Federal Legislative Update

MPO / RPA Meeting

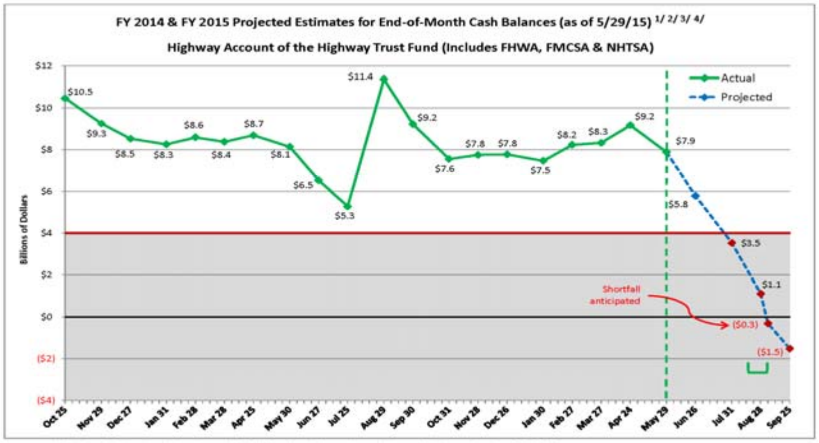
September 15

Federal Legislative Update

- Congress returned on September 8 following their August Recess. Issues facing Congress include:
  - Resolution on the Iran Nuclear Agreement
  - Adoption of FY 2016 Appropriations (or continuing resolution) by September 30, 2015 to avoid a federal government shutdown
  - Reauthorization (or extension) of federal aviation programs and activities which expire on September 30, 2015
  - Reauthorization (or extension) of MAP-21 which expires on October 29, 2015
  - Debt Ceiling may be reached in early December (CBO)

Federal Legislative Update

- Surface Transportation Program - Extension
  - 3rd Extension of MAP-21 was passed which expires October 29, 2015
  - Included a $8 billion general fund transfer to get to the end of calendar 2015 - now estimated to last through the end of June 2016
  - Without extension cannot access HTF – impacts obligation of new projects and reimbursements
  - Funding remains the dominate issue



FY 2014 & FY 2015 Projected Estimates for End-of-Month Cash Balances (as of 5/29/15) 1/ 2/ 3/ 4/

Highway Account of the Highway Trust Fund (Includes FHWA, FMCSA & NHTSA)

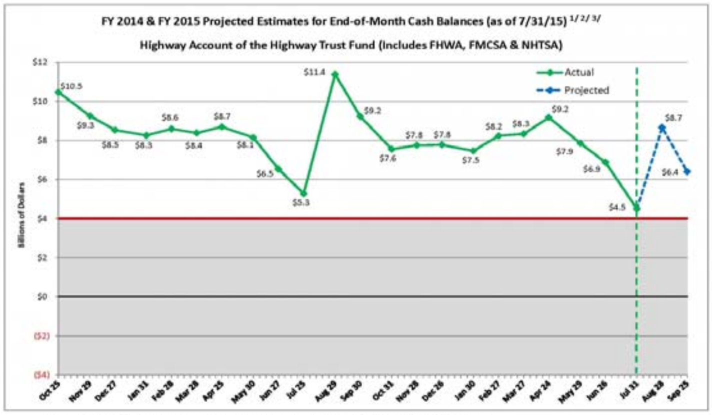
1/ Graph reflects actual data through 5/29/15 and end-of-month projections for the remainder of FY 2015.

2/ Total receipt and outlay projections are based on FY 2016 President's Budget Baseline assumptions. Projected monthly receipt and outlay rates are based on historic averages.

3/ Range of anticipated shortfall: Green brackets denote the estimated window of when the anticipated shortfall will occur.

4/ The shaded area represents when the Highway Account balance drops below $4 billion, at which point cash management procedures may become necessary.

Source: FHWA



FY 2014 & FY 2015 Projected Estimates for End-of-Month Cash Balances (as of 7/31/15) 1/ 2/ 3/

Highway Account of the Highway Trust Fund (Includes FHWA, FMCSA & NHTSA)

1/ Graph reflects actual data through 7/31/15 and end-of-month projections for the remainder of FY 2015.

2/ Total receipt and outlay projections are based on FY 2016 Mid-Session Review assumptions. Projected monthly receipt and outlay rates are based on historic averages.

3/ The shaded area represents when the Highway Account balance drops below $4 billion, at which point cash management procedures may become necessary.

Source: FHWA

Federal Legislative Update

- Multi-year Authorization
- Senate - passed an amendment to the “DRIVE Act” on July 30 (HR 22)
  - Developing a Reliable and Innovative Vision for the Economy Act.
  - A six year bill which was amended to include (in addition to the Highway and Highway Safety titles of S.1647):
    - Public Transit
    - Commercial Motor Vehicle and Driver
    - Highway and Motor Vehicle Safety
    - Railroad
    - Freight
    - Finance

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- Funding for transportation
  - Due to the unresolved funding issue the bill is a six-year bill with enough funding identified for three years.
  - Highway Trust Fund revenues -- $238.8 billion
  - General Fund transfers -- $45.6 billion
  - Shortfall -- $55 to $60 billion (estimates vary)
  - Key fact – there is a long term funding shortfall

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- House –
  - T&I has not introduced a long-term bill but Chairman Shuster's goal is to get a bill to Conference in October
  - Chairman stated that the House will be similar but not identical to Senate
  - A House bill was to be provided to Committee Members last week, so that ..
  - T&I could mark up legislation as early as Thursday the 17th, however, nothing has been scheduled

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- House (continued) –
  - Key unresolved issue is how to pay for any proposal regardless of the length of bill
  - Ways and Means Committee Chairman Ryan had intended to use "International Tax Reform" to generate funding for the Highway Trust Fund
  - Comprehensive tax reform likely to be delayed until 2016
  - Without a bill which includes a Revenue Title, the House may have to defer to the Senate in conference

Federal Legislative Update

- Reauthorization Outlook
  - Congress is running out of time to enact a multi-year authorization bill and is now looking at another extension – length to be determined
  - Updated estimates of highway trust fund revenues and outlays will provide more breathing room
  - Other items under discussion include Buy America, Truck Size and Weight, and Positive Train Control extension
  - Can a bill be completed to avoid discussing transportation funding in 2016
  - The policy and program issues will continue to be secondary to the Funding Issue

Federal Legislative Update

- FY 2016 Appropriations Status
  - Congressional Leadership is planning to fund FY 2016 with a Continuing Resolution(s)
  - The first CR could extend funding for the federal government through December depending on the majority’s decision on defunding Planned Parenthood
  - Must pass by September 30 – in session
  - Federal shutdown??

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- Future?
  - There is no evidence that Congress is willing to face the transportation funding issue for a long term solution
  - Continue the current Highway Trust Fund user fees
  - Continue the uncertainty created when we rely on a transfer of additional general fund revenues
  - Continue to “Kick the Can Down the Road” – until the funding issue is resolved