



CWCC

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ROBERT A. BRIANT, JR.  
Chairman

## February 10, 2015

### OBAMA ADMINISTRATION RELEASES ITS PROPOSED FEDERAL FISCAL YEAR 2016 BUDGET

The Obama Administration released its federal Fiscal Year 2016 Budget request last week. The President's \$4 trillion fiscal plan is an increase of approximately 5 percent over federal Fiscal Year 2015 and plans for a budget deficit of \$474 billion, down from \$538 billion in FY 2015.

The following is an analysis by Federal Advocates regarding specific details with concern to funding national infrastructure programs that are supported by the Coalition:

### CLEAN WATER AND SAFE DRINKING WATER SRF'S

For federal FY2016, the President's Budget proposes \$2.3 billion for the Clean Water and Safe Drinking Water State Revolving Funds (SRFs), continuing the funding level provided in federal FY2015. However, while almost keeping the same overall level, the Budget REDUCES the FY2015 Clean Water SRF (\$1.448B) by \$332M to \$1.116B and INCREASES the FY2015 Safe Drinking Water SRF (\$906M) by \$280M to \$1.186B. The Budget also provides \$50M for technical assistance, training, and other efforts to enhance the capacity of communities and states to plan and finance drinking water and wastewater infrastructure improvements. In addition, it references the Water Infrastructure and Resiliency Finance Center, established last month, as a key component of this effort. The Center is intended to help communities across the country focus on financial planning for future public infrastructure investments, expanding work with states to identify financing opportunities for rural communities, and enhancing partnership and collaboration with the U.S. Department of Agriculture on training, technical assistance, and funding opportunities in rural areas. It is part of the President's Build America Investment Initiative, a government-wide effort to increase infrastructure investment and promote economic growth by creating opportunities for state and local governments and the private sector to collaborate on infrastructure development. Note the following narrative from the Budget Appendix:

*"Waters - This Agency goal is to reduce human exposure to contaminants in drinking water, fish and shellfish, and recreational waters and to protect and restore watersheds and aquatic ecosystems. Significant support is provided to help communities address their water and wastewater infrastructure needs. In 2016, EPA will invigorate its efforts to work with State and local partners to develop policies that promote the use*

- AGC of America
- AGC of Texas
- Alabama Utility Contractors Association
- Associated Pennsylvania Constructors
- Associated Utility Contractors Of Maryland \*
- Connecticut Construction Industries Association
- CIC of Westchester County & Hudson Valley \*
- Engineering Contractors Association
- General Contractors Association Of New York
- Indiana Construction Association
- Long Island Contractors Association
- Maryland Transportation Builders & Materials Association
- Michigan Infrastructure & Transportation Association
- Minnesota Utility Contractors Association\*
- National Rural Water Association
- Ohio Contractors Association
- Public Works Contractors Association of Maryland
- Southern California Contractors Association
- Tennessee Road Builders Association
- Underground Contractors Association of Illinois \*
- United Contractors \*
- UCA of Anne Arundel County
- Utility Contractors Association of New England \*
- Utility & Transportation Contractors Association of New Jersey \*
- Contractors Association Of West Virginia
- Wisconsin Underground Contractors Association

\* Steering Committee Member

*of water resources in ways that are both ecologically and economically sustainable. In support of this goal, EPA will provide \$1.186 billion for the Drinking Water State Revolving Fund (SRF) which makes low interest loans to public water systems, and grants to Tribes and U.S. Territories to upgrade drinking water infrastructure to help them provide safe drinking water. EPA will also provide \$1.116 billion for the Clean Water SRF. The Clean Water SRF makes low interest loans to communities and includes a set-aside for Tribes and U.S. Territories to construct wastewater treatment infrastructure, in addition to other projects that enhance water quality. In sum, the Federal Government has invested over \$60 billion in grants to help capitalize the SRFs. With the required State match, additional State contributions, and funds from program leveraging, funds made available for loans totals over \$130 billion since their inception. In 2016, EPA will work with communities to ensure the SRFs support cost-effective, sustainable green infrastructure, or other environmentally innovative activities that promote system and community resilience, as not less than 20 percent of the Clean Water SRF grants shall be used by the State for such activities.*

*For 2016, funds provided to States under the Drinking Water State Revolving Funds may be used for projects to address green infrastructure, and other environmentally innovative activities. Funding provided through the SRFs will be enhanced by technical assistance, training, and planning efforts funded through EPA's operating programs as part of a multifaceted approach to address water and wastewater infrastructure. EPA will work with its partners to enhance the capacity of communities, states, and private investors to plan and finance drinking water and wastewater infrastructure improvements.”*

## **U.S. ARMY CORPS OF ENGINEERS (CORPS)**

The President's budget request for the Corps' Civil Works program increased \$171M from \$4.56B to \$4.73B, with funding primarily for aquatic ecosystem and inland navigation construction programs. However, the Budget is a disappointment for navigation stakeholders. The Administration ignores the Water Resources Reform and Development Act (WRRDA) of 2014 regarding use of Harbor Maintenance Tax (HMT) revenues to maintain federal navigation channels. At \$1.95B, the Corps' navigation program funding decreases 16 percent from the FY2015 appropriation of \$2.33B. The budget request for HMT work is \$915M – unchanged from the President's request in FY2015, but \$185M less than the FY2015 appropriation. This amount is substantially below the \$1.32B target established in WRRDA for FY2016. This amount equates to 47 percent of the estimated FY2015 HMT revenue of \$1.93B.

