

# Holland & Knight

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## **Broward Metropolitan Planning Organization Federal Update January 2016**

2016 Congressional Calendar: The House and Senate have both released congressional calendars for 2016. The summer recesses for both the House and Senate will start on July 18 and last seven weeks – until September 6. The early recess dates are to accommodate the Republican and Democratic presidential nominating conventions that will be held in July. The other recesses on both sides of the Capitol will be the week of February 15, the week of March 28, the week of May 2, the week of May 30, the weeks of October 10 thru November 7, the week of November 21, and the weeks of December 19 and December 26.

White House Announces Date for FY 2017 Budget: On January 7, the White House announced via Twitter that the President will be releasing the fiscal year (FY) 2017 budget on Tuesday, February 9. By statute, the White House is supposed to submit its request to Congress by the first Monday in February; however, this Administration has only met the deadline once since 2010. The budget request is expected to adhere to the discretionary spending limits that were set last October as part of the bipartisan budget deal that was negotiated before former Speaker John Boehner (R-OH) left office.

Congress will have until September 30, the end of the fiscal year, to complete its work on the FY 2017 appropriations bills or pass a continuing resolution (CR) to keep the government funded.

Congress Looks Ahead to Budget Process: Although Congress is still waiting for the President's FY 2017 budget, lawmakers on Capitol Hill are already planning for the appropriations process. Following the President's budget submission on February 9, appropriators are hoping to begin markup hearings in late February or early March. The subcommittees have already started holding budget hearings with the federal agencies. Republican leadership in both chambers have said they are committed to bringing the 12 appropriations bills to the floor.

Last week, the House Appropriations Committee [announced](#) some of its deadlines to receive members' programmatic and language requests for FY 2017. Congressional members have also started setting deadlines for appropriations requests to be submitted to their offices. For example, Senator Dianne Feinstein (D-Calif.)'s deadline is February 26.

The deadlines for various House appropriations subcommittees can be found below.

<b>Subcommittee</b>	<b>House Deadline</b>	<b>Senate Deadline</b>
Agriculture, Rural Development, Food and Drug Administration	March 15	TBD

Commerce, Justice, Science	March 23	TBD
Department of Defense	March 17	TBD
Energy and Water Development	March 15	TBD
Financial Services and General Government	March 17	TBD
Department of Homeland Security	March 23	TBD
Department of the Interior, Environment	March 22	TBD
Departments of Labor, Health and Human Services, Education	March 24	TBD
Legislative Branch	March 22	TBD
Military Construction and Veterans Affairs	March 1	TBD
State, Foreign Operations	March 22	TBD
Transportation, Housing and Urban Development	March 17	TBD

CBO Releases Report Forecasting National Debt Growth: The Congressional Budget Office (CBO) [released a report](#) on January 25 regarding the national debt forecast between 2016 and 2026. Within the report, the CBO reports this year’s budget deficit will be one-third larger than projected five months ago because of Congress’ passage of the FAST Act and the decision to end sequestration which increased budget caps for federal government programs. According to the CBO, \$618 billion is expected to be funneled to federal resources in 2016, not including defense spending and mandatory programs. Out of that money, approximately \$89 billion, or 14 percent, will be spent on transportation.

The national deficit for fiscal year 2016 will reach \$544 billion, which is \$130 billion more than projected in August. While total revenue is projected to rise by four percent this year, corporate income taxes are projected to decrease by five percent because of the FY 2016 omnibus appropriations legislation. Moreover, if all tax breaks scheduled to expire by 2027 were permanently extended, revenues over the decade could decline by as much as \$426 billion. According to the CBO, if current policies remain in place, annual deficits would push the debt held by the public up to 86 percent of gross domestic product (GDP), or about double the average ratio over the past five decades. Within 30 years, that ratio would reach 155 percent of GDP, “a higher percentage than any previously recorded in the United States.”

In the report, CBO also discussed the future of the Highway Trust Fund (HTF). According to the CBO, the HTF has run a deficit of \$74 billion over the past nine years, which includes the \$70 billion provided to HTF by the FAST Act. While HTF spending is expected to total \$53 billion, revenues and interest credited to the fund are only expected to total \$41 billion. As a result, the fund is expected to meet its obligations through 2020 but will run out of money again in 2021.

FHWA Releases FAST Act Funding: On January 8, the Federal Highway Administration (FHWA) released \$37.3 billion in [highway spending authority to states](#) for FY 2016. This funding is an increase of \$2.1 billion over the FY 2015 funding levels.

Previously, the state of Florida received approximately \$1.72 billion in highway obligation authority in 2015. In 2016, the state will receive a total of \$1.92 billion in funding including:

- \$1.14 billion for the National Highway Performance Program
- \$567.5 million for the Surface Transportation Block Grant Program (replaces the STP program)
- \$111.6 million for the Highway Safety Improvement Program
- \$13.45 million for Railway-Highway Crossing Program
- \$13.5 million for Congestion Mitigation and Air Quality Improvement
- \$20.61 million for Metropolitan Planning
- \$55 million for the National Highway Freight Program

FTA Releases FAST Act Funding: Recently, the Federal Transit Administration (FTA) released its funding levels for programs under the FAST Act. While funding for individual states has not yet been released, FY 2016 funding levels for major programs below:

- \$696 million for Bus and Bus Facilities, which is a \$268 million increase over FY15 levels
- \$268 million for the re-established the Bus Discretionary Program
- \$2.5 billion for the State of Good Repair Program
- \$4.53 billion for Urbanized Area Formula Program
- \$130.7 million for Metropolitan and Statewide Planning Program
- \$3 million per year for Low- and No-Emission Vehicle research
- \$2 million for new pilot program for Innovative Coordinate Access and Mobility

2016 Omnibus Transfers Old Earmarked Money to States: There is approximately \$2 billion of previously appropriated earmark money has been sitting unused for years. The FY 2016 omnibus appropriations legislation included language that transfers the unused earmarked money to state transportation departments for new projects. The previously earmarked money must be for projects that are now over 10 years old and less than 10 percent of the earmarked money has been spent. The appropriations bill also stipulates that the money has to remain in the state it was originally earmarked for and has to be used on a project within 50 miles of the original earmark.

