

## PB Washington Update - Interim Report - December 23, 2010

This will be the last Update for the year. Happy Holidays! A more in-depth Update will be sent out the first week in January with an overview of 2011.

It turns out that the now completed, post-election Lame Duck session was much more productive than most observers had anticipated, however most of the major legislative accomplishments did not relate to infrastructure funding.

While the massive tax cut/extendors bill which Congress passed included one-year extensions of expiring provisions related to commuter transit tax benefits and use of alternative fuels for transit, the bill did not include an extension of Build America Bonds.

Instead of agreeing to an Omnibus FY'11 Appropriations bill, Congress was able to agree only on a short-term Continuing Resolution (CR) which funds federal agency programs at the generally lower FY'10 funding levels. Also, the CR extends only through March 4, 2011. This means the new 112<sup>th</sup> Congress will have to finalize all twelve of the FY'11 appropriations bills at the same time they are starting the FY'12 budget cycle. The CR does not include any earmarks which leaves the US DOT discretionary grant programs unallocated. President Obama signed the CR on December 22.

The final CR includes a sixth extension of the SAFETEA-LU highway and transit authorization, but instead of being a six-month or year-long extension as most congressional leaders were pushing for, it is extended only for the same length as the CR – until March 4. This short period of time will not provide much predictability or stability for state DOTs and transit agencies. The hope is to move quickly on a multi-year authorization bill in the first six months of 2011, but without a new revenue source, it will be difficult to write a robustly funded bill.

The FAA authorization, which was also close to expiring, was dealt with separately from the CR and the SAFETEA-LU extension. It was extended until March 31, 2011 under HR 6473. This is the 17<sup>th</sup> short-term extension of the FAA programs. Incoming House T&I Committee Chairman John Mica (R-FL) has indicated that a multi-year FAA reauthorization is very high on his agenda for early 2011.

Congress will return to session with the swearing-in of the new, 112<sup>th</sup> Congress on January 5, 2011.

In other news, FTA announced \$25.7M in discretionary grants for Alternative Analysis (AA) projects, the early planning phase of New Start/Small Start projects. The funding for these grants comes from unallocated/unearmarked FY'09 and FY'10 AA funding. The Notice of Funding Availability was published in the Federal Register on May 28. FTA received 67 applications from 30 states seeking a total of \$73M in funds. Here is a [link](#) to the FTA press release. A list of the 24 selected projects in 17 states is located at the bottom of the release.