



CWCC

Clean Water Construction Coalition  
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ROBERT A. BRIANT, JR.  
Chairman

## March 3, 2015

As we discussed during our December conference call the Coalition will be holding a membership meeting on April 14, 2015 at 9:00am in Washington, DC during the ARTBA conference. Topics will include an update on legislative activities and discussion of priorities. Please send me any items you would like discussed at the meeting and also please let me know if you are attending. On April 15th Coalition members will be making visits to their Congressional representatives to discuss infrastructure issues. At 12:00 noon the Coalition will be holding a lunch reception featuring:

### Rita Culp

Democratic Professional Staff Member  
Subcommittee on Interior, Environment, and Related Agencies  
House Committee on Appropriations

The details of the meeting arrangements are as follows:

Hotel and Conference Information:  
Hyatt Regency Washington Hotel  
400 New Jersey Avenue, NW  
Washington, D.C. 20001  
202-737-1234

**April 14, 2015 Coalition Meeting will be at 9:00am** at the Hotel in Meeting Room Congressional B just off of the lobby area. Breakfast will be provided.

**April 15, 2015 Clean Water Construction Coalition Lunch Reception will be held at 12:00 noon** in Rayburn House office Building room 2253.

Please respond to Dennis Hart at [dennis@utcanj.org](mailto:dennis@utcanj.org) as to whether or not you will be attending our Coalition Meeting.

### Federal Advocates March Report

Also attached to this Report is Sante Esposito's March 2015 Insights.

- 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



## Federal Advocates Inc.

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### *March 2015 Insights*

#### **Key House Committees of Jurisdiction**

To repeat because of its importance, 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

Subcommittee on Transportation and Infrastructure: MAP-21 reauthorization

Republicans:

Sen. David Vitter (R-La.), Chair  
Sen. John Barrasso (R-Wy.)  
Sen. Shelly Moore Capito (R-W.V.)  
Sen. Mike Crapo (R-Idaho)  
Sen. John Boozman (R-Ark.)  
Sen. Jeff Sessions (R-Ala.)  
Sen. Roger Wicker (R-Miss.)  
Sen. Deb Fischer (R-Neb.)

Democrats:

No assignments yet

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

Republicans:

Sen. Dan Sullivan (R-Alaska), Chair  
Sen. John Barrasso (R-Wy.)  
Sen. Shelly Moore Capito (R-W.V.)  
Sen. John Boozman (R-Ark.)  
Sen. Jeff Sessions (R-Ala.)  
Sen. Roger Wicker (R-Miss.)  
Sen. Deb Fischer (R-Neb.)  
Sen. Mike Rounds (R-S.D.)

Democrats:  
No assignments yet

(2) Appropriations Committee

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

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.

### **President's FY16 Budget**

On February 2, the Obama Administration released its FY16 Budget.

Clean Water and Safe Drinking Water SRF's:

For FY16, 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 FY15. However, while keeping the same overall level, the Budget REDUCES the FY15 Clean Water SRF (\$1.448B) by \$332M to \$1.116B and INCREASES the FY15 Safe Drinking Water SRF (\$906M) by \$280M to \$1.186B. The Budget specifies that protecting America's water resources is critical to EPA's mission and builds upon decades of efforts to ensure that waterways are clean and drinking water is safe because there are far reaching effects when rivers, lakes, and oceans become polluted. Accordingly, 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 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 \$4.56 to \$4.73B, with funding primarily for aquatic ecosystem and inland navigation construction programs. However, 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 FY15 appropriation of \$2.33B. The budget request for HMT work is \$915M – unchanged from the President's request in FY15, but \$185M less than the FY15 appropriation. This amount is substantially below the \$1.32B target established in WRRDA for FY16. This amount equates to 47 percent of the estimated 2015 HMT revenue of \$1.93B.

Department of Transportation:

Similar to last year, the US DOT FY16 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 - \$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.

In addition, 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 FY16, up from the current \$8.6B in FY15.

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 FY16 (\$7.5B over six years), up from the FY'15 level of \$500M.