## **DEPARTMENT OF TRANSPORTATION**

Similar to last year, the USDOT FY2016 budget request follows the program restructuring outlined in the Administration's proposed surface transportation reauthorization legislation which was released last spring, “The GROW America Act”. However, it proposes a major increase in funding to \$478B, up from \$302B, and extends the length of the proposed reauthorization from four years to six years. The increased funding is proposed to be paid for through a corporate tax provision that is unlikely to pass in a Republican-majority Congress, the imposition of a one-time mandatory 14% tax on previously untaxed foreign earnings regardless of whether the earnings are repatriated (brought back to the US) or not. If approved by Congress, this would bring in \$238B in new revenue.

Below are highlights of the DOT budget request:

### **FHWA**

- \$50B for the highway obligation limitation, up from the current \$40.25B level.

## **FTA Capital Improvement Grants**

- \$1.38B for 9 New Start projects with existing FFGAs;
- \$792M for 7 new "New Start" projects including \$100M each for the Red and Purple lines in Maryland;
- \$351M for the newly authorized Core Capacity program to be divided among the Chicago Red and Purple line modernizations, NY Canarsie Line Power Improvements, and the Dallas DART Platform Extension;
- \$353M for 9 Small Start streetcar and BRT projects.
- A new \$500M Rapid Growth Area Transit program is requested that will fund primarily discretionary BRT projects.

## **FTA Formula and Bus and Bus Facility Grants**

- \$13.9B in FY2016, up from the current \$8.6B in FY2015.

## **FRA**

- \$5B in FY16 for a newly configured rail program. This is an approximately 200% increase over current funding. The program would be divided into two components, Current Passenger Rail Service \$2.45B (the Northeast Corridor; state corridors; long distance routes; stations; and national assets, legacy debt and Amtrak PTC) and Rail Service Improvement Program \$2.32B (high-speed rail passenger corridors \$1.3B; commuter railroad PTC compliance; rail relocation and grade crossings; and planning and workforce). Both components would be funded out of the new rail account of the Transportation Trust Fund.

## **TIGER Grants**

- \$1.25B in FY2016 (\$7.5B over six years), up from the FY2015 level of \$500M.

## **TIFIA**

- \$1B in FY2016 (\$6B over six years), the same as the current level of funding.

## **Freight**

- \$1B in FY2016 (\$18B over six years) for a new multimodal freight discretionary grant program with rail, aviation, marine and other multimodal projects eligible.

## **Critical Immediate Safety Investments Program (CISIP)**

- \$7.5B in FY2016 (\$29.4B over six years) to provide targeted investments towards highways and bridges that are deficient and pose a safety risk.

A DOT priority is improving project delivery and the federal permitting and regulatory review process through continued funding of the Interagency Infrastructure Permitting Improvement Center housed at US DOT and funded at \$4M in FY2016.

An emphasis is put on "Fix it First" and a state of good repair approach to highway and transit grants. The budget also includes a new Fixing and Accelerating Surface Transportation (FAST) competitive grant program to incentivize transformative programmatic reforms that is funded at \$1B per year (\$500M in FHWA and \$500M in FTA).

As proposed in the past, the Administration would rename the Highway Trust Fund the Transportation Trust Fund. The Fund would include separate highway, transit, rail and multimodal accounts. Existing gas tax revenues would continue to flow only to the highway and transit accounts. The additional funding proposed from corporate tax reform would be used to fund the new rail and multimodal accounts. The new accounts would not be eligible to receive existing gas tax revenue.

**FAA**

- \$2.9B for the Airport Improvement Program (AIP) down from the current \$3.35B to be offset in part by eliminating guaranteed AIP funding for large hub airports. The budget recommends allowing the large airports to fund capital projects through increased Passenger Facility Charges (PFCs), but that would have to be approved by Congress as part of the reauthorization of the FAA programs. The current FAA authorization bill expires on September 30, 2015.

As Congress proceeds through the budget process, we will report to you our actions to advocate for robust funding for our infrastructure construction programs.

**FEDERAL ADVOCATES REPORT FOR FEBRUAR 2015**

Attached with this notice is Federal Advocates February 2015 report.



