

Legislative Bulletin.....July 29, 2010

H.R. 5850 — FY 2011 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act

BY THE NUMBERS:

In Millions of Dollars

	FY10	FY11 Request	FY11 Committee	Cmte v. Request	Cmte v. FY10
Appropriations	67,900	68,738	67,400	-1,338	-500
<i>Emergency Approps</i>	0	0	0	0	0
Total	67,900	68,738	67,400	-1,338	-500

Excluding Emergency Appropriations, the Committee Bill is:

- **\$1.3 billion or 1.9% less than the request**
- **\$500 million or 0.7% less than last year**
- **\$18.6 billion or 38.1% more than FY 2008**

Spending Discussion: The bill provides a total funding level in FY 2011 of \$67.4 billion, which is **\$500 million or 0.7%** less than last year. Compared to FY 2008 (the last fiscal year prior to the FY 2009 omnibus enacted at the beginning of the Congress), the bill is a **\$18.6 billion or 38.1% increase**. Under the Democrats' 302(b) allocation (which sets the spending plan for the FY 2011 appropriations process), total non-emergency discretionary spending will amount to \$1.12 trillion—an increase of \$31.2 billion or 2.9% compared to last year.

Order of Business: H.R. 5850, the FY 2011 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act (sponsored by *Rep. Olver, D-MA*), is scheduled to be considered on the House floor on Thursday, July 29, 2010 under a restrictive *structured rule* ([H.Res. 1569](#)) that provides one hour of general debate, and waives all points of order against the bill's consideration, except for clauses 9 (the earmark rule) and 10 (PAYGO) of Rule XXI.

The rule also waives points of order against provisions of the bill for failures to comply with various rules for appropriations bills (such as prohibitions on appropriating funds to

unauthorized programs). The bill would be considered as read. Only the Appropriations Committee Chairman or his designee could offer a motion that the Committee of the Whole rise (i.e. stop considering amendments). The Minority would get one motion to recommit the bill, with or without instructions.

Total amendments submitted to the Rules Committee: **108**

Total allowed under this restrictive rule: **24**

Funding Summaries:

