

Transportation/Aviation Update March 8, 2024

NEXT WEEK

As of today, there are no transportation or aviation related activities scheduled in either the House or Senate for next week.

THIS WEEK

Final Passage - FY 2024 Appropriations. On March 6, the House approved H.R. 4366 on a 339-85 vote the six-bill "minibus" that provides \$460 billion in FY 2024 appropriations for the departments of Agriculture, Interior, Commerce, Justice, Transportation, Housing and Urban Development (THUD), Energy, Veterans Affairs as well as the EPA, FDA, and NASA. The Senate is expected to pass the bill today and send to the President and avoid a partial government shutdown. Congress has until March 22 to complete the more remaining six appropriations bills, which are generally more controversial.

- This is the Senate THUD <u>bill summary</u>, the <u>explanatory statement</u>, which provides details on each program, and more than 6,628 earmarks <u>congressional earmarks</u> totaling \$12.7 billion.
- DOT highlights include:

DOT

DOT Overall: The bill includes \$106.4 billion in total budgetary resources for DOT, a slight increase above FY 2023 levels.

• Raise Grant Program. DOT will have \$1.845 billion for FY 2024 RAISE grants. This compares to \$2.3 billion in FY 2023.

FTA

FTA Overall: \$20.9 billion for FTA, which is \$364 million (2 percent) less than the FY 2023 enacted level. This total funding represents 96 percent of the amount authorized in the IIJA.

- Formula Grants. \$14 billion for formula grants, as authorized in IIJA, which is an increase of \$356 million over last year.
- Capital Investment Grant Program. \$2.2 billion for the CIG program, when combined with the \$1.6B funded through the IIJA will provide a total program level of \$3.8 billion in FY 2024. Congress reduced funding from FY 2023 to this year by \$430M.
- LoNo and Bus and Bus Facilities. Fully funded at the IIJA authorized levels.

FAA

FAA Overall: \$20.082 billion for the FAA, an increase of \$1.058 billion over FY 2023.

- Airport Improvement Program: Nearly \$3.9 billion for Airport Improvement Program grants
- Operations. \$12.7 billion for FAA operations, which will allow the FAA to add 1,800 new air traffic controllers, improve training facilities at the air traffic controller academy, and addressing the reliability of critical IT and telecommunications legacy systems.
- Facilities and Equipment: \$3.2 billion for FAA facilities and equipment, which will accelerate next generation programs improve the efficiency of air traffic control and reduce flight delays.

FHWA

FHWA Overall: Nearly \$63 billion in total funding for FHWA, which is nearly \$70 million above the FY 2023 enacted level.

FRA

FRA and Amtrak Overall: A total of \$2.97 billion is provided for FRA. This includes \$2.42 billion for Amtrak to sustain operations, maintain a state of good repair, and safely get passengers to their destinations

FAA Authorization Extension. This week the House and Senate passed and sent to the President a bill (H.R. 7454) to extend from March 8 to May 10 the current FAA authorization to continue to collect aviation excise taxes and award Airport Improvement Program grants. The hope is that during this two month extension, the House and Senate can reconcile their differences in their respective bills and pass a final five-year bill.

House

FY 2025 Budget Resolution. On March 7, the Budget Committee approved its Budget Resolution for FY 2025. The document is to provide broad outlines of spending and taxation policies for the coming year. While it is highly unlikely that there will be a House-Senate Budget Resolution for FY 2025, the House document provides an indication of the Republican priorities, including these on transportation:

- "Our budget would also remove the assumption that the one-time spending from the
 Infrastructure Investment and Jobs Act—which was too broad, too expensive, and too
 progressive—continues beyond its authorization. This "Green Infrastructure Bill" spent tens
 of billions of taxpayer funds on wasteful and unnecessary projects, such as subsidized EV
 charging stations and other Green New Deal projects. The funds provided by this law should
 have been targeted towards traditional roads and bridges, not wasteful initiative such as:
 - \$6.4 billion for the new Carbon Reduction Program
 - \$7.5 billion for 500,000 electric vehicle charging stations and electric infrastructure
 - \$5 billion for electric and low emitting buses and ferries, and

\$5.6 billion for low or no emissions bus projects"

Hearing: DOT Administration of IIJA Grants. The 2021 Bipartisan Infrastructure Law authorized \$196 billion over five years for new and existing DOT competitive grant programs — 30 percent of the total funding in the law and the hearing focused on how DOT is administering those grants. Witnesses included representatives from the National Association of Counties, American Short Line and Regional Railroad Association, Southeast Michigan Council of Governments, and Florida Department of Transportation. The hearing video is here.

