



Legislative Bulletin.....June 9, 2014

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H.R. 4745 - Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2015 (Latham, R-IA)

Updates on amendments will be sent as they become available.

H.R. 4745 - Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2015 (Latham, R-IA)

By the Numbers:

In thousands of dollars

	FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level
Net Total Discretionary	44,100,050	50,856,000	59,851,737	52,029,000

Net Total Discretionary Budget Authority is:

- \$7.929 billion above the level proposed by the House Appropriations Committee for FY 2014.
- \$1.173 billion above the enacted FY 2014 level.
- \$7.823 billion below the President’s budget request.

H.R. 4745 provides a net total of \$52.029 billion in discretionary budget authority. Additionally, the bill limits obligations from the various transportation trust funds to \$53.463 billion, an amount that is \$8 million below current levels. The bill provides a grand total of \$105.492 of budgetary resources.

The Committee Report can be found [here](#), and the text of the legislation can be found [here](#).

Order of Business: H.R. 4745 is expected to be considered beginning on June 9th, under an [open rule](#) permitting all germane amendments to be offered. The rule, which was approved by a voice vote on May 30th, 2014, provides for one hour of general debate. Members who have pre-printed their amendments in the Congressional Record will be given priority in recognition. As a reminder, amendments must be offered at the appropriate time during the reading of the bill.

Bill Outline:

Title I: Department of Transportation

In thousands of dollars

FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level	FY15 vs FY14 House	FY15 vs FY14 Enacted	FY15 vs President Request
15,297,617	17,680,311	22,589,451	16,730,564	+1,432,947	-949,747	-5,858,887

The Department of Transportation (DOT) is appropriated \$16.731 billion, a level that is \$5.859 billion below the President’s budget request, \$950 million below the FY14 enacted level, and \$1.433 billion above the level proposed by the House Appropriations Committee for FY14.

Surface Transportation Authorization: The DOT’s surface transportation programs are currently authorized by MAP-21, which expires at the end of this fiscal year in September. The authorizing committees of jurisdiction are currently working on a reauthorization package. Therefore, the [Appropriations Committee](#) was forced to “recommend appropriations for programs without authorization and the Committee’s recommendations for FHWA are contingent upon reauthorization.” The [Committee Report](#) further states “is the Committee’s intention that appropriations made by this bill will be wholly contingent on a reauthorization of the highway program and will be distributed only in accordance with the new authorization law.”

TIGER Grants (National Infrastructure Investment program): The bill provides \$100 million for the National Infrastructure Investment program (more commonly known as TIGER Grants), a level that is \$1.15 billion below the President’s budget request, \$500 million below the FY14 enacted level, and \$100 million above the level proposed by the House Appropriations Committee for FY14.

The TIGER Grant program was established by President Obama’s failed stimulus law. Every THUD Appropriations bill since we regained the majority prior to H.R. 4745 has proposed to eliminate the TIGER Grant program. The [GAO](#) has found problems with the funding decisions made by the administration under this program. Heritage Action supports terminating the TIGER Grant program.

Essential Air Service (EAS): EAS is appropriated \$149 million, a level that is \$6 million below the President’s budget request, equal to the FY14 enacted level, and \$49 million above the level proposed by the House Appropriations Committee for FY14. EAS also receives \$100 million in mandatory funding, for a total funding level of \$249 million.

EAS heavily subsidizes flights to and from rural areas – often to the tune of several hundred dollars per passenger. The bill caps the per-passenger subsidy at a maximum of \$500. By a [two-to-one margin](#), the House Republican Conference has supported eliminating the discretionary EAS funding. The House Republican Budget recommended phasing out the EAS. The RSC Budget proposed eliminating this wasteful program. Several conservative organizations support

eliminating EAS, including [Cato](#), [Citizens Against Government Waste](#), [FreedomWorks](#), [Heritage Action](#), and [National Taxpayers Union](#).

Federal Aviation Administration (FAA): The FAA is appropriated a total of \$12.377 billion, a level that is \$4 million below the President’s budget request, \$7 million below to the FY14 enacted level, and \$581 million above the level proposed by the House Appropriations Committee for FY14. This level of funding will support the FAA’s plan to hire 1,700 new air traffic controllers.

Federal Highway Administration (FHWA): The FHWA is funded via the Highway Trust Fund; annual appropriations bills establish limitations on obligations, which are the funding levels for programs and activities in the FHWA. H.R 4745 makes explicit that funds made available under this Act for the FHWA are contingent upon reauthorization of a highway bill.

The bill provides \$40.995 billion for federal highway funding, a level that is \$7.567 billion below the President’s budget request, equal to the FY14 enacted level, and equal to the level proposed by the House Appropriations Committee for FY14.

According to the [CBO](#), the Highway Account in the Highway Trust Fund is projected to bring in \$34 billion in FY15.

