NEWS from the T&I DEMOCRATS

Committee on Transportation and Infrastructure, Democratic Caucus U.S. House of Representatives, 2163 Rayburn HOB, Washington, DC 20515 www.house.gov/transportation_democrats

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Oberstar: Bush 2007 Budget Shortchanges Infrastructure

Air, rail service to small communities hit hard

WASHINGTON—The Bush Administration's proposed budget for Fiscal Year 2007 contains cuts in transportation programs that will be felt especially hard in smaller communities.

That's the view of Rep. James L. Oberstar (Minn.), Ranking Democratic Member of the House Committee on Transportation and Infrastructure.

"I regret that, once again, President Bush has chosen tax cuts over investment. The President's FY2007 Budget request dramatically cuts capital investment in our aviation system – from airport runway construction to modernizing our air traffic control system," Oberstar said.

"These investments are essential. The airlines are expected to carry more than 1 billion passengers by 2015, increasing from approximately 700 million in 2004. Passengers, cargo and operations are expected to increase threefold by 2025. We must begin making the investments necessary for the airlines to continue to provide safe and efficient services to accommodate these explosive increases in demand."

In its FY2007 budget, the Administration proposes to:

➤ Cut the Federal Aviation Administration's (FAA) Airport Improvement Program to \$2.75 billion -- \$950 million less than the level authorized by VISION 100 and \$800 million less than the FY2006 enacted level; and

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➤ Cut the FAA's Facilities and Equipment (F&E) investment – the primary vehicle for modernizing the National Airspace System – hundreds of millions of dollars below the authorized level for the third straight year. The Administration's \$2.5 billion F&E request is \$600 million less than the level authorized by VISION 100. Although the Administration's Budget claims that it "supports an interagency effort to develop the next Generation Air Transportation System to meet growing demand for airspace capacity", a preliminary analysis by the Department of Transportation Inspector General finds that the level of funding contained in the Administration's F&E request and five-year capital investment program will not support the Next Generation system.

In addition, the Administration again proposes to make significant cuts in rural transportation funding, leaving rural communities with few transportation options. The Administration proposes to:

- Cut Amtrak funding by \$415 million with new conditions on all available operating funds, including funds for long-distance trains;
- ➤ Cut Essential Air Service, which provides funding for air service for rural communities. The Budget request is \$77 million less than the authorized level and \$60 million less than the FY2006 enacted level. Several rural communities would likely be cut from the program under the Administration's request; and
- ➤ Eliminate the Small Community Air Service Development Program, which provides grants to help underserved communities attract air service.

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