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112TH CONGRESS, 2d Session } HOUSE OF REPRESENTATIVES { REPORT 112–541

DEPARTMENTS OF TRANSPORTATION, AND HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 2013

JUNE 20, 2012.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LATHAM, from the Committee on Appropriations, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 5972]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2013.

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PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2013, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), as amended, with respect to appropriations contained in the accompanying bill, the terms "program, project, and activity" (PPA) shall mean any item for which a dollar amount is contained in appropriations acts (including joint resolutions providing continuing ap-

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propriations) or accompanying reports of the House and Senate Committees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference. This definition shall apply to all programs for which new budget (obligational) authority is provided, as well as to discretionary grants and discretionary grant allocations made through either bill or report language. In addition, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration, shall be applied equally to each budget item that is listed under said account in the budget justifications submitted to the House and Senate Committees on Appropriations as modified by subsequent appropriations acts and accompanying committee reports, conference reports, or joint explanatory statements of the committee of conference.

OPERATING PLANS AND REPROGRAMMING GUIDELINES

The Committee includes a provision (Sec. 405) establishing the authority by which funding available to the agencies funded by this act may be reprogrammed for other purposes. The provision specifically requires the advance approval of the House and Senate Committees on Appropriations of any proposal to reprogram funds that:

—creates a new program;
—eliminates a program, project, or activity (PPA);
—increases funds or personnel for any PPA for which funds have been denied or restricted by the Congress;
—redirects funds that were directed in such reports for a specific activity to a different purpose;
—augments an existing PPA in excess of $5,000,000 or 10 percent, whichever is less;
—reduces an existing PPA by $5,000,000 or 10 percent, whichever is less; or
—creates, reorganizes, or restructures offices different from the congressional budget justifications or the table at the end of the Committee report, whichever is more detailed.

The Committee retains the requirement that each agency submit an operating plan to the House and Senate Committees on Appropriations not later than 60 days after enactment of this Act to establish the baseline for application of reprogramming and transfer authorities provided in this act. Specifically, each agency must provide a table for each appropriation with columns displaying the budget request; adjustments made by Congress; adjustments for rescissions, if appropriate; and the fiscal year enacted level. The table shall delineate the appropriation both by object class and by PPA. The report also must identify items of special Congressional interest. In certain instances, the Committee may direct the agency to submit a revised operating plan for approval or may direct changes to the operating plan if the plan is not consistent with the directives of the conference report and statement of the managers.

The Committee expects the agencies and bureaus to submit reprogramming requests in a timely manner and to provide a thorough explanation of the proposed reallocations, including a detailed justification of increases and reductions and the specific impact of proposed changes on the budget request for the following fiscal year. Any reprogramming request shall include any out-year budg-

etary impacts and a separate accounting of program or mission impacts on estimated carryover funds. Reprogramming procedures shall apply to funds provided in this bill, unobligated balances from previous appropriations Acts that are available for obligation or expenditure in fiscal year 2013, and non-appropriated resources such as fee collections that are used to meet program requirements in fiscal year 2013.

The Committee expects each agency to manage its programs and activities within the amounts appropriated by Congress. The Committee reminds agencies that reprogramming requests should be submitted only in the case of an unforeseeable emergency or a situation that could not have been anticipated when formulating the budget request for the current fiscal year. Except in emergency situations, reprogramming requests should be submitted no later than June 28, 2013. Further, the Committee notes that when a Department or agency submits a reprogramming or transfer request to the Committees on Appropriations and does not receive identical responses from the House and Senate, it is the responsibility of the Department to reconcile the House and Senate differences before proceeding and, if reconciliation is not possible, to consider the request to reprogram funds unapproved.

The Committee would also like to clarify that this section applies to Working Capital Funds and that no funds may be obligated from working capital fund accounts to augment programs, projects or activities for which appropriations have been specifically rejected by the Congress, or to increase funds or personnel for any PPA above the amounts appropriated by this act.

CONGRESSIONAL BUDGET JUSTIFICATIONS

Budget justifications are the primary tool used by the House and Senate Committees on Appropriations to evaluate the resource requirements and fiscal needs of agencies. The Committee is aware that the format and presentation of budget materials is largely left to the agency within presentation objectives set forth by the Office of Management and Budget (OMB). In fact, OMB Circular A–11, part 6 specifically instructs agencies to "consult with your congressional committees beforehand to ensure their awareness of your plans to modify the format of agency budget documents." The Committee expects that all agencies funded under this act will heed this directive. The Committee expects all of the budget justifications to provide the data needed to make appropriate and meaningful funding decisions.

While the Committee values the inclusion of performance data and presentations, it is important to ensure that vital budget information that the Committee needs is not lost. Therefore, the Committee directs that justifications submitted with the fiscal year 2014 budget request by agencies funded under this act contain the customary level of detailed data and explanatory statements to support the appropriations requests at the level of detail contained in the funding table included at the end of this report. Among other items, agencies shall provide a detailed discussion of proposed new initiatives, proposed changes in the agency's financial plan from prior year enactment, detailed data on all programs, and comprehensive information on any office or agency restructurings. At a minimum, each agency must also provide adequate justifica-

tion for funding and staffing changes for each individual office and materials that compare programs, projects, and activities that are proposed for fiscal year 2014 to the fiscal year 2013 enacted levels.

The Committee is aware that the analytical materials required for review by the Committee are unique to each agency in this act. Therefore, the Committee expects that the each agency will coordinate with the House and Senate Committees on Appropriations in advance on its planned presentation for its budget justification materials in support of the fiscal year 2014 budget request.

SURFACE AUTHORIZING LEGISLATION

There are no words to adequately describe the absolute necessity for the enactment of a multi-year surface authorization bill in the immediate future. For years, stakeholders, the Congress, the committees of jurisdiction and the Department of Transportation have sounded the alarm on the status of the Highway Trust Fund and the need to decide on a meaningful reauthorization package. We are literally at the end of the road. While some may say both the House and Senate proposals are far from perfect, at least the Congress is making a serious attempt to address the problem, albeit only through fiscal year 2013. Every president since Eisenhower has formally submitted to the Congress a highway bill, except the current Administration. The Congress and the public have seen ideas and concepts, but never a complete package with a serious method of funding the programs. The Committee has made recommendations for all of the transportation programs in this bill, and is optimistic that serious and rational people will come together to find a resolution in time for the funding levels in this bill to take effect.

In order to be aware of how funds are allocated and spent, the Committee directs the Department of Transportation to report to the Committees on Appropriations of the House of Representatives and the Senate within 45 days of enactment of any surface extension or reauthorization on how the Department will enact the provisions of such extension or reauthorization, the allocations by state, and the effects on the accounts in the Highway Trust Fund.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$102,481,000
Budget request, fiscal year 2013	110,450,000
Recommended in the bill	108,277,000
Bill compared with:	
Appropriation, fiscal year 2012	+5,796,000
Budget request, fiscal year 2013	−2,173,000

COMMITTEE RECOMMENDATION

The bill provides $108,277,000 for the salaries and expenses of the offices comprising the Office of the Secretary of Transportation (OST). The Committee's recommendation is $5,796,000 greater than the appropriation provided in fiscal year 2012, and $2,173,000 below the budget request. The Committee's recommendation includes individual funding for each of these offices as has been done in prior years. Increases are primarily due to inflation, an extra compensable workday, and increases in rent and working capital fund expenses. The following table (dollars in thousands) compares the fiscal year 2012 enacted level to the fiscal year 2013 budget request and the Committee's recommendation by office.

	Fiscal year—		
	2012 enacted	2013 request	2013 recommendation
Office of the Secretary	$2,618	$2,635	$2,635
Deputy Secretary	984	992	992
Executive Secretariat	1,595	1,701	1,701
Policy	10,107	11,248	11,248
Small Business	1,369	1,539	1,539
Intelligence and Security	10,778	10,875	10,875
Chief Information Officer	14,988	15,117	15,117
General Counsel	19,515	19,615	19,615
Government Affairs	2,500	2,601	2,601
Budget	10,538	13,201	12,825
Administration	25,469	28,672	27,095
Public Affairs	2,020	2,254	2,034
Total Salaries and Expenses	102,481	110,450	108,277

Immediate Office of the Secretary.—The immediate Office of the Secretary has primary responsibility to provide overall planning, direction, and control of departmental affairs.

Immediate Office of the Deputy Secretary.—The Office of the Deputy Secretary has primary responsibility to assist the Secretary in the overall planning, direction, and control of departmental affairs. The Deputy Secretary serves as the chief operating officer of the Department of Transportation.

Executive Secretariat.—The Executive Secretariat assists the Secretary and Deputy Secretary in carrying out their responsibilities by controlling and coordinating internal and external documents.

Office of the Under Secretary of Transportation for Policy.—The Office of the Under Secretary of Transportation for Policy serves as the Department's chief policy officer, and is responsible for the coordination and development of departmental policy and legislative initiatives; international standards development and harmonization; aviation and other transportation-related trade negotiations; the performance of policy and economic analysis; and the execution of the Essential Air Service program.

Office of Small and Disadvantaged Business Utilization.—The Office of Small and Disadvantaged Business Utilization is responsible for promoting small and disadvantaged business participation in the Department's procurement and grants programs.

Office of the Chief Information Officer.—The Office of the Chief Information Officer serves as the principal advisor to the Secretary on information resources and information systems management.

Office of the Assistant Secretary for Governmental Affairs.—The Office of the Assistant Secretary for Governmental Affairs is responsible for coordinating all Congressional, intergovernmental, and consumer activities of the Department.

In addition, the bill continues a provision (Sec. 185) that requires the Department to notify the Committees on Appropriations no fewer than three business days before any discretionary grant award, letter of intent, or full funding grant agreement in excess of $1,000,000 is announced by the Department or its modal administrations from: (1) any discretionary program of the Federal Highway Administration other than the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; (3) any grant from the Federal Railroad Administration; and (4) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs. Such notification shall include the date on which the official announcement of the grant is to be made and no such announcement shall involve funds that are not available for obligation.

Office of the General Counsel.—The Office of the General Counsel provides legal services to the Office of the Secretary and coordinates and reviews the legal work of the chief counsels' offices of the operating administrations.

Office of the Assistant Secretary for Budget and Programs.—The Assistant Secretary for Budget and Programs is responsible for developing, reviewing, and presenting budget resource requirements for the Department to the Secretary, Congress, and the Office of Management and Budget. Of the funds provided, $2,300,000 is for the establishment of a credit office to evaluate the applications for the Department's various credit accounts and oversee the vast loan portfolio. The Committee's recommendation does not include funding for additional contractual services.

Office of the Assistant Secretary for Administration.—The Office of the Assistant Secretary for Administration serves as the principal advisor to the Secretary on department-wide administrative matters and her responsibilities include leadership in acquisition reform and human capital. The Committee's recommendation in-

cludes funding for adjustments to the base and the proposed procurement reviews.

Office of Public Affairs.—The Office of Public Affairs is responsible for the Department's press releases, articles, briefing materials, publications, and audio-visual materials. The Committee's recommendation does not include additional funds for speechwriting contracts, social media services and news clipping services.

Office of Intelligence, Security, and Emergency Response.—The Office of Intelligence, Security, and Emergency Response was established in fiscal year 2005 by merging the Secretary's Office of Intelligence and Security with the Research and Special Program Administration's Office of Emergency Transportation. This office is responsible for intelligence, security policy, preparedness, training and exercises, national security, and operations.

Congressional Budget Justifications.—The Committee will give serious consideration to the fiscal year 2014 budget proposal only if proposed legislation, including a method for paying for any program changes, is transmitted concurrently with the budget in February 2013. The Department is directed to include in the budget justification funding levels for the prior year, current year, and budget year for all programs, activities, initiatives, and program elements. Each budget submitted by the Department must also include a detailed justification for the incremental funding increases and additional FTEs being requested above the enacted level, by program, activity, or program element.

OST must include a discussion in its justification of changes from the current year to the request, plus a crosswalk of all accounts, existing and proposed, from one year to the next. To ensure that each adjustment is identified, the Committee directs OST in future congressional justifications to include detailed information in tabular format, which identifies specific changes in funding from the current year to the budget year for each office, including each office within OST, and every mode and office within the Department.

Operating Plan.—The Committee directs the Department to submit an operating plan for fiscal year 2013 signed by the Secretary for review by the Committees on Appropriations within 60 days of the bill's enactment. The operating plan should include funding levels for the various offices, programs, and initiatives detailed down to the object class or program element covered in the budget justification and supporting documents, documents referenced in the House and Senate appropriations reports, and the statement of the managers. Further, should the Department create, alter, discontinue, or otherwise change any program as described in the Department's budget justification, those changes must be a part of the Department's operating plan. Further, the Department is directed the introduction of the report regarding reporting requirements after enactment of surface authorizations.

General Provisions.—The Committee continues to direct DOT to justify each general provision proposed either in its relevant modal congressional justification or in the OST congressional justification. If the budget proposes to drop or delete a general provision, the Department is directed to explain the change as well.

Bill Language.—The bill continues language that permits up to $2,500,000 of fees to be credited to the Office of the Secretary for salaries and expenses.

LIVABLE COMMUNITIES

Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	$5,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	–5,000,000

The goal of the livable communities program is to promote livable communities through investment in transportation infrastructure to decrease transportation costs; improve access to jobs and services; promote healthy communities; improve air quality; protect the natural environment; and enhance the unique characteristics of communities.

COMMITTEE RECOMMENDATION

The Committee recommendation does not include funding for the Livable Communities Office in fiscal year 2013, just as no funds have been provided in any prior fiscal year. The budget proposed $5,000,000 for this purpose. Zoning and planning activities are best and currently conducted at the local level. Various existing grant programs within the Department allow for planning activities and localities are free to utilize already available funds as they see fit.

NATIONAL INFRASTRUCTURE INVESTMENT

Appropriation, fiscal year 2012	$500,000,000
Budget request, fiscal year 2013	500,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	–500,000,000
Budget request, fiscal year 2013	–500,000,000

The National Infrastructure Investment program was created in the American Recovery and Reinvestment Act (ARRA) to provide grants to state and local governments to improve the Nation's transportation infrastructure. The infrastructure investment program awards funds on a competitive basis to grantees selected because of the significant impact they will have on the Nation, a metropolitan area, or region.

COMMITTEE RECOMMENDATION

The Committee does not recommend additional funds for the national infrastructure investment program (also known as "TIGER grants") as proposed by the budget request. The Congress appropriated $500,000,000 for this purpose in fiscal year 2012. While the Committee agrees that the Nation is in desperate need for infrastructure investment and improvements, the Administration has yet to demonstrate or define the process, priority or criteria for how these grants are awarded.

FINANCIAL MANAGEMENT CAPITAL

Appropriation, fiscal year 2012	$4,990,000
Budget request, fiscal year 2013	10,000,000
Recommended in the bill	10,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+5,010,000
Budget request, fiscal year 2013	– – –

The Financial Management Capital program continues funding for a multi-year project to upgrade DOT's financial systems and processes. The project will implement Treasury Department and Office of Management and Budget requirements. Deployment of the new system is anticipated in 2014.

COMMITTEE RECOMMENDATION

This Committee recommends the budget request of $10,000,000 for financial management capital program, which is $5,010,000 above the fiscal year 2012 enacted level.

CYBER SECURITY INITIATIVE

Appropriations, fiscal year 2012	$10,000,000
Budget request, fiscal year 2013	6,000,000
Recommended in the bill	6,000,000
Bill compared with:	
Appropriation, fiscal year 2012	–4,000,000
Budget request, fiscal year 2013	– – –

The Cyber Security Initiative is a new effort to close performance gaps in the Department's cybersecurity. The initiative includes support for essential program enhancements, infrastructure improvements and contractual resources to enhance the security of the Department's computer network and reduce the risk of security breaches.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $6,000,000 to support the Secretary's Cyber Security Initiative, which is equal to the budget request and $4,000,000 less than the fiscal year 2012 enacted level.

OFFICE OF CIVIL RIGHTS

Appropriation, fiscal year 2012	$9,384,000
Budget request, fiscal year 2013	9,773,000
Recommended in the bill	9,773,000
Bill compared with:	
Appropriation, fiscal year 2012	+389,000
Budget request, fiscal year 2013	– – –

The Office of Civil Rights is responsible for advising the Secretary on civil rights and equal opportunity issues, and ensuring the full implementation of the civil rights laws and departmental civil rights policies in all official actions and programs. This office is responsible for enforcing laws and regulations that prohibit discrimination in federally operated and federally assisted transportation programs and enabling access to transportation providers. The Office of Civil Rights also handles all civil rights cases affecting Department of Transportation employees.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $9,773,000 for the office of civil rights, which is $389,000 over the fiscal year 2012 appropriation.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriation, fiscal year 2012	$9,000,000
Budget request, fiscal year 2013	10,000,000
Recommended in the bill	8,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−1,000,000
Budget request, fiscal year 2013	−2,000,000

This appropriation finances research activities and studies related to the planning, analysis, and information development used in the formulation of national transportation policies and plans. It also finances the staff necessary to conduct these efforts. The overall program is carried out primarily through contracts with other federal agencies, educational institutions, nonprofit research organizations, and private firms.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $8,000,000 for transportation planning, research and development, which is $1,000,000 below the fiscal year 2012 enacted level and $2,000,000 below the level proposed in the fiscal year 2013 budget.

