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## *David Turch and Associates*

### **WASHINGTON UPDATE**

**MAY 18, 2015**

#### **SENATE ANTI-ZIKA FUNDING AGREEMENT**

Following a bipartisan deal between Senator Roy Blunt (R-MO) and Senator Patty Murray (D-WA), the Senate adopted an amendment yesterday to fund a \$1.1 billion package to fight Zika, the mosquito-borne virus that has been connected to a host of human ailments including birth defects. President Obama is requesting \$1.9 billion to fight this virus. Senator Patty Murray (D-WA), the lead Democratic negotiator, agreed to fund the anti-Zika effort at a lower-funding level rather than the Administration's request, declaring that it is a good first step. Senate Democratic Leader Harry Reid (D-NV) criticized the funding deal as inadequate, urging his senate colleagues to support the President's request. In recognition that the State of Florida is going to be on the frontlines of this virus, Senators Marco Rubio (R-FL) and Bill Nelson (D-FL) fought unsuccessfully to fully fund the anti-Zika request.

This agreement, if it survives the political jockeying on Capitol Hill, comes none too soon. The National Governors Association recently declared that "the nation is on the threshold of a public health emergency." According to Anthony Fauci, Director of the National Institute of Allergy and Infectious Diseases, the mainland United States is under imminent threat of the virus and in Puerto Rico, a US territory, the mosquito-borne infection has already made inroads throughout the island. In response to this health threat, the Obama Administration has already shifted \$600 million from the Ebola fund to the anti-Zika initiative but, as health experts have duly noted, much more needs to be done. In the vast majority of healthy people, the Zika virus causes mostly mild symptoms of discomfort. However, for people with weakened immune systems and pregnant women, the effect of the virus is much more serious. Babies who are exposed to the virus while in the womb can suffer serious birth defects such as microcephaly (a condition involving abnormally small heads). Since there is no vaccine or effective treatment regimen at this time, federal emergency funding is meant to jump start research and development in countering, treating and eventually protecting the American public from the effects of the virus.

#### **WESTERN DROUGHT RELIEF**

Senator Dianne Feinstein (D-CA) testified before the Senate Energy and Natural Resources Subcommittee on Water and Power on behalf S.2533, legislation that calls for \$1.3 billion in drought relief funding for effected areas in the western part of the country. Feinstein's measure would help fund projects like water storage,

desalination and recycling. Over last several years, one of the major stumbling blocks in enacting drought relief has involved environmental issues, in particular congressional GOP efforts to weaken the Endangered Species Act. For instance, some drought proposals have called for the reduction of water available in the Sacramento-San Joaquin River Delta to assist farming regions in the San Joaquin Valley. Such initiatives would threaten endangered fish species in the river, including the delta smelt, and therefore was opposed by the Obama Administration, environmental groups and most congressional Democrats.

The \$1.3 billion fund would be divided along the following lines: \$600 million for water storage projects; \$100 million for desalination projects; \$350 million for water recycling projects; and \$210 million for loan-guarantee programs for local water projects. While the drought in the southwest continues unabated, securing legislative relief still remains a difficult climb in this Congress.

## **FY 2017 TRANSPORTATION APPROPRIATIONS ACT MOVES IN THE HOUSE**

Earlier today, the Transportation-HUD Appropriations Subcommittee reported by voice vote its draft bill. The measure is expected to be considered by the full Committee next week.

### **Bill Highlights:**

**Department of Transportation (DOT)** – The bill includes \$19.2 billion in discretionary appropriations for the Department of Transportation for fiscal year 2017. This is \$540 million above the fiscal year 2016 enacted level and \$4.0 billion below the President’s request. In total budgetary resources, the bill provides \$76.9 billion to improve and maintain our nation’s transportation infrastructure.

The bill targets funding to programs and projects that will increase efficiency, safety, reliability, and quality of life for the traveling public, and that will help improve commerce and economic growth.

- **Highways** – The bill allows \$44 billion from the Highway Trust Fund to be spent on the Federal-aid Highways Program, which is \$905 million above the fiscal year 2016 level. This funding mirrors the levels authorized in the “Fixing America’s Surface Transportation Act” (FAST Act), which was approved last year, and will provide much needed growth and improvements within America’s highway system.
- **Air** – Included in the legislation is \$16.3 billion in total budgetary resources for the Federal Aviation Administration (FAA) – \$69 million above the fiscal year 2016 enacted level and \$450 million above the request. This will provide full funding for all air traffic control personnel, including 14,500 air traffic controllers, 7,400 safety inspectors, and operational support personnel.