Amtrak (National Railroad Passenger Corporation): Amtrak is provided a total of \$1.19 billion, a level that is \$1.26 billion below the President’s budget request, \$200 million below to the FY14 enacted level, and \$240 million above the level proposed by the House Appropriations Committee for FY14. Within this total, \$340 million is for operating grants and \$850 million is for capital grants and debt service.

Amtrak is supposed to be self-sufficient, but is projected to run an operating loss of \$333 million in FY15, requiring another infusion of funds from the taxpayers. The rail service managed to lose \$388 million on its food and beverage service from FY10-FY14.

The House Republican Budget recommended eliminating Amtrak operating subsidies. The RSC Budget proposed eliminating these subsidies for Amtrak, stating “Amtrak has no incentive to improve its performance if it knows that it will be able to count on the taxpayers for a bailout each year.” Several conservative groups have supported ending subsidies for Amtrak, including [Americans for Prosperity](#), [Americans for Tax Reform](#), [Cato](#), [Citizens Against Government Waste](#), [FreedomWorks](#), [Heritage Action](#), and [National Taxpayers Union](#).

Federal Transit Administration (FTA): The FTA is appropriated a total of \$1.897 billion, a level that is \$952 million below the President’s budget request, \$254 million below to the FY14 enacted level, and \$25 million below the level proposed by the House Appropriations Committee for FY14. Additionally, the bill provides \$8.595 billion for Transit Formula Grants, contingent upon enactment of a multi-year surface transportation authorization law. In total, the FTA is provided \$10.492 billion in budgetary resources.

Within the appropriated amount, \$1.691 billion is for Capital Investment Grants, which subsidize local rail and fixed guideway transit systems.

According to the [CBO](#), the Transit Account in the Highway Trust Fund that funds the Transit Formula Grants is projected to bring in \$5 billion in FY15.

Washington Metropolitan Area Transit Authority ([WMATA](#)): Within the FTA, the Washington, D.C. Metro is appropriated \$150 million, a level that is equal to the President’s budget request, equal to the FY14 enacted level, and \$25 million above the level proposed by the House Appropriations Committee for FY14.

No other local transit system receives dedicated maintenance and capital funding in this appropriations bill. The RSC Budget called for the elimination of this subsidy. A majority of the House Republican Conference in the 112th Congress supported eliminating Metro funding by a [two-to-one margin](#). Several conservative organizations oppose Metro’s dedicated funding stream, including [Citizens Against Government Waste](#), [FreedomWorks](#), and [Heritage](#).

Title II: Department of Housing and Urban Development

In thousands of dollars

FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level	FY15 vs FY14 House	FY15 vs FY14 Enacted	FY15 vs President Request
28,455,033	32,809,446	36,916,049	34,952,390	+6,497,357	+2,142,944	-1,963,659

The Department of Housing and Urban Development (HUD) is appropriated \$34.952 billion, a level that is \$1.964 billion below the President’s budget request, \$2.143 billion above the FY14 enacted level, and \$6.497 billion above the level proposed by the House Appropriations Committee for FY14.

Tenant-Based Rental Assistance (Section 8 Program): Tenant-Based Rental Assistance, commonly known as the Section 8 Program, is appropriated \$19.356 billion, a level that is \$688 million below the President’s budget request, \$179 million above the FY14 enacted level, and \$746 million above the level proposed by the House Appropriations Committee for FY14. Within this amount, the bill provides \$75 million for the Veterans Affairs Supportive Housing (VASH) program that is meant to support the goal of ending veterans homelessness within five years. The Section 8 program has not been authorized since 1994.

Public Housing Capital Fund: The Public Housing Capital Fund is appropriated \$1.775 billion, a level that is \$150 million below the President’s budget request, \$100 million below the FY14 enacted level, and \$275 million above the level proposed by the House Appropriations Committee for FY14. This program provides funding for local public housing, including replacing roofs, windows, electrical, plumbing, renovating apartment interiors, and improving common areas. The RSC Budget recommended reducing funding for this program because these activities are better left to state and local governments. This program has not been authorized since 2003.

Public Housing Operating Fund: The Public Housing Operating Fund is appropriated \$4.4 billion, a level that is \$200 million below the President’s budget request, equal to the FY14 enacted level, and \$138 million above the level proposed by the House Appropriations Committee for FY14. This program provides operating subsidies to local public housing projects. This program has not been authorized since 2003.

Community Development Block Grants (CDBG): The Community Development Fund, which funds CDBG, is appropriated \$3.06 billion, a level that is \$190 million above the President’s budget request, \$40 million below the FY14 enacted level, and \$1.363 billion above the level proposed by the House Appropriations Committee for FY14.

