

Funding Bill, Without High Speed Rail, Gets Obama Signature

By [Andrea Bernstein](#) | 11/18/2011 – 1:58 pm



As Todd reported [yesterday](#), Congress sent \$18 billion in spending for the Department of Transportation to President Obama for a signature Thursday, boosting funds overall — but zeroing out high speed rail.

In a tersely worded statement, the White House said today:

“On Friday, November 18, 2011, the President signed into law_ :

H.R. 2112, the “Consolidated and Further Continuing Appropriations Act, 2012,” provides FY 2012 full-year appropriations through September 30, 2012, for the Departments of Agriculture, Commerce, Health and Human Services’, Food and Drug Administration, Housing and Urban Development, Justice, Transportation; the National Aeronautics and Space Administration, the National Science Foundation, and other small agencies. In addition, it provides for continuing FY 2012 appropriations through December 16, 2011, for the remaining projects and activities of the Federal Government.”

From Todd’s post yesterday:

“But the big loser was high-speed rail. Republicans succeeded in their mission to zero out funding for the Obama Administration favorite. Senate Democrats had [tried](#) to include a \$100 million “placeholder” to keep at least a bit of cash flowing, but it was removed during House-Senate negotiations.”

Was it just ten months ago that the President was [promising](#) to connect 80 percent of Americans to High Speed Rail by 2036?

POLITICO

Rare deal: \$182B approps bill passes

By: David Rogers

November 17, 2011 05:19 PM EST

Congress gave final approval Thursday to a \$182 billion domestic spending bill which marks a first down payment toward the August debt accords and rare return to some semblance of regular order for the tattered appropriations process.

The action came as House-Senate farm bill negotiators signaled they were near agreement on a five-year plan that will meet deficit-reduction targets and can be added to whatever budget package is reported from the joint supercommittee next week.

"I think we will be wrapping things up today," Sen. Debbie Stabenow (D-Mich.), chairwoman of the Senate Agriculture Committee told POLITICO. "We're not ready to give details, but I think we actually have something that is very fair for all regions."

Covering major science agencies and five Cabinet departments, the \$182 billion appropriations measure—really three bills in one—cleared the House on a 298-121 vote Thursday afternoon, followed by a 70-30 Senate roll call just hours later in the evening.

The ease of passage belied the struggle that accompanied different components over the last six months, but it is the closest thing that Congress has seen in two years that resembles the once routine procedures for annual appropriations.

To this degree, it's also an old-fashioned compromise in which neither party got all it wanted. Republicans gave back over \$1 billion that the House had previously cut from food programs at home and overseas, even as the GOP showed its own appetite for increased science and infrastructure funding. Democrats protected Amtrak and community policing priorities, yet in a blow to Wall Street reforms, the Commodity Futures Trading Commission budget was effectively frozen—a one third, nearly \$103 million cut from President Barack Obama's request.

Among major accounts, the emphasis on food safety and assistance is striking, including a \$15 billion mandated increase in food stamp expenditures that reflects the greater role of that program in today's economy. The National Science Foundation is promised an estimated \$7 billion, \$173 million above 2011. And while highway spending will drop from 2011 levels, the \$39.1 billion cap compares with the much tighter \$27 billion ceiling first recommended by the House Appropriations Committee.

Packed into the 400-plus pages is an array of smaller but often sensitive items. Mohair subsidies would be ended. New language added to protect white potatoes and pizza on the menus of school lunch menus. And over the objections of many conservatives, FHA loan mortgage limits raises to help high-priced housing markets on the East and West Coast.

House and Senate leaders are hoping these trade-offs will become a model for resolving the remaining nine appropriations bills for the fiscal year that began Oct. 1. Toward this end, the measure includes a stop gap funding resolution to keep the government operating through Dec. 16, giving Congress three more weeks after the Thanksgiving recess to clear this backlog—impacting major national security functions like defense and

foreign aid as well as labor, health and education programs.

Even with the spending caps agreed to in August, partisan divisions remain a hurdle. And Senate and House Republicans can seem to be working at cross purposes, with Senate conservatives stalling action even as House Republicans – as the ruling majority – are anxious to conclude the process in some orderly fashion.

Senate Minority Leader Mitch McConnell's commitment can often appear shaky. And within the Appropriations Committees, there is a real fear that the Kentucky Republican could walk away from a year-end deal—as he did in 2011—and force Congress to again revert to a stripped down continuing resolution.

For the farm bill negotiators, the opposite holds: regional politics trump party. And the great challenge have been to balance competing Southern, Corn Belt and Great Plains interests at a time when the Agriculture Committees must also reduce farm subsidies to meet deficit targets.

