



PB Washington Update

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Congress continues to work on a number of critical pieces of legislation, most notably Senate consideration of the healthcare reform bill. The current adjournment date is still set for next Friday, December 18, but if the Senate appears to be close to a breakthrough on the healthcare bill, they may stay in session over next weekend. Further complicating the schedule, House Speaker Nancy Pelosi and other key congressional leaders will be attending the Copenhagen Climate Summit later next week.

In a major show of progress, yesterday the House passed the first of two “minibus” FY’10 appropriations bills. Congress has not yet completed seven of the twelve federal agency FY’10 funding bills, even though the fiscal year began on October 1. Those federal agencies are currently operating under a short-term Continuing Resolution (CR) which expires very soon on December 18. Given the limited time left in session, Congress has opted to combine the six remaining domestic funding bills into a so-called “minibus” (as opposed to an all encompassing omnibus) bill. A separate “minibus”, which will include the FY’10 Department of Defense funding bill and possibly a provision to increase the national debt limit as well as other miscellaneous bills (e.g., a potential “jobs” bill), is not yet complete.

The domestic FY’10 “minibus” includes the DOT/HUD, Military Construction/VA, Financial Services, Commerce/Justice/State, Labor/HHS, and State/Foreign Ops appropriations bills. The bill passed the House by a close vote of 221 to 202, with no Republican support. The Senate is expected to take up the “minibus” over the weekend or early next week before the current CR expires on December 18.

FY’10 DOT Appropriations:

Although the full Senate has not yet passed the FY’10 “minibus”, which includes funding for US DOT programs, it is expected to do so shortly. Since the Senate is not permitted to amend the DOT Conference Report (the final version of the bill), the provisions passed yesterday in the House will not change.

Major program funding includes:

- Federal-aid Highway Program funded at \$41.8B (the same level as in both the House and Senate bills versus \$40.7B in FY’09).
- FAA Airport Improvement Program (AIP) funded at \$3.5B (same as in House and Senate bills).
- FTA New Start/Small Starts program funded at \$2B (a split between the House and Senate levels) while the FTA Formula and Bus program is funded at \$8.3B (the same in both bills).
- Amtrak funded at \$1.56B (of which \$1B is for capital projects).

In other programs of note, \$2.5B is appropriated for additional funding for high speed rail projects (compared with the \$1B Administration request, \$4B in the House bill and \$1.2B in the Senate bill). Up to \$50M can be used for planning grants. This amount is in addition to the \$8B provided in the ARRA stimulus bill. DOT plans to announce the HSR grant recipients in early 2010.

No funding is provided for a National Infrastructure Bank. The appropriators recommended waiting until such a bank is actually created in authorizing legislation.



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An additional \$600M is made available for a new merit-based, multi-modal National Infrastructure Investments program which is similar to the ARRA stimulus TIGER program. Applications for the new program will be due in mid-2010. Under this new program, up to \$35M may be awarded for planning or design uses, funds must be obligated by 9/30/12, and the maximum size of any grant is \$200M, with no more than \$150M going to any one state. In addition, up to \$150M may be used for the TIFIA financing program.

A copy of the FY'10 DOT Conference Report (HR 3288) is available [here](#). It is an informal staff version which includes staff edits. **Final project earmarks** can be found on the following pages of the pdf (not the actual text).

FAA - Facilities & Equipment pages 9-12; AIP pages 17-19
FHWA – Ferries page 22; TCSP pages 23-27; Federal Lands pages 29-30; Interstate Maintenance pages 31-33; Surface Transportation Priorities (STP), a catch-all category, pages 35-47
FRA – Research & Development page 58; Rail Line Relocation & Improvement pages 58-59
FTA – Bus & Bus Facilities pages 64-72; Alternative Analysis pages 73-74; New Starts/Small Starts pages 76—78

Details about the FY'10 funding for other infrastructure-related federal agency programs will be sent out next week.

“Jobs” Bill Funding for Infrastructure:

The latest Administration proposal for a “jobs” bill announced last week in a speech by President Obama recommends significant funding for a broad range of infrastructure programs to include highways and transit, as well as airport, rail and water/sewer projects. The speech was very short on specifics, but sources estimate as much as \$50B may be recommended for these infrastructure programs. Instead of being allocated through the SAFETEA-LU formula programs, some portion of the transportation funds would be allocated through merit-based programs similar to the ARRA TIGER program. The most likely source of funding appears to be unspent TARP funds which several Republican leaders have already strongly criticized.

The House would like to move a jobs bill, including funding for infrastructure, before they leave for the holidays, perhaps attached to the DOD appropriations “minibus”. Potential Senate action on a jobs bill is unclear and likely will not occur until January.

Other News:

- The Senate approved yet another three-month extension of FAA programs on Thursday, sending the bill to President Obama. Senate passage by unanimous consent followed House approval on Wednesday of the bill extending the Airport and Airway Trust Fund, AIP program, PFCs, etc. until March 31, 2010. The extension allows more time for work on a permanent, multi-year FAA reauthorization.
- U.S. Transportation Secretary Ray LaHood called on Congress this week to pass the Obama Administration’s Public Transportation Safety Program Act of 2009, a new transit safety bill to ensure a standard level of safety across all rail transit systems. The measure would effectively eliminate the broad statutory prohibition against federal transit safety standards that has been in



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place since 1965. Both the House and Senate held oversight hearing this week on transit safety. The text of the proposed Administration bill is [here](#) and a DOT press release and fact sheet on the bill is located [here](#). Notice of the formation of an FTA Advisory Committee for Transit Safety is [here](#).

- US DOT Secretary LaHood recently announced the availability of \$280M in federal funds for urban circulators (including streetcars) and bus and bus facilities as part of its Livability Initiative, a partnership with HUD and EPA. The funding is not new money; rather it is unallocated FY'09 discretionary funding from the Bus (\$150M) and New Starts/Small Starts (\$130M) programs that was not earmarked by Congress. FTA will select projects based on the following criteria - livability, sustainability, project readiness and leveraging of public investments. Economic development will also be a criterion for the urban circulator grants which are limited to \$25M per project. For more details see the December 8 Federal Register Notice of Funding Availability for the Bus grants located [here](#). The Notice for the streetcar/BRT circulator grants is located [here](#). Project proposals are due by February 8, 2010.
- President Obama announced December 7 that he will nominate Michael P. Huerta to be Deputy Administrator of the Federal Aviation Administration, the agency's second in command behind Administrator Randy Babbitt. Huerta currently is chairman of the ITS America board of directors. He also served on Obama's DOT transition team. He served from 1993 until 1998 in two senior DOT positions under then-President Clinton, as both chief of staff to Secretary Rodney Slater and associate deputy transportation secretary during the tenure of Secretary Federico Pena. Huerta owns a consulting firm that specializes in transportation policy, technology, and financing.