

WSP Washington Update - August 1, 2018 - Interim Update - Senate Passes FY'19 DOT Funding Bill

Earlier today, the Senate passed its version of the FY'19 THUD (US DOT) annual appropriations bill by a vote of 92 to 6 as part of a four-bill "minibus". The other bills include FY'19 funding for Interior-Environment, Agriculture-FDA, and Financial Services. – see funding chart below.

Senators deliberately tried to keep their bill "clean", i.e. without controversial policy riders, in an effort to pass a funding bill before the October 1 start of the new fiscal year. The House version of the FY'19 bill is pending a floor vote, however the House adjourned last week until after Labor Day. It is possible that the House will opt to by-pass a floor vote and go directly to conference with the Senate to hammer out a final bill using their committee-passed bill due to a lack of time and Republican opposition to a number of the funding levels. House and Senate committee staff are expected to start to negotiate the text of the final bill over the August recess. In many cases, the House and Senate funding levels for key programs are very similar because they are based on the FAST Act authorized levels or higher levels agreed to earlier this year as part of the two-year budget deal (FY'18/FY'19).

During the floor debate, the Senate approved a large "Manager's Amendment" containing more than 40 amendments agreed to in advance by both parties, including:

A Reed (D-RI) amendment to prohibit any funding from being used to implement the policies in the controversial FTA June 29 "Dear Colleague" letter which indicated that TIFIA and RRIF financing for transit projects would be counted as part of the federal share of a project rather than the state and local share even though the federal loans must be paid back using state and local funds.

A Cornyn (R-TX) amendment to impose a one-year ban on any new procurement of mass transit rail cars or buses from companies owned or subsidized by the Chinese government. This is similar to a provision in the House bill. The ban applies to FTA formula funds only, not to CIG funding; to rolling stock only; and only to contracts executed after the date of enactment of the bill.

A Coons (D-DE) amendment to extend the BUILD/TIGER competitive grant deadlines for expenditure of FY'12 passenger rail grants and FY'13 port infrastructure grants.

Just prior to the Senate floor debate on the DOT bill, the White House issued a Statement of Administration Policy (SAP) strongly criticizing the Senate's increased funding levels for transit CIG grants, other competitive grant programs, and Amtrak long distance routes. The SAP opposed any funding for the NY/NJ Gateway project and objected to congressional direction to award BUILD/TIGER grants based solely the 2016 selection criteria as opposed to the revised Trump Administration criteria.

| Program | FY'17 Enacted | FY'18 Enacted | House Committee-Passed FY'19 Bill | Final Senate FY'19 Bill |
|--|---------------|---------------|-----------------------------------|-------------------------|
| Highway Program | \$43.26B | \$47.5BB | \$50.3B | \$48.57B |
| BUILD/TIGER Grants | \$500M | \$1.5B | \$750M | \$1B |
| FTA CIG Grants – New Starts/Small Starts/Core Capacity | \$2.41B | \$2.65B | \$2.61B | \$2.6B |
| FTA Formula Grants | \$9.73B | \$10.5B | \$10.7B | \$10.7B |

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|---------------------------------------|---------|---------|---------|---------|
| FTA WMATA | \$150M | \$150M | \$150M | \$150M |
| FAA Airport Improvement Program (AIP) | \$3.35B | \$4.35B | \$3.85B | \$4.1B |
| Amtrak NEC | \$328M | \$650M | \$650M | \$650M |
| Amtrak National Network | \$1.16B | \$1.29B | \$1.29B | \$1.29B |
| FRA CRISI Grants | \$68M | \$593M | \$300M | \$255M |
| FRA SOGR Grants | \$25M | \$250M | \$500M | \$300M |
| FRA Restoration Grants | \$5M | \$20M | \$0 | \$10M |