



PB Washington Update

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The focus of this Update is primarily on the release of the House Transportation & Infrastructure Committee's "Blueprint" for surface transportation reauthorization and the Federal Railroad Administration's release of its guidance for the ARRA high-speed/intercity passenger rail grants.

Surface Transportation Authorization:

With the SAFETEA-LU authorization legislation expiring on September 30, 2009, activity to write new legislation is heating up. Today the House Transportation & Infrastructure Committee unveiled its "Blueprint" for a new surface transportation program. The document does not include any project earmarks or individual program funding levels. Details of the proposal can be accessed at the following links:

[Executive Summary](#) (17 pages)

[Blueprint for Investment and Reform](#) (90 pages)

[Consolidated and Terminated Programs](#) (10 pages)

T&I Committee Chairman Jim Oberstar (D-MN) hopes to mark-up a bill, to be called the Surface Transportation Authorization Act of 2009, next week in subcommittee, tentatively on June 24. Full committee action and floor debate will have to wait until after the July 4 recess and perhaps even longer if the House Ways & Means Committee is not prepared to act to identify the necessary revenues to fund the program.

The T&I Committee proposal tentatively totals \$486.8B over six years, including \$337B (75%) for highways, \$99.8B (22.2%) for transit, \$12.6B for safety programs and \$50B for high-speed rail. The proposal would condense all of the existing highway formula programs down to four: Critical Asset Investment, Highway Safety Improvements, Surface Transportation, and Congestion Mitigation & Air Quality Improvement (CMAQ). Discretionary programs would consist of a new Metropolitan Mobility and Access program, Projects of National Significance, and Freight Improvement.

Additional details and analysis of the T&I proposal will be emailed as Interim Updates over the next few days.

However, yesterday US DOT Secretary Ray LaHood released the statement below endorsing an 18-month extension of the SAFETEA-LU authorization. The statement makes no reference to funding levels, but it is assumed that General Funds will have to be made available since the Trust Fund is estimated to run low on funds as early as this August. It will be up to Congress to decide whether to proceed with this recommendation, but it is likely they will concur since the Senate has already informally indicated it would not be able to complete a new bill by September 30 and the House still needs to find the revenue to support its proposed \$486B bill. However, Chairman Oberstar recently stated that he would not support an extension.

There is currently no further information about the "critical reforms" that LaHood mentions he would like to see included in an extension. Such an extension would push debate on the reauthorization bill beyond the 2010 mid-term elections.



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"This morning, I went to Capitol Hill to brief members of Congress on the situation with the Highway Trust Fund. I am proposing an immediate 18-month highway reauthorization that will replenish the Highway Trust Fund. If this step is not taken the trust fund will run out of money as soon as late August and states will be in danger of losing the vital transportation funding they need and expect.

"As part of this, I am proposing that we enact critical reforms to help us make better investment decisions with cost-benefit analysis, focus on more investments in metropolitan areas and promote the concept of livability to more closely link home and work. The Administration opposes a gas tax increase during this challenging, recessionary period, which has hit consumers and businesses hard across our country.

"I recognize that there will be concerns raised about this approach. However, with the reality of our fiscal environment and the critical demand to address our infrastructure investments in a smarter, more focused approach, we should not rush legislation. We should work together on a full reauthorization that best meets the demands of the country. The first step is making sure that the Highway Trust Fund is solvent. The next step is addressing our transportation priorities over the long term."

ARRA/Stimulus Implementation:

FRA Guidance for High-Speed Rail/Intercity Passenger Rail Grant Program – On June 17 FRA issued guidance for \$8B ARRA rail program. The guidance can be accessed [here](#). The guidance builds upon the Administration's April 16 "Vision for High-Speed Rail in America". The notice provides information about specific application requirements and procedures. The funds are made available through the ARRA economic stimulus bill as well as appropriated funds for FY'08 and '09. In addition, the President's FY'10 budget requests \$1B for FY'10 and future years.

The guidance was developed following a series of regional workshops held by FRA around the country in late May and early June. The final workshop, for industry representatives, will take place tomorrow in DC. PB had representatives at all the sessions.

The guidelines set up four funding tracks for applicants, but do not specify how much money will be allocated to each track. Track 1 is funded under ARRA and is for "ready-to-go" projects that can be completed within two years of award. Infrastructure, facilities, and equipment are eligible, and the federal funding share can be up to 100 percent, but evaluation will favor projects that leverage federal funding with other investments.

Track 2 is for developing new high-speed rail corridors and intercity passenger rail services, or substantial upgrades to existing corridor services. Track 3 is for planning activities at an earlier stage of the development process to help establish a pipeline of future projects. Track 4 is for fiscal year 2009 appropriation-funded projects and provides an alternative for projects that fit under Track 1 but offer at least a 50 percent non-federal share of financing. This track offers applicants simplified grant agreement terms and up to five years to complete projects.

Pre-applications and public comments are due July 10. Full grant applications are due August 24 for tracks 1, 3, and 4. Track 2 full grant applications are due October 2.

Proposals will be evaluated based on the projects' ability to make trips faster, to reduce congestion on highways and at airports and to meet environmental, energy and safety goals.



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TIGER Discretionary Grants - In the June 17 Federal Register, US DOT published revised grant criteria for the ARRA economic stimulus TIGER grants. The revised guidelines can be accessed [here](#). DOT originally published interim guidance for the \$1.5B multi-modal discretionary grant program in the May 18 Federal Register.

The revised version reflects comments received about the original notice. The changes do not appear to be major and primarily address evaluation of expected project costs and benefits and revise the definition of eligible applicants to clarify that MPOs are eligible. Applications for funding must be submitted to DOT by September 15.