



Congress of the United States
House of Representatives
Washington, DC 20515

Transportation-HUD Appropriations for FY 2010 (HR 3288)

Snapshot

The 2010 Transportation-HUD Appropriations bill makes key investments in our highways and mass transit, as well as passenger and high speed rail. In addition, the bill invests in affordable housing for those who need it the most in this challenging economy.

CT-2/Connecticut Perspective

The bill includes funding for two projects requested by Congressman Courtney:

- **Safety Improvements – Salem Route 85 at CT Route 82, Connecticut Department of Transportation, \$500,000.** Requested funding would be used for the preliminary design and engineering of improvements to the Route 82/Route 85 corridor to help relieve the congestion and associated accident problems. The funds from this appropriation would allow for an expeditious right of way acquisition process, including a substantial public involvement component, and also provide funding for the construction of the roundabout. Current schedules indicate that if a breakout project is initiated, the roundabout could be built in 2012. This project would address serious local concerns with the safety of this intersection, reduce accidents and lower congestion in this critical corridor.
- **Jewett City Supportive Housing for Veterans, American Legion Veterans Housing, \$200,000.** The American Legion Veterans Housing, Inc. (TALVHI) is a 501(c)(3) non-profit organization dedicated to providing affordable housing for Veterans. They have developed architectural plans to renovate a 19th century, four-story American Legion LaFlamme-Kusek Post 15 building and to add on an additional building to provide a total of 18 single-unit dwellings for supportive housing for homeless and at-risk veterans. This project would meet the urgent needs of our veterans, especially those who have fallen on to hard times by providing them a safe, supportive location to get off the streets, as well as providing supportive services to address their unique challenges. In addition, this project would support job creation in the area thought jobs connected to

construction and renovation of the building, and would incorporate energy efficient technologies to reduce energy consumption.

Summary of Key provisions

Transportation

Highway Trust Fund. The bill provides for the obligation of \$41.1 billion from the Highway Trust Fund for the Federal Highway Administration (FHWA), \$407 million (1%) more than current funding and \$126 million more than the request. The HTF provides formula and project based funding for road and highway projects set in the 2005 SAFTEA-LU law.

National Infrastructure Bank. Under the bill, the Transportation Department could transfer \$2 billion of the \$4 billion allocated for high-speed rail to a National Infrastructure Bank, if one is authorized by the end of the fiscal year. The President's budget requested the creation of an infrastructure bank and funding for it; however, Congress has not yet acted to authorize such a bank. The language allows the transfer from high speed rail to the bank if it is approved in 2010. Congressman Courtney is a cosponsor of the National Infrastructure Development Bank Act (HR 2521), which would implement the infrastructure bank.

Mass Transit. The bill provides a net total of \$10.5 billion for the Federal Transit Administration (FTA), \$352 million (3%) more than FY 2009 appropriations. The total includes:

- **New Construction:** Includes \$1.8 billion for 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 time and money.
- **Transit Grants:** Invests \$8.3 billion for Formula and Bus Grants for on-going capital and operating needs of urban and rural transit systems, including funding for new buses, stations, intermodal facilities, and technology improvements.

Amtrak & High Speed Rail. The bill appropriates \$5.7 billion for the Federal Railroad Administration (FRA), more than double than the President's request and \$49 million (3%) more than regular FY 2009 appropriations. The FRA regulates rail safety, administers railroad assistance programs, and conducts research and development. In addition, it administers grants provided to the National Railroad Passenger Corporation, also known as Amtrak. Of the total, the bill funds:

- **Intercity Rail Grants.** The bill provides \$4 billion for grants to states to support high-speed rail corridors and intercity passenger rail service, which could be used to support up to 50% of the cost of planning and capital investments for rail service that either requires no subsidy, or that will be subsidized by a state or

states. The amount is four times what the administration requested, and is in addition to the \$8 billion provided for high speed rail projects by the economic stimulus law.

- **Amtrak Funding.** The bill provides \$1.5 billion for continued assistance to Amtrak, equal to the request. This total includes \$553 million for operating grants, about \$3.5 million more than 2009 levels.