WORKING CAPITAL FUND

Limitation, fiscal year 2012	$172,000,000
Budget request, fiscal year 2013	–––
Recommended in the bill	174,128,000
Bill compared with:	
Limitation, fiscal year 2012	+2,128,000
Budget request, fiscal year 2013	+174,128,000

The working capital fund was created to provide common administrative services to the operating administrations and outside entities that contract for the fund's services. The working capital fund operates on a fee-for-service basis and receives no direct appropriations; it is fully self-sustaining and must achieve full cost recovery.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $174,128,000 on the Working Capital Fund (WCF), the same level as proposed in the budget if all of the WCF expenditures were added up. WCF costs are anticipated to increase $2,128,000 over fiscal year 2012. The Administration did not propose a WCF legislative limitation. The Committee continues to stipulate that the limitation is only for services provided to the Department of Transportation, not other entities. Further, the Committee directs that, as much as possible, services shall be provided on a competitive basis.

The Committee continues the direction to update the WCF "transparency paper" in the fiscal year 2014 budget justification. The Committee finds the information contained in the annual paper to be extremely useful when evaluating the needs and proposals of the various offices.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

	Appropriation	Limitation on guaranteed loans
Appropriation, fiscal year 2012	$922,000	($18,367,000)
Budget request, fiscal year 2013	1,285,000	(21,955,000)
Recommended in the bill	1,285,000	(21,955,000)
Bill compared to:		
Appropriation, fiscal year 2012	+363,000	(+3,588,00)
Budget request, fiscal year 2013	– – –	– – –

Through the Short Term Lending Program, the minority business resource center assists disadvantaged, minority, and women-owned businesses with obtaining short-term working capital for DOT and DOT-funded transportation-related contracts. The program enables qualified businesses to obtain loans at two percentage points above the prime interest rate with DOT guaranteeing up to 75 percent of the loan.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $418,000 to cover the subsidy costs of guaranteed loans and $867,000 for administrative expenses to carry out the guaranteed loan program for a total appropriation of $1,285,000, which is $363,000 more than the fiscal year 2012 enacted level. The Committee recommends a limitation on guaranteed loans of $21,955,000, the same as the budget request, and $3,588,000 over fiscal year 2012.

MINORITY BUSINESS OUTREACH

Appropriation, fiscal year 2012	$3,068,000
Budget request, fiscal year 2013	3,234,000
Recommended in the bill	3,234,000
Bill compared with:	
Appropriation, fiscal year 2012	+166,000
Budget request, fiscal year 2013	– – –

The minority business outreach program provides contractual support to small and disadvantaged businesses by providing information dissemination and technical and financial assistance to empower those businesses to compete for contracting opportunities with DOT and DOT-funded contracts or grants for transportation-related projects.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $3,234,000 for the minority business outreach program, which is $166,000 greater than fiscal year 2012. The Committee directs the Department to expand its outreach efforts in rural areas.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2012	$143,000,000
Budget request, fiscal year 2013	114,000,000
Recommended in the bill	114,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−29,000,000
Budget request, fiscal year 2013	−−−

The Essential Air Service program (EAS) was created by the Airline Deregulation Act of 1978 as a ten-year measure to continue air service to communities that had received air service prior to deregulation. The program currently provides subsidies to air carriers serving small communities that meet certain criteria.

The Federal Aviation Administration Reauthorization Act of 1996 authorized the collection of "overflight fees". Overflight fees are a type of user fee collected by the Federal Aviation Administration (FAA) from aircraft that neither take off from, nor land in, the United States. The FAA Modernization and Reform Act of 2012 increased the authorized level of overflight fee collection, and increased the amount that the Department can apply to the EAS program. The budget request estimates that this would increase the mandatory funding for this program from $50 million in FY 2012 to at least $100 million in FY 2013.

COMMITTEE RECOMMENDATION

For fiscal year 2013, the Committee recommends a total EAS program funding level of $214,000,000. This consists of a general fund appropriation of $114,000,000, and $100,000,000 to be derived from overflight fee collections. The Committee's recommendation for the EAS program is $71,000,000 above the fiscal year 2012 enacted level and equal to the fiscal year 2013 request.

The following table shows the discretionary, mandatory, and total program levels for the EAS program:

	Appropriation	Mandatory	Total Program
FY 2012 appropriation	$143,000,000	$50,000,000	$193,000,000
FY 2013 request	114,000,000	100,000,000	214,000,000
Committee recommendation	114,000,000	100,000,000	214,000,000

The Committee believes the funding level provided is sufficient to serve all eligible EAS communities. However, the Committee recommendation includes language allowing a transfer of funds into this program from funds provided to the Office of the Secretary.

The Committee includes the Department's proposal to limit the EAS program to only those communities being served between September 30, 2010 and September 30, 2011. The Committee remains concerned about the growing costs associated with the EAS program. While limiting the program to current sites and eliminating the requirement that EAS carriers utilize 15-passenger aircraft have helped mitigate some of the cost growth, the Committee believes that the Department should continue to explore reforms to the program that will create greater competition among carriers

and control overall costs. The Committee directs the Secretary to provide a letter report to the House and Senate Committees on Appropriations by March 15, 2013 that describes measures that could increase competition for EAS providers and help contain additional cost growth. For example, the Department should explore whether the EAS requirement that carriers utilize twin engine aircraft should be modified to allow single engine aircraft as long as safety is not compromised. The Committee understands that some communities have requested a waiver from the twin engine requirement and is interested to learn whether these waivers have helped preserve service and keep overall costs under control.

ADMINISTRATIVE PROVISIONS—OFFICE OF THE SECRETARY OF TRANSPORTATION

Section 101. The Committee continues the provision prohibiting the Office of the Secretary of Transportation from approving assessments or reimbursable agreements pertaining to funds appropriated to the operating administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

Section 102. The Committee continues the provision allowing the Secretary or his designee to work with States and State legislators to consider proposals related to the reduction of motorcycle fatalities.

Section 103. The Committee continues the provision allowing the Department to use the Working Capital Fund to provide transit benefits to Federal employees.

Section 104. The Committee continues the provision regarding administrative requirements of DOT's Credit Council.

FEDERAL AVIATION ADMINISTRATION

The Federal Aviation Administration (FAA) is responsible for the safety and development of civil aviation and for the evolution of a national system of airports. The Federal Government's regulatory role in civil aviation began with the creation of an Aeronautics Branch within the Department of Commerce pursuant to the Air Commerce Act of 1926. This Act instructed the Secretary of Commerce to foster air commerce; designate and establish airways; establish, operate, and maintain aids to navigation; arrange for research and development to improve such aids; issue airworthiness certificates for aircraft and major aircraft components; and investigate civil aviation accidents. In the Civil Aeronautics Act of 1938, these activities were subsumed into a new, independent agency named the Civil Aeronautics Authority.

After further administrative reorganizations, Congress streamlined regulatory oversight in 1957 with the creation of two separate agencies, the Federal Aviation Agency and the Civil Aeronautics Board. When the Department of Transportation began its operations on April 1, 1967, the Federal Aviation Agency was renamed the Federal Aviation Administration (FAA) and became one of several modal administrations within the department. The Civil Aeronautics Board was later phased out with enactment of the Airline Deregulation Act of 1978, and ceased to exist at the end of 1984.

FAA's mission expanded in 1995 with the transfer of the Office of Commercial Space Transportation from the Office of the Secretary and contracted in December 2001 with the transfer of civil aviation security activities to the new Transportation Security Administration.

The FAA Modernization and Reform Act of 2012 authorized FAA programs through 2015 with several new mandates to improve the National Airspace System (NAS), including provisions regarding the NextGen program for Air Traffic Control and provisions regarding the use of Unmanned Aerial Systems (UAS) in civilian airspace.

OPERATIONS

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2012	$9,653,395,000
Budget request, fiscal year 2013	9,718,000,000
Recommended in the bill	9,718,000,000
Bill compared with:	
Appropriation, fiscal year 2012	64,605,000
Budget request, fiscal year 2013	– – –

This appropriation provides funds for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems. It also covers administrative and managerial costs for the FAA's regulatory, international, medical, engineering and development programs as well as policy oversight and overall management functions.

The operations appropriation includes the following major activities: (1) operation on a 24-hour daily basis of a national air traffic system; (2) establishment and maintenance of a national system of aids to navigation; (3) establishment and surveillance of civil air regulations to ensure safety in aviation; (4) development of standards, rules and regulations governing the physical fitness of airmen as well as the administration of an aviation medical research program; (5) administration of the acquisition, and research and development programs; (6) headquarters, administration and other staff offices; and (7) development, printing, and distribution of aeronautical charts used by the flying public.

COMMITTEE RECOMMENDATION

The Committee recommends $9,718,000,000 for FAA operations, which is the same as the budget request and $64,605,000 above the fiscal year 2012 enacted level.

A comparison of the fiscal year 2012 enacted level, the budget request, and the Committee recommendation by budget activity is as follows:

	FY 2012 enacted	FY 2013 request	FY 2013 recommendation
Air traffic organization	$7,442,738,000	$7,513,850,000	$7,513,850,000
Aviation safety	1,252,991,000	1,255,000,000	1,255,000,000
Commercial space transportation	16,271,000	16,700,000	16,700,000
Finance and management	582,117,000	573,591,000	573,591,000
NextGen and operations planning	60,134,000	60,064,000	60,064,000
Staff offices	299,144,000	298,795,000	298,795,000
Total	9,653,395,000	9,718,000,000	9,718,000,000

Justification of general provisions.—The Committee continues its direction to provide a justification for each general provision proposed in the FAA budget and therefore expects the fiscal year 2014 budget to include adequate information on each proposed general provision.

TRUST FUND SHARE OF FAA BUDGET

The bill derives $4,682,500,000 of the total operations appropriation from the Airport and Airway Trust Fund. The balance of the appropriation, $5,035,500,000, will be drawn from the general fund of the Treasury.

AIR TRAFFIC ORGANIZATION

The bill provides $7,513,850,000 for air traffic services, which is the same as the budget request and $71,112,000 above the fiscal year 2012 enacted level.

Organizational Structure.—In September 2011, the Committee approved FAA's reprogramming request to implement organizational changes as part of the "Foundation for Success" initiative. The reorganization was intended to better execute the Next Generation of Air Traffic Control program (NextGen) and allow the Agency to operate in a more effective and efficient manner.

Since the inception of the Air Traffic Organization in 2003, there have been several reorganizations intended to streamline operations, improve performance, and produce cost savings and efficiencies. Past efforts have met with limited success in controlling operating costs and executing major acquisitions. The Committee recognizes that it will take time for the most recent reorganization to mature and have the desired impacts. This reorganization will be hollow unless FAA builds the necessary expertise and strengthens program and contract management to manage NextGen. The Committee needs assurances that the Foundation for Success initiative will achieve the desired outcomes in managing major acquisitions and cost savings. The Committee requests that 180 days after enactment of this bill, the FAA provide the House and Senate Committees on Appropriations with a report on progress to-date and to what extent goals for the reorganization are being met.

This is a longstanding issue that directly affects FAA's ability to provide effective and proactive oversight of the aviation industry. Section 606 of the FAA Modernization and Reform Act of 2012 requires FAA to implement, in as cost-effective manner possible, an improved aviation safety inspector model by October 1, 2012. The Committee fully expects FAA to comply with these requirements, and requests that results of the staffing model also be provided to the House and Senate Committees on Appropriations at the same time it is provided to the appropriate authorizing Committees.

Air Traffic Controller Training.—A key issue moving forward will be ensuring that FAA has a sufficient, well-trained controller workforce. Currently, FAA has about 15,200 controllers onboard—25% of whom are controllers in training. FAA is planning to hire as many as 980 new controllers in FY 2012 and another 1,200 in FY 2013 but may revisit the matter given the decline in traffic from peak levels in 2000. A recent report by the DOT Office of Inspector General on staffing and training issues at FAA's most critical facili-

ties found an alarmingly high attrition rate for new controllers. One reason for this high attrition is inadequate training resources available to these facilities. FAA's Air Traffic Control Optimum Training Solution Program is a key vehicle for delivering controller training. This program, however, has not met expectations for training new and existing controllers or for transforming the paradigm for training. It appears that problems are directly traceable to poor FAA planning and the Agency's inability to establish firm requirements. Moreover, FAA has made downward adjustments in contract funding over the last 2 years and instructed its contractor in April to reduce support for various training efforts. It is becoming increasingly clear that FAA needs to rethink its overall approach to controller training.

These problems come at a time when the number of fully certified controllers who are eligible to retire is increasing, and the Committee is concerned that FAA does not have an effective or executable plan for training the next generation of air traffic controllers. The Committee will continue to closely watch this issue, and requests that FAA forward to the House and Senate Committees on Appropriations the studies called for in Section 609 of the FAA Modernization and Reform Act of 2012 regarding the adequacy of FAA's air traffic controller training programs.

Contract tower program.—The Committee recommendation includes $140,350,000 for the contract tower program, including $10,350,000 to continue the contract tower cost-sharing program. The Committee includes language that limits contributions in the contract tower cost share program to 20 percent of total costs.

The Committee is concerned that the current effort by FAA to update cost-benefit information may not fully take into account the broad array of benefits the program provides to individual communities, including enhanced safety, cost savings, and economic development. The Committee notes that FAA's updated cost-benefit calculations could reduce federal funding obligations and shift significant costs to local communities that have little if any ability to absorb additional costs. The Committee directs, prior to releasing or acting upon updated cost-benefit data, the FAA to seek input from affected local airports. The FAA should also provide a report to the Committees on Appropriations on the rationale for the cost-benefit changes, and the economic impact to affected airports prior to acting on any updated calculations.

Aeronautical Navigation Products.—The Committee is concerned that Aeronautical Navigation Products (AeroNav) removed publicly available aeronautical data from its website without notice and is implementing a per-subscriber user fee for this information. Further, AeroNav's product availability has been sharply reduced from seventeen days to twenty-four hours in advance of the effective date of the chart. This change appears to be in conflict with the FAA mission of providing timely and accurate information for pilots in the interest of safe and efficient navigation. The Committee directs the FAA to develop a fair and equitable fee structure for its AeroNav products that takes into consideration input from industry stakeholders and restores the 17-day availability of digital content. The Committee directs the FAA to report on it plans to adhere to this directive no later than March 1, 2013.

AVIATION SAFETY

The Committee provides $1,255,000,000 for aviation safety, which is $2,009,000 above the fiscal year 2012 enacted level, and equal to the budget request.

The Committee continues its direction requiring the Secretary to provide annual reports regarding the use of the funds provided, including, but not limited to, the total full-time equivalent staff years in the offices of aircraft certification and flight standards, total employees, vacancies, and positions under active recruitment.

Aircraft Certification Service.—The Committee provides no less than the full budget request of $209,969,000 for the FAA's Aircraft Certification Service. The Committee remains concerned that delays in FAA certification of new aircraft and related technologies could negatively affect aviation safety, as well as the economic health and competitiveness of U.S. manufacturers. Accordingly, the Committee reiterates its interest in FAA's progress on certification reforms, as these critical activities are of utmost importance to aviation safety.

Inspector Staffing.—The Committee continues to place a high priority on FAA's critical safety workforces and funds its inspector workforce at the requested level. FAA is making progress in advancing risk-based oversight systems for its 4,300 safety inspectors. FAA's inspector workload is driven by a number of factors, including complexity of air carrier operations and industry use of foreign and domestic aircraft repair stations. However, we are concerned about FAA's lack of progress in using a reliable inspector staffing model. After several years of development, it is troubling that FAA is still not using a useful model to determine the appropriate number of safety inspectors needed or where they should be located to address the most pressing safety risks.

Human Intervention Motivation Study and the Flight Attendant Drug and Alcohol Program.—The Committee recognizes the effectiveness of the Human Intervention Motivation Study (HIMS) and the Flight Attendant Drug and Alcohol Program (FADAP) in mitigating drug and alcohol abuse through a peer identification and intervention program. The Committee recommendation includes $2,103,000 to continue these programs through fiscal year 2015.

The Committee is concerned with the length of time the FAA is taking to process manufacturers' petitions to be included on the list of approved Portable Oxygen Concentrators (POCs) under the Special Federal Aviation Regulation 106 (SFAR 106). SFAR 106 permits passengers to carry on and use certain POCs on board aircraft if the devices are determined to be acceptable by established safety standards and aircraft operators ensure certain safety conditions are met. Delays in the current process threaten to dissuade the investment of manufacturing companies in the United States in the development of innovative new technologies. The Committee urges the FAA to follow through on its 2005 commitment to promulgate a performance-based standard for all POCs so specific manufacturers do not have to pursue formal rulemaking for each device model. In the interim, the Committee urges the FAA to establish a procedure by which SFAR 106 petitions are reviewed and processed not later than 6 months after the initial submission.

COMMERCIAL SPACE TRANSPORTATION

The Committee recommends $16,700,000 for the office of commercial space transportation, which is equal to the budget request and $429,000 above the fiscal year 2012 enacted level.