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# ***FEBRUARY 2015 INSIGHTS***

## **114th Congress: The Leadership**

The first organizational order of business for the new Congress was the election of its leaders, as follows. Currently, committee and subcommittee sizes, ratios, and member assignments are being finalized. Some committees are ahead of others in terms of organizing. The membership of each committee/subcommittee of interest is included after this section.

Senate:

Senate President pro tempore

Orrin Hatch (R)

President: Joe Biden (D)

President pro tempore: Orrin Hatch (R)

President pro tempore emeritus: *Patrick* Leahy (D)

Majority (Republican) leadership

Majority Leader: Mitch McConnell

Assistant Majority Leader (Majority Whip): John Cornyn

Conference Chairman: John Thune

Conference Vice Chair: Roy Blunt

Senatorial Committee Chair: Roger Wicker

Policy Committee Chairman: John Barrasso

Minority (Democratic) leadership

Minority Leader and Caucus Chair: Harry Reid

Assistant Minority Leader (Minority Whip): Dick Durbin

Caucus Vice Chair and Policy Committee Chair: Chuck Schumer

Caucus Secretary: Patty Murray

Senatorial Campaign Committee Chair: Jon Tester

Policy Committee Vice Chair: Debbie Stabenow

Policy Committee Strategic Policy Adviser: Elizabeth Warren

Policy Committee Policy Development Adviser: Mark Warner

Steering and Outreach Committee Chair: Amy Klobuchar

Steering and Outreach Committee Vice Chair: Jeanne Shaheen

Chief Deputy Whip: Barbara Boxer

## House of Representatives:

### Majority (Republican) leadership

Speaker: John Boehner

Majority Leader: Kevin McCarthy

Majority Whip: Steve Scalise

Majority Chief Deputy Whip: Patrick McHenry

Conference Chair: Cathy McMorris Rodgers

Conference Vice-Chair: Lynn Jenkins

Conference Secretary: Virginia Foxx

Campaign Committee Chairman: Greg Walden

Policy Committee Chairman: Luke Messer

Senior Deputy Whips: Kristi Noem, Dennis Ross, Aaron Schock, Steve Stivers, Ann Wagner

### Minority (Democratic) leadership

Minority Leader: Nancy Pelosi

Minority Whip: Steny Hoyer

Assistant Democratic Leader: Jim Clyburn

Caucus Chairman: Xavier Becerra

Caucus Vice-Chairman: Joe Crowley

Campaign Committee Chairman: Ben Ray Luján

Steering and Policy Committee Co-Chairs: Rosa DeLauro (Steering) and Donna Edwards (Policy)

Organization, Study, and Review Chairman: Karen Bass

Policy and Communications Chairman: Steve Israel

Senior Chief Deputy Minority Whip: John Lewis

Chief Deputy Minority Whips: G. K. Butterfield, Diana DeGette, Keith Ellison, Jan

Schakowsky, Kyrsten Sinema, Debbie Wasserman Schultz, Peter Welch

## **Key House Committees of Jurisdiction**

In the House of Representative, the key committees of interest to the Coalition are the Committee on Transportation and Infrastructure with jurisdiction over the Clean Water SRF and MAP-21 reauthorization; the Committee on Energy and Commerce with jurisdiction over the Safe Drinking Water SRF and the Committee on Appropriations with jurisdiction over the funding of these and related programs. Within these committees, the focus is on the relevant subcommittee(s) of jurisdiction. The membership of those for the new Congress follows. Note: other House committees are also important but play a secondary role regarding the Coalition's priority issues. An example is the Committee on Ways and Means with jurisdiction over tax issues (private activity bonds, etc.) in general.

### (1) Transportation and Infrastructure Committee

#### (a) Subcommittee on Highways and Transit: MAP-21 reauthorization

##### Republicans:

Sam Graves, Missouri, Chairman

Eleanor Holmes Norton, District of Columbia, Ranking Member

Republicans:

Don Young, Alaska  
John J. Duncan, Jr., Tennessee  
John L. Mica, Florida  
Frank A. LoBiondo, New Jersey  
Duncan Hunter, California  
Eric A. "Rick" Crawford, Arkansas  
Lou Barletta, Pennsylvania  
Blake Farenthold, Texas  
Bob Gibbs, Ohio  
Richard L. Hanna, New York  
Daniel Webster, Florida  
Jeff Denham, California  
Reid J. Ribble, Wisconsin  
Thomas Massie, Kentucky  
Tom Rice, South Carolina  
Mark Meadows, North Carolina  
Scott Perry, Pennsylvania  
Rodney Davis, Illinois  
Rob Woodall, Georgia  
John Katko, New York  
Brian Babin, Texas  
Crescent Hardy, Nevada  
Ryan A. Costello, Pennsylvania  
Garret Graves, Louisiana  
Mimi Walters, California  
Barbara Comstock, Virginia  
Bill Shuster, Pennsylvania (Ex Officio)