The goal has been to produce \$23 billion in 10 year savings, about \$15 billion of which would come from commodity supports. The current system of direct cash payments would be phased out for a savings of over \$40 billion, and then a portion plowed back into what appear to be three options for farmers to choose from.

Chief among these is a taxpayer-financed revenue protection proposal to supplement crop insurance and give producers additional relief in the case of shallow but still draining losses.

As initially proposed, these losses were to be measured on a county-wide basis, to reduce administrative costs and keep to the spirit of addressing shared disaster losses. But the final compromise now would allow a more individualized, farm-based standard demanded by Great Plains states, where counties are bigger and the weather and soil conditions more hazardous than the Midwest Corn Belt.

Making this fit and still meet the deficit reduction target has not been easy and a Congressional Budget Office analysis this week showed that the risk was a \$7 billion to \$8 billion cost overrun. But Stabenow said those costs have now been dialed back down and she was satisfied that she can still meet her deficit target.

Southern crops like rice and cotton have been largely observers in the conflict over the revenue-protection plan; their greater stake is in the other two options.

Cotton is assured a new crop insurance alternative tailored to its specific needs and also able to cover shallow losses. At the same time, rice would benefit from a higher target price of \$14 per hundredweight, making it more likely to get future countercyclical aid if markets turn downward.

Indeed, these higher target prices— for corn, soybeans, and wheat as well— could yet make the countercyclical program an attractive option for other crops outside the South. Wheat's price is so high in fact that critics fear it will impact planting decisions, and Kansas Sen. Pat Roberts, the ranking Republican on the Senate Agriculture Committee, warned that negotiators were taking Congress back down a path that would bring more global trade conflicts.

"This is WTO, `Shoot me,'" Roberts told POLITICO. "This is Brazil: `Line up your Gatling

Congress About To Kill High-Speed Train Program

by The Associated Press

WASHINGTON *November 17, 2011, 05:33 pm ET*

WASHINGTON (AP) — The House voted Thursday to kill funds for President Barack Obama's signature high-speed rail program, but the initiative may have some life in it still.

Republican lawmakers are claiming credit for killing the program. But billions of dollars still in the pipeline will ensure work will continue on some projects. And it's still possible money from another transportation grant program can be steered to high-speed trains.

Obama had requested \$8 billion in fiscal 2012 for the program and \$53 billion over six years.

But House-Senate bargainers this week agreed to a broad spending bill that eliminates any funding specifically for high-speed trains. The House approved that legislation Thursday 298-121, and the Senate was expected to send the measure to the White House later in the day.

Republicans have made it clear since taking control of the House last year that they intended to eliminate the program, which they say is too costly.

The bill marks "an end to the president's misguided high-speed rail program, but it is not the end of American high-speed rail," said Rep. Bill Shuster, R-Pa., chairman of the House Transportation and Infrastructure Committee's railroad subcommittee.

Shuster and the Transportation Committee's chairman, Rep. John Mica, R-Fla., say the future of high-speed rail in the U.S. is in the Northeast rail corridor, which connects Boston, New York, Philadelphia and Washington, rather than the national network of trains envisioned by Obama.

"We are being given a chance to refocus and reform the high-speed rail program," Shuster said.

But Sen. Richard Durbin, D-Ill., an Obama ally and high-speed rail supporter, said he is confident some money will be found to keep Obama's train program going through the Transportation Department's TIGER program, which makes grants to projects that achieve critical national objectives.

The 2012 spending bill includes \$500 million for the TIGER (Transportation Investment Generating Economic Recovery) program. High-speed trains would have to compete with highway, transit, port and freight rail projects for money.

Since Obama took office in 2009, his administration has steered \$10.1 billion to high-speed rail projects around the country. Some of the money is only now being used because of the time it

takes to start up a major grant program and because the program suffered setbacks when several GOP governors canceled projects in their states that had been awarded funds.

Transportation Secretary Ray LaHood said Wednesday that he expects more than \$1 billion in high-speed rail construction-related activity across the country next year.

The biggest project is in California, where the state is proposing Europe-style bullet trains traveling up to 220 mph between San Francisco and Anaheim. Planners hope to start construction of the first phase, from Fresno to Bakersfield, next year and complete it by 2017.

The project has been awarded \$3.9 billion in federal aid so far. California voters also authorized \$9 billion in bonds for high-speed trains in 2008. But at that time the project was forecast to cost \$45 billion and be completed by 2020.

A new estimate and schedule released this month pegged the cost at just under \$100 billion and pushed completion to 2034. One reason for the cost increase is that it takes into account inflation over that period. But the price tag has strengthened the position of the project's opponents.

"What's frustrating about Congress passing no new funding this year is that it adds uncertainty to federal funding," said Petra Todorovich, director of America 2050, an urban planning and infrastructure advocacy group. "That isn't helpful to projects like California that rely on a certain amount of federal funding."

