

To ensure delivery of Legislative Update, please add 'LegislativeUpdate@apta.com' to your email address book. If you are still having problems receiving our newsletter, see our whitelisting page for more details: <http://www.commpartners.com/website/white-listing.htm>



## LEGISLATIVE Update

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



May 26, 2011

### **Senate EPW Committee Issues Details on Pending Authorization Proposal – Senate Banking Committee Advancing Transit Title**

On Wednesday, May 27, Senate Environment and Public Works Committee (EPW) Chairman Barbara Boxer (D-CA), Ranking Member James Inhofe (R-OK), Transportation & Infrastructure Subcommittee Chairman Max Baucus (D-MT), and Subcommittee Ranking Member David Vitter (R-LA) issued a joint statement on their draft transportation reauthorization legislation, Moving Ahead for Progress in the 21st Century (MAP-21). While stating that there is still work to be done, the release announced that MAP-21 “will fund programs at current levels in order to maintain and modernize our critical transportation infrastructure.”

In a press conference subsequent to the statement’s release, Chairman Boxer announced the committee is planning a \$339.2 billion bill, which is equivalent to current levels, plus modest growth to account for inflation. Her proposal assumes that the general fund contribution to public transportation would also be continued and increased for inflation, but the transit title will be written by the Senate Banking Committee and is not under the jurisdiction of the EPW committee. Boxer also announced that the committee plans to hold hearings on the final draft of the bill in two weeks and that she hopes to mark it up before the July 4 recess. Chairman Boxer noted that details on how the bill would be funded have not been settled, and that those details will determine the length of the bill. Based on the information provided, the bill would authorize approximately \$66.5 billion for the federal transit program over six years.

Other key elements of the bill will include the elimination of earmarks, program consolidation to reduce wasteful and duplicative programs, the creation of a targeted freight program, expediting project delivery, and the development of a new section entitled “America Fast Forward” which enhances the Transportation Infrastructure Finance and Innovation Act (TIFIA) to further stretch federal dollars. The bill will propose an annual \$1 billion authorization in TIFIA to leverage new private investments. Other modifications to the TIFIA program include increasing the maximum federal share from 33 to 49 percent, more advantageous terms for rural areas, in addition to making programs of related projects eligible for funding, as recommended in APTA’s Principles on Innovative Finance. Boxer also stated that the bill will guarantee funding for bicycle and pedestrian improvements.

A “wide range of options” is being explored to support and sustain the Highway Trust Fund. Notably, the release indicates that the Committee’s goal is to achieve the optimum length of authorization given resources available. During the press conference, Boxer stated that while she is hopeful for a six-year authorization, it is possible that funding will only be available for a short-term bill. However, the policy changes are intended to be adopted regardless of the term of the bill. Senator Baucus will continue to play a key role in both the policy development and revenue discussion due to his roles as subcommittee chairman and Chairman of the Senate Finance Committee, which is in charge of the revenue portion of the bill.

On Thursday, May 19 the Senate Committee on Banking, Housing, and Urban Affairs held a hearing entitled “Public Transportation: Priorities and Challenges for Reauthorization,” which included testimony from APTA President Bill Millar, along with Federal Transit Administration (FTA) Administrator Peter Rogoff, and representatives from the Community Transportation Association of America, the Amalgamated Transit Union, and the Bipartisan Policy Center. To read APTA’s written testimony, [click here](#). Work is underway on the transit title of the bill, and the Committee plans to unveil its draft following the release of the EPW legislation.

On the House side, the information released thus far from the Transportation & Infrastructure Committee indicates the committee intends to release its draft bill sometime in June. Chairman John Mica (R-FL) continues to hold his position that the bill will live within the means of the revenue currently generated by the Highway Trust Fund, which could result in as much as a 30 percent reduction in spending for federal transit and highway programs. Mica has also indicated that his bill will differ from previous authorization bills by including rail and maritime titles.

### **House Appropriations Committee Releases Top Line Spending Levels for Fiscal Year (FY) 2012**

On Tuesday, May 24 the House Appropriations Committee approved limits on FY 2012 spending, cutting \$30 billion from FY 2011 levels. Discretionary spending authority by the Subcommittee on Transportation, Housing, and Urban Development and Related Agencies (THUD) is capped at \$47.65 billion, a \$7.7 billion reduction from FY 2011 and \$27 billion less than the figure requested in President Obama's FY 2012 budget. These spending limits do not include spending from trust fund accounts that support transit, highway and aviation programs, but the cuts will inhibit the subcommittee's ability to fund discretionary programs under its jurisdiction at current levels. While Appropriations Chairman Hal Rogers (R-KY) initially announced a THUD subcommittee markup on July 14, with a full committee markup scheduled for July 26, he acknowledged Friday that the Committee will likely be unable to meet its planned goal of completing all twelve appropriations bills by the August recess and therefore the previously announced dates should be considered tentative.

The Senate has not yet agreed upon budget levels for the Fiscal Year 2012. While it is not clear whether appropriations allocations in the Senate will reduce spending as much as the House, the Senate is also under pressure to reduce federal spending. Final spending levels will eventually have to be negotiated among the leadership in the House and the Senate, and the Obama Administration.

### **Appropriators Approve Homeland Security Measure with Large Cuts to State and Local Grants**

At the House Appropriations Committee meeting on Tuesday, Appropriators also considered and approved its version of the FY 2012 Department of Homeland Security Appropriations bill, including sizable cuts to the Federal Emergency Management Agency (FEMA) State and Local Grants category. The funding category, also known as Preparedness Grants, includes funding for the Transit Security Grant Program (TSGP), the primary source of federal security assistance for transit agencies. While the Transportation Security Administration (TSA) largely administers the TSGP, funding and grant management falls within the jurisdiction of FEMA.

The House bill provides \$1 billion for the overall State and Local grant category, down from \$3 billion in FY 2010 and \$2.2 billion in FY 2011. However, in a departure from prior year appropriations, the bill does not allocate specific amounts to each of the twelve different grant programs within the account, thereby leaving the distribution of funds up to the discretion of the Department. In addition to the TSGP, the State and Local account provides funding for the State Homeland Security Program, the Urban Area Security Initiative (UASI) Program, and the Port Security Grant Program, among others.

During consideration of the bill, a bipartisan amendment to restore funding to FY 2011 levels for the State and Local Grants was offered by Representatives David Price (D-NC), Ranking Member of the Appropriations Subcommittee on Homeland Security, and Steve LaTourette (R-OH). The amendment would have also designated \$250 million (the FY2011 level) for the TSGP. The amendment, however, did not contain any offsetting cuts, and was defeated by a vote of 20-27.

### **FTA Releases Annual Apportionment Numbers; \$7.6 billion announced for FTA Programs**

Last Friday, the FTA published its apportionment notice, making the remaining formula funds for FY 2011 available for distribution. The notice also announces that the FTA has \$2.73 billion available for discretionary programs, including New Starts, Bus and Bus Facilities, and Transit Investments in Greenhouse Gas and Energy Reduction (TIGGER) programs. The notice states that the New Starts funding will be available as projects progress through the evaluation process, while the remainder of the discretionary funds will be distributed competitively through a Notice of Funding Availability (NOFA) released no later than early fall. Consistent with its action on FY 2010 funds, FTA also plans to consolidate multiple programs into single discretionary solicitations of proposals that work to achieve the Department of Transportation's strategic goals. To read the notice in its entirety [click here](#).

**American Public Transportation Association**  
Unsubscribe here

1666 K St., NW. Washington, DC 20006  
(202) 496-4800 | [www.apta.com](http://www.apta.com)