In Thousands

	FY 2010 Enacted	FY 2011 Request	FY 2011 Cmte	Cmte vs FY 2010	Cmte vs Request	Cmte vs FY 2010	Cmte vs Request
Transportation Department							
Office of the Secretary.....	889,518	351,517	755,820	-133,698	404,303	-15.0%	115.0%
Federal Aviation Administration.....	15,597,731	16,468,000	16,506,000	908,269	38,000	5.8%	0.2%
Facilities & Equipment.....	2,936,203	2,970,000	3,000,000	63,797	30,000	2.2%	1.0%
Research, Engineering, and Development.....	190,500	190,000	198,000	7,500	8,000	3.9%	4.2%
Grants-in-Aid for Airports.....	3,121,000	3,515,000	3,515,000	394,000	----	12.6%	----
Operations.....	9,350,028	9,793,000	9,793,000	442,972	----	4.7%	----
Federal Highway Administration, Total.....	42,049,829	41,099,644	45,181,927	3,132,098	4,082,283	7.4%	9.9%
Federal Motor Carrier Safety Admin., Total.....	538,638	569,948	547,542	8,904	-22,406	1.7%	-3.9%
National Highway Traffic Safety Admin., Total.....	856,474	877,610	883,321	26,847	5,711	3.1%	0.7%
Federal Railroad Administration, Total.....	4,359,040	2,855,348	3,484,848	-874,192	629,500	-20.0%	22.0%
High Speed Rail.....	2,500,000	1,000,000	1,400,000	(1,100,000)	400,000	-44.0%	40.0%
Amtrak.....	1,583,625	1,637,000	1,788,500	204,875	151,500	12.9%	9.3%
Federal Transit Administration, Total.....	10,732,752	10,799,534	11,307,422	574,670	507,880	5.4%	4.7%
Washington Metropolitan Area Transit Authority.....	150,000	150,000	150,000	----	----	----	----
Maritime Administration.....	362,750	352,041	357,041	-5,709	5,000	-1.6%	1.4%
Pipeline and Hazardous Materials Safety Admin.....	192,683	202,246	202,246	9,563	----	5.0%	----
Surface Transportation Board.....	27,816	24,738	29,999	2,183	5,261	7.8%	21.3%
Housing and Urban Development Department							
Tenant-based Rental Assistance.....	18,184,200	19,550,663	19,395,663	1,211,463	-155,000	6.7%	-0.7%
Native American Housing Block Grants.....	700,000	580,000	700,000	----	-120,000	----	20.7%
Indian Housing Loan Guarantee Fund	7,000	9,000	9,000	2,000	----	28.6%	----
Native Hawaiian Housing Block Grant.....	13,000	10,000	10,000	-3,000	----	-23.1%	----
Housing Opportunities for Persons with AIDS.....	335,000	340,000	350,000	15,000	10,000	4.4%	2.9%
Community Development Block Grants/Fund.....	4,450,000	4,380,100	4,352,100	-97,900	-28,000	-0.2%	-0.6%
Brownfields.....	17,500	----	17,500	----	17,500	----	NA
Home Investment Partnerships Program.....	1,825,000	1,650,000	1,825,000	----	175,000	----	10.6%
Homeless Assistance Grants.....	1,865,000	2,055,000	2,200,000	335,000	145,000	18.0%	7.1%
Self-Help Homeownership Program.....	82,000	----	82,000	----	82,000	----	NA
Housing for the Elderly.....	825,000	273,700	825,000	----	551,300	----	201.4%
Housing for Persons with Disabilities.....	300,000	90,037	300,000	----	209,963	----	233.2%
Housing Counseling Assistance.....	87,500	88,000	88,000	500	----	0.6%	----
Rental Housing Assistance.....	40,000	40,600	40,600	600	----	0.2%	----
Research and Technology.....	48,000	87,000	50,000	2,000	-37,000	4.2%	-42.5%

Lead Hazard Reduction.....	140,000	140,000	140,000	----	----	----	----
Fair Housing Activities.....	72,000	61,100	72,000	----	10,900	----	17.8%
Working Capital Fund.....	200,000	243,500	243,500	43,500	----	21.8%	----
Independent Agencies							
Access Board.....	7,300	7,300	7,300	----	----	----	----
Federal Maritime Commission.....	24,135	25,498	25,300	1,165	-198	4.8%	-0.8%
National Transportation Safety Board.....	98,050	100,400	104,232	6,182	3,832	6.3%	3.8%
Neighborhood Reinvestment Corporation.....	233,000	250,000	285,000	52,000	35,000	22.3%	14.0%

Items of Note:

Livable Communities: The legislation provides \$20 million for this program (within the Office of the Secretary). The program is aimed at getting the Transportation Department involved in local planning decisions. Speaking of the general goals of the program, Secretary LaHood stated: “I think we can change people’s behavior.” He also stated that he wants to: “coerce people out of their cars.”

Amtrak: \$1.8 billion—\$205 million or 12.9% above last year, and \$151.5 million or 9.3% above the President’s request. Amtrak was created by Congress in 1970. Since then, it has received \$37 billion in federal subsidies. Taxpayer subsidies enable Amtrak to avoid other necessary reforms that would enable the corporation to turn a profit. For example, in one year, Amtrak lost \$600 million on long-distance trains (on these routes Amtrak cannot compete with other, more economical modes of transportation). Amtrak also has taken losses of between \$75 million and \$158 million a year on its sleeper car service, as well as losses of \$80 million (in one year) on food. The 1997 Amtrak authorization law required Amtrak to operate free of subsidies by 2002, yet Congress continued to provide subsidies thereafter anyway.

