

PB Washington Update - January 25, 2012 - Interim Report

Now that both houses of Congress are back in session, things are moving quickly on a number of fronts.

Yesterday, the House approved another short-term extension of the FAA authorization bill through February 17. It is a clean extension with no policy changes. The bill now goes to the Senate which is expected to approve it this week before the January 31 expiration of the current extension. The additional extension will give Congress some breathing room in order to finalize the multi-year bill. The major sticking point on the longer term bill was resolved last week and now, after 23 extensions, Congress hopes to finally be able to quickly pass a multi-year bill.

Things are moving quickly in both the House and Senate on a multi-year surface transportation bill. The latest schedule for action on the House version of the reauthorization bill, now called the "American Energy and Infrastructure Jobs Act", HR 7 is as follows:

- Thursday Jan 26: Internal briefing of House T&I Committee members and invitation-only briefing for industry stakeholders
- Friday Jan 27: Bill text released
- Thursday Feb 2: House T&I full Committee mark-up
- Week of Tuesday Feb 14 – Friday Feb 17: House floor action

The bill also includes authorization of an expansion of domestic energy production. Attached to this email is a brief overview of the bill issued by the T&I Committee. There is not much new in this summary that wasn't previously released by Chairman Mica earlier in July under the title "A New Direction". It is expected to be a five-year bill funded at about \$52B per year, which is essentially current-level funding for highway and transit programs. The only mention of new revenue is the statement, "Revenues from additional oil and gas production will help fund programs". This revenue source is highly controversial and CBO estimates indicate it will not raise nearly enough revenue to fund the entire bill.

In the Senate, EPW Chairman Barbara Boxer (D-CA) announced yesterday that both the Senate Finance Committee (funding) and the Banking Committee (transit) will mark-up their titles of a two-year reauthorization bill next week. Boxer said that the Finance Committee has identified the \$12B in offsets (and perhaps even more) needed to fill the funding gap, although no details about the source of the revenue have been provided.

Last night, President Obama gave his third State of the Union address. As in previous years, he mentioned infrastructure and transportation, however, he did not mention high-speed rail, a major Administration priority.

The President's remarks concerning infrastructure consisted of, "Building this new energy future should be just one part of a broader agenda to repair America's infrastructure. So much

of America needs to be rebuilt. We've got crumbling roads and bridges; a power grid that wastes too much energy; an incomplete high-speed broadband network that prevents a small business owner in rural America from selling her products all over the world. During the Great Depression, America built the Hoover Dam and the Golden Gate Bridge. After World War II, we connected our states with a system of highways. Democratic and Republican administrations invested in great projects that benefited everybody, from the workers who built them to the businesses that still use them today. In the next few weeks, I will sign an executive order clearing away the red tape that slows down too many construction projects. But you need to fund these projects. Take the money we're no longer spending at war, use half of it to pay down our debt, and use the rest to do some nation-building right here at home".

The FTA NPRM on Major Capital Investment Projects/New Starts-Small Starts Guidance which was previously distributed as part of the January 20 Update, was officially published in the Federal Register today. Here is a [link](#). Comments are due by March 26. PB is currently working on a summary and analysis of the draft regulations and policy guidance.