



COMMITTEE ON APPROPRIATIONS

Contact: Kirstin Brost, Full Committee, 202-225-2771
Sara Burch, Chairman Olver, 202-225-5335

SUMMARY: 2008 TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS FULL COMMITTEE MARKUP

The Transportation and Housing bill addresses the important challenges of keeping our transportation system safe and strong, ensuring that every American has adequate shelter, and doing so in a way that strengthens the economy and is environmentally responsible.

The bill safeguards the regional needs of our nation, investing in transit projects for urban areas to help commuters save time and money getting to work, and rejecting the President's cuts to programs that provide air service to rural communities. The bill likewise rejects the President's deep cuts to AMTRAK, protecting our national passenger rail system, and it fully funds the highway and transit guarantees set in the SAFETEA-LU authorization bill.

On the housing front, funding is included to ensure that no one who has a voucher will lose it. The President's budget would have cut programs that provide shelter for low-income Americans by over \$2 billion at a time that about ¾ of households that are eligible for HUD assistance programs are not receiving assistance, including deep cuts to the department of Housing and Urban Development, Community Development Block Grants, and programs that provide housing for the elderly and disabled.

The bill also tries to make the link between housing and transportation by establishing a new interagency working group to coordinate transportation and housing policies on the federal, state, and local level.

Bill Total	Discretionary
2007 Enacted:	\$47.5 billion
President's Request:	\$47.9 billion
Committee Mark:	\$50.7 billion

KEY INVESTMENTS

TRANSPORTATION INFRASTRUCTURE

Highway Infrastructure: \$40.2 billion, \$1.25 billion above 2007 and \$631 million above the President's request, to improve and maintain our nation's aging highway infrastructure. This meets the level guaranteed in the highway authorization bill SAFETEA-LU as required under House rules.

Federal Transit Administration: \$9.7 billion, \$782 million above 2007 and \$333.8 million above the President's request, including:

- \$134 million increase to Capital Investment Grants for commuter rail or other light rail systems to increase public use of mass transit, alleviate traffic congestion, reduce gas consumption, and save commuters money while reducing pollution. The increase above the President's request for these grants is expected to generate as many as 17,400 new jobs and will yield \$1.8 billion in economic benefits to state and local communities.
- \$75 million for FTA's Clean Fuels Grant Program, \$26 million above 2007, for clean fuel bus technology.

Airport Modernization, Safety and Efficiency Grants: \$3.6 billion, \$85.5 million above 2007 and \$850 million above the President's request, to ease congestion and prepare our nation's airport infrastructure to handle an anticipated 1 billion passengers by 2015.

Amtrak: \$1.4 billion, \$106 million above 2007 and \$600 million above the President's request, to provide capital and operating assistance to maintain a national passenger rail system, one of the most environmentally friendly modes of transportation.

Intercity Passenger Rail Matching Grants: \$50 million, \$50 million below the President's request, for a new initiative to provide federal matching funds to states for intercity passenger rail service to improve safety, reliability on time performance of intercity passenger trains and reduce congestions on freight railroads.

Rail Line Relocation and Improvement Grants: \$35 million, for a new initiative to relocate local rail lines that create problems for safety, motor vehicle flow, noise and economic development.

HOUSING INFRASTRUCTURE

Public Housing Capital Fund: \$2.4 billion, the same as 2007 and \$415 million above the President's request, for maintenance and rehabilitation of buildings. Public Housing Authorities (PHAs) spend roughly \$8.1 billion on capital improvements, maintenance, and operations per year, generating about \$8.2 billion in economic activity.

Community Development Block Grants: \$4 billion, \$228 million above 2007 and \$963 million above the President's request, to fund community and economic development projects in 1,180 localities. More than 95% of the total funding principally benefits low and moderate-income persons. This level is still \$400 million below 2001.

HOPE VI: \$120 million, \$21 million above 2007, rejecting the President's proposal to eliminate the program and rescind last year's funds for competitive grants to public housing authorities to revitalize neighborhoods impacted by deteriorating public housing projects including demolition of public housing and construction of mixed-income housing. This is still far short of the \$778 million provided in 2004.

Housing for the Elderly: \$734.5 million, the same as 2007 and \$159.6 million above the President's request, for the acquisition, rehabilitation or construction of housing for low-income elderly people. Ten eligible seniors are on the waiting list for every one unit of housing available, yet each year the President proposes deep cuts to this program.

Housing for the Disabled: \$236.6 million, the same as 2007 and \$111.6 million above the President's request, for grants to finance the acquisition, rehabilitation or construction of housing for disabled people.

Brownfields Redevelopment: \$9.9 million, the same as 2007 and \$9.9 million above the President's request, for evaluation and cleanup of former commercial and industrial sites.

HUD OVERSIGHT

Public Housing Operating Fund: \$4.2 billion, \$336 million above 2007 and \$200 million above the President's request, for administration of public housing, including: routine maintenance, anti-crime activities and energy costs. HUD and the PHAs have determined \$5 billion is needed in 2008, but the programs have been routinely underfunded.