CDBG has not been authorized since 1994. The RSC Budget recommended reducing funding for CDBG, explaining that it had funded wasteful projects such as “doggie daycare, a local circus, and decorative sidewalks in an affluent suburb.” Several conservative organizations have supported reducing CDBG funds, such as [Americans for Prosperity](#), [Cato](#), [Citizens for Government Waste](#), [FreedomWorks](#), [Heritage Foundation](#), and [Taxpayers for Common Sense](#).

Homeless Assistance Grants: Homeless Assistance Grants are appropriated \$2.105 billion, a level that is \$301 million below the President’s budget request, equal to the FY14 enacted level, and \$17 million above the level proposed by the House Appropriations Committee for FY14. These programs have not been authorized since 2011.

Project-Based Rental Assistance (PBRA): PRA is appropriated \$9.746 billion, a level that is equal to the President’s budget request, \$171 million below the FY14 enacted level, and \$695 million above the level proposed by the House Appropriations Committee for FY14. This program provides federal dollars to subsidized housing units.

Federal Housing Administration (FHA): The FHA is not funded through appropriations; instead it is funded from the income it earns on its mortgage insurance portfolio. The bill sets a limitation on the loan guarantees the FHA’s Mutual Mortgage Insurance Program on \$400 billion. The FHA produces a net total of \$8.733 billion in receipts that are used to offset spending in this bill.

The bill includes a provision that prohibits the FHA from financing or refinancing any loan that has been seized by a local or state government using eminent domain. The bill also prohibits the implementation of a proposed FHA pilot program, Homeowners Armed with Knowledge, because it would be dependent on a new fee on lenders.

Government National Mortgage Association (GNMA): GNMA, better known as Ginnie Mae, is a government sponsored enterprise (GSE) that guarantees mortgage-backed securities that are made up of mortgages insured or guaranteed by the federal government. Ginnie Mae is not funded by appropriations, but is funded by the income from its operations. The bill recommends a limitation on guaranteed loans of \$500 billion in FY2015. GNMA produces a net total of \$842 million in receipts that are used to offset spending in the bill.

FHA and GNMA Offsetting Receipts: Together, the receipts from the FHA and GNMA that are used to offset additional spending in this bill total \$9.7 billion, according to the CBO. This is \$2.9 billion lower than the current FY14 level, and about \$4.2 billion lower than the President’s budget estimate. The reduced receipts assumed by the CBO in FY2015 means that a lower level of new spending is offset by receipts than in the current fiscal year or in the President’s budget. [CRS](#) has additional information on this issue.

Title III: Related Agencies

In thousands of dollars

FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level	FY15 vs FY14 House	FY15 vs FY14 Enacted	FY15 vs President Request
347,400	366,243	346,237	346,046	-1,354	-20,197	-191

The related agencies funded by the bill are appropriated \$346 million, a level that is \$191 thousand below the President’s budget request, \$20 million below the FY14 enacted level, and \$1 million below the level proposed by the House Appropriations Committee for FY14.

The agencies funded by this title are the United States Access Board, the Federal Housing Finance Agency, the Federal Maritime Commission, the National Transportation Safety Board, the Neighborhood Reinvestment Corporation, and the U.S. Interagency Council on Homelessness.

Unauthorized Appropriations: The bill includes \$79.2 billion in appropriations and obligations for 40 programs whose authorizations have or will be expired. This includes \$57 million in increased funding for 9 unauthorized programs that receive more than current FY14 enacted level. Much of the unauthorized amount is concentrated in the Department of Transportation, whose surface transportation programs are set to expire at the end of this fiscal year. Because the authorizing committees are still working on a reauthorization, the Appropriations Committee made recommendations that are explicitly contingent upon the enactment of authorizing legislation. However, the bill makes none of the funds for unauthorized HUD programs (some of which have not been authorized for two decades) contingent upon authorization.

All Dollar amounts in Thousands

Title of the Bill	Unauthorized Programs funded by the bill	Total Unauthorized Appropriations	Programs that Receive more than FY14 Enacted	Total Increases in Programs that Receive more than Enacted
Transportation	19	\$54,289,918	4	\$13,000
HUD	19	\$24,756,900	4	\$44,000
Related Agencies	2	\$110,548	1	\$100
Total	40	\$79,157,366	9	\$57,100

Committee Action: The House Appropriations Committee marked up and approved H.R. 4745 on [May 21, 2014](#), by a 28 – 21 vote.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:

According to the [Committee Report](#), “Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits.”

Constitutional Authority: “Congress has the power to enact this legislation pursuant to the following: Pursuant to clause 7(c) of rule XII of the Rules of the House of Representatives, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution. The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: “No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law” In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: “The Congress shall have the Power . . . to pay the Debts and provide for the common Defence and general Welfare of the United States” Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use.”

RSC Staff Contact: Matt Dickerson, matthew.dickerson@mail.house.gov, 6-9718

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