AASHTO Review of
FY 2018 Omnibus Appropriations Package
March 22, 2018

After the enactment of the Bipartisan Budget Act of 2018 on February 9, 2018, which significantly increased budget caps that govern the annual appropriations process, the House released its 2232-page omnibus package for FY 2018 last night. This will need to clear both the House and Senate by Friday, March 23, 2018, in order to avoid another short-term Continuing Resolution that extends FY 2017 funding levels.

Because of the non-defense spending cap increasing from $519 billion to $579 billion for FY 2018 under the budget deal, the Transportation-HUD component is increasing from $57.7 billion last year to $70.3 billion for FY 2018. This increase also reflects the budget deal’s explicit commitment to put $10 billion towards infrastructure in FY 2018.

• The text of the bill can be found here (the transportation title begins on page 1565).
• The report language that accompanies the bill text can be found here.
• A one-page summary of the Transportation-Housing and Urban Development sections of the bill produced by the House Appropriations Committee can be found here.

OVERVIEW

• All FAST Act funding commitments supported by the Highway Trust Fund are met for FY 2018
  o $44.2 billion in Federal Highway Administration programs
  o $9.7 billion in Federal Transit Administration formula programs
  o $845 million in Federal Motor Carrier Safety Administration programs
  o $747 million in National Highway Traffic Safety Administration programs

• For transportation, the $10 billion infrastructure designation from the budget deal is translated into additional program funding as follows:
  o $2.565 billion for Federal-aid Highway Programs
  o $864 million for transit formula programs
  o $1 billion in Airport Improvement Program discretionary grants
  o $2.565 billion for transit Capital Investment Grants program, up from $2.413 billion last year
  o $1.5 billion for TIGER discretionary grants, up from $500 million last year
  o $1.942 billion for Amtrak, up from $1.495 billion last year
  o $863 million for rail grant programs, up from $98 million last year
  o These increases are composed of both FAST Act-authorized annual increase from the Highway Trust Fund and additional General Fund dollars from the appropriations package; as such, only a portion of these increases come from the $10 billion infrastructure commitment across a wide range of asset classes

• Includes a six month extension of FAA programs, through September 30, 2018
HIGHWAYS
- $44.2 billion of obligation limitation for FAST Act contract authority programs
- $2.525 billion in additional general fund dollars available until September 30, 2021, composed of:
  - $1.98 billion in highway funding distributed to the states by formula (in the same ratio they receive Federal-aid Highway Obligation Limitation).
    - This funding can be used for “construction” projects eligible for funding under the Surface Transportation Block Grant Program.
    - 53 percent of this funding is “suballocated” by population using the formula established in the Surface Transportation Block Grant Program.
  - $300 million for federal lands and tribal transportation
  - $20 million for Puerto Rico and other territories
  - $225 million for a new discretionary grant program for bridges in states that have less than 100 people per square mile, with a focus on cost savings achieved through bundling of multiple projects
- Does not include a new rescission of highway contract authority for FY 2018; however, the bill also does not address the $7.6 billion rescission set for July 2020 under the FAST Act
- Requires states to facilitate installation of broadband infrastructure, commonly referred to as “dig once,” by:
  - Identifying a broadband utility coordinator at a state agency
  - Establish a process for registration of broadband infrastructure entities interested in access to rights-of-way, and notify such entities of projects in the Statewide Transportation Improvement Program each year
  - There is no federal funding for these activities, but there is also no requirement to install broadband infrastructure
- Continues to allow states to repurpose old earmarks that are at least 10 years old, with no more than 10 percent of funds obligated
- Continues flexibility to use the Clearview font on highway signs
- Adjusts truck size and weight limits for North Dakota and New Hampshire
- Designates I-57 in Arkansas and Missouri
- Allows toll revenue flexibility for certain facilities in West Virginia, Maryland, and Kansas

TRANSIT
- $9.7 billion in obligation limitation for FAST Act contract authority programs
- $834 million in additional general fund dollars available until expended, composed of:
  - $400 million in Section 5337 State of Good Repair formula grants
  - $400 million in Section 5339 Bus and Bus Facilities formula and discretionary programs
  - $30 million in Section 5340 High Density State formula grants
  - $4 million in bus testing
- $2.645 billion for Capital Investment Grants
  - $1.5 billion for New Starts projects
  - $716 million for Core Capacity projects
  - $401 million for Small Starts projects
- $5 million for FTA training and technical assistance
- $150 million for Washington Metro
RAIL
• $1.942 billion for Amtrak
  o $650 million for Northeast Corridor
  o $1.292 billion for National Network
  o $2 million for the State-Amtrak Intercity Passenger Rail Committee
• $813 million in FAST Act intercity rail grants
  o $543 million in Consolidated Rail grants, up from $68 million last year
  o $250 million in State of Good Repair Partnership grants, up from $25 million last year
  o $20 million in Restoration and Enhancement grants, up from $5 million last year
• $25 million in credit subsidy for the Railroad Rehabilitation and Improvement Financing (RRIF) program
• Allows use of highway CMAQ dollars on state-supported passenger rail routes

AVIATION
• FAA programs are extended by six months, from March 31, 2018, to September 30, 2018
• $18 billion for Federal Aviation Administration programs, a $1.6 billion increase from last year
• $1 billion of general fund dollars added for the Airport Improvement Program, but only for discretionary grant programs prioritizing nonprimary, non-hub, and small-hub airports
• $155 million in Essential Air Service subsidies, up from $150 million last year
• No increase in Passenger Facility Charges