The first phase of the California project is already funded.

"Some time in the next few years they will need Congress to vote for more money for rail, but it doesn't kill the project that Congress zeroed out funding this year," Todorovich said.

Mort Downey, the No. 2 Transportation Department official under President Bill Clinton and a former Obama campaign adviser, said Obama's high-speed rail plans depend on the California project.

"If California continues to go forward, we're still on life support," Downey said.

Anthony Perl, chairman of the Transportation Research Board's rail group, said that even if Obama's program collapses, it's "still highly likely" a national high-speed rail network will be built in coming decades, partly because the price of oil is expected to continue to increase.

"There is nothing that uses less oil moving people than trains," Perl said. "Cheap oil equals more cars and planes; expensive oil equals trains."

California transportation officials estimate that if high-speed train service doesn't go forward, the state will need to spend \$171 billion to construct more than 2,300 miles of freeways, four more airport runways and 115 additional airline gates to accommodate the travel demands of the state's population of 54 million people by 2050.

2012 Federal Transportation Bill Enacted

November 19, 2011 By [Larry Ehl](#) [Leave a Comment](#)

More projects will proceed now that 2012 funding is finalized.

USDOT will be funded through September 30, 2012, as a result of legislation signed into law on Saturday. The bill was passed last Thursday by the Senate (70-30) and the House (298-121). The legislation was bundled with the Agriculture, and Commerce-State-Justice spending bills, and includes language to fund all other federal agencies through December 16.

The [bill text and conference report](#) are now available (transportation sections on pages 225-299 of report). Read about the overall bill in the Washington Post article "[House, Senate pass budget bill to avert shutdown.](#)"

Some of the features:

- Federal Highways: obligation limitation of \$39.1 billion (a reduction of \$1.9 billion from last year).
- Federal Transit : \$10.6 billion (about \$311 more than last year).
- New Starts/Small Starts capital program: \$1.9 billion.
- TIGER program: funded at \$500 million, \$27 million less than in 2011. It's a victory for transportation stakeholders, but the amount is a drop in the bucket for a grant program that typically has received ten times more applications it can fund. The 2011 program received 828 applications requesting \$14.1 billion, while only \$527 million is available. The House had proposed zero funding for the program.
- National Infrastructure Bank: \$0 funding. The White House had requested \$5 billion.
- Amtrak: \$1.148 billion (about \$336 million less than last year).
- High Speed Passenger Rail grants: \$0 funding. The House proposed \$0, and the Senate proposed \$100 million – a far cry from the President's request of \$1 billion for 2012.
- HUD Sustainable Communities Initiative: \$0. The Senate proposed \$90 million, the House \$0.

- Federal Aviation Administration: \$12.5 billion. The controversial Essential Air Service, which subsidizes airfares to rural airports, was reduced to include only active airports.

Obama Signs Transportation Appropriations; Congress Takes Actions Before Thanksgiving

BY CHAD L. CHITWOOD, Program Manager-Communications and Marketing

Congress had multiple committees and conferees meeting the week of Nov. 14 on public transportation-related issues including appropriations, security, and the economic future of America.

Obama Signs Appropriations Package Including DOT

President Obama signed the three-bill appropriations package covering Transportation-Housing and Urban Development, Agriculture, and Commerce, Justice, Science on Nov. 18, one day after the full House and Senate approved the legislation. That completes the DOT budget process for Fiscal Year 2012.

The legislation includes an extension of the current continuing resolution to Dec. 16, preventing a partial government shutdown that would have occurred Nov. 18. Congress needed to pass this extension, and Obama to sign it, to avoid a potential showdown of federal agencies not included in the bill package.

The proposal provides the Federal Transit Administration with \$10.6 billion, a 3 percent increase over last year's appropriations level, and increases funding for formula and bus grants while also raising New Starts funding levels 22 percent.

Public Transit Security

Meanwhile, the House Committee on Homeland Security's Subcommittee on Counterterrorism and Intelligence approved two bills by voice vote, sending them on to the full committee.

The bill with larger implications for public transit systems is H.R. 3140, introduced by the ranking member of the subcommittee, Rep. Jackie Speier (D-CA). If approved by the full committee and Congress, this legislation would direct the secretary of homeland security to prioritize the assignment of officers and analysts to certain state and urban area centers to enhance the security of public transportation systems across America.

The second bill, H.R. 2764, addresses the need to maintain weapons of mass destruction (WMD) technical expertise in DHS' intelligence division and create better intelligence sharing among homeland security organizations to protect and support state, local, and tribal authorities in security matters dealing with WMDs.

America's Fiscal Future and Infrastructure

The Senate Budget Committee was also busy during the week, holding a Nov. 15 hearing addressing the economic effects of fiscal policy choices. Dr. Doug Elmendorf, director of the Congressional Budget Office, testified at the hearing, which focused on short-term spending issues.

