

**NEWS from Congressman John W. Olver (MA-1)  
Chair, House Appropriations Subcommittee on Transportation, Housing  
and Urban Development**

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The bill before us comes during a transformational period for both the Department of Transportation and the Department of Housing and Urban Development and provides \$123.1 billion in total budgetary resources. This is \$53.2 million below the President's budget request.

**HUD: A Budget to Transform**

First, I am pleased that we now have a HUD Secretary that actively seeks creative solutions to the problem of providing adequate affordable housing. This leadership is vital in today's current economic climate as foreclosure rates remain high and the demand for housing assistance increases.

*Investments in Affordable Housing Programs*

This bill seeks to address this need through investments in basic program management tools that will improve HUD's ability to operate efficiently as an organization and by investing in programs that have not kept up with the need.

Examples of programs being returned to healthy levels include:

- \$18.0 billion for Section 8 Tenant-based rental assistance, \$1 billion above last year in order to renew all vouchers currently in use and provide 10,000 vouchers for homeless veterans;
- \$1 billion for Housing for the Elderly, \$235 million above FY 2009 in order to spur construction of affordable units for seniors;
- \$350 million for Housing for the Disabled, \$100 million above FY 2009 to construct units for persons with disabilities;
- \$1.85 billion for Homeless Assistance Grants to provide permanent and transitional housing for homeless families and individuals. HUD recently reported that family homeless rates increased 9% between 2007 and 2008; and
- \$250 million for HOPE VI, \$130 million above last year to provide grants to rehabilitate severely distressed public housing.

### *Foreclosure Prevention*

In addition, this bill recognizes that the foreclosure crisis continues to impact families and provides \$63.8 million for NeighborWorks America to continue its successful foreclosure counseling program.

### *Investments in Sustainable Housing & Livable Communities*

The last highlight I want to mention in regards to HUD is the bill's commitment to building sustainable housing units that incorporate green building practices and livable community principles in order to reduce operating costs and improve the quality of life for residents. In particular, the bill includes:

- \$50 million for the Energy Innovation Fund in order to increase the utilization of FHA's energy efficient mortgages and to develop a strategy for incorporating green building standards into public and assisted housing;
- \$150 million for the Sustainable Communities Initiative, a partnership with DOT to encourage housing and transportation planning in coordination;
- \$25 million for Brownfields Redevelopment, \$15 million above last year to return previously contaminated sites to productive use.

### **Transportation: A Budget in Transition**

The transportation portion of the bill largely represents programs that are in transition – with major surface and aviation authorizations currently pending in the Congress.

### *Highway Trust Fund*

At the same time, DOT has informed Congress that the Highway Trust Fund is expected to become insolvent in August without an infusion of \$5-7 billion and again in FY 2010 without an additional \$8-10 billion. While it is neither this Committee's making nor this Committee's responsibility to fix, the uncertainty surrounding the solvency of the Trust Fund hinders this bill's ability to provide more than modest increases in many transportation infrastructure programs.

### *FHWA, Public Transit & Road Safety*

Within these constraints the bill provides:

- \$41.1 billion for the Federal Highway Administration which is a one percent increase from 2009;
- nearly \$10.5 billion for public transportation programs, including \$150 million for the capital and maintenance needs of Washington's Metro system;
- \$1.48 billion, \$20.1 million above last year for the activities of the National Highway Traffic Safety Administration and the Federal Motor Carrier Safety Administration.

### *Passenger & Commuter Rail Investments*

The bill also reflects the renaissance of passenger and commuter rail in the United States that was jumped started by the \$8 billion provided for High Speed and Intercity Passenger Rail in the Recovery Act. Specifically, this bill provides:

- \$4 billion for High Speed and Intercity Passenger Rail, \$3 billion above the President's request to help meet the impressive demand generated by the Recovery Act. Within this amount, \$2 billion may be transferred to a national infrastructure bank if it is authorized;
- \$1.5 billion for Amtrak to continue and expand intercity and long distance passenger rail service;
- \$40 million for the Rail Line Relocation and Improvement program, \$15 million above last year to rehabilitate freight and passenger rail lines.

#### *Investments in Aviation*

With regard to aviation, the bill includes a total of nearly \$16 billion for the Federal Aviation Administration's operations, capital, research and airport grant programs. Within that amount, the bill includes increases of \$17 million for 180 additional safety inspectors and \$13 million to accelerate the FAA's research on alternative fuels.

#### *Investments in Rural Transportation*

This bill also reflects testimony that the Subcommittee heard on the challenges of rural transportation. In particular, certain vulnerable populations, including seniors and veterans, disproportionately live in rural communities and rely on public transportation to access jobs and basic health care services. As population densities decrease, a diverse portfolio is needed in order to meet transportation needs within these communities. To that extent the bill provides:

- \$175 million for the Essential Air Service program, \$53 million above FY 2009 so that existing service in small communities will not be lost;
- \$607 million for Rural Transit formula grants, \$68.9 million above last year for capital and operating assistance to rural communities;
- \$600 million for Rural Highways for projects in communities with populations of less than 5,000 and \$90 million for improvements to high risk rural roads.

#### **Conclusion**

In conclusion, this is a good bill and I ask for the Subcommittee's support in moving it to the full committee for consideration.

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