Democrats:

Jerrold Nadler, New York  
Eddie Bernice Johnson, Texas  
Steve Cohen, Tennessee  
Albio Sires, New Jersey  
Donna F. Edwards, Maryland  
Janice Hahn, California  
Richard M. Nolan, Minnesota  
Ann Kirkpatrick, Arizona  
Dina Titus, Nevada  
Sean Patrick Maloney, New York  
Elizabeth H. Esty, Connecticut  
Lois Frankel, Florida  
Cheri Bustos, Illinois  
Jared Huffman, California  
Julia Brownley, California  
Michael E. Capuano, Massachusetts  
Grace F. Napolitano, California  
Corrine Brown, Florida  
Daniel Lipinski, Illinois  
Peter A. DeFazio, Oregon (Ex Officio)

(b) Subcommittee on Water Resources and Environment: EPA, Clean Water SRF/Act and WIFIA

Bob Gibbs, Ohio, Chairman  
Grace F. Napolitano, Ranking Member

Republicans:

Candice S. Miller, Michigan  
Duncan Hunter, California  
Eric A. "Rick" Crawford, Arkansas  
Daniel Webster, Florida  
Jeff Denham, California  
Reid J. Ribble, Wisconsin  
Thomas Massie, Kentucky  
Tom Rice, South Carolina  
Rodney Davis, Illinois  
Mark Sanford, South Carolina  
Todd Rokita, Indiana  
John Katko, New York  
Brian Babin, Texas  
Crescent Hardy, Nevada  
Garret Graves, Louisiana  
David Rouzer, North Carolina  
Bill Shuster, Pennsylvania (Ex Officio)

Democrats:

Donna F. Edwards, Maryland  
John Garamendi, California  
Lois Frankel, Florida  
Jared Huffman, California  
Eddie Bernice Johnson, Texas  
Ann Kirkpatrick, Arizona  
Dina Titus, Nevada  
Sean Patrick Maloney, New York  
Elizabeth H. Esty, Connecticut  
Eleanor Holmes Norton, District of Columbia  
Richard M. Nolan, Minnesota  
Peter A. DeFazio, Oregon (Ex Officio)

(2) Energy and Commerce Committee

Subcommittee on Health: Safe Drinking Water SRF/Act

Republicans:

Joe Pitts (PA), Chairman  
Brett Guthrie (KY), Vice Chairman  
Ed Whitfield (KY)  
John Shimkus (IL)  
Tim Murphy (PA)  
Michael C. Burgess, M.D. (TX)  
Marsha Blackburn (TN)



Cathy McMorris Rodgers (WA)  
Leonard Lance (NJ)  
Morgan Griffith (VA)  
Gus Bilirakis (FL)  
Billy Long (MO)  
Renee Ellmers (NC)  
Larry Bucshon (IN)  
Susan Brooks (IN)  
Chris Collins (NY)  
Joe Barton (TX)  
Fred Upton (MI) (Ex Officio)

Democrats:

Gene Green (TX), Ranking Member  
Eliot L. Engel (NY)  
Lois Capps (CA)  
Jan Schakowsky (IL)  
G. K. Butterfield (NC)  
Kathy Castor (FL)  
John Sarbanes (MD)  
Doris O. Matsui (CA)  
Ben Ray Lujan (NM)  
Kurt Schrader (OR)  
Joseph P. Kennedy, III (MA)  
Tony Cardenas (CA)  
Frank Pallone, Jr. (NJ) (Ex Officio)

(3) Appropriations Committee

(a) Subcommittee on Energy and Water Development and Related Agencies: Corps of Engineers

Republicans:

Chairman Mike Simpson (R-ID)  
Rodney Frelinghuysen (R-NJ)  
Alan Nunnelee (R-MS)  
Ken Calvert (R-CA)  
Chuck Fleischmann (R-TN)  
Jeff Fortenberry (R-NE)  
Jaime Herrera Beutler (R-WA)  
David Valadao (R-CA)

Democrats:

*Marcy Kaptur (D-OH), Ranking Member*  
Peter J. Visclosky (D-IN)  
Mike Honda (D-CA)  
Lucille Roybal-Allard (D-CA)

(b) Subcommittee on Interior, Environment, and Related Agencies: Clean Water and Safe Drinking Water SRF's

Republicans:

Chairman Ken Calvert (R-CA)

Mike Simpson (R-ID)

Tom Cole (R-OK)

David Joyce (R-OH)

Chris Stewart (R-UT)

Mark Amodei (R-NV)

Evan Jenkins (R-WV)

Democrats:

*Betty McCollum (D-MN), Ranking Member*

Chellie Pingree (D-ME)

