crippling deficits and debt to put our budget back on a sustainable and responsible path. This means that all government programs – not just those on the discretionary side of the ledger – must be reduced. Spending reductions in mandatory and entitlement programs, which are the drivers of our deficits and debt, are the most effective way to enact meaningful change in the trajectory of federal spending. The House, Senate and White House must come together as soon as possible on a comprehensive compromise that repeals sequestration, takes the nation off this lurching path from fiscal crisis to fiscal crisis, reduces our deficits and debt, and provides a realistic topline discretionary spending level to fund the government in a responsible – and attainable – way.”