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HIGHLIGHTS: 2008 TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS

As Approved by Conferees

The Transportation and Housing conference report addresses the important challenges of keeping our transportation system safe and strong, ensuring that every American has adequate shelter, and doing so in a way that strengthens the economy and is environmentally responsible.

The conference report invests:

- \$40 billion in the nation's highway system for construction of new roads, repairs and improvements;
- \$1 billion to address deficient bridges across America accepting Senator Patty Murray's amendment for a 25 percent boost to bridge funding following the 1-35 collapse;
- \$195 million in emergency funds to complete Federal investment in the reconstruction of the I-35 bridge;
- Sufficient funds to renew all current housing vouchers, and provides 15,500 new vouchers for veterans, the disabled, and low income families;
- A 500 % increase in funds to alleviate problems caused by the sub-prime mortgage crisis by providing housing counseling to help homeowners stay in their homes;
- \$3.5 billion for airport efficiency, modernization and safety grants;
- \$1.45 billion for Amtrak;
- \$110 million to provide access to air travel in rural communities; and
- Over \$85 million to improve pipeline and rail safety.

Conference Report Total	Discretionary	Total Budget Authority
2007 Enacted:	\$47.5 billion	\$100 billion
President's Request:	\$47.9 billion	\$100.3 billion
Conference Report:	\$50.9 billion	\$105.6 billion

KEY INVESTMENTS

Department of Transportation, \$105.6 billion in total budget authority, \$7.1 billion above 2007, and \$5.3 billion more than the President's request. \$50.981 billion in discretionary budget authority, \$3.0 billion above the President's request and \$4.3 billion over 2007.

TRANSPORTATION INFRASTRUCTURE

Highway Infrastructure: \$40.2 billion, \$1.25 billion above 2007 and \$631 million above the President's request, to improve and maintain our nation's aging highway infrastructure and create an additional 100,000 new jobs. The President's budget was below the level guaranteed in SAFETEA-LU, the highway authorization bill (passed by the Republican Congress, signed into law <u>by President Bush</u>).

Investment in Aging Bridges: An additional \$1 billion is provided, above the guarantees, a 25 percent boost to address aging bridges throughout the nation following the I-35 tragedy.

Minnesota Bridge Reconstruction: \$195 million is included for the repair and reconstruction of the I-35W bridge in Minnesota that collapsed on August 1.

Amtrak: \$1.45 billion, \$156 million over 2007 and \$550 million over the President's request. The Senate rejected the President's budget proposal, which would have guaranteed Amtrak's bankruptcy. In an era of record gas prices and congested highways, Amtrak plays a vital role in our national transportation system. Last year, Amtrak posted a record ridership of 24.3 million passengers. The bill provides Amtrak with the funding necessary to continue all current services and improve railway infrastructure.

- Includes \$75 million for a new grant program that will match state contributions for intercity passenger rail operations. The program is similar but not identical to a \$100 million program that was included in the President's budget.
- The bill also includes language that prohibits Amtrak from moving any of its jobs overseas.

Federal Transit Administration: \$9.65 billion, \$640 million above 2007 and \$227 million above the President's request, including:

• \$250 million above the President's request 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 money while reducing pollution.

Airport Modernization, Safety and Efficiency Grants: \$3.5 billion, rejecting the President's \$765 million cut for grants to ease congestion and prepare our nation's airport infrastructure to handle an anticipated 1 billion passengers by 2015, including the expansion of airport capacity, critical safety improvements, and noise mitigation efforts.

TRANSPORTATION SAFETY

Federal Aviation Administration Operations: \$1.08 billion, \$73 million above 2007 and \$24 million above the President's request, including \$16 million to continue funding 57 inspectors and certification staff initially hired in 2007 and \$8 million to hire additional critical safety staff for things like inspecting airplane manufacturers and carriers to ensure that they meet high safety standards.

Air Traffic Control Modernization: Provides \$65 million above the President's request to speed deployment of the next generation of air traffic control equipment.

Highway Safety Grants: \$599.3 million, \$11.5 million above 2007 and matching the President's request, to encourage safety belt use, prevent drinking and driving, improve child safety, motorcyclist safety, and other initiatives.

National Transportation Safety Board Safety Investigators: \$84.5 million, \$5.2 million above 2007 and \$1.5 million above the President's request, to provide additional investigators to respond to and investigate transportation crashes.

