



## *Federal Transportation Briefing*

**A Periodic Report on Federal Transportation Activities**

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Issue 4

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### Annual Transportation Appropriations

FY 2010 – Following a series of Continuing Resolutions, the FY 2010 Transportation Appropriations Act ( PL 111-117) was signed on December 16, 2009. The Act provided increases for most programs including an increase in the highway obligation authority. An additional \$650 million from the General Fund will be distributed to the states through the core programs for highway projects, and \$600 million will be distributed by the Secretary for surface transportation projects through an application process. The administration has not yet released the criteria and application process for the \$600 million.

FY 2011 – Congressional hearing are being held on the FY 2011 Transportation Appropriations bill. Requests for special project funding (earmarks) have been submitted to the Congressional Delegation.

### Aviation Authorization

The multi-year aviation authorization bill, known as Vision 100 (PL 108 -176), expired on October 1, 2007, and programs have been continuing under a series of authorization extensions. The current extension was signed on March 31, 2010 (HR 4957; PL 111-153) and continues programs until April 30, 2010.

Multi-year authorization bills have been passed by the House on March 25 and by the Senate on March 22 as separate amendments to HR 1586. A conference committee will resolve the differences between the two proposals; however there is not sufficient time to complete work on the conference report and an additional extension will be necessary before April 30, 2010.

### Surface Transportation Authorization.

The multi-year surface transportation authorization act known as SAFETEA-LU expired on October 1, 2009. The federal-aid programs, including highway, transit, highway safety, and motor carrier programs are continued through a series of extensions.

The current extension was included in HIRE, which was signed on March 18, 2010 (PL 111-147) and continues programs through December 31, 2010. In addition to program extensions, the act did away with the \$8 billion contract authority rescission enacted in SAFETEA-LU, and also transferred \$19.5 billion from the General Fund to the HTF to keep the trust fund solvent.

### Recovery Act

Following the enactment of the Recovery Act there was talk that a second “stimulus” or “jobs” bill would be passed to provide additional federal infrastructure investment funding. Late last year, proposals were being circulated and a bill passed the House which would have provided additional funding.

We realized it would be to our advantage to be prepared in the event additional funding did become available. As a result the department along with local jurisdictions, railroads and transit agencies identified a large number of infrastructure projects that could be advanced if additional funding was available. These projects were being developed as potential "jobs" projects pending final action on a bill.

Subsequent efforts in Congress have not produced additional funding and we do not now believe there will be additional funding forthcoming. As a result, we are notifying the various groups that it is time to transition back to the normal project development process.

### Climate Legislation

Congress (primarily the Senate Committee on Environment and Public Works) is turning attention to the enactment of "Climate Change" legislation. A proposal known as the "Kerry, Lieberman, Graham" bill has nothing in writing but it is expected to include some fees on carbon-based energy. Senator Kerry plans to introduce the bill on April 26.

Although the text is not yet available, the Senator says the proposal will include a "carbon fee" added at the pump. The amount of that fee will be linked to the market price of the carbon pollution permits in other sectors of the economy.

There are varying opinions on how to use any revenues that are generated. Some support the position that that revenue from the carbon fee should be returned to consumers, or directed toward alternative energy and alternative transportation initiatives. Others maintain that any motor fuel taxes or fees should be directed to the Highway Trust Fund for traditional highway and transit investments.

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