SUMMARY

CONFERENCE AGREEMENT FOR THE FISCAL YEAR 2019 TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL

WASHINGTON, D.C. (FEBRUARY 13, 2019) -

The conference agreement for the fiscal year 2019 Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations bill provides a total of \$71.079 billion in discretionary budget authority—\$779 million more than fiscal year 2018 enacted, \$721 million less than the fiscal year 2019 House bill, \$338 million less than the fiscal year 2019 Senate bill, and \$23.083 billion more than the President's budget request. Additional resources are provided to prevent and end homelessness among veterans, youth, and victims of domestic violence, as well as to maintain existing rental housing assistance for nearly 5 million low-income households nationwide. The agreement also directs investments to improve the safety and efficiency of our transportation networks, which serve as the backbone of our economy and meet the everyday needs of America's businesses, commuters, and families.

Bipartisan Budget Agreement

The Bipartisan Budget Act calls for at least \$10 billion per year in investments in America's infrastructure. The THUD conference agreement meets that standard with a total of \$10.71 billion in new budgetary resources for infrastructure as compared to fiscal year 2017, of which \$8.96 billion is for transportation-related activities and \$1.75 billion is for housing and community development activities. The most notable infrastructure investments to meet the standard set forth in the budget agreement include: \$900 million for TIGER, \$3.25 billion for Federal Highways to improve roads and bridges, \$1.94 billion for Amtrak, \$660 million for rail infrastructure and safety grants, \$2.55 billion for transit construction grants, \$292.7 million for port infrastructure grants, \$1.25 billion for HOME, \$3.3 billion for CDBG, \$91 million for the construction of housing for the elderly and persons with disabilities, and \$304 million for lead-based paint hazard remediation.

Key Points & Highlights

The THUD conference agreement provides funding for the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), and other related agencies. These agencies manage many of the programs that build and maintain our nation's transportation network and support housing and economic development in our communities.

The agreement rejects the President's proposed \$10.14 billion cut to DOT discretionary programs and instead provides \$26.5 billion of direct investment at a time when the demand to fix our aging infrastructure is at an all-time high. The agreement also disagrees with the President's plan to change the longstanding, collaborative Federal-State partnership for transit and passenger rail projects, which would result in states and local jurisdictions paying more or facing the elimination of critical mobility options for millions of commuters. Instead, the

agreement responds with sustained, robust funding for Amtrak and the Federal Transit Administration, as well as \$660 million for rail infrastructure and safety grants.

For HUD programs, the agreement provides nearly \$49.4 billion in programmatic funding and opposes the Administration's proposed \$11.3 billion cut. The agreement rejects the President's proposal to eliminate rental assistance for hundreds of thousands of households through attrition, as well as the proposed administrative reforms to HUD's rental assistance programs that would increase rent burdens on already financially-strapped tenants. Furthermore, the agreement restores critical housing production and economic development programs, which were proposed for elimination in the President's budget request. This includes sustained investments in the HOME and Community Development Block Grant (CDBG) programs, which give local governments the resources that they need to improve their communities, support businesses, create jobs, and ensure the availability of decent, affordable housing.

Department of Transportation

- <u>TIGER/BUILD</u>: The agreement rejects the Administration's proposal to eliminate the popular TIGER/BUILD program and instead includes \$900 million, \$400 million more than fiscal year 2017, \$600 million less than fiscal year 2018, and \$150 million more than the fiscal year 2019 House bill. The TIGER program allows for communities to make transformative investments in their surface transportation infrastructure that address congestion, improve safety, create jobs, and expand economic opportunities nationwide. This increased investment will help up to 60 more communities across the country make the necessary transportation investments to remain competitive in the global economy and will also create 11,700 additional jobs.
- Airport Improvement Program (AIP): The agreement provides an additional \$500 million in general fund resources for AIP grants for airport safety, construction, and noise mitigation, for a total of \$3.85 billion. The level of general fund appropriations is \$500 million more than fiscal year 2017, \$500 million less than fiscal year 2018, and consistent with the fiscal year 2019 House bill. As a result of the Bipartisan Budget Act, a cumulative total of \$8.2 billion in fiscal years 2018 and 2019 resources will be provided for our nation's airports \$1.5 billion above the authorized level to meet critical capacity expansion and safety demands, while also generating an estimated 19,500 new jobs.
- Federal Highway Administration (FHWA): The agreement includes \$3.25 billion in general fund appropriations and \$46 billion in obligation limitation for a total of \$49.26 billion for FHWA activities. This level of funding is nearly \$1.8 billion more than the fiscal year 2018 level and \$3.4 billion more than the budget request. The proposed general fund increase to the FAST Act authorized level includes: \$2.729 billion in FHWA formula funds, \$21 million for Puerto Rico and the territories, \$25 million for nationally significant federal lands and tribal projects, and \$475 million for a risk-based bridge repair and replacement program, generating an estimated 42,250 jobs.
- <u>Transit</u>: The agreement includes a total of \$13.414 billion for transit-related activities, of which \$2.55 billion is for Capital Investment Grants, rejecting the President's proposal to