• Committee Chairman, Rep. Sam Graves (R-MO), said "The Committee has a keen interest in ensuring these taxpayer-funded grants follow the intent of the law and support projects that actually improve our Nation's infrastructure network and supply chain. The Committee has heard concerns from stakeholders regarding the implementation of IIJA, specifically citing the Department's delay and inconsistency with the issuance of Notices of Funding Opportunity, or NOFOs, and the length of time it takes to execute grant agreements after an award has been announced.

Committee Report: 2024 Views and Estimates. The Transportation and Infrastructure Committee last week approved <u>a document</u> laying out its goals for the year, including reauthorizing the FAA, the National Transportation Safety Board, the Maritime Administration, and pipeline safety programs.

<u>Senate</u>

Hearing: NTSB Investigations. On March 6, the Commerce, Science and Transportation Committee held a hearing at which NTSB Chair Jennifer Homendy was the sole witness. She highlighted on-going investigations, including the Alaska Airlines incident, where door plug that flew off a Boeing 737 Max-9 aircraft in January, as well as the Palestine Ohio train derailment last year. Written statements and video of the hearing is here.

- Chair Homendy said that Boeing has been slow in providing documents related to Alaska Airlines flight, angering Senators.
- She also stressed the need for additional funding for NTSB to sustain on-going and future safety investigations.

<u>Department of Transportation</u>

FHWA: Buy America. On March 7, FHWA issued a Request for Information on the Use of Manufactured Products in Highway Projects, which is here. Comments are due in 60 days.

At the same time, FHWA released a Notice of Proposed Rulemaking (NPRM), saying that upon review of comments from the RFI, the agency intends to discontinue its general waiver of Buy America requirements for manufactured products used in federal-aid highway projects. FHWA proposes to create standards that would apply to manufactured products if the waiver is

discontinued. The <u>Manufactured Products Notice of Proposed Rulemaking</u> was posted to the FHWA website on March 7 and soon will be published in the Federal Register.

FHWA: Electric Charging Standards. On March 6, FHWA released a Request for Information (RFI) to solicit feedback from stakeholders on updating FHWA's minimum standards and requirements for electric vehicle charging stations to allow for new technology and continued innovation. The RFI is here.

FHWA: Cybersecurity Evaluation Tool. On March 5, FHWA announced its proposal to adopt the Cyber Security Evaluation Tool as a voluntary tool transportation authorities can use to assist in identifying, detecting, protecting against, responding to, and recovering from cyber incidents. The FHWA requests comments on its proposal. The Federal Register Notice is here.

FTA: Annual Apportionments. On February 29, announced a partial-year FY 2024 transit formula funding, which is detailed in apportionment tables that specify funding to states, urbanized areas, and Tribal governments based on statutory formulas. The \$9.9 billion in federal formula funding is available to support public transportation in communities throughout the country. The funding reflects formula funding available for five months (October 1 to March 1) at FY 2023 levels while the federal government operates under a Continuing Resolution.

FAA: Handicapped Aircraft Access. On February 29, FAA issued a Notice of Proposed Rulemaking to set new standards for prompt, safe, and dignified assistance, mandate enhanced training for airline employees and contractors who physically assist passengers with disabilities and handle passengers' wheelchairs and specify actions that airlines must take to protect passengers when a wheelchair is damaged during transport. Comments are due in 60 days. The proposal can be found at here.

DOT: Safe Streets for All NOFO. On February 21, DOT released the Safe Streets and Roads for All FY 2024 NOFO. The Safe Street for All program funds regional, local, and Tribal initiatives through grants to prevent deaths and serious injuries on the nation's roadways. Applications for Implementation Grants are by May 16. Planning and demonstration grant applicants will have three opportunities to apply with the deadlines of April 4, May 16, and August 29. The Safe Streets and Roads for All NOFO can be found at here.

FTA: Rail Vehicle Replacement Grants Awarded. On Feb. 21, FTA announced the selection of three projects in three states to replace aging passenger railcars. These selections represent second-time funding from the Rail Vehicle Replacement Program, which was created to improve safety, service, and customer experience on subways, commuter rail, and light rail systems.

FTA: Access to Construction Jobs. On February 20, FTA released a report, <u>Investing in America:</u>
Best Practices to Expand Access to Jobs and Economic Opportunity Through Transportation

<u>Infrastructure Investments</u>, on ways for states and local jurisdictions to expand access to construction jobs following the Infrastructure Investment and Jobs Act. The report includes recommendations for expanding access to jobs and opportunity for underrepresented groups such as women, youth, people with disabilities, and people of color.

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