Derek Kilmer (D-WA)

Steve Israel (D-NY)

(c) Subcommittee on Transportation, Housing and Urban Development: Highways and Mass Transit

Republicans:

Chairman Mario Diaz-Balart (R-FL)

Kay Granger (R-TX)

David Joyce (R-OH)

John Culberson (R-TX)

Kevin Yoder (R-KS)

David Valadao (R-CA)

David Jolly (R-FL)

Democrats:

*David Price (D-NC), Ranking Member*

Mike Quigley (D-IL)

Tim Ryan (D-OH)

Henry Cuellar (D-TX)

### **Key Senate Committees of Jurisdiction**

In the Senate, the key committees of interest to the Coalition are the Committee on Environment and Public Works with jurisdiction over the Clean Water and Safe Drinking Water SRF's and MAP-21 reauthorization and the Committee on Appropriations with jurisdiction over the funding of these and related programs. Within these committees, the focus is on the relevant subcommittee of jurisdiction. The membership of those for the new Congress follows. Note: other Senate committees are also important but play a secondary role regarding the Coalition's priority issues. An example is the Committee on Finance with jurisdiction over tax issues.

(1) Environment and Public Works Committee

(a) Subcommittee on Transportation and Infrastructure: MAP-21 reauthorization

David Vitter (LA), Chair

No other assignments as yet

(b) Subcommittee on Fisheries, Water, and Wildlife: Clean Water and Safe Drinking SRF's and WIFIA

Dan Sullivan (AK), Chair

No other assignments as yet

(2) Appropriations Committee

(a) Subcommittee on Energy and Water Development: Corps of Engineers

Republicans:

Lamar Alexander (R-Tenn.), *chairman*

Thad Cochran (R-Miss.)

Mitch McConnell (R-Ky.)

Richard Shelby (R-Ala.)

Susan Collins (R-Maine)

Lisa Murkowski (R-Alaska)

Lindsey Graham (R-S.C.)

John Hoeven (R-N.D.)

James Lankford (R-Okla.)

Democrats:

Dianne Feinstein (D-Calif.), *ranking member*

Patty Murray (D-Wash.)

Jon Tester (D-Mont.)

Richard Durbin (D-Ill.)

Tom Udall (D-N.M.)

Jeanne Shaheen (D-N.H.)

Jeff Merkley (D-Ore.)

Chris Coons (D-De

(b) Subcommittee on Interior, Environment, and Related: Clean Water and Safe Drinking Water SRF's

Republicans:

Lisa Murkowski (R-Alaska), *chairman*

Lamar Alexander (R-Tenn.)

Thad Cochran (R-Miss.)

Roy Blunt (R-Mo.)

John Hoeven (R-N.D.)

Mitch McConnell (R-Ky.)

Steve Daines (R-Mont.)

Bill Cassidy (R-La.)

Democrats:

Tom Udall (D-N.M.), *ranking member*

Dianne Feinstein (D-Calif.)

Patrick Leahy (D-Vt.)

Jack Reed (D-R.I.)

Jon Tester (D-Mont.)

Jeff Merkley (D-Ore.)

(c) Subcommittee on Transportation, HUD and Related Agencies: Highways and Mass Transit

Republicans:

Susan Collins (R-Maine), *chairman*

Richard Shelby (R-Ala.)  
Lamar Alexander (R-Tenn.)  
Mark Kirk (R-Ill.)  
Roy Blunt (R-Mo.)  
John Boozman (R-Ark.)  
Shelley Moore Capito (R-W.Va.)  
Bill Cassidy (R-La.)  
Steve Daines (R-Mont.)

Democrats:

Jack Reed (D-R.I.), *ranking member*  
Barbara Mikulski (D-Md.)  
Patty Murray (D-Wash.)  
Richard Durbin (D-Ill.)  
Dianne Feinstein (D-Calif.)  
Chris Coons (D-Del.)  
Brian Schatz (D-Hawaii)  
Chris Murphy (D-Conn.)

Appropriations Committee Chairman Cochran and Vice Chairwoman Mikulski are also ex-officio members of each subcommittee of which they are not regular members.

### **FY15 Omnibus Appropriations**

To review, on December 16 the President signed into law the FY15 Omnibus Appropriations bill (PL 113-235), to provide funding for 11 of the 12 annual Appropriations bills through the end of the fiscal year, September 30, 2015. The 12th bill, which funds the Department of Homeland Security, is also included but is funded under a temporary “Continuing Resolution” mechanism that expires on February 27, 2015.

### ***Corps of Engineers:***

(1) Construction: The bill provides \$1.640 billion for water resources projects that provide for improvements to navigation, flood risk management and for ecosystem restoration. This amount is \$16 million less than the fiscal year 2014 enacted amount and \$515 million more than the request. The bill allows four new construction starts.

