

LEGISLATIVE ISSUE BRIEF

March 13, 2016

OBAMA ADMINISTRATION BUDGET FOR FISCAL YEAR (FY) 2017

- President Obama released his proposed budget for FY 2017 on February 9, 2016.
- The \$4.1 trillion budget includes a 21st Century Clean Transportation Plan with \$495 billion for the Departments of Transportation; Energy; NASA; and the Environmental Protection Agency.
- Includes \$19.9 billion for the Federal Transit Administration (FTA) and \$6.3 billion for the Federal Railroad Administration (FRA).
- Reorganizes the Highway Trust Fund (HTF) into a Transportation Trust Fund (TTF), similar to previous budgets, to fund all existing HTF programs and additional other transit, passenger rail, highway safety and multimodal transportation programs.
- Transit Formula Grants are funded at \$9.73 billion in FY 2017, compared to a FY 2016 enacted level of \$9.35 billion, consistent with authorized levels in the Fixing America's Surface Transportation (FAST) Act.
- Includes \$5.9 billion for a new Supplementary Transit Formula Grant program to support additional funding for transit capital investments and state of good repair needs. The Capital Investment Grant (CIG) program would be funded at \$3.5 billion in FY 2017, \$1.2 billion above the authorized level, to support thirty one projects across eighteen states.
- Expands significantly investment in passenger rail infrastructure with \$6.27 billion of funding for high performance rail projects (including Amtrak) in FY 2017, compared to \$1.7 billion enacted in FY 2016.
- Clean Transportation Plan would cost \$303 billion over 10 years and would be funded with onetime transition revenues from business tax reform as well as a new \$10.25 per barrel tax on oil which would be phased in over five years.

APTA POSITION

- **APTA supports the robust growth included in the Administration's budget for public transportation investment throughout the country.**
- **Federal investment at these levels would help to address the U.S. DOT estimated \$88 billion backlog in repairs and investments needed to bring the current transit system into a state of good repair.**
- **APTA strongly supports the kind of increases for federal funding for High-Speed and Intercity Rail that are proposed in the budget.**