eliminate the program and including strong language to move projects through the pipeline to construction, \$150 million is for WMATA, and \$700 million is for a general fund increase above the level authorized in the FAST Act. This level of funding is \$66 million below the fiscal year 2018 level and \$2.295 billion above the President's budget request. This increase in resources will assist transit agencies with purchasing buses and rail cars, building maintenance facilities, and addressing a \$90 billion transit state-of-good-repair backlog across the country.

- Rail Funding: Overall, the agreement provides \$2.87 billion for the Federal Railroad Administration (FRA), which is \$217.5 million below the fiscal year 2018 level and \$1.87 billion above the President's budget request. The robust levels for rail safety and infrastructure grants reject the President's proposal to eliminate these programs, and deadlines were established for grant awards in order to ensure timely expenditure of funds.
 - o <u>Positive Train Control</u>: The agreement includes \$10 million for oversight of PTC implementation at FRA.
 - Oconsolidated Rail Infrastructure and Safety Improvements (CRISI) Grants: The agreement includes \$255 million for CRISI grants, along with a 25 percent rural set-aside. Eligible projects include: deployment of railroad safety technology, such as PTC, and capital projects, including stations or platforms, rail line relocation or improvement, highway-railway grade crossing improvement projects, and planning and environmental work.
 - Federal-State Partnership for State-of-Good-Repair (SOGR): The agreement includes \$400 million for SOGR, along with a 25 percent rural set-aside. This funding level is \$150 million above the fiscal year 2018 level. These grants support capital investment and maintenance projects on Amtrak State-supported routes.
 - Amtrak: The agreement includes \$1.94 billion for Amtrak, of which \$650 million is for the Northeast Corridor. The agreement includes \$50 million for safety technology on State-supported routes where PTC is not required.
- Maritime Administration: The agreement meets the national security demands of the Maritime Security Program, providing \$300 million for fiscal year 2019, as authorized. Other notable funding increases include: \$292 million for port infrastructure development grants, \$300 million to fully fund the replacement of the second of six state maritime academy training school ships, \$20 million for the Small Shipyards grant program, and \$7 million for the Marine Highways grant program.

Department of Housing and Urban Development & Related Agencies

Youth Homelessness: The agreement includes \$80 million within the Continuum of Care program to address youth homelessness, as well as an additional \$2 million to assess the incidence and prevalence of youth homelessness nationally. This level of funding will provide new grants to 25 communities, including eight with substantial rural populations, and builds upon the more than \$162 million in combined investments provided since fiscal year 2016. This funding will allow for Continuum of Care grantees to develop and evaluate new

housing and supportive service interventions for youth experiencing homelessness. The agreement also continues investments in the Family Unification Program by providing an additional \$20 million to support 2,500 new rental assistance vouchers for youth aging out of foster care.

