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## Appropriations Policy Brief

### H.R. 3074 Conference Report—FY 2008 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act

#### BY THE NUMBERS:

#### FY 2008 Transportation-HUD

*In Millions of Dollars*

	<b>FY07 Enacted</b>	<b>FY08 Request</b>	<b>FY08 House Bill</b>	<b>FY08 Senate Bill</b>	<b>FY08 Conf Report</b>
Appropriations	47,538	47,963	50,738	51,300	50,981
<i>Emergency</i>	0	0	0	0	173
<b>Total</b>	47,538	47,963	50,738	51,300	51,154

**Excluding Emergency Appropriations, the Committee Bill is:**

- \$3 billion or 6.3% more than the request
- \$3.4 billion or 7.2% more than last year
- \$0.2 billion or 0.5% more than the House bill
- \$0.3 billion or 0.6% less than the Senate bill

**Budget Compliance:** According to CBO, the bill is \$243 million above the 302(b) allocation for the THUD Subcommittee and thus does not comply with the Budget Act (the Rules Committee protected the bill from all points of order). Additionally, the bill relies on a number of rescissions from various federal transportation and housing programs that produce no outlay savings.

Specifically, the bill rescinds roughly \$3.7 billion in transportation contract authority (CA) and \$1.3 billion for the Housing Certificate Fund. However, CBO does not score these rescissions as producing any real *outlay* savings because the money was not going to be spent (i.e. result in outlays to the Treasury)—and thus the taxpayer is not made whole for the new spending elsewhere in the bill that the rescissions “pay” for. Some conservatives may be concerned that actual spending by the federal government will not be reduced by one penny by these rescissions and that the maneuver amounts to a gimmick to comply with the budget resolution.

In fact, according to a CBO report, “an often-heard criticism of budgetary practice [in the past] is that the rescissions intended to offset supplementals were merely write-offs of budget authority that, for a variety of reasons, would probably never have been spent....Many people question the use of such items as offsets, because even though the new supplemental budget authority may be offset, the new supplemental outlays are not.” [CBO, Supplemental Appropriations in the 1990s](#)

## **Earmarks:**

The [Joint Explanatory Statement](#) lists more than 2,000 earmarks. This includes 21 that were “airdropped”—earmarks that were not passed by either House of Congress.

## **Items of Note:**

**Federal Highway, Administrative Expenses:** Increases the limitation on administrative expenses from \$361 million in FY 2007 to \$377 million in FY 2008—an increase of \$16 million or 4.4 percent compared to last year.

**Amtrak, Operating Grants:** \$475 million—\$15.5 million below FY 2007 and \$475 million more than the President’s request.

**Amtrak, Capital and Debt Service Grants:** \$900 million—\$128 million or 17 percent more than FY 2007 and \$400 million or 80 percent more than the President’s request.

**Tenant-Based Rental Assistance:** \$16.4 billion—\$509 million or 3.2 percent more than FY 2007 and \$443 million or 2.8 percent above the President’s request.

**Native Hawaiian Housing Block Grant:** \$9 million—\$300,000 more than FY 2007 and \$3.1 million or 53 percent more than 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. Some conservatives may be concerned that Native Hawaiians are a racial group, not a tribe, and that dispensing benefits to them would likely be subject to strict scrutiny in Federal courts. Providing additional housing assistance to this group is not only duplicative of numerous current federal housing programs available to all individuals, but is also likely unconstitutional. The FY 2007 RSC budget proposed to eliminate this program.

**Community Development Fund:** \$4 billion—\$228 million or 6 percent more than FY 2007 and \$1 billion or 32 percent more than the President’s request.

**Federal Aviation Administration (FAA):** \$8.8 billion—\$400 million or 5 percent more than FY 2007. The FAA is responsible for managing U.S. air transportation. Numerous Government Accountability Office studies have outlined inefficiencies at FAA including impractical hiring practices, security weaknesses that threatened the confidentiality of FAA systems, poor management controls over enforcing safety regulations, and ineffective computer security. In addition, the FAA’s recent attempts to modernize operations have cost billions of dollars and provided very little results. Several countries, including Canada, have privatized air traffic control operations, which produces significant government savings and a much more efficient operation. The FY 2007 RSC budget would have privatized FAA programs beginning in FY 2010.

**Minnesota Bridge:** Includes \$195 million for repair and reconstruction of the collapsed bridge in Minnesota. Legislation authorizing this appropriation passed the House on August 1, 2007.

**Public Access to Budget Information:** Section 193 of the bill (p. 79) prevents the public from receiving access to budget justifications until May 31<sup>st</sup> (approximately four months after the

President’s budget is submitted to Congress). Instead, this provision in the bill limits access to this information to the Appropriations Committee. RSC Chairman Jeb Hensarling sent a [letter](#) last year to OMB Director Bolten noting the importance of making this information available.

