



House Appropriators Launch 2019 FTA Funding on a High Note

May 2018

Many steps remain in the process, but there was encouraging news for public transportation within the House Appropriations Committee this month. Specifically, that spending panel reported out its funding recommendations for next year's transportation, housing and related programs. These recommendations don't just honor the FAST Act authorizations, but actually expand the federal transit program by an additional \$1.1 billion beyond what already would have been record-setting levels of federal investment.

It's far too early in the federal appropriations cycle to make any definitive statements on what to expect in next year's transit funding, but here are some highlights of what the House Appropriations Committee has recommended for FY 2019 Transportation/HUD ("THUD") spending:

Overall Federal Transit Administration spending would grow to \$13.6 billion. This would be \$141 more than has been appropriated this year to FTA.

Section 5307 urban transit formula grants would grow to \$5.0 billion. That includes an additional \$150 million to be appropriated from the federal government's general funds, on top of the FAST Act authorizations from the Highway Trust Fund's Mass Transit Account.

Section 5311 rural transit formula grants would grow to \$709 million. That figure includes an additional \$50 million to be appropriated from the federal government's general funds, supplementing the FAST Act authorization.

Section 5340 funds for specific high-density states and for all states' and urbanized areas' growing population would increase to \$611 million. That figure includes a general fund supplement of \$50 million above the FAST Act authorization. It's important to remember that Section 5340 funds are added to the urban and rural formula grant funds when FTA makes its annual apportionments.

Section 5339 bus and bus facilities grants would be \$1.1 billion, of which \$455 million would be allocated by formula, and \$672 million would be awarded through competitive grants. While the overall dollar levels are near this year's funding for buses and bus facilities, the House would shift more of the funds to discretionary grants, with the amount to be allocated by formula limited to the FAST Act authorization, and increasing the amount available for competitive grants by \$350 above FAST Act levels.

Section 5310 formula grants for the mobility of older adults and individuals with disabilities would grow to \$280 million, as per the FAST Act.

Most of FTA's research and technical assistance programs would be continued as per the FAST Act, but the House calls for a \$5 million increase in technical assistance spending, directing funding to support training and technical assistance around the issues of mobility of older adults and individuals with disabilities, and innovation among small-urban, rural and tribal transit providers.

What's Next?

This "markup" by the House Appropriations Committee is only an initial step. What remains, at least in theory, are the following steps:

- Full House passes its FY 2019 Transportation/HUD appropriations.
- Senate Transportation/HUD Appropriations subcommittee drafts its version of these appropriations.
- Senate Appropriations Committee adopts its recommended FY 2019 Transportation/HUD appropriations, possibly amending the subcommittee draft.
- Full Senate passes its FY 2019 Transportation/HUD appropriations.
- House and Senate versions are reconciled and passed, either through a House-Senate conference committee, or through some other means, such as negotiating the "consolidated" or "omnibus" appropriations measures of most recent years.
- President signs FY 2019 appropriations into law.

In Other News....

FTA has published a final rule that addresses ways that grantees can seek waivers or other regulatory flexibility when seeking to use public-private partnerships ("P3s") to carry out FTA-funded capital projects. This rule appears in the May 30, 2018, Federal Register, and takes effect June 29, 2018. The rule is codified at 49 CFR Part 650. This opportunity is available for any FTA- or TIFIA-funded capital grant, but the waivers or flexibilities can be sought only when a public-private partnership is carrying out the capital project. Waivers and other flexibility cannot be sought for relief of statutory mandates (such as NEPA), and must be limited only to matters of FTA regulation, guidance or interpretation. To seek such a waiver, the grantee must submit an application to FTA. The point of contact for this program of waiver requests to support P3s is Tom Yedinak of the FTA staff, who can be

contacted by email at tom.yedinak@dot.gov, or by phone at 202-366-5137. More information about this new rule is on the FTA website at <https://www.transit.dot.gov/funding/funding-finance-resources/private-sector-participation/private-sector-participation-1>