High Speed Rail: \$1.4 billion—\$1.1 billion less than last year, and \$400 million (or 40%) above the request. \$8 billion was previously provided for this purpose in the so-called “stimulus.” This money will be used for projects that will compete, in many cases, with private-sector modes of transportation already available. In addition, spending for this program comes with no viable plan for making rail competitive with travel by planes or cars on most routes. Geography (population centers are further apart than in Europe) and politics (congressional logrolling means that this spending will subsidize environmentally wasteful, near-empty trains on some routes) are barriers to the success of this program. But even without these intractable problems, the program would still face such barriers as the difficulty of obtaining new rail-right-of-ways, and the epic procedural hurdles that these projects face before construction can begin (which can delay projects for many *decades*). While it may be possible to overcome some of the regulatory and lawsuit abuse problems that endlessly delay projects, this bill appropriates this money without a credible plan.

Native Hawaiian Housing Block Grant: \$10.0 million—\$3.0 million or 30.0% below last year, and the same as the President’s request. This federal program provides Native Hawaiians federal housing block grant funds for construction or reconstruction of affordable housing, down payment and closing cost assistance, direct lending or interest

subsidies, housing counseling, tenant-based rental assistance and safety activities. Providing additional housing assistance to this group is not only duplicative of numerous current federal housing programs available to individuals, but is also likely unconstitutional.

Essential Air Service: \$146 million—\$4.0 million or 2.7% below last year, and \$14 million or 10.6% above the President’s request. This program subsidizes flights that are often more empty than full, with taxpayers footing up to 93% of the cost of a flight (see this [article](#)).

Washington Metropolitan Area Transit Authority: \$150.0 million—the same as last year, and the same as the President’s request. The Passenger Rail Investment and Improvement Act of 2008 authorized \$1.5 billion over ten years for Washington Metropolitan Area Transit Authority (WMATA) capital and preventative maintenance projects. This earmark rewards Metro’s poor performance with an astounding sum of money, while enabling the system to put off essential reforms. In addition, this program is a transfer of wealth from the rest of the country (median income \$48,201) to the Washington DC region (median-income \$78,978). For more information on this program, see [this](#) RSC Policy Brief.

Community Development Fund: \$4.45 billion—\$98 million or 2.2% less than last year, and \$28 million or 0.6% less than the President’s request. Many conservatives argue that this spending falls under the category of state, local, or non-governmental responsibilities.

Earmarks: The bill includes a list of earmarks beginning on page 200 of the [committee report](#).

Potential Conservative Concerns: Some conservatives may be concerned with various aspects of this legislation, including, but not limited to:

Excess Spending. H.R. 5850 provides a total spending level of \$67.4 billion—**\$18.6 billion** or **38.1%** more than FY 2008 (the last fiscal year prior to the FY 2009 omnibus enacted at the beginning of this Congress).

Earmarks. The bill includes 29 pages of earmarks (listed in pages 200-228 of the committee report). Many conservatives may believe that Congress should not spend money on earmarks in the current, unreformed process. The House Republican Conference adopted an earmark moratorium in March 2010.

Questionable Spending Priorities. Among other things, the bill provides \$1.8 billion in subsidies for Amtrak, \$1.5 billion for high speed rail, \$4.5 billion for the Community Development Fund, \$146 million for the Essential Air Service, and a \$150 million special subsidy to the Washington Metropolitan Area Transit Authority.

Committee Action: H.R. 5850 was reported out of the House Appropriations Committee as an original measure on July 26, 2010 (without a recorded vote).

Cost to Taxpayers: The bill appropriates a total of \$67.4 billion in FY 2011.

Does the Bill Expand the Size and Scope of the Federal Government?: Yes, the bill provides \$67.4 billion of non-emergency FY 2011 appropriations. This is an increase of \$18.6 billion or 38.1% compared to FY 2008 (the last fiscal year prior to the FY 2009 omnibus enacted at the beginning of this Congress).

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No CBO score is available listing any possible mandates.

Constitutional Authority: The House Appropriations Committee, in [House Report 111-564](#), states:

“The Committee on Appropriations bases its authority to report this legislation from clause 7 of section 9 of Article I of the Constitution of the United States of America which states: No money shall be drawn from the Treasury but in consequence of Appropriations made by law.”

However, the report does not cite constitutional authority for any of the items for which funds are appropriated.

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