## **Funding Summaries:**

*In Thousands*

	<b>FY 2007 Enacted</b>	<b>FY 2008 Request</b>	<b>FY 2008 Conf</b>	<b>Conf vs FY 2007</b>	<b>Conf vs Request</b>	<b>Conf vs FY 2007</b>	<b>Conf vs Request</b>
<b>Transportation Department</b>	<b>11,361,834</b>	<b>12,168,952</b>	<b>11,875,233</b>	<b>766,743</b>	<b>-293,719</b>	<b>6.7%</b>	<b>-2.4%</b>
Office of the Secretary.....	170,737	96,314	158,786	-11,951	62,472	-7.0%	64.9%
Salaries and Expenses.....	84,553	96,197	93,782	9,229	-2,415	10.9%	-2.5%
Minority Business Resource Center Program.....	893	891	893	----	-2	0.0%	-0.2%
Minority Business Outreach.....	2,970	2,970	2,970	----	----	0.0%	0.0%
Office of Civil Rights.....	8,528	9,141	9,141	613	----	7.2%	0.0%
Federal Aviation Administration.....	8,374,217	0	8,750,000	375,783	8,750,000	4.5%	----
Facilities & Equipment.....	2,516,920	0	2,527,284	10,364	2,527,284	0.4%	----
Research, Engineering, and Development.....	130,234	140,000	147,000	16,766	7,000	12.9%	5.0%
Grants-in-Aid for Airports.....	3,489,500	2,750,000	3,329,000	160,500	579,000	4.6%	21.1%
Federal Highway Administration, Total.....	36,255,245	37,914,630	38,766,383	2,511,138	851,758	6.9%	2.2%
Federal Motor Carrier Safety Admin., Total.....	517,000	528,000	479,177	-37,823	-48,823	-7.3%	-9.2%
National Highway Traffic Safety Admin., Total.....	587,750	599,250	576,404	-11,346	22,846	-1.9%	3.8%
Federal Railroad Administration, Total.....	1,478,345	1,071,722	1,656,473	178,128	584,751	12.0%	54.6%
Federal Transit Administration, Total.....	85,000	89,300	89,300	4,300	----	5.1%	0.0%
Saint Lawrence Seaway Development Corporation....	16,223	17,392	17,392	1,169	----	7.2%	0.0%
Maritime Administration.....	214,437	295,366	306,767	92,330	11,401	43.1%	3.9%
Pipeline and Hazardous Materials Safety Admin.....	134,024	148,219	154,464	20,440	6,245	15.3%	4.2%
Surface Transportation Board.....	25,063	21,835	25,075	12	3,240	0.0%	14.8%
Research and Innovative Technology Admin.....	7,736	12,000	12,000	4,264	----	55.1%	0.0%
<b>Housing and Urban Development Department</b>	<b>36,213,245</b>	<b>35,597,019</b>	<b>38,659,409</b>	<b>2,446,164</b>	<b>3,062,390</b>	<b>8.6%</b>	<b>8.6%</b>
Tenant-based Rental Assistance.....	15,920,000	16,000,000	16,443,000	523,000	443,000	3.3%	2.8%
Native American Housing Block Grants.....	623,700	626,965	630,000	6,300	3,035	1.0%	0.5%
Indian Housing Loan Guarantee Fund .....	6,000	7,450	7,450	1,450	----	24.2%	0.0%
Native Hawaiian Housing Block Grant.....	8,727	5,940	9,000	273	3,060	3.1%	51.5%
Housing Opportunities for Persons with Aids.....	286,110	300,100	300,100	13,990	----	4.9%	0.0%
Rural Housing and Economic Development.....	16,830	0	17,000	170	17,000	1.0%	----
Community Development Block Grants/Fund.....	3,771,900	3,036,570	4,000,000	228,100	963,430	6.0%	31.7%
Brownfields.....	9,900	0	10,000	100	10,000	1.0%	----
Home Investment Partnerships Program.....	1,757,250	1,966,640	1,767,000	9,750	-199,640	0.6%	10.2%
Homeless Assistance Grants.....	1,441,600	1,585,990	1,585,990	144,390	----	10.0%	0.0%
Self-Help Homeownership Program.....	49,390	69,700	60,000	10,610	-9,700	21.5%	-13.9%
Housing for the Elderly.....	734,580	575,000	735,000	420	160,000	0.0%	27.8%
Housing for Persons with Disabilities.....	236,610	125,000	237,000	390	112,000	0.2%	89.6%
Housing Counseling Assistance.....	0	50,000	0	----	-50,000	----	-100.0%
Rental Housing Assistance.....	26,136	27,600	27,600	1,464	----	5.6%	0.0%
Research and Technology.....	50,087	65,040	61,440	11,353	-3,600	22.7%	-5.5%
Fair Housing Activities.....	45,540	45,000	50,000	4,460	5,000	9.8%	11.1%
<b>Independent Agencies</b>	<b>223,289</b>	<b>233,592</b>	<b>434,671</b>	<b>211,382</b>	<b>-201,079</b>	<b>94.6%</b>	<b>-86.1%</b>
Architectural and Transportation Barriers.....	5,915	6,150	6,150	235	----	4.0%	0.0%
Federal Maritime Commission.....	20,428	22,322	22,072	1,644	-250	8.0%	-1.2%
National Transportation Safety Board.....	79,338	83,000	84,499	5,161	-1,499	6.5%	-1.8%
Neighborhood Reinvestment Corporation.....	116,820	119,800	319,800	202,980	200,000	173.8%	166.9%

United States Interagency Council on Homelessness.....	1,788	2,320	2,150	362	-170	20.2%	-7.3%
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