The Office of Commercial Space Transportation protects public safety through regulatory oversight of the rapidly growing U.S. commercial space transportation industry. The FAA also has a statutory mandate to encourage, facilitate, and promote commercial space transportation. The commercial space transportation industry is nearly certain to increase its activities providing orbital and suborbital services to serve commercial, scientific, and government purposes. Of particular importance are orbital flights to support the operation of the International Space Station. This increase in commercial space activity will require the FAA to provide a significantly greater number of permits and licenses. The Committee wishes to ensure that the FAA has the ability to provide these permits and licenses effectively and efficiently so that the U.S. can emerge as the world leader in space transport. The Committee will encourage a reprogramming of funds to the Office of Commercial Space Transportation above the levels provided, if necessary to keep pace with this growing industry.

FINANCE AND MANAGEMENT

The Committee recommends $573,591,000 for finance and management activities, which is equal to the budget request and $8,526,000 below the fiscal year 2012 enacted level.

Workforce Diversity Report.—In 2011, the Administration issued Executive Order 13583 requiring all Federal agencies to develop a plan for recruiting, hiring, promoting, and retaining a diverse workforce. The Committee reiterates its direction that the FAA report data and information on the agency's recruitment outreach and hiring efforts in minority communities. The Committee expects the report to include a year-to-year comparison of hiring statistics for underrepresented populations as well as a description of the strategies the agency utilizes to recruit a more diverse workforce. The FAA is directed to provide its letter report to the House and Senate Committees on Appropriations by March 1, 2013.

NEXTGEN AND OPERATIONS PLANNING

The Committee recommends $60,064,000 for NextGen and Operations Planning, which is equal to the budget request and $70,000 below the fiscal year 2012 enacted level.

BILL LANGUAGE

Second Career Training Program.—The bill retains language prohibiting the use of funds for the second career training program. This prohibition has been in annual appropriations Acts for many years and is included in the President's budget request.

Aviation User Fees.—The bill includes a limitation carried for several years prohibiting funds from being used to finalize or implement any new unauthorized user fees.

Aeronautical Charting and Cartography.—The bill maintains the provision prohibiting funds in this Act from being used to conduct

aeronautical charting and cartography (AC&C) activities through the working capital fund (WCF).

Credits.—This bill includes language allowing funds received from specified public, private, and foreign sources for expenses incurred to be credited to the appropriation.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2012	$2,730,731,000
Budget request, fiscal year 2013	2,850,000,000
Recommended in the bill	2,749,596,000
Bill compared with:	
Appropriation, fiscal year 2012	+18,865,000
Budget request, fiscal year 2013	−100,404,000

The Facilities and Equipment (F&E) account is the principal means for modernizing and improving air traffic control and airway facilities. The appropriation also finances major capital investments required by other agency programs, experimental research and development facilities, and other improvements to enhance the safety and capacity of the airspace system.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,749,596,000, for the FAA's facilities and equipment program, an increase of $18,865,000 above the level provided in fiscal year 2012 and $100,404,000 below the budget request. The bill provides that, of the total amount recommended, $2,269,596,000 is available for obligation until September 30, 2015, and $480,000,000 (the amount for personnel and related expenses) is available until September 30, 2013. These obligation availabilities are consistent with past appropriations Acts.

FACILITIES AND EQUIPMENT

	Fiscal year		Committee recommendation
	2012 enacted	2013 request	
Activity 1—Engineering, Development, Test and Evaluation:			
Advanced Technology Development and Prototyping	$29,000,000	$33,100,000	$33,100,000
NAS Improvement of System Support Laboratory	1,000,000	1,000,000	1,000,000
William J. Hughes Technical Center Facilities	14,000,000	11,500,000	11,500,000
William J. Hughes Technical Center Infrastructure Sustainment	7,500,000	8,000,000	8,000,000
Data Communications for Trajectory Based Operations (NGATS)	143,000,000	142,630,000	142,630,000
Next Generation Transportation System Technology Demonstration	15,000,000	24,600,000	24,600,000
Next Generation Transportation System—Systems Development	85,000,000	61,000,000	55,000,000
Next Generation Transportation System—Trajectory Based Operations	7,000,000	16,500,000	16,500,000
Next Generation Transportation System—Reduce Weather Impact	15,600,000	16,600,000	16,600,000
Next Generation Transportation System—High Density/Arrivals/Departures	12,000,000	11,000,000	11,000,000
Next Generation Transportation System—Collaborative ATM	24,000,000	24,200,000	24,200,000
Next Generation Transportation System—Flexible Terminals and Airports	33,300,000	30,500,000	30,500,000
Next Generation Transportation System—System Network Facilities	5,000,000	11,000,000	11,000,000
Next Generation Transportation System—Future Facilities	15,000,000	95,000,000	36,415,000
Performance Based Navigation/RNAV/RNP	29,200,000	36,200,000	41,200,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year		Committee recommendation
	2012 enacted	2013 request	
Total Activity 1	435,600,000	522,830,000	463,245,000
Activity 2—Air Traffic Control Facilities and Equipment:			
a. En Route Programs:			
En Route Automation Modernization (ERAM)	155,000,000	144,000,000	144,000,000
En Route Automation Modernization (ERAM)—Post Release 3	.....	10,000,000	10,000,000
En Route Communications Gateway (ECG)	2,000,000	3,100,000	3,100,000
Next Generation Weather Radar (NEXRAD)—Provide	2,800,000	3,300,000	3,300,000
Air Traffic Control System Command Center (ATCSCC)—Relocation	3,600,000	.....	.....
ARTCC Building Improvements/Plant Improvements	41,000,000	46,000,000	40,000,000
Air Traffic Management (ATM)	7,500,000	21,700,000	21,700,000
Air/Ground Communications Infrastructure	4,800,000	4,000,000	4,000,000
Air Traffic Control En Route Radar Facilities Improvements	5,800,000	5,900,000	5,900,000
Voice Switching and Control System (VSCS)	1,000,000	15,000,000	15,000,000
Oceanic Automation System	4,000,000	4,000,000	4,000,000
Next Generation Very High Frequency Air/Ground Communications System (NEXCOM)	45,150,000	33,650,000	33,650,000
System-Wide Information Management	66,350,000	57,200,000	57,200,000
ADS—B NAS Wide Implementation	285,100,000	271,600,000	271,600,000
Windshear Detection Service	1,000,000	.....	.....
Weather and Radar Processor (WARP)	2,500,000	500,000	500,000
Collaborative Air Traffic Management Technologies—WP2	41,500,000	34,420,000	34,420,000
Colorado ADS-B/WAM Cost Share	3,800,000	1,400,000	1,400,000
Automated Terminal Information System (ATIS)	1,000,000	.....	.....
Tactical Flow Time Based Flow Management	38,700,000	12,900,000	12,900,000
Subtotal En Route Programs	712,600,000	668,670,000	662,670,000
b. Terminal Programs:			
Airport Surface Detection Equipment—Model X (ASDE–X)	2,200,000	7,400,000	7,400,000
Terminal Doppler Weather Radar (TDWR)—Provide	7,700,000	2,500,000	2,500,000
Standard Terminal Automation Replacement System (STARS) (TAMR Phase 1)	25,000,000	34,500,000	34,500,000
Terminal Automation Modernization/Replacement Program (TAMR Phase 3)	108,750,000	153,000,000	153,000,000
Terminal Automation Program	2,500,000	2,500,000	2,500,000
Terminal Air Traffic Control Facilities—Replace	51,600,000	64,900,000	64,900,000
ATCT/Terminal Radar Approach Control (TRACON) Facilities—Improve	52,000,000	25,200,000	25,200,000
Terminal Voice Switch Replacement (TVSR)	8,000,000	4,000,000	4,000,000
NAS Facilities OSHA and Environmental Standards Compliance	24,600,000	26,000,000	26,000,000
Airport Surveillance Radar (ASR–9)	6,000,000	6,400,000	6,400,000
Terminal Digital Radar (ASR–11)	3,900,000	8,200,000	8,200,000
Runway Status Lights	29,800,000	35,250,000	35,250,000
National Airspace System Voice Switch (NVS)	9,000,000	10,250,000	10,250,000
Integrated Display System (IDS)	8,800,000	4,200,000	4,200,000
Remote Monitoring and Logging System (RMLS)	4,200,000	4,700,000	4,700,000
Mode S Service Life Extension Program (SLEP)	4,000,000	4,000,000	4,000,000
ASR–8 Service Life Extension Program	.....	.....	.....
Surveillance Interface Modernization	.....	2,000,000	2,000,000
Tower Flight Data Manager (TFDM)	.....	37,600,000	35,600,000
Subtotal Terminal Programs	348,050,000	432,600,000	430,600,000
c. Flight Service Programs:			
Automated Surface Observing System (ASOS)	2,500,000	.....	.....
Future Flight Service Program	.....	8,000,000	8,000,000
Flight Service Station (FSS) Modernization	4,500,000	2,900,000	2,900,000
Weather Camera Program	4,800,000	4,400,000	3,000,000
Subtotal Flight Service Programs	11,800,000	15,300,000	13,900,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year		Committee recommendation
	2012 enacted	2013 request	
d. Landing and Navigational Aids Program:			
VHF Omnidirectional Radio Range (VOR) with Distance Measuring Equipment (DME)	5,000,000	2,500,000	2,500,000
Instrument Landing System (ILS)—Establish	5,000,000	7,000,000	7,000,000
Wide Area Augmentation System (WAAS) for GPS	95,000,000	96,000,000	92,000,000
Runway Visual Range (RVR)	5,000,000	4,000,000	4,000,000
Approach Lighting System Improvement Program (ALSIP)	5,000,000	3,000,000	3,000,000
Distance Measuring Equipment (DME)	5,000,000	5,000,000	5,000,000
Visual NAVAIDS—Establish/Expand	3,400,000	3,500,000	3,500,000
Instrument Flight Procedures Automation (IFPA)	2,200,000	7,100,000	7,100,000
Navigation and Landing Aids—Service Life Extension Program (SLEP)	7,000,000	8,000,000	8,000,000
VASI Replacement—Replace with Precision Approach Path Indicator	8,000,000	4,000,000	4,000,000
GPS Civil Requirements	19,000,000	40,000,000	15,000,000
Runway Safety Areas—Navigational Mitigation	25,000,000	30,000,000	30,000,000
Subtotal Landing and Navigational Aids Programs	184,600,000	210,100,000	181,100,000
e. Other ATC Facilities Programs:			
Fuel Storage Tank Replacement and Monitoring	,400,000	6,600,000	6,600,000
Unstaffed Infrastructure Sustainment	18,000,000	18,000,000	18,000,000
Aircraft Related Equipment Program	11,700,000	10,100,000	10,100,000
Airport Cable Loop Systems—Sustained Support	5,000,000	5,000,000	5,000,000
Alaskan Satellite Telecommunications Infrastructure (ASTI)	15,500,000	6,800,000	6,800,000
Facilities Decommissioning	5,000,000	5,000,000	5,000,000
Electrical Power Systems—Sustain/Support	77,581,000	85,000,000	77,581,000
Aircraft Fleet Modernization	9,000,000	2,100,000	2,100,000
FAA Employee Housing and Life Safety Shelter System Service	2,500,000	2,500,000	2,500,000
Subtotal Other ATC Facilities Programs	149,681,000	141,100,000	133,681,000
Total Activity 2	1,406,731,000	1,467,770,000	1,421,951,000
Activity 3—Non-Air Traffic Control Facilities and Equipment:			
a. Support Equipment:			
Hazardous Materials Management	20,000,000	20,000,000	20,000,000
Aviation Safety Analysis System (ASAS)	30,100,000	15,800,000	15,800,000
Logistics Support Systems and Facilities (LSSF)	10,000,000	10,000,000	10,000,000
National Air Space (NAS) Recovery Communications (RCOM)	12,000,000	12,000,000	12,000,000
Facility Security Risk Management	16,000,000	14,200,000	14,200,000
Information Security	15,200,000	14,000,000	14,000,000
System Approach for Safety Oversight (SASO)	23,600,000	23,000,000	23,000,000
Aviation Safety Knowledge Management Environment (ASKME)	17,200,000	12,800,000	12,800,000
Data Center Optimization	1,000,000	1,000,000	1,000,000
Aerospace Medical Equipment Needs (AMEN)	10,000,000	3,000,000	3,000,000
Aviation Safety Information Analysis and Sharing (ASIAS)	.....	15,000,000	15,000,000
National Test Equipment Program	.....	2,000,000	2,000,000
Mobile Assets Management Program	.....	1,700,000	1,700,000
Aerospace Medicine Safety Information Systems (AMSIS)	.....	3,000,000	3,000,000
Subtotal Support Equipment	155,100,000	147,500,000	147,500,000
b. Training, Equipment and Facilities:			
Aeronautical Center Infrastructure Modernization	16,500,000	12,500,000	12,500,000
Distance Learning	1,500,000	1,500,000	1,500,000
Subtotal Training, Equipment and Facilities	18,000,000	14,000,000	14,000,000
Total Activity 3	173,100,000	161,500,000	161,500,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year		Committee recommendation
	2012 enacted	2013 request	
Activity 4—Facilities and Equipment Mission Support:			
a. System Support and Services:			
System Engineering and Development Support	32,900,000	35,000,000	35,000,000
Program Support Leases	40,000,000	40,900,000	40,900,000
Logistics Support Services (LSS)	11,700,000	11,500,000	11,500,000
Mike Monroney Aeronautical Center Leases	17,000,000	17,500,000	17,500,000
Transition Engineering Support	13,000,000	14,000,000	14,000,000
Technical Support Services Contract (TSSC)	22,000,000	23,000,000	23,000,000
Resource Tracking Program (RTP)	4,000,000	4,000,000	4,000,000
Center for Advanced Aviation System Development (CAASD)	78,000,000	70,000,000	75,000,000
Aeronautical Information Management Program	20,200,000	2,000,000	2,000,000
Permanent Change of Station (PCS) Moves	1,500,000	.....	.....
Total Activity 4	240,300,000	217,900,000	222,900,000
Activity 5—Personnel and Related Expenses:			
Personnel and Related Expenses	475,000,000	480,000,000	480,000,000
Total All Activities	2,730,731,000	2,850,000,000	2,749,596,000

ENGINEERING, DEVELOPMENT, TEST AND EVALUATION

Next Generation Air Transportation System Transformational Programs.—The Committee recognizes FAA's NextGen transformational programs are critical to its overall plans to change the way air traffic is managed.

The DOT Office of Inspector General recently reported on the status of the transformational programs and highlighted that FAA's approach to approving small segments of complex NextGen programs has some drawbacks. There is no question that segmenting programs can reduce risk to the Government, but such segmentation does not provide a crosswalk for how key programs align with FAA's plans for delivering benefits. The IG report shows the extraordinarily complex interdependencies between programs and the essential roles FAA automation programs, like ERAM, play in executing NextGen. The Committee urges FAA to follow through on its commitment to address the IG report's recommendations. The Committee is particularly interested in ensuring that FAA follows through on the IG's recommendation to establish—and use—an integrated master schedule for managing NextGen investments.

NextGen—Systems Development.—The Committee recommendation includes $55,000,000 for NextGen—systems development, which is $6,000,000 below the budget request and $30,000,000 below the fiscal year 2012 enacted level.

NextGen Future Facilities.—The Committee recommends $36,415,000 for the NextGen Future Facilities initiative, which is $58,585,000 below the budget request and $21,415,000 above the fiscal year 2012 enacted level. These funds will be used to fund preconstruction activities related to the Liberty Integrated Control Facility. This Committee is aware that this is the first step in FAA's long-term plan to realign and consolidate its air traffic facility network into large, integrated facilities that could fundamentally change the way FAA operates and manages the National Airspace System. However, this plan is only in its initial stages. The FAA

has provided limited details regarding how this new facility will improve productivity, reduce agency costs, and improve the flow of air traffic. The Committee looks forward to receiving a more detailed and well justified plan for this new facility in the coming months. The Committee also looks forward to receiving information on the long-term cost savings associated with the potential elimination of outdated, inefficient, and obsolete facilities.

Performance-Based Navigation.—The Committee provides $41,200,000 for Performance Based Navigation/RNAV/RNP. This is a $5,000,000 increase above the budget request and $12,000,000 above the fiscal year 2012 enacted level. The Committee has strongly supported the accelerated development of Performance Based Navigation (PBN) procedures and processes, and continues to have a strong interest in using PBN to provide substantial, near-term NextGen benefits to users of the NAS. The Committee is encouraged by the enactment of Section 213 of the FAA Modernization and Reform Act of 2012 (PL 112–95), which requires FAA to develop performance-based metrics and environmental streamlining procedures to further accelerate RNP and RNAV flight paths at a minimum of 70 commercial airports throughout the NAS, including through the use of third parties to support the development of procedures.

The Committee directs the FAA to fully utilize the tools provided in Section 213, including the use of third parties and categorical exclusions, so that efficient RNP and RNAV procedures can be produced in sufficient quantities in order to meet the demand that exists within the NAS for these types of procedures. The Committee recommends $5,000,000 to continue the Third Party Procedure development program to utilize qualified third parties to design, deploy, and maintain public use RNP procedures at airports across the country where aircraft flying RNP procedures would achieve measureable benefit.

The Committee also directs the FAA to provide a detailed status update on its progress in meeting Congressional mandates under Section 213, including the estimated fuel and carbon dioxide emissions savings from any new RNP or RNAV procedure designed or implemented in 2012, to the Committees on Appropriations, by March 1, 2013. This report should also address the use of third parties and identify the flight procedures developed, or in the process of being developed, by them.