- <u>Victims and Survivors of Domestic Violence</u>: In November 2016, HUD expanded housing protections beyond public housing and Section 8 to include all HUD-assisted housing programs and required communities to develop emergency transfer plans to assist victims and survivors of domestic violence, as required by the Violence Against Women Act of 2013. Building on past investments, including the \$50 million provided in fiscal year 2018, the agreement provides an additional \$50 million in new targeted funding to help communities facilitate emergency transfers for victims fleeing domestic and dating violence and experiencing homelessness. This level of funding will make grants available to nonprofits and local governments for rapid re-housing projects, supportive service projects, and coordinated entry activities through HUD's Continuum of Care program in order to assist more than 3,750 survivors of domestic violence, dating violence, and stalking in fiscal year 2019.
- <u>HUD-VASH Vouchers</u>: The agreement rejects the President's proposal to eliminate new resources for this program and instead includes \$40 million to provide 5,100 new incremental rental vouchers for veterans experiencing homelessness. This level of funding is consistent with the fiscal year 2018 enacted level.
- Public Housing Capital Fund: The agreement rejects the President's request to eliminate this program and instead includes \$2.775 billion in order to enable public housing agencies to perform the annual routine maintenance and rehabilitation of the nation's 1.1 million public housing units. An additional \$25 million was included to further assist public housing agencies with performing environmental interventions for lead-based paint hazards in approximately 1,500 public housing units in order to meet HUD's new blood lead level standard. This increase to the lead set-aside builds upon the \$25 million provided in fiscal year 2017, where more than 80 public housing agencies identified unmet lead abatement and remediation needs.
- Community Development Block Grant (CDBG): The agreement rejects the President's proposal to eliminate the CDBG program and instead includes \$3.3 billion, equal to the fiscal year 2018 enacted level. This level of funding is expected to leverage an additional \$11 billion in public and private investment and to create or preserve more than 16,000 jobs. The agreement also provides \$65 million for the Indian Community Development Block Grant program, equal to the fiscal year 2018 enacted level.
- <u>HOME</u>: The agreement rejects the President's proposal to eliminate the HOME program, the only federal program dedicated solely to the construction of affordable housing, and instead includes \$1.250 billion. This formula program will help States and local governments to leverage an additional \$5 billion in public and private investment in order to produce and preserve approximately 33,500 affordable housing units, as well as to provide rental assistance to an additional 9,000 low-income households in fiscal year 2019. Furthermore, this investment will result in the creation and preservation of more than 22,000 jobs.

- Lead-Based Paint Hazard Remediation: The agreement provides \$279 million for the Office of Lead Hazard Control and Healthy Homes, which is \$134 million more than the President's budget request and \$49 million more than the fiscal year 2018 level. This funding level includes up to \$170 million for Lead-Based Paint Hazard Control grants and \$64 million for the Lead Safe Communities demonstration program, which is intended to reduce the per unit cost of lead-based paint remediation. This total funding level will support lead-based paint hazard reductions in over 17,150 units, providing safer homes for nearly 60,900 low-income families and individuals, including more than 15,850 children under the age of six. An additional \$45 million is also provided to address other health hazards, including radon and mold, in low-income housing.
- Housing for the Elderly: The agreement provides \$678 million for the Section 202 Housing for the Elderly program, which is \$77 million more than the President's budget request and consistent with fiscal year 2018. This funding will meet the renewal needs of the program, as well as provide \$51 million to produce over 370 new units of housing for the elderly. Additionally, the agreement includes \$10 million for new grants to modify or repair the homes of low-income seniors in order to enable that population to age in place more successfully.
- <u>Housing for Persons with Disabilities</u>: The agreement provides \$184.2 million for the Section 811 Housing for Persons with Disabilities program, which is \$44.2 million above the President's budget request and \$45.4 million below the fiscal year 2018 level. This funding will meet the renewal needs of the program, as well as provide \$30.155 million to produce over 890 new units of housing for persons with disabilities.
- <u>U.S. Interagency Council on Homelessness (USICH)</u>: USICH, the only federal agency responsible for preventing and ending homelessness, is funded at \$3.6 million, equal to fiscal year 2018 and nearly \$3 million greater than the President's budget request, which proposed to completely eliminate the agency. The agreement also extends the operating authority for USICH from October 1, 2020, to October 1, 2028.

Poison Pill Riders Killed During Conference

The agreement does not include poison pill riders that would effectively end construction on popular California high-speed rail projects or that would unfairly undermine maritime labor rights to fair compensation for work performed.

<u>California High-Speed Rail</u>: Riders in the fiscal year 2019 House bill would have prohibited FRA from conducting oversight of the California High-Speed Rail project or reimbursing California for its incurred costs on that project. These riders would have also prevented the Surface Transportation Board from approving state environmental compliance with regard to that project. These provisions would have placed the federal government in violation of its grant agreement with the California Department of Transportation and effectively killed the project, which is already well under construction.

Maritime Penalty Wages: A rider in the fiscal year 2019 House bill would have severely limited the ability of seamen to recover damages after their employer refused or neglected to pay their

wages without sufficient cause. This provision not only would have placed a cap on damages in individual lawsuits, but also undermined seamen's ability to bring class action suits.

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