



## JANUARY 9, 2009

The 111<sup>th</sup> Congress was sworn-in on Tuesday, minus Senators from Illinois and Minnesota pending resolution of the controversy over Barack Obama's replacement and certification of the election results in Minnesota. When not obsessing about the economic stimulus bill, most of Washington DC is in a tizzy trying to ferret out scarce swearing-in and inaugural ball tickets and figuring out how to get around town on the 20<sup>th</sup> when most roads and bridges will be shut down.

### **Economic Stimulus/Recovery Bill:**

With Congress back in town and the Obama team coalescing, activity on the economic stimulus/recovery bill is accelerating. However, it is clear now that it is not possible to complete such a massive bill in time for Obama to sign it shortly after being sworn-in. House Speaker Nancy Pelosi recently indicated she anticipates congressional passage by the start of the February recess scheduled for the week of February 16<sup>th</sup>. She also indicated the bill will be taken up by both the full House Appropriations and Ways & Means Committees, not go directly to the House floor.

The total dollar amount of the bill is still in flux with some calling for over \$1 trillion, but many sources expect total funding in the range of \$775B to \$875B with approximately \$300B for a broad array of infrastructure projects including schools, public buildings, broadband, etc. with transportation (highways, transit, rail, aviation) in the \$80B to \$90B range. However, Obama representatives indicated this week they would like to see up to \$300B of the total funding in the bill (perhaps as much as 40%) be used for a variety of tax cuts and credits for middle and lower class individuals as well as businesses, such as tax credits for job creation, but a number of key members of Congress have not reacted favorably to this approach.

In addition, the competition for stimulus funding has heated up with a number of constituency groups pushing strongly for funding for new objectives, such as rural programs, military housing, an AMT "patch", mortgage foreclosure relief, etc.

On the transportation front, a number of environmental groups have called for directing any new highway funding exclusively to maintenance and repair of existing roads and bridges and have expressed opposition to funding for adding highway capacity. Several Democratic governors responded by emphasizing the need for a broad range of transportation funding including increased highway capacity to help alleviate congestion as well as transit and other green technologies.

Congressional leaders continue to insist the bill will not include project earmarks.

### **Other News:**

- US DOT Secretary-nominee Ray LaHood was in DC last week being briefed by the DOT Transition Team. His Senate confirmation hearing has not yet been scheduled, but may occur later next week. The official hearing will be held by the Senate Commerce Committee, but it is likely that an additional courtesy hearing will be held by the Environmental & Public Works Committee.



## PB Washington Update

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- No additional announcements have been made to date about other US DOT political appointments. However, the current White House announced this week that Lynne Osmus will serve as Acting Administrator of the FAA until a new Administrator (a five-year appointment) is confirmed. Lynne currently serves as the FAA's Assistant Administrator for Security.
- Ten new Democratic members of the House Transportation & Infrastructure Committee have been named. Because of the larger size of the Democratic majority in the House in the 111<sup>th</sup> Congress, the committee ratio will increase from 41 Democrats and 34 Republicans to 45 Democrats and 30 Republicans. The new Democratic members – Ortiz (TX), Hare (IL), Boccieri (OH), Schauer (MI), Markey (CO), Griffith (AL), McMahon (NY), Perriello (VA), Titus (NV) and Teague (NM). All except Ortiz and Hare are freshman members. There will likely be three new Republicans named to the committee, but those assignments have not yet been announced.
- FTA has published new proposed guidance on the early acquisition of existing railroad right-of-way for transit projects. Prior to the implementation of this SAFETEA-LU authorized provision, the use of FTA funds to acquire railroad ROW before the issuance of a Record of Decision was more restrictive. Per the Federal Register notice, comments must be submitted to the federal docket by January 21, 2009.