

PB Washington Update - September 8, 2011 - Interim Report

Congress is back in session and at least for now is moving quickly on several critical infrastructure related bills. This morning the Senate Environment & Public Works Committee (EPW) introduced and passed a "clean" four-month extension of the SAFETEA-LU authorization bill. The bill does not include any policy changes and authorizes the highway, transit and highway safety programs at the same funding levels as in previous extension bills. However, the bill does include a \$3.13B rescission of highway contract authority effective September 1, 2012 in order to comply with the funding levels in the final FY'11 appropriations bill. The Senate bill extends the surface transportation programs through January 2012, with the hope of completing a multi-year bill by then. The current extension expires on September 30. There is no word on a date for Senate floor time. On a related note, the EPW Committee still hopes to mark-up its two-year surface transportation authorization bill on September 15, but it has not yet officially resolved the \$12B funding shortfall needed to fund highway and transit programs at current levels.

The House has not yet introduced its version of a short-term extension bill, but House T&I Committee Chairman John Mica (R-FL) has said he will support one more extension. There is some speculation that the House extension could be for six months. It is also likely that the House bill will include a reduction in funding in line with the lower funding levels in the House FY'12 Budget Resolution.

The House Appropriations Committee late yesterday released its version of the FY'12 THUD appropriations bill which includes funding for transportation programs. The THUD Subcommittee plans to mark-up the bill today at 4:00 PM. The proposed House funding levels make severe cuts to key transportation programs. However, they are consistent with the levels in the House-passed Ryan FY'12 Budget Resolution which only allows funding consistent with current tax revenues in the Highway Trust Fund. However, the Committee press release (see link below) states that if multi-year surface transportation reauthorization legislation is subsequently passed which provides higher funding levels, the Committee is prepared to support the higher levels. The bill does not include any project earmarks.

The Senate has not yet released its version of an FY'12 DOT funding bill, however, yesterday the Senate Appropriations subcommittees were given their "302(b)" funding allocations. The Senate THUD Subcommittee received a total of \$55.25B in discretionary budget authority, essentially the same level as in the House, which will make it difficult for the Senate to be able to restore funding to many popular programs, as many stakeholders had hoped.

Program	FY'11 Enacted Level	House FY'12 Subcommittee Level
FHWA Obligation Limitation	\$41.1B	\$27.0B (minus 34%)
Transit - Total	\$10.0B	\$7.0B (minus 30%)
Transit - New Starts/Small Starts	\$1.6B	\$1.55B
Transit - Formula and Bus	\$8.3B	\$5.2B (minus 38%)
Amtrak - Total	\$1.48B	\$1.14B
Amtrak - Operating	\$563M	\$227M
High Speed Rail	\$0	\$0
Airport Improvement Program	\$3.51B	\$3.33B
TIGER Grants	\$528M	\$0
NII/Nation Infrastructure Bank	\$0	\$0

Here is a link to the draft House Subcommittee FY'12 THUD Appropriations bill:

http://appropriations.house.gov/UploadedFiles/12THUD_xml.pdf

Here is a link to the Subcommittee press release on the bill:

<http://appropriations.house.gov/News/DocumentSingle.aspx?DocumentID=258659>

And a link to a more extensive funding chart:

http://appropriations.house.gov/UploadedFiles/9.7.11_THUD_Subcommittee_Draft_Summary_Table.pdf