



FEBRUARY 9, 2009 – INTERIM REPORT

Late on Friday evening, a group of bi-partisan Senators reached an informal agreement on a list of approximately \$100B in program cuts in the economic recovery bill that were not viewed as being sufficiently “stimulative”. The hope is that reducing the spending levels in the bill will help to pick up enough Republican votes in order to reach the 60 votes required to pass the economic recovery bill. A vote on final passage is expected to occur on Tuesday. There were no cuts to transportation programs in the bi-partisan package. The \$5.5B for the new multi-modal National Surface Transportation System program was not cut, nor was any transit funding. However, under the agreement reached with the leadership to limit debate and move to final passage, the amendment process has essentially been shut off and therefore several pending amendments to add transportation funding, particularly for transit and the New Starts program, will now not be offered.

The so-called [Nelson-Collins agreement](#) zeros out funding for both the \$16B to repair, renovate and construct public schools and the \$2.5B for higher education facilities. The amendment would also cut \$1.5B from the GSA Green Federal Buildings fund. The full list of program cuts in the agreement is attached.

Once the Senate passes the recovery bill, Congress will then begin to reconcile the differences in the House and Senate versions of the bill. The goal is to finalize the bill by the end of this week before Congress leaves for a one week recess. As you can see from the chart below, while there are some differences in the House and Senate funding levels for transportation programs (a total of \$43.1B in the House and \$45.5B in the Senate), the levels are relatively similar and should be able to be resolved. However, many other provisions in the bills such as the Senate addition of the AMT fix and the House focus on new government spending versus the Senate focus on tax cuts and relief for the housing market may be much more difficult to resolve, with a number of Republican leaders still expressing strong opposition.

PB will be working this week to contact key Members of Congress in support of the highest levels of funding for transportation and infrastructure programs.

Program	House	Senate
Formula Grants		
Highways and Bridges	\$30.0 Billion	\$27.0 Billion
Transit – including Rail Mod	\$9.5 Billion	\$8.4 Billion
Amtrak	\$0.80 Billion	\$0.85 Billion
Discretionary Grants		
New Multi-Modal Program	\$0	\$5.5 Billion
Transit New Starts / Small Starts	\$2.5 Billion	\$0
Intercity and High Speed Rail Corridors	\$0.3 Billion	\$2.25 Billion
Airport Improvement Program	\$3.0 Billion	\$1.1 Billion