

Senate Moves Forward on FY 2021 Transit Funding

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In all honesty, the federal government’s annual appropriations cycle hasn’t been front and center in the news emanating from our nation’s capital these past few weeks. But for just about everyone who’s counting on federal funding to support their public transit program (or just about any other federally funded activity), appropriations bills are critically important.

Even though the current fiscal year began on October 1, some serious legislative work remains to be done. It’s possible everything will be wrapped up next month, when Congress returns for a brief, post-election, “lame duck” session. In a move that helps move the ball toward that goal, the Senate Appropriations Committee has just released its drafts of all twelve annual spending bills, including its recommended spending for the departments of Transportation, Housing and Urban Development, and some related agencies (i.e., THUD Appropriations). Below, you’ll see CTAA’s estimates of what the Senate is proposing for Federal Transit Administration programs; if you want to read everything the Senate Appropriations Committee has drafted, head on over to their website, at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

FY 2021 Appropriations: Where We Stand Today

There’s actually been rather a lot of action related to this current year’s federal spending. Here are the key points:

- July 24 & 31: The House of Representatives passed two measures that together made up an all-encompassing FY 2021 “Consolidated Appropriations Act.” The second of these two bills included record-breaking levels of funding for FTA programs, and would eliminate local match requirements for most FTA grants. You can read CTAA’s coverage of that measure at https://ctaa.org/wp-content/uploads/2020/07/CTAA_House_FY2021THUDappropriations.pdf.
- October 1: With no FY 2021 appropriations bills yet signed into law, Congress raced a continuing resolution over to the White House, where it received a much-needed presidential signature in the wee hours of the morning. This short-term “CR” continued federal spending through December 11, 2020, based on last year’s funding levels. Oh, and this continuing resolution also included a one-year extension of the FAST Act surface transportation authorization. You can read CTAA’s reporting

of that CR and FAST Act extension at https://ctaa.org/wp-content/uploads/2020/10/CTAA_FY2021CR_FASTextension.pdf.

- Not yet; maybe later: Despite months of on-and-off negotiations between the White House and the Speaker of the House of Representatives, there continues not to be any further pandemic-related relief or economic stimulus legislation. The last such measure to become law was the \$2.2 trillion CARES Act, which the president signed on March 27. You can review what CTAA has said about the CARES Act, along with related information, at <https://ctaa.org/covid-19-resources/>.
- November 10: The Senate Appropriations Committee released its version of all FY 2021 spending. Since the Senate is in a brief session through November 20, it's possible this legislation will see floor action and possible passage before Thanksgiving. It's at least as likely that Senate action, along with the necessary House-Senate negotiations that would ensue, will be part of the "lame duck" Congressional session that starts on November 30 and continues through December 18, when the current Congress declares "sine die," and adjourns for good, awaiting the convening of the 117th Congress in early January.

Realizing that everything in this bill is subject to change as it advances across the Senate floor, and there clearly are significant items to be negotiated with the House before any appropriations bill is presented to the president for his signature, here are CTAA's estimated highlights of what the Senate is proposing for FTA:

- Overall spending from the Mass Transit Account for FTA formula grants would be maintained at \$10.8 billion, which is the same as for FY 2020.
- The "plus-ups" in FTA spending from general federal revenues would amount to a supplemental \$701.7 million, which is significantly more than FY 2020's \$510.0 million
- There'd be a \$5 million appropriation from general revenues for technical assistance, added to FTA's other technical assistance programs, which is the same as was seen in FY 2020.
- The Section 5309 Capital Investment Grants program would see \$1.9 billion, slightly below the FY 2020 funding level of \$2.0 billion.

The following table presents CTAA’s estimates of these details in comparison with the levels and details passed by the House in July, along with their corresponding levels of funding in FY 2020.

	FY 2020 – as signed into law	FY 2021 – as passed by House, 7/31/20	FY 2021 – as drafted in Senate, 11/10/20
FTA Formula Grants (trust fund)	\$10.8 billion	\$16.6 billion	\$10.8 billion
FTA Capital Investment Grants (general fund)	\$2.0 billion	\$2.2 billion	\$1.9 billion
FTA administration (general fund)	\$117.0 million	\$121.1 million	\$121.1 million
Additional technical assistance grants (general fund)	\$5.0 million	\$7.0 million	\$5.0 million
Additional “Transit Infrastructure Grants” added to FTA programs as the following “plus-ups”:	\$510.0 million, including details below	\$510.0 million, including details below	\$701.7 million, including details below
<i>Sec. 5339(a) bus & facilities formula grants</i>	\$168.0 million	No “plus-up”	\$223.0 million
<i>Sec. 5339(b) bus & facilities competitive grants</i>	\$170.0 million	\$374.0 million	\$223.0 million
<i>Sec. 5339(c) low/no-emission bus grants</i>	\$75.0 million	\$125.0 million	\$80.0 million
<i>Sec. 5337 state of good repair grants</i>	No “plus-up”	No “plus-up”	\$45.0 million
<i>Sec. 5311 rural transit</i>	\$40.0 million	No “plus-up”	\$45.0 million
<i>Sec. 5340(d) high-density states</i>	\$40.0 million	No “plus-up”	\$45.0 million
<i>Sec. 5312(h) bus testing</i>	\$3.0 million	No “plus-up”	\$1.7 million
<i>Sec. 5312 innovative mobility grants</i>	\$5.5 million	\$1.0 million	No “plus-up”
<i>Persistent poverty grants</i>	\$8.5 million (new program)	No funding	\$20.0 million
<i>Sec. 5307 (h) ferry program</i>	No “plus-up”	\$10.0 million	\$19.7 million

What’s Next?

Whether you favor or dislike the above information, don’t go running to draw down FY 2021 spending quite yet. Remember that the House passed its Consolidated Appropriations Acts nearly four months ago, when the political climate, the economic climate and the pandemic climate all were rather different than they are today. Congress and the White House will need to do something in December, as the current continuing resolution runs out on December 11. Maybe they’ll take up the Senate’s comprehensive set of

appropriations bills, negotiate the differences between House and Senate bills, and present some sort of comprehensive, or “omnibus” appropriations bill for the full fiscal year, but it’s also possible that they’ll simply kick the can of federal spending into the next Congress and next administration, passing another short-term CR through January or February of 2021.

An interesting wild card in all of this is what might – or might not – happen with respect to any further pandemic relief bill. If any political capital gets invested in negotiating spending deals with the White House this fall or winter, pandemic relief – if seen as politically possible – will be the dominant topic. That means we might see nothing at all, or we might see a free-standing large (or not-so-large) pandemic bill negotiated and enacted, or we might see pandemic relief added to either a comprehensive package of regular appropriations or tacked onto a continuing resolution or some other “must-pass” piece of legislation.

Whatever the case, this will be an interesting winter for the funding of public and community transportation. Stay tuned to CTAA and your other trusted information sources as things develop.