

PB Washington Update - April 13, 2012 - Interim Update

Congress returns from its two-week Spring recess on Monday. Up until yesterday, there were few, if any, new developments on the surface transportation reauthorization effort other than the grassroots activities by stakeholder groups urging quick passage of a multi-year bill before the latest short-term extension runs out on June 30. However, yesterday news began to leak out about a potential new House plan.

It appears that House leadership has instructed the House T&I Committee to draft another short-term extension bill that would extend from July 1 through the end of the fiscal year on September 30. The bill would also include approval to construct the highly controversial Keystone XL pipeline project, a top Republican priority. Assuming the House can get the 218 votes it needs to pass the bill, it would be used as a vehicle to go to conference with MAP-21, the Senate-passed reauthorization bill, S. 1813. This is despite the fact that this potential House bill would not include any of the policy or funding provisions previously included in HR 7, the House five-year reauthorization bill. This highly unusual move to pass a "shell" bill would put the House at a serious disadvantage when negotiating with the Senate on the provisions of a final bill.

We expect Speaker Boehner to make an official announcement about the process and timing for debating a potential shell bill early next week when Congress returns to session. In the meantime, it is still somewhat speculative. The understanding seems to be that while a new bill may extend the current program through September 30, the goal would be to pass a bill and conference with the Senate before the end of June.

The good news is that this effort may be a way (potentially the only way) for a multi-year reauthorization bill to pass this year before the November elections. However, it is unclear if the House has enough votes to pass such a bill given continuing Democratic opposition to the Keystone pipeline project and tea party opposition to the funding offsets in the Senate bill. Also unknown is whether the President would sign a bill that includes approval of the pipeline given his previous objections to the project.

It would also mean that a five-year bill is no longer a realistic option and it is unclear how the many carefully crafted House policy provisions would fare in what would likely be a quick and highly non-traditional conference on the bill.

FY'13 DOT Appropriations – In spite of all the focus on the authorization process, Congress is starting to move on the FY'13 federal agency appropriation bills. The Senate Appropriations Subcommittee is tentatively scheduled to mark-up the FY'13 DOT annual funding bill on April 17. The House Appropriations Committee will mark-up several bills next week, including the Energy & Water bill which funds the Corps of Engineers, but is not expected to act on the DOT bill until late May or June.