(2) Mississippi River and Tributaries: The bill provides \$302 million for the construction, operation and maintenance of navigation, flood control and ecosystem restoration projects along the Mississippi River. This is \$5 million less than the fiscal year 2014 enacted amount and \$57 million more than the fiscal year 2015 budget request.

(3) Water Resources Operation and Maintenance: The bill provides \$2.9 billion for operation and maintenance of water resources projects. That is \$48 million more than the fiscal year 2014 enacted amount and \$309 million more than the fiscal year 2015 request. The bill provides \$1.1 billion for eligible activities that are reimbursed by the Harbor Maintenance Trust Fund.

### ***Department of the Interior:***

The bill provides \$1.14 billion for the Department of Interior, which is \$27 million more than the fiscal year 2014 enacted amount and \$97 million more than the budget request. The Clean Water State Revolving Fund receives \$1.45 billion in funding, equal to the fiscal year 2014 enacted level and \$431 million more than the President’s request. The agreement also provides the Safe

Drinking Water State Revolving Fund with \$906.8 million, equal to the fiscal year 2014 enacted level and \$150 million more than the request.

***Transportation:***

(1) Transportation Investment Generating Economic Recovery (TIGER) Grants: \$500 million for grants to state and local governments to support a wide variety of transportation options, including roads and bridges, railroads, transit systems and port infrastructure. The funding level is \$100 million below the fiscal year 2014 enacted level. The President's budget request had included \$1.25 billion for this program, but it also assumed that the funding would be provided through new legislation authorizing surface transportation programs instead of the appropriations process.

(2) Federal-aid Highways Program: \$40.3 billion for the Federal-aid Highways program, which is equal to the level enacted for fiscal year 2014. This program provides grants to every state in the country to build and maintain roads and bridges. Funding is consistent with the Moving Ahead for Progress in the 21st Century Act (MAP-21), the most recent authorization law for federal surface transportation programs, and assumes that MAP-21 will be funded through fiscal year 2015. The President's budget request had included \$47.3 billion for the highway program, but it also assumed that the mandatory funding would be provided through new legislation authorizing surface transportation programs instead of the appropriations process.

(3) Rail Investments: \$1.39 billion for Amtrak, which is consistent with the level of funding provided in fiscal year 2014. This funding will allow Amtrak to continue providing passenger rail service in 46 states. Amtrak's ridership hit an all-time high of 31.6 million people last fiscal year, and Amtrak has reached record ridership levels for 10 of the last 11 years. This level of funding will allow Amtrak to make investments in the state-of-good repair infrastructure projects and to operate a safe and reliable passenger rail network for the nation. The agreement provides \$1 billion less than the budget request, which assumed the mandatory funding would be provided through new legislation authorizing surface transportation programs instead of the appropriations process.

(4) Transit Investments: \$10.9 billion for transit programs, \$141 million more than the fiscal year 2014 enacted level and \$6.7 billion less than the request. These resources will be used to improve subway, light rail and bus rapid transit services in 15 states. The President's budget assumed passage of a surface transportation bill that would fund most transit programs rather than the appropriations process. The bill includes \$8.6 billion for formula grants, \$37.5 million for research and technical assistance and \$150 million to continue modernizing the Washington Metropolitan Area Transit Authority. In addition, it provides \$2.12 billion for the transit capital investment grants, an increase of \$177 million to help communities build new rail and bus rapid transit capacity in California, Maryland, North Carolina, Colorado, Florida, Texas and other states.

(5) Air Transportation: \$15.7 billion for the Federal Aviation Administration (FAA), which is \$83 million more than the fiscal year 2014 enacted level and \$437 million more than the President's budget request. This funding makes it possible for the FAA to supply air traffic control services 24 hours a day, seven days a week. The agreement includes \$144 million to fully fund the FAA's contract towers in fiscal year 2015 and \$3.5 billion for airport grants. The agreement also provides \$856 million for NextGen, the FAA's effort to modernize the country's air traffic control system.

(6) Automobile Safety: \$830 million for the National Highway Traffic Safety Administration (NHTSA), which is \$11 million more than the fiscal year 2014 level and \$13 million less than the budget request. The increase in funding will allow NHTSA to make important investments in its safety defects analysis and investigation programs and improve the agency's ability to aggressively screen defect trends. This will help the agency identify safety defects earlier and recall vehicles and vehicle equipment that pose an unreasonable safety risk.

### **MAP-21 Reauthorization**

Congress is gearing up for reauthorization. MAP-21 expires May 31. While the FY15 Omnibus Appropriations Act funded the program until September 30, 2015, the program structure needs to be addressed in some way by the end of May. While the organizational requirements of the new Congress, the change in majority in the Senate, and committee and subcommittee leadership changes in both Houses have slowed the process a bit, the House Transportation and Infrastructure Committee staffs have been meeting to review current law and address changes that Members want and that the current program might dictate. In the Senate, the Democrats are advocating for many of the issues/approaches included in former Chairman Boxer's bill of last Congress. The Republican staff has been quietly canvassing their Members for issues.