AIR TRAFFIC CONTROL FACILITIES AND EQUIPMENT

EN ROUTE PROGRAMS

En Route Automation Modernization (ERAM).—The Committee provides $154,000,000 for the en route modernization program (ERAM). This level is equal to the budget request and $1,000,000 below the level provided in fiscal year 2012. ERAM is the FAA's program to replace the FAA's en route host computer system, its backup system, and other related display system and radar position processor infrastructure.

ERAM is a foundational component of NextGen, and it is critical to meeting FAA's goals for increasing airspace capacity and reducing flight delays. FAA originally planned to deploy ERAM at 20 of

its en-route facilities by the end of 2010. However, due to software problems at the first two key sites, Salt Lake City and Seattle, FAA has been forced to delay original deployment estimates by nearly four years. The program has also seen cost overruns of $330 million in prior years.

FAA has taken a number of steps to improve the predictability of the schedule and costs of ERAM, and the ERAM system is now in use on a limited basis at nine locations. Nevertheless, the cost and timeframes for completing ERAM remain unclear. There are important lessons learned from ERAM that FAA needs to address to better manage its NextGen portfolio and reduce risks when deploying software intensive systems. These include better expectation setting for the controller workforce, addressing shortcomings in testing at the FAA Technical Center, bolstering Government Acceptance, and effectively using contract incentives for both development and implementation. The Committee will continue to monitor the program closely and looks forward to the final report from the DOT Inspector General on ERAM, which was requested by this Committee in fiscal year 2011.

ARTCC Building Improvements/Plant Improvements.—The Committee recommendation includes $40,000,000 for ARTCC Building Improvements, which is $1,000,000 below the fiscal year 2012 enacted level and $6,000,000 below the budget request.

TERMINAL PROGRAMS

Terminal Automation Modernization/Eeplacement Program (TAMR Phase 3).—The Committee recommendation includes $153,000,000 for the terminal automation modernization and replacement program which is equal to the budget request and $44,250,000 above the fiscal year 2012 enacted level. Phase 3 of the TAMR program is intended to modernize or replace terminal automation systems at TRACON facilities around the country. Last December, FAA's Joint Resource Council (JRC) made a final investment decision to implement the STARS system at eleven ARTS IIIE facilities by 2017. Additionally, FAA is expected to make an investment decision later this year to upgrade or replace as many as 94 ARTS IIE systems. Replacing the automation systems at these terminal facilities is a major undertaking. FAA must determine how these facilities fit into the agency's future facilities plan and effectively manage the cost and scheduling risks inherent in a program of this magnitude. The Committee directs the FAA to provide a plan by March 1, 2013 to the House and Senate Committees on Appropriations which will include (1) costs and timelines for installing new systems; (2) how new automated controller tools will be introduced; and (3) how long the older systems will need to be sustained.

Runway Status Lights.—The Committee provides $35,250,000 for the Runway Status Lights program, the same as the budget request and $5,450,000 above the fiscal year 2012 enacted level. This funding will continue to support the design, production, and installation of runway status lights (RWSL) at busy airports. Runway status lights are a fully automated system that gives pilots and vehicle operators a direct visual alert when it is unsafe to enter or cross a runway. The RWSL program responds to a safety rec-

ommendation from the National Transportation Safety Board (NTSB) to "implement a safety system that provides direct warning capability to flight crews." The Committee strongly supports RWSLs as an additional layer of safety to reduce runway incursions and encourages the FAA to review the suitability of deploying this critical safety enhancing technology at airports being equipped with the Airport Surface Surveillance Capability (ASSC) system. The Committee directs the FAA to provide a letter report to the House and Senate Committees on Appropriations by April 15, 2013 on the merits and costs associated with installing RWSLs at ASSC-equipped airports.

Tower Flight Data Manager.—The Committee provides $35,600,000 for the Tower Flight Data Manager (TFDM) program. This level is $2,000,000 below the budget request and $35,600,000 above the fiscal year 2012 enacted level.

FLIGHT SERVICE PROGRAMS

Weather Camera Program.—The Committee recommendation includes $3,000,000 for the Alaska Weather Camera program, which is $1,400,000 below the budget request and $1,800,000 below the fiscal year 2012 enacted level.

LANDING AND NAVIGATIONAL AIDS

Wide Area Augmentation System (WAAS).—The Committee recommendation includes $92,000,000 for the wide area augmentation system program, which is $4,000,000 below the budget request and $3,000,000 below the fiscal year 2012 enacted level.

GPS Civil Requirements.—The Committee recommendation includes $15,000,000 for GPS Civil Requirements, which is $25,000,000 below the budget request and $4,000,000 below the fiscal year 2012 enacted level. While the Committee recognizes the significance of FAA's contribution to GPS, there is a significant unobligated balance at the Department of Defense.

OTHER AIR TRAFFIC CONTROL FACILITIES PROGRAMS

Electrical Power Systems—Sustain/Support.—The Committee recommendation includes $77,581,000 for Electrical Power Systems, which is $7,419,000 below the budget request and the same as the fiscal year 2012 enacted level.

MISSION SUPPORT

Center for Advanced Aviation Systems Development (CAASD).—The Committee provides $75,000,000 for CAASD which is $5,000,000 above the budget request and $3,000,000 below the fiscal year 2012 enacted level. As FAA continues to develop the solution sets for NextGen, there is an ongoing need for research and systems engineering support to supplement and validate the FAA's internal capabilities. CAASD has been instrumental in providing technical and operational analytical support for a number of key initiatives including performance-based navigation, airspace design, NAS-wide information system security, and communications modernization.

PERSONNEL AND RELATED EXPENSES

The Committee recommends $480,000,000 for personnel and related expenses which is an increase of $5,000,000 above the fiscal year 2012 enacted level and the same level as the budget request. This appropriation finances the personnel, travel and related expenses of the FAA's facilities and equipment workforce.

BILL LANGUAGE

Capital Investment Plan.—The bill continues to require the submission of a five-year capital investment plan.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(INCLUDING RESCISSION OF FUNDS)

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2012	$167,556,000
Budget request, fiscal year 2013	180,000,000
Recommended in the bill	175,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+7,444,000
Budget request, fiscal year 2013	−5,000,000

This appropriation provides funding for long-term research, engineering and development programs to improve the air traffic control system and to raise the level of aviation safety, as authorized by the Airport and Airway Improvement Act and the Federal Aviation Act. The appropriation also finances the research, engineering and development needed to establish or modify federal air regulations.

COMMITTEE RECOMMENDATION

The Committee recommends $175,000,000, an increase of $7,444,000 above the fiscal year 2012 enacted level and a decrease of $5,000,000 below the budget request.

The Committee recommendation includes the following funding levels for Research, Engineering, and Development programs:

Program	Fiscal year—		Committee recommendation
	2012 enacted	2013 request	
Fire Research and Safety	$7,158,000	$7,667,000	$7,667,000
Propulsion and Fuel Systems	2,300,000	2,882,000	2,882,000
Advanced Materials/Structural Safety	2,534,000	2,569,000	2,569,000
Aircraft Icing—Atmospheric Hazards/Digital System Safety	5,404,000	6,644,000	6,644,000
Continued Airworthiness	11,600,000	13,202,000	12,103,000
Aircraft Catastrophic Failure Prevention Research	1,147,000	1,691,000	1,691,000
Flightdeck/Maintenance/System Integration Human Factors	6,162,000	5,416,000	5,416,000
System Safety Management	10,027,000	11,345,000	10,641,000
Air Traffic Control/Technical Operations Human Factors	10,364,000	10,014,000	10,014,000
Aeromedical Research	11,000,000	9,895,000	9,895,000
Weather Program	16,043,000	15,539,000	15,539,000
Unmanned Aircraft Systems Research	3,504,000	5,901,000	7,000,000
NextGen—Alternative Fuels for General Aviation	2,071,000	1,995,000	1,995,000
Joint Planning and Development Office	5,000,000	12,000,000	7,000,000
NextGen—Wake Turbulence	10,674,000	10,350,000	10,350,000
NextGen—Air Ground Integration Human Factors	7,000,000	10,172,000	10,172,000
NextGen—Self Separation Human Factors	3,500,000	7,796,000	3,500,000
NextGen—Weather Technology in the Cockpit	8,000,000	4,826,000	4,826,000
Environment and Energy	15,074,000	14,776,000	14,776,000

Program	Fiscal year—		Committee recommendation
	2012 enacted	2013 request	
NextGen—Environmental Research—Aircraft Technologies, Fuels, and Metrics	23,500,000	19,861,000	24,861,000
System Planning and Resource Management	1,717,000	1,757,000	1,757,000
William J. Hughes Technical Center Laboratory Facility	3,777,000	3,702,000	3,702,000
Total	167,556,000	180,000,000	175,000,000

NextGen—Alternative Fuels for General Aviation.—The Committee provides $1,995,000 for alternative fuels research for general aviation, which is the same as the budget request and $76,000 below the fiscal year 2012 enacted level. Among other research activities, these funds will be used to complete initial studies on the use of high aromatic additives for octane enhancement and on the assessment criteria for the use of bio-mass derived fuels. The Committee understands that the Unleaded Avgas Transition Aviation Rulemaking Committee recently issued recommendations to ensure the development of and transition to an unleaded avgas with the least impact upon the existing fleet of general aviation piston engine aircraft. The Committee looks forward to the FAA's response, including agency plans to implement the recommendations and devote the resources required to transition in a way that effectively balances environmental improvement with aviation safety, technical challenges, and economic impact.

NextGen Environmental Research—Aircraft Technologies, Fuels and Metrics.—The Committee provides $24,861,000 for the FAA's NextGen environmental research aircraft technologies, fuels and metrics program, which is $5,000,000 above the budget request and $1,361,000 above the fiscal year 2012 enacted level. The FAA's continuous, lower energy, emissions, and noise program (CLEEN) has supported a number of research initiatives that will help advance the development of more efficient engines, airframes and alternative fuels. The Committee supports the FAA's efforts to research, develop, and test these technologies, given that fuel costs continue to consume the largest portion of airline operating budgets and contribute to higher airfares for the traveling public. The increase above the budget request is provided to support additional research and testing of technologies and alternative fuels that offer the greatest potential for improving overall fuel efficiency and reducing greenhouse gas emissions.

The Joint Planning and Development Office (JPDO).—The Committee recommends $7,000,000 for the JPDO, a decrease of $5,000,000 below the budget request and a $2,000,000 increase, or 40 percent, above the fiscal year 2012 enacted level. The JPDO was established to develop a plan for NextGen in the 2025 timeframe and to coordinate Federal research to modernize the Nation's air transport system. Regardless of various FAA reorganizations, FAA needs to establish a clearly defined role for the JPDO and set expectations for how it will leverage research conducted at other Federal agencies, including the National Aeronautics and Space Administration, the Department of Defense, the Department of Commerce and the Department of Homeland Security. The Committee directs the FAA to provide the Committee with a quarterly report

on its progress in coordinating research with other agencies and leveraging federal dollars to advance the goals of NextGen.

Rescission.—The Committee recommendation includes a rescission of $26,183,998, as requested by the President.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriation, fiscal year 2012	$3,435,000,000	$3,350,000,000
Budget request, fiscal year 2013	3,400,000,000	2,424,000,000
Recommended in the bill	3,400,000,000	3,350,000,000
Bill compared to:		
Appropriation, fiscal year 2012	−35,000,000	− − −
Budget request, fiscal year 2013	− − −	926,000,000

The bill includes a liquidating cash appropriation of $3,400,000,000 for grants-in-aid for airports, authorized by the Airport and Airway Improvement Act of 1982, as amended. This funding provides for liquidation of obligations incurred pursuant to contract authority and annual limitations on obligations for grants-in-aid for airport planning and development, noise compatibility and planning, the military airport program, reliever airports, airport program administration, and other authorized activities.

LIMITATION ON OBLIGATIONS

The bill includes a limitation on obligations of $3,350,000,000 for fiscal year 2013, which is $926,000,000 above the budget request and the same as the fiscal year 2012 enacted level.

ADMINISTRATION AND RESEARCH PROGRAMS

Airport Administrative Expenses.—Within the overall obligation limitation, the bill includes $105,000,000 for the administration of the airports program by the FAA. This funding level is equal to the budget request and $2,000,000 above the fiscal year 2012 enacted level. The increase is provided to enhance investigations of airport revenue diversion.

Airport Cooperative Research Program (ACRP).—The recommendation includes $15,000,000 which is the same level as the budget request and the fiscal year 2012 enacted level. The ACRP was established through Section 712 of the Vision 100—Century of Aviation Reauthorization Act (P.L. 108–176) to identify shared problem areas facing airports that can be solved through applied research but are not adequately addressed by existing Federal research programs.

Airport Technology Research.—The recommendation includes a minimum of $29,300,000 for the FAA's airport technology research program which is equal to the budget request and $50,000,000 above the fiscal year 2012 enacted level. The funds provided for this program are utilized to conduct research in the areas of airport pavement; airport marking and lighting; airport rescue and fire-

fighting; airport planning and design; wildlife hazard mitigation; and visual guidance.

Airport Revenue Diversion.—The Airport and Airway Improvement Act of 1982 requires that revenue generated at a public-use airport is used for the airport's capital and operating expenses—except in a small number of cases in which grandfathered airports already had a revenue sharing agreement. After a series of revenue diversions were uncovered at airports across the country, the FAA Authorization of 1994 reiterated that using airport revenue for unauthorized purposes is illegal. In addition to violating U.S. law, revenue diversion undermines the sustainability of airports, which are critical to U.S. economic competitiveness and the international movement of passengers and goods.

The Committee is concerned about the potential ongoing revenue diversion at a number of airports across the country. The Committee notes that airport revenues are intended, by law, to be used for airport purposes and that the use of airport revenues for non-airport purposes is unlawful, except in cases where the airport's use of airport revenue for non-airport purposes was "grandfathered in" by statute. The Committee urges FAA to review its oversight of airport revenue diversion, and determine if additional oversight is needed. If appropriate, the FAA should consider reprogramming funds to enhance revenue diversion enforcement within the Office of the Associate Administrator for Airports. Further, the Committee directs the FAA to require corrective action plan from an airport within sixty days of any finding of revenue diversion.

BILL LANGUAGE

Runway Incursion Prevention Systems and Devices.—Consistent with prior year appropriations Acts, the bill allows funds under this limitation to be used for airports to procure and install runway incursion prevention systems and devices.

Local Match.—As a result of H.R. 658, the FAA Modernization and Reform Act of 2012 (Public Law 112–95), the local match requirement for allowable costs at most small airports doubled from 5 percent to 10 percent. The Committee is concerned that this new requirement changed the rules mid-stream for small airports that had started, but not completed, safety and capacity projects before the FAA reauthorization bill was enacted into law. The Committee has included language that would allow small airports to continue to receive a 95 percent federal share for unfinished phased projects that were underway before the FAA bill was enacted into law on February 14, 2012.

ADMINISTRATIVE PROVISIONS—FEDERAL AVIATION ADMINISTRATION

Section 110. The Committee retains a provision limiting the number of technical workyears at the Center for Advanced Aviation Systems Development to 600 in fiscal year 2011.

Section 111. The Committee retains a provision prohibiting FAA from requiring airport sponsors to provide the agency 'without cost' building construction, maintenance, utilities and expenses, or space in sponsor-owned buildings, except in the case of certain specified exceptions.

Section 112. The Committee continues a provision allowing reimbursement for fees collected and credited under 49 U.S.C. 45303.

Section 113. The Committee retains a provision allowing reimbursement of funds for providing technical assistance to foreign aviation authorities to be credited to the operations account.

Section 114. The Committee retains a provision prohibiting funds limited in this Act for the Airport Improvement Program to be provided to an airport that refuses a request from the Secretary of Transportation to use public space at the airport for the purpose of conducting outreach on air passenger rights.

Section 115. The Committee retains a provision prohibiting the FAA from paying Sunday premium pay except in those cases where the individual actually worked on a Sunday.

Section 116. The Committee retains a provision prohibiting FAA from using funds to purchase store gift cards or gift certificates through a government-issued credit card.

Section 117. The Committee includes a provision that allows airports experiencing the required level of boardings through charter and scheduled air service to be eligible for funds under 49 U.S.C. 47114(c).

Section 118. The Committee includes a provision that requires approval from the Deputy Assistant Secretary for Administration of the Department of Transportation for retention bonuses for any FAA employee.

Section 119. The Committee includes a provision that limits the cost-share required under the contract tower program to 20 percent.

Section 119A. The Committee includes a provision that requires the Secretary to block the display of an owner or operator's aircraft registration number in the Aircraft Situational Display to Industry program, upon the request of an owner or operator.

Section 119B. The Committee retains a provision prohibiting funds to change weight restrictions or prior permission rules at Teterboro Airport, Teterboro, New Jersey.

FEDERAL HIGHWAY ADMINISTRATION

The Federal Highway Administration (FHWA) provides financial assistance to the states to construct and improve roads and highways. It also provides technical assistance to other agencies and organizations involved in road building activities. Title 23 of the United States Code and other supporting statutes provide authority for the activities of the FHWA. Funding is provided by contract authority, while program levels are established by annual limitations on obligations, as set forth in appropriations Acts.

