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With congressional action on the economic recovery bill completed, the focus now moves to development of implementing guidance by the Federal agencies and rapid expenditure of the funds and creation of jobs by state and local agencies. Congress continues to try to pass the FY'09 omnibus appropriations bill so that they can begin work on the FY'10 budget process.

Economic Recovery Bill (ARRA):

This week both FHWA and FTA published apportionment notices for the formula funds available under the ARRA bill. The FTA apportionment notice was published in the Federal Register on March 5 and is available [here](#). The FHWA apportionment tables are available on the FHWA ARRA [website](#). The publication of these apportionments now starts the clock ticking on the 120 days (highways) and 180 days (transit) by which 50% of the funds must be obligated.

The FTA apportionments do not include the \$750M for the discretionary New Starts/Small Starts program or the \$100M for the transit agency energy efficiency grants. Decisions on how to divide up those funds will be made by US DOT Secretary LaHood at a later date.

Also this week, the Democratic leadership of the House Transportation & Infrastructure Committee sent letters to all governors, MPOs, transit agencies and airport officials alerting them that the T&I Committee "will closely oversee the implementation of the transportation and infrastructure provisions of the Recovery Act to ensure that the funds are invested quickly, efficiently, and in harmony with the jobs creating purposes of this Act." The Committee requested a variety of certifications as well as transparency and accountability information which go beyond what is required by the ARRA.

The first of the information must be submitted to the Committee by [April 4](#) and includes such specifics as detailed lists of all projects being funded, the purpose, total cost and rationale of each project, the number of direct jobs created or sustained and the number of estimated indirect jobs in the associated supplying industries. Chairman Oberstar also plans to hold a series of oversight hearings on ARRA implementation. Some state DOTs and MPOs have already raised concerns about the paperwork burden of such additional reporting requirements. Copies of the letters to the [governors](#), [MPOs](#), and [transit agencies](#) are available by clicking these links.

Earlier this week President Obama visited US DOT headquarters and participated in a press event with Secretary Ray LaHood in support of the transportation funding provided in the ARRA bill. Then Vice President Biden went to Miami where he and LaHood held a press event promoting the bill's transit funding.

FY'09 Omnibus Appropriations:

The Senate spent all week debating the House-passed FY'09 funding bill, but the leadership was not able to find enough votes to invoke cloture on the bill so that they could proceed to final passage. The Senate plans to continue to work on the bill on Monday, but will not be able to finish the bill before the current Continuing Resolution (CR) runs out at midnight tonight. Therefore, the earlier today the House and Senate passed a short-term CR that will extend funding through [March 11](#).



Senate Majority Leader Harry Reid appears to be at least one vote short of the 60 he needs to get cloture and then pass the bill. Controversy over increases in domestic spending and the large number of earmarks has stalled passage. Currently no amendments to the bill have been adopted, but at least 12 Republican amendments are expected to be offered on Monday. If the Senate amends the bill at all, the bill will have to go back to the House again for approval of the revised version.

The White House has indicated that President Obama will sign the bill, but the continuing controversy over the number of earmarks in the bill is putting him in an awkward position given his repeated opposition to such earmarks during the campaign.

FY'10 Budget Request:

Controversy continues to swirl over a provision included in the Administration's outline of its FY'10 budget recommendations that would eliminate binding contract authority for highway, transit and aviation programs that are funded with Trust Fund dollars. The Administration proposes to "score" these programs as discretionary funding, making them subject to annual appropriations. This would make long term planning and multi-year project commitments very difficult, if not impossible, and has serious repercussions for SAFETEA-LU reauthorization. In an unusual move, the chairman and ranking Republican of all four House and Senate authorizing committees joined together to write to both the President and the chairs of the House and Senate Budget Committees strongly protesting the recommendation. In addition, the Transportation Construction Coalition (TCC), a major industry coalition, wrote similar letters in opposition. The congressional letter to the President is available [here](#).

Meanwhile, the various House appropriations subcommittees are in the process of requesting project earmarks from individual members of Congress. While the House leadership has indicated that they plan to significantly reduce the number of project earmarks in the FY'10 bill, there will be some number of earmarks in the bills. Project sponsors should be in contact with their member of Congress immediately if they wish to pursue an earmark. The House deadline for Members to get their requests to the full Appropriations Committee is no later than April 3. Some subcommittees and individual members have earlier deadlines.

FAA Authorization:

The full House T&I Committee approved a four-year FAA authorization bill this week. The bill, HR 915, is essentially the same bill that the House passed in the previous Congress which died. There is no date for floor action yet, but the real concern is that the Senate has no plans to take up the bill any time soon and disagreements continue between the House and Senate over how to fund the aviation system and between Democrats and Republicans over labor and anti-trust issues.

As a result, the short-term extension of the bill which expires on March 31 will have to be extended once again – likely through the end of the fiscal year. The House bill authorizes a total of \$16.2B for the Airport Improvement Program (AIP) and would increase the Passenger Facility Charge (PFC) used to fund airport construction from \$4.50 to \$7. A brief summary of the House bill is available [here](#).

US DOT Personnel:

Despite repeated rumors and press stories that former FAA Administrator Jane Garvey was going to be tapped to be the US DOT Deputy Administrator, she formally took her name out of the running this week.



PB Washington Update

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No other names of potential candidates for Deputy have surfaced yet. However, the Administration did announce the nomination of Roy Kienitz to be Under Secretary for Policy, the number three position at US DOT. Kienitz formerly worked for US Senator Daniel Moynihan (D-NY), and served as the Executive Director of the Surface Transportation Policy Project (STPP), as the Secretary of the Maryland Department of Planning and most recently as Deputy Chief of Staff for Pennsylvania Governor Ed Rendell.

Also nominated was Mr. Dana Gresham to be Assistant Secretary for Government Affairs. Gresham previously served as Chief of Staff to US Rep. Artur Davis (D-AL) and other Democratic House members. Both positions are subject to Senate confirmation.