

Broward MPO Federal Update July 2017

CONGRESSIONAL UPDATE

FAA Authorization: On July 11, the Congressional Budget Office (CBO) released its [score](#) of the House FAA bill, the [21st Century AIRR Act \(H.R. 2997\)](#), which is expected to increase the deficit by \$20.7 billion. The score additionally finds that the bill would increase revenues by \$70 billion, but also decrease mandatory spending by \$90.7 billion by 2027. With the CBO score released, the bill can move to the House floor. However, several controversial provisions in both the House and Senate FAA bills make it unlikely that either bill will see floor time before the August recess. In the House, Chairman Bill Shuster (R-PA) is continuing to whip votes to pass the bill, but the provision to overhaul air traffic control to a private system has faced opposition, and there are still not enough votes to bring the bill to the floor for consideration. Health care legislation and a pilot training provision in the Senate FAA bill has delaying Senate considering for the bill. Congress will most likely pass an extension in September, allowing the chambers more time to ensure the votes necessary to pass the bills.

House and Senate Appropriations Approve FY 2018 THUD Bill: The House Appropriations Committee [approved the FY 2018 spending bill](#) for Transportation, Housing and Urban Development (THUD) on July 18. The bill was approved by a party line vote of 31 to 20. Of note, the committee failed to pass an amendment from Subcommittee Ranking Member David Price (D-NC) to include a \$200 billion infrastructure plan. Prince offered the amendment while criticizing the administration for not having produced its promised \$1 trillion infrastructure package. Additionally, the committee rejected an amendment from Committee Ranking Member Nita Lowey (D-NY) proposing to reinstate TIGER grants, which the bill eliminates, consistent with the President's budget request. Key elements of the bill include:

- \$17.8 billion for the Department of Transportation (DOT), an eight percent decrease from current funding
 - TIGER: Maintains the President's budget request to eliminate the TIGER grant program, which were funded at \$500 million in FY 2017. The House has proposed to eliminate TIGER in each of their FY 2011-2014 THUD Appropriations bills.
- \$16.5 billion for the Federal Aviation Administration (FAA), \$153 million increase over current funding
 - \$1 billion to modernize air traffic control and keeps it under the jurisdiction of the FAA, a deviation from Chairman Shuster's FAA reauthorization bill which moves air traffic control to a privatized system

- \$3.350 billion for the Airport Improvement Program (AIP), same as current funding levels
- \$44,234,212 for the Federal-Aid Highways Program, the FAST Act authorized level and \$968 million increase over FY 2017
 - \$800 million recession of formula contract authority
- \$2.2 billion for the Federal Railroad Administration (FRA)
 - \$1.428 billion for Amtrak
 - Prohibits funding for high-speed rail in California, or to the California High-Speed Rail Authority.
- \$11.75 billion for the Federal Transit Administration (FTA)
 - \$9.733 for transit formula grants, the FAST Act authorized level and same as current funding
 - \$1.007 billion for New Starts projects
 - \$145 million for Core Capacity projects
 - \$182 million for Small Starts project
 - *Language Allowing Projects in the Pipeline*: “The Committee directs FTA to continue to advance eligible projects into Project Development, Engineering, and Construction through the Capital Investment Grant evaluation, rating, and approval process. Specifically, the Committee directs the Secretary to allow a project to enter into project development when the applicant satisfies the requirements; to advance a project into project engineering when that project satisfies the requirements; to negotiate a construction grant with the project sponsor for every project that receives a medium rating or higher, submit the notification to Congress promptly after conclusion of the negotiation of the construction grant agreement, and execute the construction grant agreement within 45 days of providing such notification to Congress if the project continues to meet the requirements; to enter into a full funding grant agreement for any new fixed guideway capital project and core capacity improvement project that has met the requirements immediately after completion of the 30-day notice period for such projects; and enter into a grant agreement for any small start project that has met the requirements immediately after completion of the 10-day notice period for such projects.”

The Senate THUD Appropriations Subcommittee approved the FY 2018 THUD bill on July 25, and Senate Appropriations Committee approved the bill on July 27 by a vote of 31 to 0. Several amendments were adopted during the Appropriations Committee markup:

- A bipartisan manager’s package of eleven amendments that were non-controversial
- Senator John Hoeven (R-ND)’s amendment adding a truck weight waiver on Interstate highways in North Dakota
- Senator Jeanne Shaheen (D-NH)’s amendment clarifying an existing truck weight waiver in New Hampshire

The committee rejected Subcommittee Ranking Member Jack Reed (D-RI)'s amendment that would have added \$7.7 billion to the bill, including an additional \$1 billion for TIGER, additional \$2 billion for highway bridge replacement, \$500 million for Northeast Corridor federal-state rail grants, and an additional \$500 million for mass transit capital investment grants. Key elements of the bill include:

- \$19.47 billion for DOT, \$978 million above current levels
- \$550 million for TIGER grants, \$50 million above the current levels. At least 30 percent of the funds for projects in rural areas (20 percent was required in FY 2017).
 - Requires DOT to “consider and award projects based solely on the selection criteria from the fiscal year 2016 Notice of Funding Opportunity” and states that DOT “shall not use the Federal share as a selection criteria in awarding projects...” DOT must issue the NOFO within 45 days of the enactment of the bill; requires applications within 60 days of the NOFO; and make grant announcements within 225 days of the enactment of the bill.
 - The maximum annual share of TIGER money that can go to projects in any one state is five percent (10 percent in 2017).
- \$44,234,212 for the Federal-aid Highways Program, the FAST Act authorized level and \$968 million increase over FY 2017
 - Allows states to reprogram old highway earmark money towards other projects “within the same general geographic area within 100 miles for which the funding was designated....”—Previous appropriations bills had a 10-year minimum timeframe for the definition of a dead earmark, this new language does not, meaning that it will apply to appropriated earmarks up through FY 2010.
- \$16.97 billion for the FAA, \$563 million above the current levels
 - \$3.6 billion for the AIP program
 - Increases the maximum passenger facility charge (PFC) from \$4.50 to \$8.50—Reduces AIP formula grants for large hub airports by the amount of any increased PFC receipts.
- \$1.974 billion for the FRA, \$122 million above current levels
 - \$1.6 billion for Amtrak
- \$12.129 billion for the FTA, \$285 million below current levels
 - \$9.733 billion for transit formula grants, consistent with the FAST Act authorized levels
 - \$2.132 billion for Capital Investment Grants (New Starts), fully funding all current Full Funding Grant Agreement transit projects
 - Includes \$454 million towards “new New Starts funding agreements” and the projects must have received an overall rating of at least “medium” in the [2018 annual report](#).
 - Includes \$145.7 million for “new Core Capacity full funding grant agreements.”

- *Language Allowing Projects in the Pipeline:* "... Committee directs the Secretary to continue to advance eligible projects into project development and engineering in the capital investment grant evaluation, rating, and approval process pursuant to 49 U.S.C. 5309 and section 3005(b) of the FAST Act in all cases when projects meet the statutory criteria.

Commuter Railroads Will Not Receive PTC Extension: Senate Commerce Committee Chairman John Thune (R-SD) said on July 26 that commuter railroads should not anticipate a grace period beyond the December 31, 2018 deadline for implementing positive train controls (PTC). During a hearing for the President's nominee to lead the FRA, Ron Batory, the Chairman said that railroads that have not met the revised framework should not expect an extension from the committee. The deadline to implement PTC was extended by Congress in 2015, after it was evident that many freight and passenger railroads would not meet the original end of 2015 deadline. Currently, railroads may qualify for an additional extension through 2020, given that they meet committee benchmarks by 2018, as a signal of progress on implementation.

ADMINISTRATION UPDATE

CBO Updates Highway Trust Fund Spending Forecast: On July 5, the Congressional Budget Office (CBO) updated its forecast of funding for the Highway Trust Fund (HTF). The HTF is still projected to be solvent through the end of the FAST Act in September 2020 with no further legislative action required. The projected Highway Account cash shortfall, beginning in FY 2021, is \$99 billion. The next six-year reauthorization bill will need \$20 billion per year in increased HTF taxes or transfers from Treasury or other offsets to maintain baseline spending levels.

President Creates Infrastructure Advisory Council: President Trump issued an [executive order \(EO\)](#) on July 19, creating an infrastructure advisory council under the Department of Commerce. The members of the Presidential Advisory Council on Infrastructure will be selected by the President and will represent areas of interest to the administration, such as labor, finance, and construction. The council will "study the scope and effectiveness of, and make findings and recommendations to the president regarding, federal government funding, support, and delivery of infrastructure projects in several sectors, including surface transportation, aviation, ports and waterways, water resources, renewable energy generation, electricity transmission, broadband, pipelines, and other such sectors."

Additionally, members will propose suggestions to accelerate project approvals, consider funding and financing options to generate new infrastructure investment over the next decade, and make suggestions on expanding public-private partnerships. According to the EO, the council will dissolve in December 2018, unless the President chooses to extend its purview. The council may also dissolve 60 days after it delivers its report to the President, should that date be before December 31, 2018.

DOT Announces FASTLANE Small Project Awards: On August 2, DOT Secretary Chao sent the transportation congressional authorization committees the agency's recommendations for small FASTLANE grant awards. The committees have 30 days to approve or disapprove the awards. 80% of these grants are for rural areas. The list is:

- US 550 South Connection to US 160; La Plata County Colorado
- Taylor County Florida Competitiveness & Employment by Rail (CEBYR); Taylor County, Florida
- Port of Indiana – Burns Harbor: Enhanced Intermodal Facilities; Port of Indiana
- Maine Railroad Bridge Capacity Project; Maine DOT
- U.S. Highway 10 Lake Michigan Crossing Dock Facility Improvements; Ludington & Manitowoc, MI & WI
- North Central Mississippi Railway Project; Mississippi
- Rogers' Rangers Bridge, Coos County, NH
- Evans Avenue Railroad Grade Separation Improvements; Akron, OH
- SPRR Rehabilitation and Presidio International Rail Bridge Reconstruction; TxDOT
- Northern Columbia Basin Rail Road Project, Port of Moses Lake, WA

Holland & Knight has told the MPO that they can schedule a debrief for the MPO and Port Everglades to discuss its FASTLANE project.