On January 14, Senator Boxer released the statement below urging Republican leadership to immediately turn to a long-term surface transportation bill that will support millions of jobs instead of the Keystone tar sands pipeline bill.

Senator Boxer said: "There is a growing chorus from states in recent months that the Highway Trust Fund is in serious trouble and much-needed transportation projects are in peril. Arkansas and Tennessee have already delayed or canceled construction projects due to the uncertainty in federal transportation funding, and other states are considering similar action as the construction season fast approaches. I again call on Republican leadership to immediately drop the Keystone tar sands pipeline bill, which would create only 35 permanent jobs, and instead turn to a long-term transportation bill that will support millions of jobs and restore certainty for state and local governments and the construction industry."

The Senate Committee on Environment and Public Works held a hearing on January 28 to examine the need for Federal transportation infrastructure investments and the importance of passing a long-term MAP-21 reauthorization to support the Nation's global economic competitiveness. The hearing also addressed the threat that businesses, states, and workers face due to the impending insolvency of the Highway Trust Fund. Witnesses were Anthony Foxx, Secretary, United States Department of Transportation; Robert Bentley, Governor, State of Alabama; Daniel Malloy, Governor, State of Connecticut; Peter Shumlin, Governor, State of Vermont; and, Dennis Daugaard, Governor, State of South Dakota.

The Senate Committee on Commerce, Science, and Transportation held a hearing, "Freight Rail Transportation: Enhancing Safety, Efficiency, and Commerce," on January 28. The hearing focused on challenges facing our nation's freight rail network created by higher demand, rules and regulations, and infrastructure needs. The Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security of the Senate Commerce Committee held a hearing on January 29, entitled, "Improving the Performance of our Transportation Networks: Stakeholder Perspectives." The hearing focused on the importance of a reliable and efficient surface transportation network; challenges relating to efficiency, safety, and overall performance; and the role of federal agencies. Witnesses were Jim Mullen, Executive Vice President and General Counsel, Werner Enterprises; Lance Fritz, President and Chief Operating Officer, Union Pacific Railroad; Douglas Means, Executive Vice President and Chief Supply Chain Officer, Cabela's; and, Ed Rendell, Co-Chair, Building America's Future.

## **National Freight Network**

The new Congress: This bill has not been introduced to date.

The Last Congress: On July 14, Congresswoman Janice Hahn (D-CA), Co-Chair of the Congressional Ports Caucus, introduced H.R. 5101, the “National Freight Network Trust Fund Act of 2014”. The legislation (with 39 cosponsors) calls for transferring five percent of all import duties collected by U.S. Customs and Border Protection (calculated to be about \$1.9B annually) into a new freight trust fund. Her goal is to use this bill to continue the freight funding discussion as the House Transportation and Infrastructure Committee starts to draft its MAP-21 reauthorization bill. Hahn's bill: operates as a competitive grant program in which the U.S. Secretary of Transportation makes the selections; requires a federal project cost share of 90 percent; names ports, states, and local and regional transportation bodies as eligible entities; names state freight plan projects and state transportation plan projects as eligible; specifies that funds can be used for connectors, regional freight projects, cross-border projects, on dock rail, and intermodal freight facility projects; and, requires state freight plans be updated every five years.

## **Private Entities Eligible for Clean Water SRF Loans**

During the WRDA/WRRDA legislative process last year, the Coalition advocated that private entities should be eligible for CWSRF funds. As previously reported, this month Coalition representatives met with the House Water Resources and Environment Subcommittee which confirmed our interpretation that, with respect to certain project types, private companies are now eligible for CWSRF funding. Pursuant to WRDA/WRRDA, there are now 11 eligible independent project types.

Some project categories are eligible only for public entities such as construction of publicly owned treatment works; development and implementation of certain conservation and management plans; water conservation, efficiency or reuse projects to reduce the demand for publicly owned treatment works capacity; and, energy consumption reduction projects for publicly owned treatment works. Other categories apply to both public and private entities such as construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage; measures to manage, reduce, treat, or recapture storm water or subsurface drainage water; development and implementation of watershed projects; reuse or recycling projects; projects to increase the security of publicly owned treatment works; and, for qualified nonprofit entities to provide assistance to owners and operators of small and medium publicly owned treatment works.

## **Other Legislation of Interest**

The following are bills that have been introduced to date in the new Congress and which MAY be of interest. We say “MAY” because to date not much is known about the subject content of most of the bills given that the information base has not “caught up” with the sheer number of bills introduced. That will happen soon and more analysis will follow.

