FY 2017 Budget/Appropriations Update: On March 16, the House Budget Committee passed the fiscal year 2017 budget resolution by a vote of 20-16, with two Republicans joining all Democrats in opposition. The budget maintains the FY 2017 appropriations levels agreed to in the two year budget deal passed in December. To please House Freedom Caucus members, the budget blueprint proposes cutting entitlement programs by $30 billion over two years (FY 2017 and 2018) to offset $30 billion in increased discretionary spending that was included in the two year budget deal.

The House budget plan assumes--but does not require--cuts in transportation funding. The resolution assumed that the House Appropriations Subcommittees will cut transportation related appropriations in 2017 by $4.1 billion below the current funding, and recommends that these cuts should be achieved by killing Amtrak operating subsidies and phasing out TIGER grants and New Starts.

In the House, the House Military Construction-VA Appropriations Subcommittee marked up and approved their bill funding the Department of Veterans Affairs and military construction projects. The bill, which is the first FY 2017 appropriations bill to pass a subcommittee, includes $81.6 billion in discretionary funding for military construction and veterans’ affairs programs, which is an increase of $1.8 billion over last year’s funding.

Impacting the mark-up was the lack of 302(b) allocations, which provides each subcommittee with a set discretionary spending level. Typically, the 302(b) allocations are announced after passage of a budget resolution and during the first full committee markup. However, 302(b) allocations are not necessarily needed to report out an individual appropriations bill. In place of a 302(b) allocation, House Appropriations Chairman Harold Rogers (R-Ky.) provided the subcommittee a “notional” discretionary allocation to the subcommittee based on the two-year Bipartisan Budget Act of 2015 discretionary limit of $1.07 trillion. Full committee markup of the Military Construction-VA appropriations bill is targeted for April 13.

Speaker Paul Ryan (R-WI) told reporters on March 22 that while appropriations subcommittees will move forward with crafting their appropriations bills, he has no intention of bringing the bills to the House floor until there is a budget resolution that sets spending limits. As aforementioned, last year’s bipartisan budget deal set discretionary levels at $1.07 trillion; however, the conservative House Freedom Caucus is still pushing to cut spending by an additional $30 billion.

Chairman Rogers and many Republican members are in favor of bringing appropriations bills to the House floor after May 15 even if no formal budget resolution is passed.
The House Transportation/HUD Appropriations Subcommittee is planning to markup the FY 2017 bill during the first week in May. The Senate Transportation/HUD Appropriations Subcommittee will markup this week or next.

**Senate Commerce Committee Approves FAA Reauthorization Bill:** The Senate Commerce, Science, and Transportation Committee marked up the [Federal Aviation Administration (FAA) Reauthorization Act of 2016](https://www.congress.gov/bill/114th-congress/senate-bill/330) on Wednesday, March 16. The Senate’s FAA reauthorization bill would authorize the FAA for FY 2016 and 2017. The bill authorizes a total of $16.8 billion in funding for the FAA with $3.7 billion for the Airport Improvement Program (AIP), $2.86 billion for facilities and equipment, $10.03 billion for operations, and $169 million for research and development. Unlike the House version, the Senate bill does not privatize air traffic control or contain the House’s trucking-related provisions regarding rest and meal break rules, and does not set requirements on airline seat width. Additionally, the Senate legislation calls for a study on drone privacy, and mandates airlines to disclose luggage, flight changes, cancellations, and seat choice fees to passengers in an easily understandable format. During the hearing, approximately 50 amendments were approved by voice vote. Six amendments garnered counted votes, with two of the amendments being voted down. Amendments adopted included staffing in air traffic control towers, drone delivery, and preventing the cybersecurity hacking of airplanes. The legislation is expected to be considered on the Senate floor sometime in April.

More recently, the House and Senate passed a short-term extension of FAA authorization (H.R. 4721) which authorizes FAA authority through July 15 to allow both chambers time to consider their respective FAA authorization bills.

**DOT Announces Funding for Buses:** The Department of Transportation’s Federal Transit Administration (FTA) announced $266 million in competitive grant funding for bus programs nationwide on March 29. The funding consists of $211 million in grants for buses and bus facilities projects, as well as $55 million for FTA’s Low and No Emission (Low-No) bus program. The Low-No bus program seeks to promote technologically-advanced and environmentally-friendly buses. Projects eligible for grant funding include those that replace, rehabilitate, lease, and purchase buses and related equipment for buses and bus-related facilities. All applications for this program are due by May 13, 2016.

**DOT TIFIA Funds Announced:** On March 11, Secretary of Transportation Anthony Foxx announced the availability of funds through the Transportation Infrastructure Finance and Innovation Act (TIFIA) program to fund critical infrastructure projects. In his announcement, Foxx encouraged states and cities to submit letters of interest for direct loans, loan guarantees, and standby lines of credit through the TIFIA program. The recently passed FAST Act authorized $1.435 billion in capital over five years for the TIFIA credit assistance program. Infrastructure programs including highways, passenger and freight rail, public transit, intermodal freight facilities, and international bridges and tunnels are all eligible for TIFIA funds. Overall, the TIFIA program has provided over $22.7 billion in credit assistance to support more than $82.5 billion in transportation infrastructure investments to help build 56 transportation projects across the country.
In Florida, TIFIA provided funds for 5 different projects. TIFIA funds provided $949 million in assistance for the I-4 Ultimate Project and $194 million for the Wekiva Parkway near Orlando. Additionally, TIFIA provided $603 million in assistance for I-595 Corridor Roadway Improvements near Fort Lauderdale, $270 million in assistance for the Miami Intermodal Center in Miami, and $342 million for the Port of Miami Tunnel.