AUTHORIZATION FOR FISCAL YEAR 2013

The most recent multi-year surface transportation authorization Act, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU), expired on September 30, 2009. Since that time, the Congress has enacted several short-term extensions that continued to provide contract authority for the FHWA and other surface transportation agencies under the

same structure as SAFETEA–LU. However, the current SAFETEA–LU extension ends June 30, 2012.

It is unclear what authorization law (or laws) will be effective during fiscal year 2013. Conferees from the House and Senate currently are working on surface transportation authorization legislation. The Committee is in the unenviable position of recommending appropriations for a program without authorization.

The Committee therefore provides only minimal bill language that sets the overall FHWA obligation limitation for fiscal year 2013, contingent upon authorization. It is the Committee's intention that appropriations made by this bill will be wholly contingent on a reauthorization of the highway program and will be distributed only in accordance with the new authorization law.

THE PRESIDENT'S 2013 BUDGET REQUEST

The President's budget request once again pretends as though Congress has enacted the Administration's transportation authorization proposal into law, even though the Administration has never publicly released its proposal or transmitted it to Congress, as has been customary since the Eisenhower Administration. As such, the FHWA budget request is a fictional document, on which numerous staff hours and government resources were expended. In short, it is a waste of taxpayer dollars.

The budget request and accompanying budget justifications are the primary means by which Congress learns about agency budgetary priorities. This year and last year, FHWA's budget justifications were almost useless. Such fiction is of no help to the Committee in assessing program needs and priorities for fiscal year 2013. With the exception of the section on FHWA's administrative expenses, the budget justification contains no pertinent information or recommendations the Committee may use to make meaningful decisions. The Committee, however, notes with appreciation that the FHWA budget staff is very helpful, capable, and responsive to the Committee.

COMMITTEE RECOMMENDATION

The Committee recommends a total program level of $39,882,583,000 for the activities of the FHWA in fiscal year 2013, contingent upon reauthorization. This amount is $1,662,000,000 below fiscal year 2012 (due to the lack of disaster funds) and $2,686,417,000 below the budget request. Included within the recommended amount is an obligation limitation of $39,143,583,000 and $739,000,000 in contract authority that is exempt from the obligation limitation.

The following table summarizes the Committee's recommendations, compared with the fiscal year 2012 enacted levels and the fiscal year 2013 budget request for FHWA:

(In thousands of dollars)

Program	Fiscal year		Recommended in the bill
	2012 enacted	2013 request *	
Federal-aid highways (obligation limitation)	$39,143,583	$41,830,000	$39,143,583
Exempt contract authority	739,000	739,000	739,000
Liquidation of contract authorization	39,882,583	42,569,000	39,882,583

(In thousands of dollars)

Program	Fiscal year		Recommended in the bill
	2012 enacted	2013 request *	
Emergency relief (disaster appropriation)	1,662,000	– – –	– – –
Total program level	41,544,583	42,569,000	39,882,583

*The budget request treats all highways spending as mandatory. The Committee, however, treats the requested amounts as though they are subject to the obligation limitation (except the contract authority traditionally exempted from the obligation limitation), as in past years.

LIMITATION ON ADMINISTRATIVE EXPENSES

Appropriation, fiscal year 2012	$412,000,000
Budget request, fiscal year 2013	437,780,000
Recommended in the bill	392,855,000
Bill compared with:	
Appropriation, fiscal year 2012	–19,145,000
Budget request, fiscal year 2013	–44,925,000

The limitation on administrative expenses caps the amount, from within the limitation on obligations, that FHWA may spend on salaries and expenses necessary to conduct and administer the federal-aid highway program, highway-related research, and most other federal highway programs.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $392,855,000, which is $19,145,000 below fiscal year 2012, and $44,925,000 below the budget request. The recommended amount is equal to the most recent authorized level, which reflects a reduction in administrative expenses proportionate to the modest reduction experienced in the overall program in fiscal year 2012.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Appropriation, fiscal year 2012	$39,143,583,000
Budget request, fiscal year 2013	41,830,000,000
Recommended in the bill	39,143,583,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	–2,686,417,000

The federal-aid highways program is designed to aid in the development, operations and management of an intermodal transportation system that is economically efficient and environmentally sound, to provide the foundation for the nation to compete in the global economy, and to move people and goods safely.

There are approximately four million miles of public roads in the United States and about 600,000 bridges. Currently, the federal government provides grants to states to assist in financing the construction and preservation of about 994,500 miles (24 percent) of these roads, which represents the National Highway System plus key feeder and collector routes. Highways eligible for federal aid carry about 85 percent of total U.S. highway traffic.

Federal-aid highways and bridges are managed through a federal-state partnership. States and localities maintain ownership of

and responsibility for the maintenance, repair and new construction of roads. State highway departments have the authority to initiate federal-aid projects, subject to FHWA approval of the plans, specifications, and cost estimates. The Federal government provides financial support, on a reimbursable basis, for construction and repair through matching grants, the terms of which vary with the type of road.

Under SAFETEA–LU, federal-aid highways funds have been made available to the states through a mix of "apportioned programs," which are distributed using a formula provided in law, and "allocated programs," which are distributed based on criteria set in law and which allow for some discretion on the part of the Secretary in selecting recipients.

All programs included within the federal-aid highways program are financed from the highway trust fund and most are distributed via apportionments and allocations to states. The federal-aid highways program is funded by contract authority, and liquidating cash appropriations are subsequently provided to fund outlays resulting from obligations incurred under contract authority.

The Committee sets, through the annual appropriations process, an overall limitation on the total contract authority that can be obligated under the federal-aid highways program in a given year. The Committee also provides direction and other guidance regarding some of the programs that operate under this overall limitation.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations for the federal-aid highways program of $39,143,583,000, contingent upon authorization. This amount is the same as fiscal year 2012 and $2,686,417,000 below the budget request.

Because the structure of the federal-aid highways program for fiscal year 2013 is unknown at this time due to lack of authorizing legislation, the Committee includes no detailed summaries of particular programs under SAFETEA–LU.

Limitation on Transportation Research.—The Committee continues bill language limiting the amount the FHWA may spend on transportation research and technology contract programs. Within the overall obligation limitation for federal-aid highways, the Committee recommends an obligation limitation for transportation research of $429,800,000, which is equal to fiscal year 2012 and the budget request.

Under SAFETEA–LU, the transportation research and technology contract programs include: surface transportation research, training and education, university transportation research, and intelligent transportation systems research. Funding for the Bureau of Transportation Statistics (BTS) also is included within this limitation, although the BTS will be housed within the Office of the Secretary.

Because future reauthorization actions may change the structure of existing research programs, the Committee does not provide a detailed breakdown of transportation research program activities.

Loan Fees.—The Committee continues bill language allowing the Secretary to charge and collect fees from the applicant for a direct

loan, guaranteed loan, or line of credit to cover the cost of the financial and legal analyses performed on behalf of the Department. These fees are not subject to the obligation limitation or the limitation on administrative expenses set for the Transportation Infrastructure Finance and Innovation program under section 608 of title 23, United States Code.

State Programs.—The Committee directs the Secretary to provide states with as much discretion as possible in administering their state surface transportation formula funds. State departments of transportation can best allocate resources to satisfy their states' individual and unique surface transportation needs.

Public-private Partnerships.—In instances where the Secretary exercises discretion in project selection, the Committee directs the Secretary to give strong consideration to infrastructure projects funded through public-private partnership investment.

Corrosion.—The Committee notes corrosion detrimentally impacts surface transportation infrastructure and is an economic burden and safety hazard. The Committee directs the FHWA to report to the Committees on Appropriations within 180 days of enactment on the costs and benefits associated with developing a comprehensive corrosion analysis and mitigation tool to prevent, predict, and control corrosion-related problems in highway transportation.

Geosynthetics.—The Committee directs the FHWA to continue assessing the use of geosynthetics in highway and civil infrastructure applications, especially potential cost savings and environmental benefits. The Committee also encourages FHWA to review and consider the recommendations in GAO's upcoming report on geosynthetics and the associated life-cycle costs of incorporating innovative materials in pavements.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriation, fiscal year 2012	$39,882,583,000
Budget request, fiscal year 2013	42,569,000,000
Recommended in the bill	39,882,583,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	–2,686,417,000

The Committee recommends a liquidating cash appropriation of $39,882,583,000, which is the same as fiscal year 2012 and $2,686,417,000 below the budget request. This is the amount required to pay the outstanding obligations of the highway program at levels provided in this Act and prior appropriations Acts.

ADMINISTRATIVE PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

Section 120. The Committee continues a provision that distributes obligation authority among federal-aid highways programs.

Section 121. The Committee continues a provision that credits funds received by the Bureau of Transportation Statistics to the federal-aid highways account.

Section 122. The Committee continues a provision that provides requirements for any waiver of the Buy American Act.

Section 123. The Committee continues a provision prohibiting tolling in Texas, with exceptions.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

The Federal Motor Carrier Safety Administration (FMCSA) was established within the Department of Transportation (DOT) by Congress through the Motor Carrier Safety Improvement Act of 1999. FMCSA's mission is to promote safe commercial motor vehicle operations and reduce truck and bus crashes. FMCSA works with federal, state, and local entities, the motor carrier industry, highway safety organizations, and the public to further its mission.

FMCSA resources are used to prevent and mitigate commercial vehicle accidents through regulation, enforcement, stakeholder training, technological innovation, and improved information systems. FMCSA also is responsible for enforcing Federal motor carrier safety and hazardous materials regulations for all commercial vehicles entering the United States along its southern and northern borders.

FMCSA's current activities are authorized under an extension of SAFETEA–LU, which expires June 30, 2012. For purposes of determining authorized funding levels, the Committee assumes another extension of SAFETEA–LU through fiscal year 2013. The Committee's recommendations for FMCSA are contingent upon reauthorization.

MOTOR CARRIER SAFETY OPERATIONS AND PROGRAMS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Appropriation, fiscal year 2012	$247,724,000	($247,724,000)
Budget request, fiscal year 2013	250,000,000	(250,000,000)
Recommended in the bill	244,144,000	(244,144,000)
Bill compared with:		
Appropriation, fiscal year 2012	−3,580,000	(−3,580,000)
Budget request, fiscal year 2013	−5,856,000	(−5,856,000)

This limitation controls FMCSA spending on salaries, operating expenses, and research. It provides resources to support motor carrier safety program activities and to maintain the agency's administrative infrastructure. This funding supports nationwide motor carrier safety and consumer enforcement efforts, including the Compliance, Safety, and Accountability Program, regulation and enforcement of household goods transport, and federal safety enforcement at the U.S. borders. These resources also fund regulatory development and implementation, information management, research and technology, grants to States and local partners, safety education and outreach, and the safety and consumer telephone hotline.

COMMITTEE RECOMMENDATION

The Committee recommends $247,724,000 in liquidating cash for motor carrier safety operations and programs. The Committee also recommends limiting obligations from the highway trust fund to $247,724,000 for motor carrier safety operations and programs in fiscal year 2013. These levels are $3,580,000 below fiscal year 2012 and $5,856,000 below the budget request. They are the maximum

authorized levels, assuming current, annualized SAFETEA–LU levels, and they are contingent upon reauthorization.

Within the amounts provided for operations and programs, the Committee recommends $1,000,000 for commercial motor vehicle operator's grants, which provide commercial motor vehicle operators with critical safety training. This amount is the same as fiscal year 2012 and the budget request. It is the full authorized level, assuming current, annualized SAFETEA–LU levels.

The Committee continues bill language making funds for the research and technology program available until September 30, 2015. The Committee also continues bill language prohibiting any funds relating to outreach and education from being transferred to another agency.

Chameleon Carriers.—The Committee directs the FMCSA to use $5,000,000 of the funds provided for operations and programs to implement a risk-based monitoring of all motor carriers for chameleon carrier characteristics, as recommended in the recent GAO report, GAO–12–364, "New Applicant Reviews Should Expand to Identify Freight Carriers Evading Detection." FMCSA estimates this amount is sufficient to complete the initial start-up of such a screening tool, including early evaluations, algorithm development, capability implementation, post-implementation evaluations, and 5 FTE to support the effort. FMCSA anticipates it will take one year to implement the capability to screen all carriers using a risk-based approach, and the Committee directs such capability to be in place by the end of fiscal year 2013.

A chameleon carrier is a motor carrier that was once put out-of-service due to safety violations, but that "reincarnates" itself under a new corporate identity to resume business. FMCSA needs better ways to identify and put out-of-service permanently such carriers. The GAO report noted FMCSA currently monitors all household goods and passenger bus motor carriers for chameleon carrier traits, but such sectors represent only 2% of the motor carrier market. The vast majority of motor carriers are freight carriers. GAO and the DOT Inspector General found that FMCSA can expand its new-entrant audits to the freight sector, but only if it uses risk-based data to target its resources to the riskiest new entrants.

GAO suggests such risk-based audits could be accomplished using as few as 2–3 FTE, in addition to the current 6 FTE, by using a data-based algorithm to correctly identify the riskiest carriers. The Committee fully supports this type of risk-based approach, as it makes the best use of taxpayer resources. The Committee also directs FMCSA, in implementing this risk-based approach over the next year, to determine the most cost-effective method of collecting and updating carrier data, including solutions available in the private sector. The Committee notes FMCSA's ongoing efforts to consolidate its databases may further assist the effort to begin risk-based monitoring of all new entrant motor carriers.

Compliance, Safety, and Accountability.—The Committee is concerned about FMCSA's proposed new scoring system in the Compliance, Safety, and Accountability (CSA) program, which is the primary means by which FMCSA oversees motor carriers currently in operation. A wide range of industry groups are concerned that the

new CSA scores do not actually correlate to risk and may inaccurately portray carriers in a variety of ways. The Committee directs FMCSA to increase its outreach to industry to address these concerns before finalizing the CSA scoring system. The lack of correlation between a score and actual risk is a very serious concern and should be addressed with public participation.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriation, fiscal year 2012	$307,000,000	($307,000,000)
Budget request, fiscal year 2013	330,000,000	(330,000,000)
Recommended in the bill	307,000,000	(307,000,000)
Bill compared with:		
Appropriation, fiscal year 2012	– – –	– – –
Budget request, fiscal year 2013	– 23,000,000	(– 23,000,000)

FMCSA's motor carrier safety grants were authorized by the Transportation Equity Act for the 21st Century (TEA–21) and continued by SAFETEA–LU and subsequent extensions of SAFETEA–LU.

These grants are used to support compliance reviews in the states, identify and apprehend traffic violators, conduct roadside inspections, and conduct safety audits of new entrant carriers. Additionally, grants are provided to states for safety enforcement at the U.S. borders, improvement of state commercial driver's license oversight activities, and improvements in linking states' motor vehicle registration systems and carrier safety data.

COMMITTEE RECOMMENDATION

The Committee recommends $307,000,000 in liquidating cash for this program, as well as a $307,000,000 limitation on obligations, in fiscal year 2013. These levels are the same as fiscal year 2012 and $23,000,000 below the budget request. They reflect the full authorized levels for each grant within this account, assuming the current, annualized SAFETEA–LU program levels. The Committee's recommendations are contingent upon reauthorization.

The Committee recommends the following obligation limitations for grants funded under this account:

Motor carrier safety assistance program (MCSAP)	($212,000,000)
Commercial driver's license improvements program	(30,000,000)
Border enforcement grants	(32,000,000)
Performance and registration information system management program	(5,000,000)
Commercial vehicle information systems and networks deployment	(25,000,000)
Safety data improvement grants	(3,000,000)

New Entrant Audits.—Of the funds made available for the Motor Carrier Safety Assistance Grants, the Committee recommends $29,000,000 for audits of new entrant motor carriers, which is the

same as fiscal year 2012, $3,000,000 below the budget request, and the full authorized level assuming extension of current law.

FMCSA requires all new entrants to pass a safety audit within the first 18 months of operations in order to receive permanent DOT registration. With the expansion of such vetting to the freight sector over the next year, the Committee expects to see improvement in the agency's ability to detect and shut down chameleon carriers.

ADMINISTRATIVE PROVISION—FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Sec. 130. The Committee continues language subjecting the funds appropriated in this Act to the terms and conditions included in prior appropriations Acts regarding Mexico-domiciled motor carriers.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The National Highway Traffic Safety Administration (NHTSA) was established in March of 1970 to administer motor vehicle and highway safety programs. It was the successor agency to the National Highway Safety Bureau, which was housed in the Federal Highway Administration.

NHTSA's mission is to save lives, prevent injuries, and reduce economic costs due to road traffic crashes, through education, research, safety standards and enforcement activity. To accomplish these goals, NHTSA establishes and enforces safety performance standards for motor vehicles and motor vehicle equipment, investigates safety defects in motor vehicles, and conducts research on driver behavior and traffic safety.

NHTSA provides grants and technical assistance to state and local governments to enable them to conduct effective local highway safety programs. Together with state and local partners, NHTSA works to reduce the threat of drunk and impaired drivers and to promote use of safety belts, helmets, child safety seats, airbags, and other life-saving devices.

NHTSA establishes and ensures compliance with fuel economy standards, investigates odometer fraud, establishes and enforces vehicle anti-theft regulations, and provides consumer information on a variety of motor vehicle safety topics.

