

PB Washington Update - Interim Report - April 12, 2011

Late last Friday night Congress and the White House agreed to cut \$38B in federal funds for the remainder of FY'11 and thereby averted a potential shutdown of the federal government. However, at that time no specifics were agreed to about which programs would be cut in order to come up with the \$38B in savings over the next five months. At 1:45 AM this morning the House and Senate appropriators unveiled those details. Despite previous FY'11 cuts to transportation programs in prior short-term Continuing Resolutions (CRs), including approximately \$2B in cuts to US DOT programs in the one-week CR passed by Congress late Friday night, transportation programs take a big hit in HR 1473, the year-long CR. The House and Senate plan to debate and vote on the bill tomorrow and Thursday before moving to a debate on the House floor on Friday on the FY'12 Budget Resolution, which also severely cuts transportation and other infrastructure programs. They then leave town for two weeks.

Here is a [link](#) to a five-page summary of the proposed FY'11 funding bill and here is a [link](#) to a list of program cuts. Transportation cuts for FY'11 include:

FTA New Starts/Capital Improvements Grants – funded at \$1.6B. This is \$400M below the FY'10 level of \$2B and equivalent to the FY'08 funding level.

FRA High Speed Rail – zeroed out entirely for FY'11. The FY'10 level was \$2.5B, the FY'11 Administration request was \$1B. The week-long CR had cut the program down to \$1B, but under the year-long CR all funding would be cut.

TIGER II – cut from the FY'10 level of \$600M down to \$527M for FY'11.

FAA Programs - the Airport Improvement Program (AIP) is funded at the FY'10 level of \$3.5B.

Most other US DOT programs, including the highway program, are funded in FY'11 at the same levels they received in FY'10.

However, in addition to the cuts in new FY'11 funding, HR 1473 also goes back into last year's FY'10 funding and rescinds already approved funding. FY'10 rescissions include:

FTA New Starts/Capital Improvement Grants – rescinds \$280M in FY'10 funding which had previously been allocated to seven New Start projects in late December.

FRA High Speed Rail – rescinds \$400M in FY'10 funding which had previously been allocated to various projects, including Florida HSR. The Florida funds are in the process of being reallocated.

FHWA – rescinds \$2.5B in FY'10 unobligated contract authority for highway programs and rescinds \$630M from older highway earmarked projects authorized in TEA-21 and ISTEA that had not yet been obligated. This does not affect SAFETEA-LU authorized earmarks.