Section 8 Tenant Based Vouchers: \$16.3 billion, \$410 million above 2007 and \$330 million above the President's request, to renew approximately 1.9 million vouchers currently in use and provide 4,000 new, targeted vouchers for the non-elderly disabled population and homeless veterans. The President's request would force between 40,000 and 80,000 families and individuals to lose their housing vouchers. This is the first time in five years that new vouchers have been proposed, and the first time the HUD Veterans Administration Supportive Housing program has been funded since 1992.

Section 8 Project Based Vouchers: \$6.5 billion, \$503 million above 2007 and \$667 million above the President's request, to provide affordable housing to 1.3 million low and very low-income families and individuals, two-thirds of whom are elderly or disabled.

HUD Office of Inspector General: \$113.7 million, \$1.7 million above the President's request, to strengthen oversight to ensure that funds provided are spent effectively and to further combat waste, fraud and abuse at the Department.

RURAL COMMUNITIES

Essential Air Service: \$110 million, \$600,000 above 2007 and \$60 million above the President's request, to continue essential air service to small and/or rural communities. The President's proposal would have resulted in the elimination of air service to nearly a third of the communities that currently receive service.

Small Community Air Service Development Program: \$10 million, the same as 2007 and \$10 million above the President's request, to continue the DOT grant program to help small communities to attract commercial air service.

Rural Housing and Economic Development: \$16.8 million, the same as 2007 and \$16.8 million above the President's request, to revitalize economically depressed rural communities. This funding is competitively awarded to local nonprofit organizations, community development corporations, Indian tribes, and state housing finance agencies to address rural housing and economic development needs.

TRANSPORTATION SAFETY

Federal Aviation Administration Inspectors: \$1.08 billion, \$73 million above 2007 and \$20 million above the President's request, including \$16 million to continue funding 57 inspectors and certification staff initially hired in 2007 and \$4 million to hire additional critical safety staff for things like inspecting airplane manufacturers and carriers to ensure that they meet high safety standards.

Highway Safety Grants: \$599.3 million, \$11.5 million above 2007 and matching the President's request, to encourage safety belt use, prevent drinking and driving, improve child safety, motorcyclist safety, and other initiatives.

Pipeline Safety: \$78.9 million, \$4 million above 2007 and \$4.3 million above the President's request, to provide additional investigators and needed research and development to protect against hazardous material spills.

Highway Safety Staff: Rejects the Administration's proposal to cut highway safety positions at the National Highway Transportation Safety Administration in order to ensure that highway safety programs are not compromised as the agency strives to reduce fatalities and injuries on the nation's highways. Last year, there were over 43,000 transportation fatalities on our roads and highways and alcohol-related fatalities were the highest they have been since 1992.

National Transportation Safety Board Safety Investigators: \$85 million, \$5.66 million above 2007 and \$2 million above the President's request, to provide additional investigators to respond to and investigate transportation crashes.

SIGNIFICANT CUTS

BELOW 2007

AMTRAK EIGs: Eliminated, \$31.3 million below 2007 and \$300 million below the President's request, as the program has not performed up to expectations.

Operating Grants for Amtrak: \$475 million, \$15 million below 2007 but \$475 million above the President's request, cut because AMTRAK has demonstrated improvements in its federal operating assistance needs.

FAA Facilities and Equipment: Within the account, there were cuts totaling \$320 million in 45 specific F&E programs, allowing funds to be used in higher priority areas.

Down Payment Assistance: Not funded, \$24.8 million in 2007 and \$50 million below the President's request, eliminating the program because the assistance is better provided under the HOME formula program.

HUD Working Capital Fund: \$125 million, \$70 million below 2007 and \$95 million below the President's request, as HUD has failed to provide a plan for its information technology systems. HUD's IT systems are outdated and ineffective and it would be unwise to put additional resources into these systems until HUD has a better plan for its IT structure.

IMPORTANT POLICY ITEMS

Focus on Sustainability: Requires HUD to incorporate robust green building and rehabilitation standards into its housing programs, including a focus on improved energy efficiency.

Making the Connection Between Transportation and Housing: Establishes a new interagency working group to coordinate transportation and housing policies on the federal, state, and local level. The group will identify methods for increasing the production of affordable housing near transit stations to improve both environmental sustainability and to reduce congestion and to follow up on recommendations made in a 2007 FTA-HUD study.

Increase Workforce Diversity: Requires FAA to produce plans to improve diversity in the controller and safety personnel workforce, including methods to attract underrepresented groups and establish benchmarks to measure plans effectiveness. FAA is required to produce a report on its efforts by January 1, 2008, and annually thereafter.

Safety Workforce Plan: Requires FAA to submit annual updates to their safety workforce plan, including a new staffing model.

Unneeded Balances: Directs FHWA to identify unneeded balances, especially funds that cannot be used for another purpose without legislative action, and to report them to Congress.

Improvements to Highway Emergency Relief Program: Requires FHWA to review the ER program that provides assistance to repair or replace highways and bridges in communities devastated by natural disasters and requires the agency to evaluate its funding needs.