NHTSA's current programs were authorized by the following laws: (1) the National Traffic and Motor Vehicle Safety Act (chapter 301 of title 49, United States Code (U.S.C.); (2) the Highway Safety Act (chapter 4 of title 23, U.S.C.); (3) the Motor Vehicle Information and Cost Savings Act (MVICSA) (Part C of subtitle VI of title 49, U.S.C.); (4) the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act; and (5) the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU).

SAFETEA–LU expired on September 30, 2009. The Congress enacted many short-term extensions of SAFETEA–LU, with the latest extension ending June 30, 2012. In the absence of a long-term authorization bill for surface transportation programs, including highway safety programs, the Committee assumes the continuation of

the current program structure. The Committee's recommendations with respect to funds provided from the Highway Trust Fund are contingent upon reauthorization.

COMMITTEE RECOMMENDATION

The Committee recommends $776,188,000, which is $23,786,000 below fiscal year 2012 and $204,812,000 below the budget request. The decrease is attributable to the expiration of the Seat Belt Performance Grants, which were funded at $48,500,000 in fiscal year 2012. The Committee's recommendation maintains all other grants at current funding levels and increases operational resources by $24,714,000 in fiscal year 2013. The following table summarizes the Committee's recommendations:

	2012 enacted	2013 request	Committee recommendation
Operations and research (general fund and highway trust fund)	$249,646,000	$338,000,000	$274,360,000
Highway traffic safety grants (highway trust fund)	550,328,000	643,000,000	501,828,000
Total	799,974,000	981,000,000	776,188,000

The Committee recommends funding levels that provide NHTSA with sufficient resources to continue its critical work improving the safety of passenger travel on the nation's highway system. The Committee commends NHTSA and its partners for the 3% decrease in highway fatalities in 2010, bringing highway fatalities to a new record low. The Committee encourages NHTSA and the network of researchers and public safety personnel to continue their work to enhance safety and reduce fatalities.

OPERATIONS AND RESEARCH

	(General fund)	(Highway trust fund)	Total
Appropriation, fiscal year 2012	$140,146,000	$109,500,000	$249,646,000
Budget request, fiscal year 2013	– – –	338,000,000	338,000,000
Recommended in the bill	152,000,000	122,360,000	274,360,000
Bill compared to:			
Appropriation, fiscal year 2012	11,854,000	12,860,000	24,714,000
Budget request, fiscal year 2013	+152,000,000	−215,640,000	−63,640,000

The operations and research appropriations support research, demonstrations, technical assistance, and national leadership for highway safety programs. Many of these programs are conducted in partnership with state and local governments, the private sector, universities, research units, and various safety associations and organizations. These programs address alcohol and drug countermeasures, vehicle occupant protection, traffic law enforcement, emergency medical and trauma care systems, traffic records and licensing, traffic safety evaluations, motorcycle safety, pedestrian and bicycle safety, pupil transportation, distracted and drowsy driving, young and older driver safety programs, and development of improved accident investigation procedures.

COMMITTEE RECOMMENDATION

The Committee recommends $274,360,000, which is $24,714,000 above fiscal year 2012 and $63,640,000 below the budget request.

Of this total, $152,000,000 is from the General Fund for vehicle safety programs and $122,360,000 is from the Highway Trust Fund for behavioral highway safety operations and research. The Committee rejects the Administration's request to fund the vehicle safety portion out of the highway trust fund, rather than the general fund.

The Committee recognizes that NHTSA's operational resources have been fairly flat for several years and that there are several areas that could use additional resources at this time. However, NHTSA's budget request is full of new funding requests that cannot be accommodated. Therefore, the Committee provides specific instructions below as to which activities are approved to receive additional resources.

Vehicle Safety.—The Committee directs NHTSA to spend additional funds provided in fiscal year 2013 on the following activities in these approximate amounts:

- $5,000,000—New Car Assessment Program.
- $7,000,000—Vehicle Electronics Systems Safety.

The Committee provides an additional $5,000,000 for the New Car Assessment Program (NCAP), which is the primary means by which new vehicles are evaluated by NHTSA for safety performance. NCAP is responsible for the star safety ratings that inform consumers purchasing vehicles. The Committee provides funds to improve NCAP, so it once again covers 85% of the new vehicle market.

The Committee provides an additional $7,000,000 for the Vehicle Electronic Systems Safety initiative. Electronic systems are becoming increasingly important in vehicle design and manufacturing. NHTSA has identified advanced electronic control systems as an emerging technology in need of greater study and understanding. The Committee provides resources to evaluate the safety of these critical new systems.

Highway Safety.—The Committee directs NHTSA to spend the additional funds provided in fiscal year 2013 on the following activities in these approximate amounts:

- $2,000,000—Impaired Driving Countermeasures.
- $2,000,000—Occupant Protection Initiative.
- $5,000,000—Highway Safety Research.
- $3,000,000—Core Competency and Training Program.

The Committee provides $2,000,000 in additional funding for development of Impaired Driving Countermeasures, particularly to support NHTSA's role in the implementation of ignition interlock programs nationwide.

The Committee provides $2,000,000 in additional funding for the Occupant Protection Initiative, particularly to support renewal of the Click-It-Or-Ticket campaign and to further improve effective use of seatbelts and child restraints.

The Committee provides $5,000,000 in additional funding for the Highway Safety Research Program, which is a 67% increase above fiscal years 2011 and 2012. This program covers all research relating to unsafe behaviors that impact highway safety, including for example alcohol-impaired driving, drug-impaired driving, speeding, use of occupant protection devices, distracted driving, driving by older and younger persons, pedestrian behavior, and motorcycle

driving. The Committee notes NHTSA is in the best position to determine which particular research projects have the greatest potential to improve highway safety.

The Committee provides an additional $3,000,000 to support NHTSA's Core Competency and Training Program for highway safety professionals at the federal, state, and local levels. In past years, NHTSA provided this critical training to highway safety professionals by taking down its own operational resources, thereby diverting funds from needed research and countermeasure development. The Committee's recommendation folds this training into the base for highway safety operations.

National Driver Register.—The Committee recommends funding the National Driver Register (NDR) at the full authorized amount of $4,116,000, from within the highway safety operational funds. The NDR is a computerized database of information regarding drivers with revoked or suspended licenses and drivers convicted of serious traffic violations. The NDR allows state motor vehicle administrators to communicate effectively with other states to identify such drivers.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Limitation on contract authorization	Limitation on obligation
Appropriation, fiscal year 2012	$550,328,000	($550,328,000)
Budget request, fiscal year 2013	643,000,000	(643,000,000)
Recommended in the bill	501,828,000	(501,828,000)
Bill compared with:		
Appropriation, fiscal year 2012	−48,500,000	(−48,500,000)
Budget request, fiscal year 2013	−141,172,000	(−141,172,000)

The highway traffic safety state grant programs currently authorized include: highway safety programs, occupant protection incentive grants, alcohol impaired driving countermeasures incentive grants, safety belt performance grants, state traffic safety information systems improvement grants, high visibility enforcement program, child safety and child booster seat safety incentive grants, and motorcyclist safety grants.

These grant programs provide resources to states for highway safety programs that are data-driven and that meet states' most pressing highway safety problems. They are a critical asset in reducing highway traffic fatalities and injuries.

COMMITTEE RECOMMENDATION

The Committee recommends $501,828,000 in liquidating cash from the Highway Trust Fund to pay outstanding obligations of the highway safety grant programs at the levels provided in this Act and prior appropriations Acts. The Committee also recommends limiting the obligations from the highway trust fund in fiscal year 2013 for the highway traffic safety grants programs to $501,828,000. These levels are $48,500,000 below fiscal year 2012

and $141,172,000 below the budget request, and they are contingent upon reauthorization.

The Committee's recommendation maintains current funding for all grants, except the safety belt performance grant, which has been phased out by the Administration because it achieved its purpose of incentivizing states to enact primary seatbelt laws and is no longer needed.

All other grants are funded at the highest possible level under the current authorization. Because reauthorization has not yet occurred, the Committee assumes the highway traffic safety grant programs now authorized will be reauthorized in fiscal year 2013 at the same annualized levels.

The Committee does not provide any funding for the Administration's proposed new distracted driving prevention grants because they are not authorized. The Committee also declines the Administration's request to combine the child safety and booster seat grant with the occupant protection incentive grant into a new "combined occupant protection incentive grant."

The Committee recommends the following funding allocations:

Highway safety programs	($235,000,000)
Occupant protection incentive grants	(25,000,000)
Safety belt performance grants	– – –
Distracted driving prevention grants	– – –
State traffic safety information systems improvements	(34,500,000)
Alcohol-impaired driving countermeasures incentive grants	(139,000,000)
Grant administration	(25,328,000)
High visibility enforcement program	(29,000,000)
Child safety and child booster seat safety incentive grants	(7,000,000)
Motorcyclist safety	(7,000,000)
Total	(501,828,000)

Below are descriptions of the grant programs for which the Committee recommends funding in fiscal year 2013. The descriptions are based on current law:

Highway Safety Grants.—The state and community highway safety formula grant program, authorized by 23 U.S.C. 402, supports state highway safety programs designed to reduce traffic crashes and resulting deaths, injuries, and property damage. A state may use these grants only for highway safety purposes and at least 40 percent of these funds are to be expended by political subdivisions of the state.

Occupant Protection Incentive Grants.—The occupant protection incentive grants, authorized by 23 U.S.C. 405, encourage states to adopt and implement programs to reduce deaths and injuries from riding unrestrained or improperly restrained in motor vehicles.

State Traffic Safety Information Systems Improvements.—The state traffic safety information systems improvements program, authorized by 23 U.S.C. 408, provides incentive grants to encourage states to adopt and implement programs to improve the timeliness, accuracy, completeness, uniformity, integration, and accessibility of state data needed to identify priorities in national, state, and local highway and traffic safety programs.

Alcohol-impaired Driving Countermeasures Incentive Grants.—The alcohol-impaired driving countermeasures incentive grant program, authorized by 23 U.S.C. 410, encourages states to adopt and implement programs to reduce traffic safety problems resulting from individuals driving under the influence of alcohol.

Grants Administration Expenses.—Section 2001(a)(11) of SAFETEA–LU authorizes funding salaries and operating expenses necessary to the administration of the grants programs.

High Visibility Enforcement Program.—Section 2009 of SAFETEA–LU directs NHTSA to administer at least two high-visibility traffic safety law enforcement campaigns each year to achieve one or both of these objectives: (1) reduce alcohol-impaired or drug-impaired operation of motor vehicles; and (2) increase the use of safety belts by occupants of motor vehicles. These funds may be used to pay for the development, production, and use of broadcast and print media in carrying out traffic safety law enforcement campaigns.

Child Safety and Child Booster Seat Safety Incentive Grants.—Section 2012 of SAFETEA–LU authorizes incentive grants to states that enforce laws requiring any child riding in a passenger vehicle who is too large to be secured in a child safety seat to be secured in a child restraint meeting the requirements of section 3 of Anton's Law (49 U.S.C. Sec. 30127 note; 116 Stat. 2772).

Motorcyclist Safety.—Section 2010 of SAFETEA–LU authorizes incentive grants to encourage states to adopt and implement programs to reduce the number of single and multivehicle crashes involving motorcyclists. States may use grant funds only for motorcyclist safety training and motorcyclist awareness programs.

ADMINISTRATIVE PROVISIONS—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Section 140. The Committee continues a provision that provides limited funding for travel and related expenses associated with state management reviews and highway safety core competency development training.

Section 141. The Committee continues a provision that exempts from the current fiscal year's obligation limitation any obligation authority that was made available in previous public laws for multiple years including this fiscal year.

Section 142. The Committee continues a provision that prohibits funding for the National Highway Safety Advisory Committee.

FEDERAL RAILROAD ADMINISTRATION

The Federal Railroad Administration (FRA) was established by the Department of Transportation Act, on October 15, 1966. The FRA plans, develops, and administers programs and regulations to promote the safe operation of freight and passenger rail transportation in the United States. The U.S. railroad system consists of over 550 railroads with over 187,000 freight employees, 171,000 miles of track, and 1.35 million freight cars. In addition, the FRA continues to oversee grants to the National Railroad Passenger Corporation (Amtrak) with the goal of assisting Amtrak with improvements to its passenger service and physical infrastructure.

SAFETY AND OPERATIONS

Appropriation, fiscal year 2012	$178,596,000
Budget request, fiscal year 2013	156,000,000
Recommended in the bill	184,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+5,404,000
Budget request, fiscal year 2013	+28,000,000

The safety and operations account provides funding for FRA's safety program activities related to passenger and freight railroads. Funding also supports salaries and expenses and other operating costs related to FRA staff and programs.

COMMITTEE RECOMMENDATION

The Committee recommends $184,000,000 for safety and operations, which is $5,404,000 above the fiscal year 2012 enacted level and $28,000,000 above the budget request. The Committee rejects the proposal to establish a rail safety user fee collected from railroads to offset salary costs associated with rail safety inspectors. Of the amount provided under this heading, $12,860,000 is available until expended.

Rolling Stock Pooled Procurement.—August 2011, the Federal Railroad Administration (FRA) announced grants totaling $728,565,044 for pooled procurements of diesel locomotives and bi-level passenger cars that will be used on state-supported Amtrak regional corridors in the Midwest, California, and Pacific Northwest. While the Committee believes in the benefits of pooled procurements and standardized equipment purchases, the Committee is troubled by the slow pace of these two procurements. Especially during a time of severe budget constraints, the Committee urges FRA to maximize the options to be considered through the pooled procurement process and to fully and fairly evaluate the total cost of ownership of the equipment as well as track and attendant infrastructure. The Committee is also disappointed by the lack of progress with the pooled procurement process. While the FRA recently released the request for proposal for the bi-level coaches, the locomotive procurement has not yet started. The Committee expects FRA to work with the states to ensure that the equipment procurement award for both the coaches and locomotives is made before the end of the year. Furthermore, the Committee directs FRA to submit to the House and Senate Committees on Appropriations no later than July 1, 2012, a detailed plan with schedule milestones for making the awards through the pooled procurements before December 31, 2012.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriation, fiscal year 2012	$35,000,000
Budget request, fiscal year 2013	35,500,000
Recommended in the bill	35,500,000
Bill compared with:	
Appropriation, fiscal year 2012	+500,000
Budget request, fiscal year 2013	– – –

The railroad research and development program provides science and technology support for FRA's policy and regulatory efforts. The program's objectives are to reduce the frequency and severity of

railroad accidents through scientific advancement, and to support technological innovations in conventional and high speed railroads.

The Committee is encouraged by FRA research & development activities in the areas of communications-based train control and vital positive train control, and believes that these technologies show considerable potential for safety improvements and better management of rail capacity constraints. However, research and development projects related to vital positive train control demonstrate that there are various remaining technological challenges such as braking algorithms, for example. The Committee believes that it is important that FRA continues to dedicate resources toward addressing these challenges, and strongly encourages FRA to expedite its research and development investments in vital positive train control in ways that will improve safety capacity in the nation's rail system. An important element in this regard will be focusing on the moving of block technologies.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $35,500,000 for railroad research and development, which is $500,000 above the fiscal year 2012 enacted level and the same as the budget request. The Committee's recommendation includes the following allocation for FRA's Railroad Research and Development account:

Railroad System Issues	$3,374,000
Human Factors	3,045,000
Rolling Stock and Components	2,794,000
Track and Structures	5,075,000
Track and Train Interaction	3,353,000
Train Control	7,330,000
Grade Crossings	1,956,000
Hazardous Materials Transportation	1,444,000
Train Occupant Protection	4,284,000
R&D Facilities and Test Equipment	2,375,000
Railroad Cooperative Research Program	500,000

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING PROGRAM

The Railroad Rehabilitation and Improvement Financing (RRIF) program was established by Public Law 109–178 to provide direct loans and loan guarantees to State and local governments, government-sponsored entities, and railroads. Credit assistance under the program may be used for rehabilitating or developing rail equipment and facilities. No Federal appropriation is required to implement the program, because a non-Federal partner may contribute the subsidy amount required by the Credit Reform Act of 1990 in the form of a credit risk premium.

The Committee maintains bill language specifying that no new direct loans or loan guarantee commitments may be made using Federal funds for the payment of any credit premium amount during fiscal year 2013.

CAPITAL ASSISTANCE FOR HIGH SPEED CORRIDORS AND INTERCITY PASSENGER RAIL SERVICE

Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –[1]
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –

[1] The Administration requested $1,000,000,000 as mandatory spending for a new Network Development account for similar activities.

The Capital Assistance for High Speed Corridors and Intercity Passenger Rail Service program was first funded in the American Reinvestment Recovery Act.

COMMITTEE RECOMMENDATION

The Committee recommends no funding for capital assistance for high speed corridors and intercity passenger rail service in fiscal year 2013. The recommendation is the same as the fiscal year 2012 enacted level, and $1,000,000,000 below the budget request.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Amtrak operates trains over 20,000 miles of track owned by freight railroad carriers, and over about 654 miles of its own track, most of which is on the Northeast Corridor (NEC) from Washington, D.C., to Boston, Massachusetts. Amtrak operates both electrified trains, which can achieve speeds of up to 150 mph on the highest quality track on the NEC, and diesel locomotives, which currently can achieve speeds between 74–110 miles per hour.