TIFIA - \$1B in FY16 (\$6B over six years), the same as the current level of funding.

Freight - \$1B in FY16 (\$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 FY16 (\$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 FY16.

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.

### **MAP-21 Reauthorization**

The current short-term extension of MAP-21 expires at the end of May. While House and Senate authorizers are drafting policy provisions for a potential long-term reauthorization bill, their hands are tied until Congress determines how to fund the growing gap in the Highway Trust Fund (HTF) revenues. Congress will either have to once again transfer billions in General Fund revenues (even just to maintain the current flat funding levels) or find others source of revenue.

While industry continues to advocate strongly for a gas tax increase and the number of Members of Congress who publically support an increase grows day by day, strong opposition by key players such as Speaker John Boehner and House Ways & Means Chair Paul Ryan make it unclear if an increase is politically possible. Another option that is gaining considerable interest is funding the Trust Fund with new tax revenue from various forms of corporate tax reform. The Administration has proposed a plan as part of its FY'16 budget request. Recently Senators Rand Paul (R-KY) and Barbara Boxer (D-CA) unveiled a proposal to permit US firms to repatriate overseas earning at a much lower tax rate with the resulting new tax revenue going to the HTF.

Compared to the Administration's plan, the Paul-Boxer plan uses a lower tax rate, is a standalone proposal that doesn't involve a total corporate tax rewrite, and allows companies to choose whether to bring overseas earnings back to the U.S., unlike the mandatory tax in the President's plan. Rep. John Delaney (D-MD) has reintroduced his bi-partisan bill to use repatriation to fund the HTF as well as to fund an infrastructure investment bank. A bi-partisan group led by Senators Roy Blunt (R-MO) and Michael Bennet (D-CO) is pursuing the same concept in the Senate. However, while some form of corporate tax reform might result in billions for the HTF and other infrastructure programs, it would be a one-time fix, not a long-term, sustainable source of revenue. It could also result in Congress feeling they have "fixed" the revenue problem and not be interested in revisiting the issue when the new money runs out. The biggest issue regarding a tax reform fix for the HTF is whether it could pass as a stand-alone bill, which could potentially occur this spring or summer in time to fund a MAP-21 reauthorization bill, or whether it could only pass as part of a comprehensive corporate tax reform bill. Leaders of the tax writing committees are adamant about wanting to use any new revenue generated by tax reform to offset tax cuts as part of a larger tax package. A larger bill could also possibly be a vehicle for a gas tax increase, however, it often takes years to negotiate major tax overhauls and with the 2016 presidential election looming, it may not be something Congress can realistically accomplish in the near term. Of note, the US Chamber of Commerce and the American Trucking Association support a federal gas tax increase. These groups had been opposed to such an increase in the past. Americans for Tax Reform strongly oppose a gas tax increase

On February 11, the House Committee on Transportation and Infrastructure held its first of two hearings on "Surface Transportation Reauthorization Bill: Laying the Foundation for U.S. Economic Growth and Job Creation Part I". The purpose of the hearing was to receive testimony related to reauthorization of the federal surface transportation programs. The witness was Anthony Foxx, Secretary, U. S. Department of Transportation. Part 2 of the hearing, originally scheduled for February 26, was postponed.

On February 12, the Committee marked up and ordered reported H.R.749, the "Passenger Rail Reform and Investment Act of 2015." The original PRIIA authorization expired on September

30, 2013. The fact that committee Democrats signed onto the bill was a surprise to many observers, but many Democrats feel this bill is the best they can expect to achieve in a Republican controlled Congress. It was originally predicted that the Republican-drafted bill would slash funding for Amtrak, possibly even eliminating all federal funding for long distance routes. However, the bill authorizes approximately the same level of funding as the current FY'15 appropriated level, although less than what was authorized (but never funded) in the original 2008 PRIIA bill and much less than Amtrak has requested. The bill proposes to keep Northeast Corridor operating profits on the Corridor, streamline environmental reviews, accelerate project delivery, encourage private sector involvement, put more responsibility on states to fund local routes, expedite RRIF loans, and accelerate private development around stations. The bill does not authorize any funding for non-Northeast Corridor high-speed rail projects. It is not clear at this time as to whether the bill will move on its own or become part of MAP-21 reauthorization. Indications are that the House may consider the bill on its own but that the Senate may defer until MAP- 21. In the Senate, The Commerce Committee has jurisdiction over trucks and motor carriers per MAP-21 and thus may use that as a means to address Amtrak legislation as well.