President's Budget Seeks Funding for Self-Driving Cars: On January 14, Department of Transportation (DOT) Secretary Anthony Foxx announced that the President's 2017 budget would include a request for \$3.9 billion over 10 years to develop self-driving cars. The Secretary said the money would be used to fund pilot programs to test connected vehicle systems in designated corridors throughout the country and to ensure a multi-state framework for connected and self-driving vehicles. Additionally, DOT, in collaboration with the National Highway Traffic Safety Administration (NHTSA) and industry leaders, will develop guidance on safe

operation of self-driving cars, including a common set of performance standards and testing, over six months.

The Senate Commerce Committee is planning to hold multiple hearings on this issue during the upcoming months. In a statement, Senate Commerce Committee Chairman John Thune (R-S.D.) praised the DOT saying “The Department of Transportation’s announced readiness to remove obstacles for automated vehicle technology, while still prioritizing safety, is an opportunity for this administration and Congress to work together.”

DOT Releases Connected Vehicle Technologies Report: The Department of Transportation (DOT) recently released its [report to Congress](#) regarding the status of dedicated short-range communications (DSRC), which enables connected vehicle technologies, such as real-time crash alerts and other applications. DSRC is a Wi-Fi technology that is configured to exchange data among moving vehicles and roadway infrastructure to support safety and environmental applications. The report concluded that DSRC is ready for use to help make transportation safer and more efficient. The report also addresses potential gaps in technology and recommends future steps towards implementation.

FHWA Releases Traffic Volume Trends Report: On January 22, the FHWA released the [“Traffic Volume Trends” report](#) for November. According to the report, U.S. driving reached 2.88 trillion miles by the end of November 2015, with more than 253 billion miles driven in the month of November. The 13 state Western region – including Alaska and Hawaii – led the nation with 59 billion vehicle miles travelled (VMT), while the nine state Northeastern area stretching from Pennsylvania to Maine – has the least VMT at 35.2 billion. Florida, part of the South Atlantic ranked second with 53.5 billion VMT. According to the FHWA press release, the Traffic Volume Trends report, “reaffirms the growing demands challenging the nation’s roads and underscoring the value of the recently enacted ‘Fixing America’s Surface Transportation’ (FAST) Act, which will invest \$305 billion in America’s surface transportation infrastructure – including \$226 billion for roads and bridges – over the next five years.”

The FHWA used this new report to confirm the trend identified in their [“Beyond Traffic” report](#), which was published by DOT last year. This report projected a 43 percent increase in commercial truck shipments and population growth of 70 million by 2045. Additionally, the report examined the trends and choices facing the U.S.’s transportation infrastructure over the next thirty years, such as a growing population, increasing freight volume, and more frequent extreme weather events.

Senate Begins Work on WRDA: Although Congress passed the Water Resources Reform and Development Act (WRDA) in 2014, work has already started on the next bill. In December, Senate Environment and Public Works (EPW) members called for local priorities for new lock, dam, port and ecosystem projects. This week, the EPW Subcommittee on Water Resources and Environment held a roundtable discussion featuring Amy Larson, President of the National Waterways Conference; Dusty Williams, Past President of the National Association of Flood and Stormwater Management Agencies; Kathy Broadwater, Deputy Executive Director of the Maryland Port Administration on Behalf of the American Association of Port Authorities; Derek Brockbank, Executive Director of the American Shore and Beach Preservation Association;

Norma Jean Mattei, President Elect of the American Society of Civil Engineers; Caryl Pfeiffer, Director of the Corporate Fuels and By-Products and behalf of Waterways Council, Inc.; Kristin Meira, Executive Director of the Pacific Northwest Waterways Association; and Barbara Romero, Deputy Mayor of City Services for the City of Los Angeles.

The roundtable focused on the impact of the 2014 WRDA legislation and gaps in the previous legislation that need be addressed in the new bill. Many participants of the panel mentioned the difficulty the Corps is having finding the funding to revitalize aging infrastructures throughout the country. Currently, almost 24 projects have gotten approval for consideration by the head of the Army Corps of Engineers. Insiders claim that lawmakers are hoping to markup the WRDA bill soon.

Nationally Significant Freight and Highway Projects Program Grants: The recently passed FAST Act established the Nationally Significant Freight and Highway Projects Program and provided \$4.5 billion in funding over five years. Potential projects funded through this program include those that improve those that improve or enhance highway freight infrastructure. Holland & Knight learned in meetings with DOT that the Notice of Funding Availability (NOFA) will be released in late February or early March. Applicants will have 45 days to respond to the NOFA.

TIGER Grants to Be Announced: The recently passed 2016 omnibus appropriations legislation included \$500 million for an eighth round of the Transportation Investment Generating Economic Recovery (TIGER) program. TIGER grants are awarded to road, rail, transit and port projects that have “a significant impact on the Nation, a metropolitan area, or a region.” Last year’s TIGER round provided \$500 million for 39 projects in 34 states. Holland & Knight learned in meetings with DOT that the Notice of Funding Availability (NOFA) will be released within the next two weeks. Applicants will have 45 days to respond to the NOFA.

Held call with Broward MPO to discuss these two programs

Safe Streets