Congressional budget justification.—The Committee appreciates the level of detail in the fiscal year 2013 budget justifications and directs Amtrak to continue to submit justifications with a similar level of detail in all future budget years.

OPERATING GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Appropriation, fiscal year 2012	$466,000,000
Budget request, fiscal year 2013	– – –
Recommended in the bill	350,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– 116,000,000
Budget request, fiscal year 2013	+350,000,000

Amtrak runs a deficit each year and requires a federal subsidy to cover both operating losses and capital investments. The Committee commends Amtrak for taking steps to lower the needed Federal subsidy for operating losses. While not yet fully self-sufficient, Amtrak has taken steps that reduce the need for a Federal subsidy by over $100,000,000 in fiscal year 2012. However, Amtrak typically requests and receives more funding than it actually needs, resulting in an excessive appropriation each fiscal year. For example in fiscal year 2012, Amtrak requested $616,000,000 for its operating subsidy and was appropriated $466,000,000. To date, Amtrak projects to lose $345,000,000, making the excess subsidy around

$121,000,000. The following chart demonstrates this dynamic over the past three fiscal years.

Amtrak Funding Levels ($millions)	FY 2010	FY 2011	FY 2012
President's Budget Request	572	563	[1] 616
Appropriation	563	563	466
Actual Loss	420	446	[2] 345
Excess Appropriation	143	117	121

[1] In fiscal years 2012 and 2013, the President requested funds for Amtrak as mandatory; thus, $616 million is Amtrak's Grant request.
[2] This is Amtrak's estimate of end-of-year loss, based on monthly progress reports.

The Committee notes the majority of Amtrak's services are profitable. However, federally mandated services such as long-distance and state-supported routes sustain large losses that cannot be overcome by Amtrak's profitable services. The table below reflects the profitability, or lack thereof, of Amtrak's six major lines of business.

Amtrak's Line of Business	Profit/(Loss)	
	FY 2010	FY 2011
Route Performance—Acela	$135.1	$208.1
Route Performance—Northeast Regional	6.6	47.1
Route Performance—State Supported Routes	(181.2)	(148.4)
Route Performance—Long Distance Routes	(520.4)	(553.5)
National Train Service NonCore	(1.6)	(37.6)
Ancillary/Freight/Depreciation/Interest	141.5	38.1
Total Profit/Loss	(420.0)	(446.2)

COMMITTEE RECOMMENDATION

The Committee recommends $350,000,000 for operating grants for Amtrak, which is $116,000,000 below the fiscal year 2012 enacted level and $350,000,000 above the budget request.

The Committee includes bill language allowing the Secretary to retain up to one-half of one percent for the use of the FRA in the implementation of the Amtrak Operating Grants as authorized by section 103 of the Passenger Rail Investment and Improvement Act. FRA requires such funds to oversee the operating grants to Amtrak, to ensure prudent use of federal funds and to foster transparency.

Food, Beverage and First Class Services.—In fiscal year 2011, food and beverage services resulted in $85 million in direct operating losses. The majority of these losses are attributable to long distance routes and labor costs. While Amtrak has made progress at reducing commissary and support costs, labor costs have increased mainly due to wage increases. Currently, the average salary of an on-board service attendant is between $24.11 and $27.09 per hour. This is more than twice the average salary of a transportation attendant across various transportation modes,[1] and over

[1] According to the Bureau of Labor Statistics, the Mean Hourly Wage of Transportation Attendants, Except Flight Attendants is $11.64. People working in this field provide services to ensure the safety and comfort of passengers aboard ships, buses, trains, or within the station or terminal. They perform duties such as greeting passengers, explaining the use of safety equipment, serving meals or beverages, and answering questions related to travel. This definition excludes "Baggage Porters and Bellhops"

20% higher than the average salary of a flight attendant.[2] Further, in Amtrak's last negotiated labor agreement in 2010, on-board service attendants were guaranteed a 3% wage increase per year until 2014.

The Committee is concerned with the taxpayer footing the bill for Amtrak's consistently unprofitable Food, Beverage and First Class Service. The Committee directs Amtrak to create performance metrics in its next five year financial plan to reduce costs in food service, especially in labor costs and commissary and support costs.

Further, the Committee directs the Amtrak Inspector General (IG) to submit an analysis of the cost of providing food service. The IG should conduct a comprehensive cost comparison of current services versus the alternative of Amtrak contracting out these services. This cost comparison should include the total cost of potential buy-outs of current employees. Further, the IG should submit an analysis of which positions in food service can be contracted out and which positions cannot. This analysis and report shall be provided to the House and Senate Committees on Appropriations by November 1, 2012.

Reduced price fares.—The bill continues a provision that prohibits funding on routes where Amtrak is offering 50 percent or more off the normal, peak fare.

CAPITAL AND DEBT SERVICE GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Appropriation, fiscal year 2012	$952,000,000
Budget request, fiscal year 2013	– – –
Recommended in the bill	$1,452,000,000
Bill compared with:	
Appropriation, fiscal year 2012	$500,000,000
Budget request, fiscal year 2013	$1,452,000,000

COMMITTEE RECOMMENDATION

The Committee recommends $1,452,000,000 for capital grants, of which no less than $271,000,000 is provided for Amtrak's debt service. The Committee's recommendation is $500,000,000 above the level enacted in fiscal year 2012 and $1,452,000,000 above the budget request.

Bridges and Tunnels Grants.—The bill provides $500,000,000 of capital funds to fund high priority, state-of-good-repair, intercity infrastructure projects owned by Amtrak or States. Funding should go to existing infrastructure needs rather than unrealistic new high-speed rail lines to nowhere. This funding shall be used only to reduce the state-of-good-repair infrastructure backlog, and it must provide joint transportation benefits of regional significance. Further, this funding may not supplant any local, state or private funding sources for projects that are otherwise programmed under Amtrak or States' funded capital programs. The bill allows up to $80,000,000 of these funds to be used for Amtrak operating assistance only if the Secretary of Transportation determines that Amtrak requires such assistance to remain operational. The Committee strongly believes that these infrastructive funds should be used for capital improvement and only used for operating assist-

[2] According to Amtrak Financial and BLS data.

ance in the event of an unanticipated and emergency shortfall. Finally, the Federal share of any grant shall not exceed 80%.

Americans with Disabilities Act.—The Committee recommends that Amtrak use no less than $50,000,000 of its capital funds to assist it in meeting its statutory obligations under the Americans with Disabilities Act (ADA). The ADA requires that Amtrak make all intercity passenger rail stations readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable.

Northeast Corridor Infrastructure and Operations Advisory Commission.—The Committee recommends up to $3,000,000, instead of up to one half of one percent of the funds provided under this heading, as enacted in fiscal year 2012 and as proposed in the budget request. The Committee directs the Northeast Corridor Infrastructure and Operations Advisory Commission to submit its FY 2014 budget request to the Appropriations Committees in similar format and substance as those submitted by other executive agencies of the federal government.

NEXT GENERATION HIGH SPEED RAIL

(RESCISSION)

The Committee recommends the permanent rescission of $1,973,000 from previously appropriated funds.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

(RESCISSION)

The Committee recommends the permanent rescission of $4,419,000 from previously appropriated funds.

ADMINISTRATIVE PROVISIONS—FEDERAL RAILROAD ADMINISTRATION

Section 150. The Committee retains a provision that ceases the availability of Amtrak funds if a railroad contracts for services outside the United States for any service performed by a full-time or part-time Amtrak employee as of July 1, 2006.

Section 151. The Committee retains a provision, which allows FRA to receive and use cash or spare parts to repair and replace damaged automated track inspection cars and equipment in connection with the automated track inspection program.

Section 152. The Committee includes a provision which authorizes the Secretary to allow issuers of any preferred stock to redeem or repurchase such stock sold to the Department.

Section 153. The Committee continues a provision that limits overtime to $35,000 per employee, allows Amtrak's president to waive this restriction for specific employees for safety or operational efficiency reasons, and requires notification to the House and Senate Committees on Appropriations within 30 days of granting such waivers.

Section 154. The Committee includes a provision which transfers unobligated balances in contract authority that were originally authorized for Magnetic Levitation to activities authorized under the Railway-Highway Grade Crossing Hazard Elimination Program.

FEDERAL TRANSIT ADMINISTRATION

The Federal Transit Administration (FTA) was established as a component of the Department of Transportation on July 1, 1968, when most of the functions and programs under the Federal Transit Act (78 Stat. 302; 49 U.S.C. 1601 et seq.) were transferred from the Department of Housing and Urban Development. Known as the Urban Mass Transportation Administration until enactment of the Intermodal Surface Transportation Efficiency Act of 1991, the Federal Transit Administration administers federal financial assistance programs for planning, developing, and improving comprehensive mass transportation systems in both urban and non-urban areas.

The most recent authorization for the programs under the Federal Transit Administration is contained in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU) (P.L. 109–59). During the authorization period provided under, the annual Appropriations Acts included annual limitations on obligations for the formula and bus grants programs, and direct appropriations of budget authority from the General Fund of the Treasury for the FTA's administrative expenses, research programs, and capital investment grants. The transit programs authorized under SAFETEA–LU expired on September 30, 2011, with short term extensions continuing the activities.

In the past, the Committee has assumed a continuation of the program authorized by SAFETEA–LU, or something very similar. The Committee is confident that new surface authorization is forthcoming, and had tried to recommend funding levels and authorities that are flexible enough to meet the new bill. While the Committee is prepared for some changes, it appears that the new authorization will adhere more closely to the SAFETEA–LU account structure rather than the accounts proposed by the Administration and therefore, the Committee has chosen to propose appropriations consistent with prior years.

ADMINISTRATIVE EXPENSES

Appropriation, fiscal year 2012	$98,713,000
Budget request, fiscal year 2013	166,000,000
Recommended in the bill	100,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+1,287,000
Budget request, fiscal year 2013	−66,000,000

COMMITTEE RECOMMENDATION

The Committee recommends a total of $100,000,000 for FTA's administrative expenses, an increase of $1,287,000 over the fiscal year 2012 level, and a decrease of $66,000,000 below the budget request. The Committee recommendation provides for the base program and does not include the funds requested to retain employees brought on pursuant to the stimulus bill's funding, nor does it include funds for new unauthorized safety offices.

Unauthorized Safety Office.—Once again, FTA is proposing to establish an office to regulate local rail transit safety. While the Committee wholly endorses the efforts and regulations of state offices overseeing the safety of transit and rail systems within their

states, the Committee notes that there are major challenges to FTA undertaking this initiative, aside from the lack of authorization, that have led the Committee to determine that Federal funds are not appropriate. Based on a Committee hearing with the DOT Office of Inspector General and the Government Accountability Office on March 29, 2012, and two reports issued on the topic: DOT OIG's "Challenges to Improving Oversight of Rail Transit Safety and Implementing an Enhanced Federal Role" (MH–2012–048) and GAO's "FTA's Programs are Helping Address Transit Agencies' Safety Challenges, but Improved Performance Goals and Measures Could Better Focus Efforts", the Committee believes there is plenty FTA can accomplish within existing funds and existing authorities to be a leader in advising states and transit agencies on safety concerns. Further, both reports mention that FTA has issues and deficiencies in its own rail accident database, and that major obstacles exist to implementing a nation-wide, one-size fits all system. According to the IG and GAO, FTA still has not achieved the recommendations included in both reports. Until FTA can get its house in order to manage the program currently in place, additional funds, FTE and responsibilities would simply distract the agency and the Committee will not recommend funds for these new activities.

Operating Plans.—The Committee reiterates its direction from previous years which requires the FTA's operating plan to include a specific allocation of administrative expenses resources. The operating plan should include a delineation of full time equivalent employees, for the following offices: Office of the Administrator; Office of Administration; Office of Chief Counsel; Office of Communications and Congressional Affairs; Office of Program Management; Office of Budget and Policy; Office of Research, Demonstration and Innovation; Office of Civil Rights; Office of Planning and Environment; and Regional Offices. Further, the operating plan must include any new programs or changes to the budget request, including new grant programs. In addition, the Committee directs the FTA to notify the House and Senate Committees on Appropriations at least thirty days in advance of any change that results in an increase or decrease of more than five percent from the initial operating plan submitted to the Committees for fiscal year 2013.

Budget Justifications and Annual New Starts Report.—The Committee also continues the direction to FTA to submit future budget justifications in a format consistent with the instruction provided in House Report 109–153. FTA is free to submit a budget in alternate formats, but must also include the information required by the Committee. The Committee has again included bill language requiring FTA to submit the annual new starts report with the initial submission of the budget request due in February, 2013.

Transit Security.—The Committee continues bill language prohibiting FTA from creating a permanent office of transit security. The Committee's position remains that the Department of Homeland Security is the lead agency on transportation security and has overall responsibility among all modes of transportation, including rail and transit lines.

Full Funding Grant Agreements (FFGAs).—TEA–21 required that the FTA notify the House and Senate Committees on Appropriations as well as the House Committee on Transportation and

Infrastructure and the Senate Committee on Banking sixty days before executing a full funding grant agreement. In its notification to the House and Senate Committees on Appropriations, the Committee directs the FTA to include the following: (1) a copy of the proposed full funding grant agreement; (2) the total and annual federal appropriations required for that project; (3) yearly and total federal appropriations that can be reasonably planned or anticipated for future FFGAs for each fiscal year through 2012; (4) a detailed analysis of annual commitments for current and anticipated FFGAs against the program authorization; (5) an evaluation of whether the alternatives analysis made by the applicant fully assessed all viable alternatives; (6) a financial analysis of the project's cost and sponsor's ability to finance the project, which shall be conducted by an independent examiner and which shall include an assessment of the capital cost estimate and the finance plan; (7) the source and security of all public- and private-sector financial instruments; (8) the project's operating plan, which enumerates the project's future revenue and ridership forecasts; and (9) a listing of all planned contingencies and possible risks associated with the project.

The Committee continues the direction to FTA to inform the House and Senate Committees on Appropriations in writing thirty days before approving schedule, scope, or budget changes to any full funding grant agreement. Correspondence relating to changes shall include any budget revisions or program changes that materially alter the project as originally stipulated in the full funding grant agreement, including any proposed change in rail car procurements. In addition, the Committee directs FTA to continue reporting monthly to the House and Senate Committees on Appropriations on the status of each project with a full funding grant agreement or that is within two years of a full funding grant agreement. The Committee finds the monthly updates informative and a useful oversight tool.

FORMULA AND BUS GRANTS

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Appropriation, fiscal year 2012	$8,360,565,000
Budget request, fiscal year 2013	8,178,557,000
Recommended in the bill	8,360,565,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	+182,008,000

Formula grants to states and local agencies funded under the Federal Transit Administration (FTA) fall into the following categories: Alaska Railroad, clean fuels grant program, over-the-road bus accessibility program, urbanized area formula grants, bus and bus facility grants, fixed guideway modernization, planning programs (both metropolitan and statewide), formula grants for special needs for elderly individuals and individuals with disabilities, formula grants for other than urbanized areas, job access and reverse commute formula program, new freedom program, growing

states and high density states formula, National Transit Database, alternatives analysis, and alternative transportation in parks and public lands. SAFETEA–LU provided contract authority for the formula and bus program from the mass transit account of the highway trust fund. The Appropriations Act sets an annual obligation limitation for such authority. This account is the only FTA account funded from the highway trust fund.

COMMITTEE RECOMMENDATION

The Committee recommends an obligation limitation of $8,360,565,000,000 for the formula programs and activities which is $182,008,000 above the budget request and the same as the fiscal year 2012 enacted level. Funds are contingent upon enactment of legislation reauthorizing the transit program, and available for an array of programs under chapter 53 of title 49 United States Code. It is the intent of the Committee that the specific authorities and provisions will be determined by a subsequent reauthorization of the formula transit program, or the appropriations conference process. The Committee's recommendation also includes $9,400,000,000 in liquidating funds.

RESEARCH AND UNIVERSITY RESEARCH CENTERS

Appropriation, fiscal year 2012	$44,000,000
Budget request, fiscal year 2013	120,957,000
Recommended in the bill	44,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– 76,957,000

Grants for transit research are authorized by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59) (SAFETEA–LU). Starting in fiscal year 2006, activities formerly under the 'Transit Planning and Research' account are now under the 'Formula and Bus Grants' account. The National Research program, the Transit Cooperative Research Program, and the National Institute are funded under this new heading. Funding for the National Research programs will be used to cover costs for FTA's essential safety and security activities and transit safety data collection. Under the national component of the program, FTA is a catalyst in the research, development and deployment of transportation methods and technologies which address issues such as accessibility for the disabled, air quality, traffic congestion, and transit services and operational improvements. The University Research Centers program will provide continued support for research education and technology transfer activities aimed at addressing regional and national transportation problems.

COMMITTEE RECOMMENDATION

The Committee recommends $44,000,000 for FTA's research activities, the same as last year's level. FTA proposed a new account, "Research and Technology Deployment" as a mandatory program funded at a level $76,957,000 over the level recommended in this bill. The Committee did not receive an authorization or funding proposal and has chosen to continue with the already established account.