### **H.R.198, the “MOVE Freight Act of 2015”**

Introduced on January 7 by Congressman Albio Sires (D-NJ-8) with no cosponsors. The bill was referred to the House Committee on Transportation and Infrastructure. The Multimodal Opportunities Via Enhanced Freight Act of 2015 or “MOVE Freight Act of 2015” defines the

"national freight network" as a network composed of highways, railways, navigable waterways, seaports, airports, freight intermodal connectors, and aerotropolis transportation systems most critical to the multimodal movement of freight; revises requirements for establishment and designation of a national freight network; directs the Secretary of Transportation (DOT) to establish a national freight network for efficient movement of freight on highways (as currently), railways, and navigable waterways, as well as into and out of inland ports, seaports, and airports; recharacterizes the primary freight network as multimodal, including critical rail corridors, critical intermodal connections, and critical inland port, seaport, and airport infrastructure; directs the Secretary to require (currently, encourage) states to develop state freight plans for immediate and long-range planning activities and investments with respect to freight. Requires states to coordinate with neighboring states to ensure multistate network continuity and connectivity; directs the Secretary to establish a competitive grant program for capital investment projects that improve the efficiency of the national transportation system to move freight; limits the federal share of project net capital costs to 80%; and, requires a grant recipient to submit to the Secretary: (1) a project management plan and an annual financial plan for a project with a total cost of \$500 million or more, or (2) an annual financial plan for a project with a total cost of \$100 million or more.

### **H.R.70, Deficit Reduction, Job Creation, and Energy Security Act**

Sponsor: Rep Jackson Lee, Sheila [TX-18] (introduced 1/6/2015) Cosponsors (None)  
Latest Major Action: 1/7/2015 Referred to the Subcommittee on Water Resources and Environment.

### **H.R.211, REBUILD Act**

Sponsor: Rep Calvert, Ken [CA-42] (introduced 1/8/2015) Cosponsors (None)  
Latest Major Action: 1/8/2015 Referred to the House Committee on Natural Resources.

### **H.R.278, TIGER CUBS Act**

Sponsor: Rep Larsen, Rick [WA-2] (introduced 1/12/2015) Cosponsors (1)  
Latest Major Action: 1/12/2015 Status: Referred to the Committee on Appropriations, and in addition to the Committee on the Budget.

### **S.206, A bill to amend title 23, United States Code, to reauthorize the State infrastructure bank program**

Sponsor: Sen Ayotte, Kelly [NH] (introduced 1/21/2015) Cosponsors (None) Latest Major Action: 1/21/2015 Referred to the Committee on Commerce, Science, and Transportation.

### **H.R.291, W21**

Sponsor: Rep Napolitano, Grace F. [CA-32] (introduced 1/13/2015) Cosponsors (28) Latest Major Action: 1/14/2015 Status: Referred to the Subcommittee on Water Resources and Environment.

### **S.176, A bill to advance integrated water management and development through innovation, resiliency, conservation, and efficiency in the 21st century, and for other purposes**

Sponsor: Sen Boxer, Barbara [CA] (introduced 1/13/2015) Cosponsors (1) Latest Major Action: 1/13/2015 Referred to the Committee on Environment and Public Works.

Senator Barbara Boxer (D-CA) reintroduced legislation that would fund a new water infrastructure program to address the Country's growing water resources needs. The bill "Water in the 21st Century Act" or "W21" and will provide grants and loans for projects and programs



for water conservation, water storage, increased water efficiency or reuse, water quality improvement and research and development in these related areas.

The legislation will promote and fund residential water conservation projects as well as larger public works water systems. As we reported to you last Fall, the Coalition was successful in obtaining numerous specific changes to the measure. As a reminder, below are the specific changes:

- (1) We requested in the “WIFIA-like” loan and loan guarantee title language making eligible “any water infrastructure project not specifically authorized by law” (thereby allowing for more projects to receive funding) - the bill includes this language;*
- (2) We requested that the \$20M de minimus level regarding eligible project costs either be deleted or that language be included to allow for “bundling” of projects to meet the de minimus requirement - the bill allows for bundling and reduces the de minimus level from \$20M to \$10M;*
- (3) We requested 100% percent project financing compared to 90% in the earlier draft - the bill allows for 100% project financing;*
- (4) We requested flexibility in interest rates to allow for an interest rate “not more than” the Treasury rates which means it could be less – the bill allows for subsidized negative interest rates;*
- (5) We requested in the Water Storage Projects grant title that the word “wastewater” be added as another source of eligible projects - the bill includes this language;*
- (6) We requested that projects not be required to have been previously authorized - the bill includes the phrase “eligible for assistance under this title” which avoids the need for prior authorization by the Congress.*

The Coalition will continue to advocate for passage of this legislation.