Previously Earmarked Money Now Available through DOT: Although earmarks are currently not allowed in Congress, approximately $2 billion of previously appropriated earmark money has been sitting unused for years. The FY 2016 omnibus appropriations legislation included language that transfers the unused earmarked money to state transportation departments for new projects. This week, U.S. Secretary of Transportation Anthony Foxx announced the division of earmarked money. In a statement, Foxx said, “This is a tremendous opportunity for state and local governments to work together to identify their needs heading into the next 30 years.” States will be able to obligate unused earmarks that are at least 10 years old and if less than 10 percent of project funds had been obligated towards other projects within 50 miles of the originally intended use. Once a state decides to repurpose the funds, it will have until the end of FY 2019 to obligate the funds. A list of earmarks that may be eligible for repurposing is available on the Federal Highway Administration’s (FHWA) website. Florida has a total of $35.2 million in allocated earmark projects in which less than 10 percent has been obligated and $470,209 in unallocated earmarked projects in which less than 10 percent has been obligated to a project.

Secretary Foxx Announces Smart City Finalists: Transportation Secretary Anthony Foxx, along with Barbara Bennett, President and COO of Vulcan Inc. and Rick Clemmer CEO of NXP Semiconductors, announced the seven finalists for the DOT Smart City Challenge on March 12, 2016. The finalists included: Austin, TX; Columbus, OH; Denver, CO; Kansas City, MO; Pittsburgh, PA; Portland, OR; and San Francisco, CA. During the announcement Foxx said, “After an overwhelming response – 78 applications total – we chose to select seven finalists instead of five because of their outstanding potential to transform the future of urban transportation.” The seven finalists will now receive a $100,000 grant to further develop their proposals. One final winner will be announced in June and will receive up to $40 million to integrate innovative technology, such as self-driving cars, connected vehicles, and smart sensors, into their transportation networks. Vulcan Inc. has also partnered with DOT and will award the final winner with $10 million to support electric vehicle deployment and other carbon emission reduction strategies.

DOT Releases Bike Share Numbers: The Department of Transportation (DOT) released a report regarding bike-share stations across the U.S. on April 4. According to the report forty-six bike share systems in the U.S. offer a total of 2,655 bike share stations in 65 U.S. cities. Additionally, approximately 86.3 percent of bike-share stations are within one block of a scheduled public transportation mode. Currently, only Miami has a bike-share system in Florida. However, it is one of the larger bike-share systems in the nation, with over 300 bike station in and around Miami.

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advanced and environmentally-friendly buses. Projects eligible for grant funding include those that replace, rehabilitate, lease, and purchase buses and related equipment for buses and bus-related facilities. All applications for this program are due by May 13, 2016. For more information, please visit the Funding Opportunity Announcement via Grants.gov.

FTA Announces Rides to Wellness Grants: The FTA announced $5.3 million in funding for Rides to Wellness Demonstration (R2W) and Innovative Coordinated Access and Mobility Grants on March 29. The goal of the competitive R2W Demonstration Grants is to find and test promising, replicable public transportation healthcare access solutions that support increased access to care, improved health outcomes and reduced healthcare costs. Eligible projects must have implementation-ready capital and operating projects that enhance access, such as mobility management, health and transportation provider partnerships, technology, and other actions that drive change. All applications for this program are due by May 31, 2016. For more information, please visit the Funding Opportunity Announcement via Grants.gov.

FHWA Announces Congestion Management Grant: The Federal Highway Administration (FHWA) opened applications for its Advanced Transportation and Congestion Management Technologies Deployment Initiative. Awards will be given to eligible entities that develop model deployments sites for large-scale installation and operation of advanced transportation technologies to improve safety, efficiency, system performance and infrastructure return on investment. These model deployments are expected to reduce traffic-related fatalities and injuries, reduce traffic congestion and improved travel time reliability, reduce transportation-related emissions, optimize multimodal system performance, improve access to transportation alternatives, and improve cost savings to transportation agencies, businesses and the traveling public. All applications for this program are due by June 3, 2016. For more information, please visit the Funding Opportunity Announcement via Grants.gov.

FHWA Announces Surface Transportation System Funding Alternatives Program: FHWA recently announced funding for Surface Transportation System Alternatives Program (STSFA). STSFA was established to provide grants to states to demonstrate user-based alternative revenue mechanisms that utilize a user fee structure to maintain the long-term solvency of the Federal Highway Trust Fund. All applications for this program are due by May 20, 2016. For more information, please visit the Funding Opportunity Announcement via GPO.gov.