



# PB Washington Update

PREPARED BY CATHY CONNOR  
MANAGER OF GOVERNMENT AFFAIRS



## APRIL 21, 2010

Congress is back in session working away on a variety of bills. No formal action and little informal activity is currently taking place on surface transportation reauthorization, but there has been a good deal of US DOT regulatory and grant activity, with additional announcements expected over the next few months.

### US DOT Published Notices of Funding Availability:

FRA – [March 29](#) notice of \$50M in FY'10 funding available for the new Rail Safety Technology Program (RSTP), primarily for implementation of Positive Train Control (PTC). Applications are due by **July 1**.

FRA – [April 1](#) notice of three separate grant programs totaling \$155M in planning and construction funds for high-speed intercity passenger rail. Applications are due by **May 19**.

FTA – [April 13 notice](#) of funding available for the Transit Investments for Greenhouse Gas and Energy Reduction program (TIGGER, as opposed to TIGER) and the Clean Fuels Grant Program. Applications are due **by August 11 for the \$75M of TIGGER funds**. This is the second round of TIGGER grants, although with slightly modified criteria. The 2009 ARRA stimulus bill had included \$100M for the first round of TIGGER. Applications are due by **June 14 for no less than \$81M of funding for Clean Fuels grants**. FTA may use a portion of the FY'10 Bus and Bus Facilities funds for projects that meet the Clean Fuels program objectives.

HUD – [April 14](#) notice announcing the opportunity to “pre-register” to apply for FY'10 Sustainable Communities Planning Grants. The Notice of Funds Availability itself is expected to be issued in mid-May. HUD received over 900 comments on its [February 10 ANPRM](#). Potential applicants – many of whom are expected to be local governments, regional bodies or community development groups – are requested to notify HUD of their intent to submit a grant application no later than **May 14**. Applicants are required to pre-register before submitting a grant application (the pre-registration process can take 2-4 weeks). The pre-registration information is available on the [HUD website](#).

### Upcoming Notices of DOT Funding Availability:

US DOT – notice of funding availability for the \$600M in FY'10 National Infrastructure Initiative (NII)/TIGER II program is expected in the next few days. Applications will likely be due in late August.



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FTA – potential notice of funding availability for unearmarked FY'10 New Start/Small Start and Bus and Bus Facility discretionary funding.

FRA – notice of funding availability for the \$2.5B in FY'10 high-speed intercity passenger rail grants is expected in early summer.

FHWA/MARAD – a final rule establishing “America’s Marine Highway Program”, an initiative to move more cargo on the water rather than on congested highways, was published in the Federal Register on [April 9](#). In the near future DOT will solicit applications for projects to be designated as Marine Highway Corridors. DOT will then solicit applications from designated corridors/projects for \$7M in FY'10 funding. A designation as a Marine Highway Corridor may assist eligible projects when competing for future TIGER funds.

## **Pending DOT Grant Announcements:**

FTA – announcement of Urban Circulator grants and Bus and Bus Facilities Livability grants. Applications for \$280M in grants for these two new programs were due on February 10. A grant announcement is expected in early summer.

## **Upcoming DOT Notices:**

FTA – NPRM on Capital Project Management – a follow-up to the ANPRM published on [September 10, 2009](#) in which FTA seeks comments on establishing guidance that will govern the project management and oversight of capital projects receiving FTA funding and give greater emphasis to Project Management Plans. Comments were due January 8.

FTA – Proposed Guidance for FY'12 New Start/Small Start funding requests.

FTA – ANPRM on New Starts/Small Starts criteria in light of US DOT rescinding the 2005 “Dear Colleague” letter regarding cost effectiveness.

FRA – a Final National Rail Plan is required by Federal law to be completed by September 15, 2010. On [October 16, 2009](#) FRA submitted a Preliminary National Rail Plan to Congress covering both freight and passenger rail. FRA is currently conducting extensive outreach to stakeholders on the plan.

## **Key Dates:**

May 17 – US DOT workshop on Cost Benefit Analysis for Transportation Infrastructure to be held in Washington DC. Staff from PB’s Strategic Consulting practice will be attending the



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workshop to collect and share information that may be helpful for upcoming NII/TIGER grant applications. The workshop is expected to address how to measure the cost/benefits of DOT's strategic goals, including "livability".

May 14 – DOT webinar on lessons learned from TIGER I grant review process. Details not yet available.

## **Highway Funding Distribution:**

On April 21, U.S. DOT Secretary Ray LaHood announced that \$48.8 billion in highway funds is now available to state DOTs through the Hiring Incentives to Restore Employment (HIRE) Act, the most recent jobs bill. The funding will flow to the states using the existing federal-aid highway formulas. The FHWA Apportionment Notice can be accessed [here](#) (see Tables at the bottom of the website). The HIRE Act, which was signed into law last month, included a provision that extends funding authority for surface transportation programs through December 31, 2010. The law provides \$40.1 billion from the Highway Trust Fund for highway programs for FY'10. The majority of this funding comes from a series of General Fund transfers into the HTF, the most recent being \$19.5B authorized by the HIRE Act.

In addition, the HIRE Act restores \$8.7 billion in contract authority for state DOTs that was rescinded last year due to a provision in the original 2005 SAFETEA-LU bill. The notice of restoration can be accessed [here](#).

## **FAA Reauthorization:**

The House and Senate have each passed a version of a multi-year FAA reauthorization bill, but the bills differ in many ways and it will likely be several weeks (or even months) before they are able to fully resolve the differences, although congressional staff are currently working through many of the issues. In the meantime, the latest short-term extension (one-month) expires on April 30. Before the spring recess, the House passed a bill, HR 4957, extending the current program until July 3, but the Senate did not take up the bill. The goal now is to get the Senate to agree to the July extension and hope that a conference on the multi-year bill can be completed by then. The FAA has been without a permanent authorization since September 30, 2007.

## **Climate Change:**

Senators Kerry (D-MA), Lieberman (I-CT) and Graham (R-SC) are poised to introduce their version of a climate change bill. They had hoped to introduce the bill today – Earth Day – but



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negotiations are still ongoing. The bill is expected to include some sort of carbon tax, referred to as a “linked fee”, instead of a cap and trade mechanism to promote reductions in greenhouse gas emissions in the transportation sector.

On April 5 more than two dozen major transportation industry groups including AASHTO, ARTBA, APTA, ACEC, ASCE and several labor unions wrote a joint [letter](#) to the three senators urging that any revenues derived from resulting gas tax increases be dedicated to the Highway Trust Fund.

If a significant portion of any revenue from a carbon tax is returned to consumers as rebates (as some have proposed) rather than dedicated to the HTF, it will make it very difficult, if not impossible, to pass a multi-year surface transportation reauthorization bill. The White House recently pointedly noted that they did not support an effort to designate a “linked fee” as the equivalent of the gas tax.

## **High Speed Rail:**

Over 100 House Democrats recently signed a [letter](#) to president Obama in support of a dedicated source of revenue for high-speed passenger rail. The letter was initiated by House T&I Committee Chairman Jim Oberstar (D-MN) and House Railroad Subcommittee Chair Corrine Brown (D-FL). Of the 108 members to sign the letter, none were Republicans. The letter does not specify what the source of revenues would be.