Housing and Urban Development (HUD)

Public Housing Operating Fund. \$4.8 billion, 8% more than current funding, for the Public Housing Operating Fund, which subsidizes the operating and management expenses of public housing authorities. The committee notes that HUD and local public housing authorities have determined that \$5.3 billion would be needed in 2010.

Public Housing Capital Fund. Import to regions where the housing stock is much older, including Connecticut. The bill appropriates \$2.5 billion for the Public Housing Capital Fund, for public housing authorities to modernize and maintain facilities. This appropriation is \$4 billion (61%) less than the FY 2009 level, which includes \$4 billion in emergency spending, but \$256 million (11%) more than requested by the administration. When emergency spending is excluded from the calculation, the bill's funding for these activities is equal to regular FY 2009 appropriations.

Community Development Fund/CDBG. The bill appropriates \$4.6 billion for HUD's Community Development Fund. That is \$700 million more than FY09, not including the \$3 billion in ARRA. \$4.2 of the \$4.6 billion is for CDBG and the committee directs HUD to use the same formula and methodology it used in FY 2009. Eastern Connecticut has fared better under this traditional allocation system as compared with the Neighborhood Stabilization Program (NSP) funded through HERA and ARRA. Through entitlement towns and DECD grant rewards, CT-2 towns received \$7.1 million in FY07 and \$7.6 million in 2008 in CDBG funds.

HOME Investments Partnership Program. \$2 billion, 11% more than FY09, for the HOME Investments Partnership program, which provides funding to state and local governments, tribes and insular areas to expand the supply of affordable housing. ARRA included \$2.3 billion for such programs.

Section 8 Project-Based Assistance. \$8.7 billion, 16% more than FY09, for Project-Based Rental Assistance under the Section 8 program. Funding under this account is used by local housing authorities to provide rental subsidies to landlords who enter into contracts with HUD and rent their properties to low-income families; the subsidies cover the portion of rent that is not paid by the tenant. Thus, this assistance is tied to a property, rather than an individual.

Section 8 Tenant Based Vouchers. The bill appropriates \$18.2 billion, 7% more than current funding, for the rental assistance under the Section 8 program, through which

housing vouchers are provided by public housing authorities to low-income individuals and families. Total vouchers nation wide would increase to 2.1 million.

- **Veterans Housing.** The total includes \$75 million for Veterans Affairs Supportive Housing (VASH), equal to current funding and good for 10,000 veterans.

AIDS Housing. \$350 million for the Housing Opportunities for Persons with AIDS (HOPWA), 13% more than FY09. 90% of funds are distributed under a formula based on the cumulative number of AIDS cases, while 10% are awarded through a national competition. State and local governments develop comprehensive long-term strategies for meeting the housing needs of people with AIDS and their families. On April 1, you signed a letter with Jerry Nadler and 49 other Members requesting \$360 million from the Transportation and HUD Appropriations Subcommittee.

Elderly Housing/Section 202 Program. \$1 billion, \$31% more than FY09, for the acquisition, rehabilitation or construction of housing intended for low-income elderly through grants to non-profits.

Disabled Housing/Section 811 Program. \$350 million, 40% more than current funding, for the acquisition, rehabilitation or construction of housing intended for the disabled through grants to non-profits.

Homeless Assistance Programs. \$1.9 billion for HUD homeless-assistance programs, 12% more than FY09. \$1.3 billion was also provided through ARRA. The bill requires the renewal of all Shelter Plus Care contracts, which provide shelter and support services to homeless people with disabilities and their families, and it requires that all expiring contracts be renewed.

NeighborWorks. The bill provides \$197 million, 9% more than current funding, for the Neighborhood Reinvestment Corporation, also known as NeighborWorks America. Of the total, \$133 million would be available for neighborhood reinvestment activities, including a multi-family rental housing program. An additional \$64 billion would be available for foreclosure mitigation activities, including foreclosure counseling in high-default areas.