



February 6, 2009

As of Friday afternoon, the US Senate continues to debate its version of the economic recovery bill. The goal is to complete the bill this evening, but with many issues still unresolved, that may not be possible and the debate may continue over the weekend or into next week.

The bill needs 60 votes to pass, so Democratic leaders need to be able to hold all of their members as well as pick up several Republican votes. Republicans continue to raise concerns about the growing cost of the bill – well over \$900B as of this afternoon. They also feel that a larger percentage of the bill should be directed to tax cuts and support for reviving the housing market, rather than more government spending.

A bi-partisan group of moderate senators led by Senators Ben Nelson (D-NE) and Susan Collins (R-ME) have been working for the past two days to develop a list of funding that is not truly “stimulative” that could be dropped from the bill. Their goal is to come up with \$100B+ to cut. A draft list of items to potentially delete includes the \$5.5B in the Senate bill to create a new discretionary, multi-modal National Surface Transportation System program. This program also includes up to \$200M in TIFIA credit support. Recent rumors this afternoon have suggested that \$3.4B in transit spending could also be on the chopping block, but that seems counterintuitive to other efforts to amend the bill to increase funding for transit and transportation in general.

PB is contacting key Senators in strong support of transportation and infrastructure funding.

A number of transportation/infrastructure amendments may still be offered this evening. They include amendments to:

- eliminate the new National Surface Transportation Systems program, but transfer the \$5.5B in program funding to the highway formula program,
- to increase funding for transit, including the Formula, New Starts and Rail Mod programs and permit formula funds to be used for operating assistance,
- to repeal the \$8.75B rescission of FY’09 unobligated contract authority required in SAFETEA-LU,
- to transfer up to \$50B in infrastructure funds not obligated after one year to a new public works account that would be used to fund highway, transit and water projects,
- to provide a “clean” extension of the short-term FAA authorization bill, which expires on March 31, through the end of the fiscal year,
- To add \$550M to accelerate the FAA’s NextGen air traffic control system program.

Earlier in the week a Murray (D-WA)/Feinstein (D-CA) amendment to add \$25B to highway, transit and water programs was defeated on a procedural vote because it did not include any offsets to cover the additional costs. The amendment may be brought up again. A Vitter (R-LA) amendment to cut the \$850M for Amtrak and \$2B for high speed rail corridors was defeated by a vote of 65-32. A Boxer (D-CA) amendment that provides for expedited processing of EISs under NEPA passed by voice vote.



PB Washington Update

PREPARED BY CATHY CONNOR
MANAGER OF GOVERNMENT AFFAIRS



Once the bill passes the Senate, it will have to be reconciled with the House-passed bill. That is expected to occur next week before the start of the February 16 congressional recess. Most of the infrastructure-related provisions in the two bills are relatively similar, so they should not generate much controversy, however, some others provisions are very different and may be difficult to reconcile.

US DOT Secretary Ray LaHood has established an internal team to coordinate DOT's role in the economic recovery program. The team, known as the Transportation Investment Generating Economic Recovery (TIGER) team, is co-chaired by Joel Szabat, Deputy Assistant Secretary for Policy and Lana Hurdle, Deputy Assistant Secretary for Budget and Programs, both career employees.

Additional materials and links to legislative documents, side by side analysis of the bills and industry position papers can be found at www.pbstimulus.com