



# Transfer

Surface Transportation Policy Project's Electronic Update

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### House Funding Bill Would Close Off Travel Options – Amtrak and New Rail Transit Projects

In a climate of record level oil prices, a bill approved by the House Appropriations Committee just before Congress recessed for the party conventions would substantially curtail travel options for the public.



*Amtrak Headed for Shut Down in Early 2005*

In its funding decisions on the Transportation Appropriations bill for Fiscal Year 2005, the House panel only provided \$900 million for Amtrak, a funding level that virtually guarantees the nation's passenger rail system would cease operations in 2005. The Committee's proposed funding for Amtrak is below the Bush Administration's recommended level by 12 percent, which was widely viewed as an untenable request.

Moreover, the panel's funding level is 35 percent below current funding and about 56 percent below what Amtrak requested. Amtrak President David Gunn has repeatedly advised Congress that the levels in the President's budget and the House bill would put Amtrak on a path to shut down intercity passenger rail service throughout the U.S. beginning early next year.

#### *Rail Transit Projects in Pipeline Threatened*

The House Appropriations Committee bill also cuts the "New Starts" program from its current level of \$1.32 billion to \$1.03 billion, while imposing many new program restrictions and funding criteria to choke off future funding to projects now in the funding pipeline. It accomplishes this by superimposing several new criteria that potential project sponsors must satisfy before federal funding commitments are made, changes that would force sponsors to reopen issues and analyses that have been conducted under current rules and funding criteria for the New Starts program.

The chair of the panel's Transportation Subcommittee, Ernest Istook (R-OK), is alarmed by the accelerating demand for rail transit investment, which was one of the outcomes of the 1991 ISTEA law. When regional and local decision-makers were given a greater voice in influencing their transportation investment plans, leaders in many urbanized areas identified rail transit as a

crucial part of their transportation future. Since that time, scores of projects are progressing through various stages of development all across the nation, as evidenced by rising demand for New Start program dollars.

Istook, for his part, is now intervening into the process to impose new criteria and other limitations to take steps to reduce future funding needs, entering into issues that are generally reserved to the authorizing committees, which is the Transportation and Infrastructure Committee in the House. Program requirements and other policy issues pertaining to the New Starts program are already included in the TEA-21 renewal bills that are now stalled in a conference committee. In the absence of a new authorization bill, Istook is deciding how New Start projects will be developed and evaluated, with local project sponsors looking at the possibility of reopening planning and project analyses and other efforts to satisfy the Committee's new funding and project criteria, which are now being added each year during action on the annual appropriations bill.

In the near term, the House Committee-approved restrictions would disrupt the current pipeline of projects, and it is believed these changes would lead to the systematic curtailment of future federal commitments to new rail transit projects, limiting travel choices for large numbers of Americans in metropolitan areas all across the country.

Efforts by STPP and others groups are now underway to urge Senators to intervene in reshaping the Transportation Appropriations bill to fund Amtrak properly, raise the funding level for the New Starts program and reject these additional criteria for the program, specifically asking that such issues be considered during deliberations on TEA-21 renewal.

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### **Uncertain Future for TEA-21 Renewal**

Since Congress recessed for the lengthy recess period, which runs until September 7<sup>th</sup>, most observers believe that TEA-21 renewal will not move in this Congress, although no official statements to this effect have been made. There also continues to be speculation that the Congress might work on TEA-21 renewal legislation during a lame duck session after the elections, but it is too soon to consider this as a likely scenario.

In addition to challenges over funding levels for TEA-21 renewal, this legislation is competing with a number of other priorities during the closing days of the 108<sup>th</sup> Congress, such as completion of work on the many annual appropriations bills that are now in various stages of development. Legislation stemming from the 9/11 Commission Report will also dominate the Congressional agenda when Congress reconvenes after Labor Day.

What is known is that as soon as Congress resumes its work in September, transportation leaders will immediately have to

confront the next extension of the TEA-21 law. Before the recess, Congress moved to extend all TEA-21 programs, except the highway programs, through September 30. The highway programs were extended only through September 24, presumably giving transportation leaders the opportunity to address a number of issues before the current fiscal year expires. Among the concerns is how to address member project earmarks and proposals to redress funding inequities that have cropped up for a number of reasons, including decisions on the FY'04 Appropriations bill.

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### **Safeguarding Section 4(f) Still Necessary, Article Warns**

In this month's issue of *Parks & Recreation* magazine, thousands of members of the National Parks and Recreation Association and others were reminded to stay vigilant in countering continuing legislative threats to Section 4(f), the longstanding federal standard that provides protection to the nation's parks, recreation areas, wildlife and waterfowl refuges and other resources.

In the magazine's Advocacy Update, Rich Dolesh of the NPRA staff reviews Congressional efforts to weaken 4(f) protections for parks and other resources during action on TEA-21 renewal legislation. He also calls attention to the growing efforts by state and local park officials and others who are now publicly refuting claims by road industry interests, some state DOTs, and Federal Highway Administration officials that changes to Section 4(f) are needed. Specifically, the article provides key excerpts from recent correspondence to the TEA-21 conferees opposing any weakening of Section 4(f) protections, a position that is supported by nearly every state park association with a Senator or Representative on the conference committee.

The 4(f) provisions were part of the 1966 federal statute establishing the U.S. Department of Transportation and are also known for successfully protecting historic and cultural assets throughout the nation.

To review the article, see <http://www.nrpa.org/content/default.aspx?documentId=1405>

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### **New Atlanta Study Links Affordable Housing, Transportation, and Job Access**

A new study released in late July set the stage for a new initiative to build more affordable housing in Atlanta. The study, conducted by the Center for Neighborhood Technology, quantified the links between affordable housing, transportation, and job access. The results highlighted the disparity between incomes and available housing: while 63% of jobs in Atlanta pay less than \$40,000 per year, very little housing is built for people with an income under \$40,000. Fire fighters, police officers, and teachers are among these low-paying professions, making it

difficult or impossible for them to own their own home.

Transportation, which together with housing makes up about half of American households' expenses, was also tied to the housing market. The report shows that when the cost of transportation is added to the cost of housing, affordability measures can change drastically. Building affordable housing too far away from jobs may end up making an unaffordable transportation/housing deal that simply adds to regional traffic congestion.

In the same week, Fannie Mae, the National Association of Homebuilders, and the mayor of Atlanta announced a new initiative to build workforce housing in Atlanta, which the national groups are making into a "laboratory" for workforce housing.

For more on the initiative and the full report, see <http://www.andpi.org/mici/>.

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