

PB Washington Update - June 8, 2012 - Interim Update

Despite the doom and gloom of last week, there was significant progress this week on a surface transportation authorization bill. However, it still seems unlikely that a bill can be finalized by the June 30 deadline. Late on Tuesday, Senators Boxer (D-CA) and Inhofe (R-OK), the bi-partisan leaders of the Senate EPW Committee, personally hand-carried a Senate offer to the House. The offer includes the highway, transit, safety and rail titles of a bill, but not funding, Keystone XL pipeline, coal ash or other controversial, non-transportation issues. Many provisions in the Senate offer are said to be the same as in S.1813, the original Senate bill, or track very closely.

The House Republican conferees have been reviewing the Senate offer and appear to plan to respond to the Senate in pieces with the first counter-offer submitted yesterday and others expected to be transmitted over the weekend and next week, even though the House will officially be on recess next week. The first response is said to deal with the controversial Transportation Enhancements program in which the House proposes to permit states to opt-out rather than termination of the entire program as they did in HR 7. Copies of the Senate offer and the initial House response have not been publically released. At this point, the House Democratic conferees do not appear to be included in the negotiations.

Somewhat undermining this progress, House Speaker John Boehner this week said that if the surface transportation bill cannot be completed by June 30, when the short-term extension expires, he would prefer a six-month extension through December 31, 2012 which would push consideration into the chaotic, post-election Lame Duck session and push the Highway Trust Fund to the brink of insolvency.

Senator Boxer and most industry groups continue to strongly push for completion of a bill by June 30 or more realistically, by early to mid-July. Another reason to push for quick completion is concern about remarks by Senate Majority Leader Harry Reid suggesting that if the bill doesn't pass soon, he may consider using some of the proposed funding offsets to pay for other legislation.

Earlier today, the Rep. Broun (R-GA) motion to instruct conferees to drastically cut and possibly even zero out all FY'13 highway and transit funding in the bill was defeated 82 to 323. While the motion was never expected to pass, the fact the 82 House members, all Republicans, continue to support major cuts in transportation investment is troubling. That left only 145 Republicans voting to preserve transportation funding, which indicates there is still a problem for the House Republican leadership to get the 218 votes needed to pass a reauthorization bill without the help of some Democrats. Here is a [link](#) to the vote total to see how your member voted.

FY'13 DOT Appropriations – On Tuesday, the House THUD Appropriations Subcommittee approved the FY'13 DOT funding bill. Full Committee action is not expected until later in June. In an unusual move, the Senate acted on its version of the FY'13 DOT appropriations bill before the House did, and both the sub and full committees passed the Senate bill in late April, however, the bill has not yet been brought to the Senate floor.

The House bill funds the highway program at \$39.14B, the same level as the current program and the Senate bill, but \$2B less than in FY'11. The House bill includes language saying that if a surface transportation authorization bill passes soon and authorizes higher funding levels, the appropriators

would revisit their bill. Both the House and Senate bills fund the FAA's Airport Improvement Program at \$3.35B, the same as the current level and both bills fund the DC WMATA Capital Program at \$150M.

The House bill does not provide any funding for the popular TIGER discretionary program versus the \$500M in the Senate bill and does not provide any funding for high-speed rail versus the \$100M in the Senate bill. Most observers assume the Senate will restore the TIGER money in the final bill. The House did provide significant funding for Amtrak - \$1.80B, a program they have tried to zero out in the past, including adding an additional \$500M for Amtrak bridges and tunnels.

The transit New Starts program is cut to \$1.82B which is \$138M less than the current program and \$227M less than the Senate bill level of \$2.04B. The House also proposes to fund BRT projects out of the New Starts pot as opposed to the Senate proposal and the current program to fund BRT projects from the Bus Formula program. The FTA Formula program is proposed to be funded at \$8.36B in both bills, the same as current funding.

Here is a [link](#) to the text of the full House bill and a [link](#) to a summary of the bill.