On February 10, the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security of the Senate Commerce, Science, and Transportation Committee held a hearing entitled, "Keeping Goods Moving." The hearing focused on the U.S. supply chain, particularly the importance of efficiently functioning U.S. ports. Testimony was given on what it takes to maintain an efficient and reliable U.S. port, as well as the economic and logistical impact of port delays, congestion, and inadequate or outdated infrastructure on our nation's intermodal transportation network. Capacity challenges, and the changing dynamics of international shipping highlight the importance of functioning port infrastructure. Delays underscore how port disruptions can cause manufacturers across the country to cancel orders and lose business, ultimately impacting consumers and the broader economy. Equipment shortages, labor strife, worldwide moves toward larger vessels, and security challenges all have potential to create new shipping disruptions if not properly addressed. Witnesses were Norman Bessac Vice-President, International Sales, Cargill; Katie Farmer, Vice President, Consumer Products, BNSF; Walter Kemmsies, Chief Economist, Moffatt & Nichol; and, John E. Greuling, Board Member, Coalition for America's Gateways and Trade Corridors.

### **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.

## \ **Bill Tracking**

Note: some of the following bills lack a subject summary. That is because the internal Hill bill information system has still not "caught up" with the number of bills introduced. It will. Also, some of the following bills may drop off the tracking list depending upon what is learned about their subject matter.

### **H.R.935, To establish a National Freight Network Trust Fund to improve the performance of the national freight network, and for other purposes.**

Introduced on Feb. 12 by Congresswoman Janice Hahn (D-CA-44) with 11 cosponsors. The bill was referred to the Committees on Transportation and Infrastructure and Ways and Means. 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.

### **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.

### **S.206, Local Transportation Infrastructure Act**

Introduced on January 21 by Senator Kelly Ayotte (D-NH) with no cosponsors. The bill was referred to the Committee on Commerce, Science and Transportation. The bill revises and reauthorizes the state infrastructure bank program for FY2015 and FY2016.

### **H.R.652, State Transportation and Infrastructure Financing Innovation Act (STIFIA)**

Introduced on February 3 by Congressman Richard Hanna (R-NY-22) with 3 cosponsors. The bill was referred to the Subcommittee on Highways and Transit of the Transportation and Infrastructure Committee. The bill revises and reauthorizes the state infrastructure bank program for FY2016-FY2020.

### **H.R.413, Partnership to Build America Act of 2015**

Introduced on January 21 by Congressman John Delaney (D-MD-6) with 34 cosponsors. The bill was referred to the Subcommittee on Railroads, Pipelines, and Hazardous Materials of the Transportation and Infrastructure Committee. The bill establishes the American Infrastructure Fund (AIF) as a wholly-owned government corporation to provide bond guarantees and make loans to state and local governments, non-profit infrastructure providers, private parties, and public-private partnerships for state or local government sponsored transportation, energy, water, communications, or educational facility infrastructure projects (Qualified Infrastructure Projects [QIPs]). Authorizes AIF also to make equity investments in QIPs. Directs the Secretary of the Treasury, acting through the AIF, to issue American Infrastructure Bonds with an aggregate face value of \$50 billion. Requires proceeds from the sale of the bonds to be deposited into the AIF. Amends the Internal Revenue Code to allow U.S. corporations to exclude from gross income qualified cash dividend amounts received during a taxable year from a foreign-controlled corporation equal to the face value of qualified infrastructure bonds the corporation has purchased. Prohibits allowance of a foreign tax credit to the excluded portion of any dividend received by a U.S. corporation. Prohibits also the allowance of a deduction for expenses related to that excludable portion.