Committee Chair Kent Conrad (D-ND) also addressed long-term infrastructure spending. He

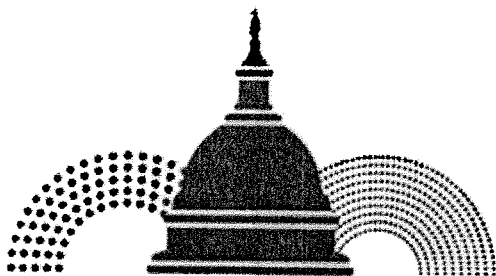
discussed the impacts of infrastructure spending, with Elmendorf conceding that, over the longer term, infrastructure investment is a more favorable policy option.

House, Senate pass budget bill to avert shutdown

By David A. Fahrenthold, Published: November 17

This is what a smaller government will look like: There will be less money for local cops, but more money for FBI agents. Less to repair public-housing complexes. More to feed hungry children.

There will be less to fix polluted rivers. But more to fix crowded prisons.



On Thursday, the House and Senate passed a bill that provided a detailed vision of the federal government on a diet. Lawmakers approved a \$130.4 billion measure to fund five Cabinet departments, the first big budget bill since this summer's promise of greater austerity.

It was a guide to what this Congress cares about, now that it can't care about everything.

The bill favors law enforcement agencies and programs that funnel money directly to voters. And it cuts programs that send cash to local government agencies — or other nonvoting recipients, such as rivers and grasslands and woods.

“What it says to me is that the federal priorities . . . are wrong,” said Doug Siglin, a lobbyist for the nonprofit Chesapeake Bay Foundation. His cause was one of the losers: The bill strips out millions of dollars to pay farmers for preventing pollution from running off their property and into the watershed.

“The priority seems to be that the money we spend on agriculture goes to pollute the environment,” by encouraging more farming without environmental safeguards, Siglin said. “And not to end the pollution.”

Thursday's budget bill contains a provision that would fund the entire federal government until Dec. 16, averting a shutdown.

But its broader impact comes from the budgets it sets for the departments of Agriculture, Commerce, Housing and Urban Development, Justice, and Transportation — as well as science agencies such as NASA. These budgets are the first ones approved since the federal debt-ceiling fight ended with a pledge to create a leaner government.

This budget *is* leaner. But not by much. The whole package was \$700 million less (not counting "emergency" funding for disasters) than last year, which was a reduction of 0.5 percent.

"They're basically overturning the cushions on the mattress and basically trying to find the loose change," said Tad DeHaven, a budget analyst for the Cato Institute. "There's nothing here that fundamentally alters what the government does."

But, for some specific programs, the bill carries significant cuts. At the Justice Department, for instance, the Community Oriented Policing Services (COPS) program would lose \$296 million.

"Certainly, there will be police officer jobs that will be lost," said Walter McNeil, a Florida police chief who is president of the International Association of Chiefs of Police.

The explanation from Congress was the "challenging budget environment." But, for Steve Ellis at the watchdog group Taxpayers for Common Sense, another explanation suggested itself: the end of earmarks.

Previously, members of Congress had used these to steer COPS grants to their districts — in 2010, there were 568 earmarks in the program. Earmarks are no longer used, Ellis said, and Congress has decided that COPS is not a high priority.

"They're having to fill in the picture and color between the lines they set out," Ellis said. In the same bill, Congress added millions to the budgets of the FBI, the Bureau of Prisons, and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

For the poor, this budget bill would slash funding that was distributed through local public housing agencies. It would cut \$165 million meant to maintain housing complexes, and \$654 million to help operate them.

But, at the same time, it would add more money to food-aid programs. Funding for the food stamp program would rise by \$12 million. The school lunch program would grow as well.

"The good thing is that — in a time when more and more people need school breakfast and school lunch and the other programs — Congress is meeting that need," said Jim Weill, president of the Food Research and Action Center. But he objected to a provision in the bill that allowed pizza to count as a vegetable in school lunches.

The bill also allots less funding than Democrats wanted for the Commodity Futures Trading Commission, which has been charged with regulating complex financial transactions called “swaps.” It also blocks the creation of a one-stop-shop for climate information at the National Oceanic and Atmospheric Administration.

The bill passed 298 to 121 in the House and 70 to 30 in the Senate. President Obama’s signature would make it law.

Harder work remains. Congress must pass budgets for the rest of the federal government — divvying up a total of \$1.043 trillion.

On Thursday, lawmakers congratulated themselves for taking the first step.

“Your appropriations committee . . . is working,” said Rep. Harold Rogers (R-Ky.), the committee’s chairman, summing up years of dysfunction in a single dramatic pause.