The bill also builds on several years of increased funding by providing \$1 billion for the FAA’s Next Generation Air Transportation Systems (NextGen), and funds Contract Towers at \$159 million. These investments will help ease future congestion and help reduce delays for travelers in U.S. airspace. In addition, the bill rejects the Administration’s proposals for new passenger facility and general aviation fees.

- **Rail** – The Federal Railroad Administration is funded at \$1.7 billion, an increase of \$42 million over the fiscal year 2016 enacted level and \$4.5 billion below the request.

The bill adopts the new Amtrak funding structure as authorized, providing \$420 million for Amtrak’s Northeast Corridor and \$1 billion to support the national network. The bill also continues reforms to ensure the best use of tax dollars, such as requiring overtime limits for Amtrak employees to reduce unnecessary costs, and prohibiting funds from being used to subsidize losses associated with Amtrak’s food and beverage service.

Rail safety and research programs are funded at \$300 million, \$12 million above the fiscal year 2016 enacted level. This will fund inspectors and training, plus maintenance and safety investments to the physical rail infrastructure, to help ensure the safety of passengers and local communities.

No funding is provided for high-speed rail.

- **Transit** – The bill provides \$12.5 billion in total budgetary resources for the Federal Transit Administration (FTA) – \$743 million above the fiscal year 2016 enacted level and \$7.4 billion below the request. Transit formula grants total \$9.7 billion – consistent with the authorization level – to help local communities build, maintain, and ensure the safety of their mass transit systems.

Within this amount, \$2.5 billion is included for Capital Investment Grants (“New Starts”), full funding (\$1.2 billion) is included for all current “Full Funding Grant Agreement” (FFGA) transit projects, and an additional \$500 million is included for FFGAs that will come online over the new year.

Core capacity projects receive \$332 million in the bill – an increase of \$282 million – and \$408 million is included to fund all state and local “Small Starts” projects that will begin in fiscal year 2017. These programs provide competitive grant funding for major transit capital investments – including rapid rail, light rail, bus rapid transit, and commuter rail – that are planned and operated by local communities.

- **Maritime** – The legislation includes \$483 million for the Maritime Administration, \$84 million above the fiscal year 2016 enacted level, to increase the productivity, efficiency and safety of the nation’s ports and intermodal water and land transportation. The Maritime Security Program is funded at the full authorized level of \$300 million.
- **Safety** – The legislation contains funding for the various transportation safety programs and agencies within the Department of Transportation. This includes \$918 million in total budgetary resources for the National Highway Traffic Safety Administration (NHTSA) – an increase of \$49 million over the fiscal year 2016 enacted level – and \$644 million for the Federal Motor Carrier Safety Administration. Also included is \$228 million for the Pipeline and Hazardous Materials Safety Administration, an increase of \$4.8 million over the fiscal year 2016 enacted level, to help address safety concerns including the transport of energy products.
- **Grants** – The legislation funds National Infrastructure Investment grants (also known as TIGER grants) at \$450 million, \$50 million below the fiscal year 2016 enacted level and \$800 million below the request. These grants are awarded by the Department of Transportation to states and local communities for infrastructure construction and improvements.

**Housing and Urban Development (HUD)** – The legislation includes a total of \$38.7 billion for the Department of Housing and Urban Development, an increase of \$384 million above the fiscal year 2016 enacted level and \$953 million below the request.

- **Section 8 and Public Housing** – Included in the bill is \$27.4 billion for Public and Indian Housing. This is an increase of \$538 million above the fiscal year 2016 enacted level and \$895 million below the requested level. This is adequate to continue assistance to all families and individuals currently served by this program.

Other housing programs within the bill are funded at \$11.6 billion – an increase of \$355 million above the fiscal year 2016 enacted level. The bulk of this increase is needed to continue existing assistance to all those currently served by these programs. In addition, the bill provides a program level of \$505 million for Housing for the Elderly – \$72 million above the current level – and \$154 million for Housing for Persons with Disabilities – an increase of \$3.4 million above the current level.

**Community Planning and Development** – The bill contains \$6.9 billion for Community Planning and Development programs – \$231 million above the fiscal year 2016 enacted level.

Community Development Block Grants are funded at \$3 billion – the same as the fiscal year 2016 level. The HOME Investment Partnerships Program is funded at \$950 million – the same as the current year. Grants for Homeless Assistance are funded at \$2.5 billion, an increase of \$237 million over current level – which will not only renew high-performing housing programs, but further the goal of ending homelessness.

**Legislative Provisions** – The legislation includes a number of legislative reforms:

- Clarifies and extends the prohibition on the 2013 changes to the 34-hour truck-driver restart rule.
- Facilitates interstate commerce by affirming a uniform hours of service trucking requirement.
- Requires DOT to improve safety data.
- Restricts HUD from implementing floodplain policies.

Compliments of Jamie Jones

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