### **H.R.625, Infrastructure 2.0 Act**

Introduced on January 30 by Congressman John Delaney (D-MD-6) with 4 cosponsors. The bill was referred to the Committees on Ways and Means and Transportation and Infrastructure.

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

Introduced on January 7 by Congresswoman Sheila Jackson Lee (D-TX-18) with no cosponsors. The bill was referred to the Subcommittee on Water Resources and Environment of the

Transportation and Infrastructure Committee.

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

Introduced on January 8 by Congressman Ken Calvert (R-CA-42) with no cosponsors. The bill was referred to the House Committee on Natural Resources.

### **S.268, Rebuild America Act of 2015**

Introduced on January 27 by Senator Bernard Sanders (I-VT) with one cosponsor. The bill was referred to the Committee on Banking, Housing, and Urban Affairs.

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

Introduced on January 12 by Congressman Rick Larsen (D-WA-2) with one cosponsor. The bill was referred to the Committees on Appropriations and Budget.

### **S.176, W21, Water in the 21st Century Act**

Introduced on January 13 by Senator Barbara Boxer (D-CA) with two cosponsors. The bill was referred to the Committee on Environment and Public Works. The House companion bill is H.R.291. Water in the 21st Century Act or W21 establishes within the Environmental Protection Agency (EPA) a WaterSense program to identify, label, and promote water efficient products, buildings, landscapes, facilities, processes, and services.

This bill establishes a program to provide financial incentives for consumers to purchase and install products, buildings, landscapes, facilities, processes, and services labeled under the WaterSense program.

The EPA is required to make grants to owners or operators of water systems to address any ongoing or forecasted impact of climate change on a region's water quality or quantity. The Department of the Interior may: (1) provide financial assistance to water projects in specified states, including projects for water recycling, water infrastructure, enhanced energy efficiency, desalination, and water storage and conveyance; and (2) transfer to nonfederal entities title to any reclamation projects or facility in need of rehabilitation that are authorized before enactment of this Act. The U.S. Geological Survey must establish an open water data system to advance the availability, timely distribution, and widespread use of water data and information for water management, education, research, assessment, and monitoring purposes.

This bill reauthorizes through FY2020 the Water Desalination Act of 1996 and water resources research and technology institutes under the Water Resources Research Act of 1984. After receiving a request from a nonfederal sponsor, the U.S. Army Corps of Engineers must review the operation of a reservoir and, if appropriate, update the water control manual to incorporate improved weather and runoff forecasting methods.

The EPA is required to develop voluntary national drought resilience guidelines relating to preparedness planning and investments for water users and providers. The U.S. Fish and Wildlife Service must prepare a salmon drought plan for California.

As reported previously, the Coalition was successful in obtaining numerous specific changes to the measure. These are still included in the new bill.

(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.*

### **H.R.291, W21, Water in the 21st Century Act**

Introduced on January 14 by Congresswoman Grace Napolitano (D-CA-32) with 28 cosponsors. The bill was referred to the Subcommittee on Water Resources and Environment of the Transportation and Infrastructure Committee. The Senate companion bill is S.176. Water in the 21st Century Act or W21 establishes within the Environmental Protection Agency (EPA) a WaterSense program to identify, label, and promote water efficient products, buildings, landscapes, facilities, processes, and services. This bill establishes a program to provide financial incentives for consumers to purchase and install products, buildings, landscapes, facilities, processes, and services labeled under the WaterSense program. The EPA is required to make grants to owners or operators of water systems to address any ongoing or forecasted impact of climate change on a region's water quality or quantity.

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The EPA is required to develop voluntary national drought resilience guidelines relating to preparedness planning and investments for water users and providers. The U.S. Fish and Wildlife Service must prepare a salmon drought plan for California.

### **H.R.499, Sustainable Water Infrastructure Investment Act of 2015**

Introduced on January 22 by Congressman John Duncan (R-TN-2) with one cosponsor. The bill was referred to the Ways and Means Committee.