Pipeline Safety: \$79.8 million, \$4.9 million above 2007 and \$5.3 million above the President's request, to provide additional investigators and needed research and development to protect against hazardous material spills. Pipeline accidents threaten safety and harm the environment. They can also disrupt our supply of essential resources like oil, as happened last year from a series of pipeline leaks in Alaska.

HOUSING AND URBAN DEVELOPMENT

\$38.66 billion, \$2.45 billion above 2007 and \$3.1 billion more than the President's request.

Foreclosure Mitigation Assistance: This Nation is facing a housing crisis that has directly impacted millions of American homeowners and millions more as the effects have rippled though the U.S. and world economy. National estimates indicate that as many as 2.5 million mortgages will reset to higher interest rates in the near future. The Conference Agreement includes \$200 million in funding through the Neighborhood Reinvestment Corporation to address this crisis. These funds will be distributed through a competitive process to areas and states with high rates of defaults and foreclosures. Counseling intermediaries with demonstrated experience and expertise will assist thousands of borrowers with mortgage modification and restructuring to help preserves their homes.

Housing for Special Populations: 15,500 new vouchers will be provided to vulnerable populations.

- \$75 million is designated for vouchers to homeless veterans through the HUD-VASH (Veterans Administration Supportive Housing) program, supporting approximately 7,500 of our homeless veterans in safe, affordable, permanent housing.
- \$30 million for approximately 4,000 vouchers targeted to non-elderly, disabled individuals and families.
- \$30 million for approximately 4,000 new vouchers for the Family Unification Program, which provides vouchers for families so that children will not be separated from parents because of lack of housing.

Community Development Block Grants: \$3.79 billion, \$100 million above 2007, rejecting the President's plan to cut the program by \$822 million, to fund community and economic development projects in 1,180 localities. This level is still \$400 million below 2001.

Housing for the Elderly: \$735 million, rejecting the President's proposed 28% cut, for the acquisition, rehabilitation or construction of housing for low-income elderly people. Ten eligible seniors are on the waiting list for every one unit of housing available, yet each year the President proposes deep cuts to this program.

HOPE VI: \$120 million, \$21 million above 2007, rejecting the President's proposal to eliminate the program and rescind last year's funds, for competitive grants to public housing authorities to revitalize neighborhoods by replacing outdated public housing in disrepair with new mixed-income housing. This is still far short of the \$778 million provided in 2004.

Housing for the Disabled: \$237 million, rejecting the President's proposal to cut the program by \$112 million, maintaining last year's level for grants to finance the acquisition, rehabilitation or construction of housing for disabled people.

Brownfields Redevelopment: \$10 million, the same as 2007, rejecting the President's plan to eliminate these efforts for evaluation and cleanup of former commercial and industrial sites.

Lead Hazard Reduction: \$145 million, \$29 million over the President's budget request, to protect children against hazards such as lead paint and mold.

Public Housing Operating Fund: \$4.2 billion, \$336 million above 2007 and \$200 million above the President's request, for administration of public housing, including: routine maintenance, anti-crime activities and energy costs. HUD and the PHAs have determined \$5 billion is needed in 2008, but the programs have been routinely underfunded.

Section 8 Tenant Based Vouchers: \$16.4 billion, \$516 million above 2007 and \$436 million above the President's request, to renew approximately 1.9 million vouchers currently in use. The President's request would force between 40,000 and 80,000 families and individuals to lose their housing vouchers.

Section 8 Project Based Vouchers: \$6.4 billion, \$405 million above 2007 and \$568 million above the President's request, to provide affordable housing to 1.3 million low and very low-income families and individuals, two-thirds of whom are elderly or disabled.

RURAL COMMUNITIES

Essential Air Service: \$110 million, rejecting the President's \$60 million cut, to continue essential air service to small and/or rural communities. The President's proposal would have resulted in the elimination of air service to nearly a third of the communities that currently receive service.

Small Community Air Service Development Program: \$10 million, the same as 2007 and \$10 million above the President's request, to continue the DOT grant program to help small communities to attract commercial air service.

Rural Housing and Economic Development: \$17 million, roughly the same as 2007 and \$17 million above the President's request, to revitalize economically depressed rural communities. This funding is competitively awarded to local nonprofit organizations, community development corporations, Indian tribes, and state housing finance agencies to address rural housing and economic development needs.