Consistent with the direction that was provided in previous years, the Committee requires FTA to report by May 15, 2013, on all FTA-sponsored research projects from fiscal year 2012 and 2013. For each project, the report should include information on the National relevance of the research, relevance to the transit industry and community, expected final product and delivery date, sources of non-FTA funding committed to the project or research institute, and FTA funding history.

CAPITAL INVESTMENT GRANTS

Appropriation, fiscal year 2012	$1,955,000,000
Budget request, fiscal year 2013	2,235,486,000
Recommended in the bill	1,816,993,000
Bill compared with:	
Appropriation, fiscal year 2012	−138,007,000
Budget request, fiscal year 2013	−418,493,000

Grants for capital investment to rail or other fixed guideway transit systems are awarded to public bodies and agencies (transit authorities and other state and local public bodies and agencies thereof) including states, municipalities, other political subdivisions of states; public agencies and instrumentalities of one or more states; and certain public corporations, boards and commissions under state law. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59) (SAFETEA–LU) made two significant changes to the major capital investment grant program. First, SAFETEA–LU funded the program entirely from the General Fund of the Treasury. Second, grants for bus and bus facilities and fixed guideway modernization projects, plus alternative analysis funds were made eligible under the 'Formula and Bus Grants' account, which is funded by the mass transit account of the highway trust fund. Grants to the Denali Commission and the Hawaii and Alaska ferries were dictated by SAFETEA–LU. Other projects and investments were specifically authorized by SAFETEA–LU and are subject to regulation and oversight by FTA. However, like the other surface transportation programs, authority for the capital investment grants program expired at the end of September 2011 and is dependent on authorization extensions until the enactment of a multi-year reauthorization package.

COMMITTEE RECOMMENDATION

The Committee recommends $1,816,993,000 for capital investment grants which is $138,007,000 below the fiscal year 2012 enacted level and $418,493,000 below the budget request. Within the amount provided, the Committee includes a total of $27,394,000, or approximately one and a half percent, for oversight activities of the investments in this account. The Committee's recommendation includes funding for the following capital investment grants:

	Fiscal Year 2013 recommendation
Small Starts:	
CA Fresno, Fresno Area Express	$10,000,000
CA San Francisco, Van Ness Ave BRT	10,000,000
FL Jacksonville, JTA BRT (North)	19,074,600
MI Grand Rapids, Silver Line BRT	14,744,000

	Fiscal Year 2013 recommendation
TX El Paso, Mesa Corridor BRT	15,237,058
FL Jacksonville JTA Southeast	19,101,000
OR West Eugene Emerald Express	19,410,136
AZ Mesa, Central Mesa	20,000,000
Signed Full Funding Grant Agreements:	
NY Long Island Rail Road East Side Access	215,000,000
NY Second Avenue Subway	123,384,621
TX Dallas Northwest/Southeast	79,030,569
VA Northern VA Dulles	96,000,000
WA Seattle University Link LRT	110,000,000
MN Central Corridor LRT	98,443,694
FL Orlando Central Florida	30,080,650
CO Denver Eagle	150,000,000
TX Houston North Corridor	100,000,000
TX Houston Southeast Corridor	100,000,000
UT Salt Lake City Draper	5,716,600
CT Hartford New Britain Busway	58,715,922
New Starts—Anticipated in 2013:	
CA San Francisco Third Street	100,000,000
HI Honolulu	100,000,000
CA South Sacramento Corridor Phase 2	45,660,000
CA San Jose Silicon Valley	150,000,000
OR Portland-Milwaukie	100,000,000

While the Committee's recommendation is slightly lower than the budget request, the Committee made every effort to address the priorities in this account. First, the Committee funded every project with a signed full funding grant agreement (FFGA) as a contract has already been made between the Department and the various states and localities. Second, the Committee funded projects that have a high likelihood of reaching a FFGA during 2012, and all of the small starts proposed for funding in fiscal year 2013. The Committee was able to fund every FFGA at the negotiated payout amount, and was able to provide a healthy payout for the first year of the anticipated new FFGAs.

The Committee cannot stress the point enough: capital investment grants are discretionary dollars. FTA needs to manage the projects and the pipeline so as to not overwhelm the discretionary budget of the agency. Relatively few communities have a fixed guideway system, and fixed guideway systems are not suitable for every community so it is befuddling as to why the budget would propose making the activities under this account mandatory and the funds drawn from a trust fund funded from the gas tax paid for by all, to help the transportation infrastructure for all.

The Committee's recommendation funds the small starts and bus rapid transit projects out of the capital investment grants account. The sleight of hand provision which directed these projects to be funded out of the formula account is simply not an option in fiscal year 2013. Neither the House or Senate surface reauthorization proposals contain discretionary funds to shoulder the burden of financing said projects. Upon inquiry by the Committee, FTA has stated that should the fiscal year 2013 appropriation again move the small starts/bus rapid transit projects to an account that, upon enactment of a new surface authorization bill, cannot accommodate those projects, FTA has no way to come through with the funding.

The Committee and FTA will need to give a closer look at the projects moving through the grant pipeline and be more selective on which projects receive Federal dollars. The Committee supports

mass transit and supports local efforts to maximize transit expansion, but project construction will need to be financed to a greater degree at the local level. Not every project, even those that complete all the requirements under Title 49, will be able to receive Federal funds. Fixed guideway systems are not an entitlement. The Committee supports FTA's ability to provide technical assistance and assistance with project oversight to help localities make sound investments. However, the Committee directs FTA to only further projects to a full funding grant agreement if the project requires a less than 60 percent new starts share and rates medium high or high in the categories related to finance and reducing congestion.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Appropriation, fiscal year 2012	$150,000,000
Budget request, fiscal year 2013	135,000,000
Recommended in the bill	150,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	+15,000,000

Section 601 of Division B of the Passenger Rail Investment and Improvement Act of 2008 (Public Law 110–432) authorized $1.5 billion over a ten-year period for preventive maintenance and capital grants for the Washington Metropolitan Area Transportation Authority (WMATA). The law requires that the federal funds be matched dollar for dollar by Virginia, Maryland and the District of Columbia in equal proportions. The compact required under the law has been established and Virginia, Maryland and the District of Columbia have all committed to providing $50 million each in local matching funds.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $150,000,000 for preventive maintenance and capital grants for WMATA, which is $15,000,000 more than the budget request and equal to the authorization and fiscal year 2012 enacted level. The Committee directs WMATA to continue addressing the safety issues within the agency, specifically, those identified by the National Transportation Safety Board (NTSB). Further, the Committee directs WMATA to continue with its capital improvement plans and not defer capital and safety investments in order to offset operating costs.

ADMINISTRATIVE PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

Section 160. The Committee continues the provision that exempts previously made transit obligations from limitations on obligations.

Section 161. The Committee continues the provision that allows funds appropriated for capital investment grants and bus and bus facilities not obligated by September 30, 2015, plus other recoveries to be available for other projects under 49 U.S.C. 5309.

Section 162. The Committee continues the provision that allows for the transfer of prior year appropriations from older accounts to be merged into new accounts with similar, current activities.

Section 163. The Committee continues the provision that allows prior year funds available for capital investment grants to be used in this fiscal year for such projects.

Section 164. The Committee continues the provision that requires unobligated funds or recoveries under section 5309 of title 49 that are available for reallocation shall be directed to projects eligible to use the funds for the purposes for which they were originally intended.

Section 165. The Committee continues the provision that provides flexibility to fund program management oversight activities as authorized by section 5316 of title 49, United States Code.

Section 166. The Committee includes a new provision that prohibits funds from being used to carry out 49 U.S.C. 5309(m)(6)(B) and (C).

Section 167. The Committee continues the provision that prohibits a full funding grant agreement for a project with a new starts share greater than 60%.

Section 168. The Committee has included a new provision regarding charter bus service. In prior year appropriations Acts, transit operators in Seattle, Washington have been exempt from the regulations regarding charter bus service. The standing regulation in part 604 to title 49, Code of Federal Regulations was the result of a provision in SAFETEA–LU (P.L. 109–59) which directed the Secretary to initiate a negotiated rulemaking process to bring both transit and charter bus operators to the table and come to an agreement about nonscheduled bus service. The negotiated rulemaking process was long, but fair, and in the end the parties reached a consensus on most of the issues and FTA issued the final rule in 2007. Other communities, companies, and agencies across the country have complied in good faith with the negotiated rule, except one. Rather than once again legislatively prohibiting the Secretary from enforcing this regulation, the Committee directs the Secretary and the Administrator of the Federal Transit Administration to sit down with the stakeholders and come to a resolution on this issue.

Section 169. The Committee continues the provision that permits the Secretary to consider significant private contributions when calculating the non-Federal share of new starts projects.

Section 169A. The Committee includes a new provision that rescinds a total of $102,889,367 in unobligated prior year funds.

Section 169B. The Committee includes a new provision regarding a certain fixed guideway project in Houston, Texas.

Section 169C. The Committee continues a provision that allows fuel and utilities for vehicles to be treated as a capital maintenance expense under section 5307 in fiscal year 2013, up to $100,000,000.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

Appropriation, fiscal year 2012	$32,259,000
Budget request, fiscal year 2013	33,000,000
Recommended in the bill	33,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+741,000
Budget request, fiscal year 2013	– – –

The Great Lakes Saint Lawrence Seaway System, located between Montreal and Lake Erie, is a binational, 15-lock system jointly operated by the U.S. Saint Lawrence Seaway Development Corporation (SLSDC) and its Canadian counterpart, the Canadian St. Lawrence Seaway Management Corporation. The SLSDC was established by the St. Lawrence Seaway Act of 1954 and is a wholly owned government corporation and an operating administration of the U.S. Department of Transportation (DOT). The SLSDC is charged with operating and maintaining the U.S. portion of the St. Lawrence Seaway. This responsibility includes the two U.S. locks in Massena, New York, vessel traffic control in portions of the St. Lawrence River and Lake Ontario, and trade development functions to enhance the utilization of the St. Lawrence Seaway.

The Water Resources Development Act of 1986 authorized the Harbor Maintenance Trust Fund as a source of appropriations for SLSDC operations and maintenance. Additionally, the SLSDC generates non-federal revenues which can then be used for operations and maintenance.

COMMITTEE RECOMMENDATION

The Committee recommends a total appropriation of $33,000,000 to fund the operations, maintenance, and capital asset renewal needs of the SLSDC. This funding level is the same as the fiscal year 2012 request and $741,000 more than the prior year appropriation. The Committee continues the requirement that the SLSDC provides semiannual reports consistent with the requirements stated in the Explanatory Statement of the Department of Transportation Appropriations Act of 2009.

MARITIME ADMINISTRATION

The Maritime Administration (MARAD) is responsible for programs that strengthen the U.S. maritime industry in support of the Nation's security and economic needs, as authorized by the Merchant Marine Act of 1936. MARAD's mission is to promote the development and maintenance of an adequate, well-balanced United States merchant marine, sufficient to carry the Nation's domestic waterborne commerce and a substantial portion of its waterborne foreign commerce, and capable of serving as a naval and military auxiliary in time of war or national emergency. MARAD, working with the Department of Defense (DoD), helps provide a seamless, time-phased transition from peacetime to wartime operations, while balancing the defense and commercial elements of the maritime transportation system. MARAD also manages the maritime

security program, the voluntary intermodal sealift agreement program and the ready reserve force, which assures DoD access to commercial and strategic sealift and associated intermodal capability. Further, MARAD's education and training programs through the U.S. Merchant Marine Academy and six state maritime academies help create skilled U.S. merchant marine officers.

MARITIME SECURITY PROGRAM

Appropriation, fiscal year 2012	$174,000,000
Budget request, fiscal year 2013	184,000,000
Recommended in the bill	184,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+10,000,000
Budget request, fiscal year 2013	– – –

The purpose of the Maritime Security Program (MSP) is to maintain and preserve a U.S. flag merchant fleet to serve the national security needs of the United States. The MSP provides direct payments to U.S. flagship operators engaged in U.S.-foreign trade. Participating operators are required to keep the vessels in active commercial service and are required to provide intermodal sealift support to the Department of Defense in times of war or national emergency.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $184,000,000 for this account, an increase of $10,000,000 over the level enacted in fiscal year 2012. This recommendation provides funding directly to MARAD and assumes that MARAD will continue to administer the program with support and consultation of the Department of Defense. Funds are available until expended.

OPERATIONS AND TRAINING

Appropriation, fiscal year 2012	$156,258,000
Budget request, fiscal year 2013	146,298,000
Recommended in the bill	145,753,000
Bill compared with:	
Appropriation, fiscal year 2012	– 10,505,000
Budget request, fiscal year 2013	– 545,000

The operations and training account provides funding for headquarters and field offices to administer and direct MARAD operations and programs. The account also provides funding for the operation of the U.S. Merchant Marine Academy and financial assistance to the six state maritime academies.

COMMITTEE RECOMMENDATION

The Committee recommends $145,753,000 for MARAD operations and training expenses, $10,505,000 less than the fiscal year 2012 funding level and $545,000 below the fiscal year 2013 budget request.

MARAD Operations.—Of the funds provided, $47,000,000 is for headquarters and regional office operations, and maritime program expenses. This proposal reflects a reduction of $1,199,000 from the fiscal year 2012 enacted level and $2,000,000 below the request. The Committee notes that MARAD reports 33 vacancies, as of January 2012, in the headquarters and regional offices. The fiscal year

2012 statement of the managers directed MARAD to report on the number of vacancies concurrent with the fiscal year 2013 budget submission. The report was ultimately transmitted with a cover letter dated May 10, 2012. The Committee directs MARAD to apply the reduction from the budget request to salaries and expenses. Further, the Committee continues the reporting requirement that MARAD submit information on the number of vacancies at MARAD headquarters and regional offices, and the duties associated with each vacancy concurrent with the fiscal year 2014 budget submission.

United States Merchant Marine Academy.—The U.S. Merchant Marine Academy (the Academy or USMMA) provides educational programs for men and women to become shipboard officers and leaders in the maritime industry. The Committee continues to include language requiring all funding for the Academy go directly to the Secretary, and that 50 percent of the funding will not be available until MARAD submits a plan detailing how the funding will be spent. The Committee's funding recommendation includes a total of $77,253,000 in fiscal year 2013 for the USMMA, of which up to $63,253,000 is for Academy operations and not less than $14,000,000 is for capital improvements. While the Committee is providing the budget request of $34,146,000 for the salaries and benefits to USMMA employees, the Committee can't help but note the USMMA is reporting, as of January 2012, a 16 percent vacancy rate with 52 unfilled positions. Should the USMMA find they still have a large number of vacancies in June 2013, the Committee urges MARAD and the USMMA explore opportunities to shift the unused salaries and expenses funds to capital improvements through the regular reprogramming procedures.

Gender and ethnic diversity at the U.S. Merchant Marine Academy [USMMA].—The Committee is concerned about the lack of diversity at the USMMA. The levels of female and ethnic minority students at the USMMA are very low, below those at other service academies and state marine academies. The Committee understands that the USMMA is in the process of hiring a permanent staff person to address diversity issues but is still concerned about the lack of a plan beyond that to address diversity. The Committee directs the USMMA to develop a coordinated comprehensive strategy to recruit and retain female and ethnic minority students. The USMMA is directed to provide the House and Senate Committees on Appropriations with a report summarizing its efforts to address this issue by March 21, 2013.

State Maritime Academies.—The Committee recommends $17,500,000 for the state maritime academies. Of the funds provided, $3,600,000 is for direct payments, $2,400,000 is for student payments, and $11,500,000 is for schoolship maintenance and repair.

SHIP DISPOSAL

Appropriation, fiscal year 2012	$5,500,000
Budget request, fiscal year 2013	10,000,000
Recommended in the bill	4,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+1,500,000
Budget request, fiscal year 2013	−6,000,000

MARAD serves as the federal government's disposal agent for government-owned merchant vessels weighing 1,500 gross tons or more. The ship disposal program provides resources to dispose of obsolete merchant-type vessels in the National Defense Reserve Fleet (NDRF). The Maritime Administration was required by Public Law 106–398 to dispose of its obsolete inventory by the end of 2006. These vessels pose a significant environmental threat due to the presence of hazardous substances such as asbestos and solid and liquid polychlorinated biphenyls (PCBs). As reported in the fiscal year 2013 budget documents, MARAD has custody of approximately 49 obsolete vessels that are not yet under contract for disposal, a reduction of 15 ships from the 64 reported in the 2012 budget. The obsolete ships are located at the James River Reserve Fleet site in Virginia (14 ships—a reduction of 2 from the prior year), the Suisun Bay Reserve Fleet (SBRF) site in California (27 ships—a reduction of 12 from the prior year), and the Beaumont Reserve Fleet site in Texas (8 ships—one less than the prior year). MARAD anticipates removing another 9 ships from the SBRF during fiscal year 2012.

COMMITTEE RECOMMENDATION

The Committee recommends $4,000,000 for this account, $6,000,000 below the budget request and $1,500,000 below the fiscal year 2012 funding level. Funds are available until expended.

Within the funds provided, the Committee recommends $3,000,000 for maintenance and safeguarding of the Nuclear Ship Savannah. The remaining funds are for ship disposal activities. The Committee notes MARAD has successfully put a number of ships out for sale rather than contracting for disposal, thus saving the taxpayer millions. The fiscal year 2013 proposed funding level reflects the Committee's confidence that MARAD can continue moving a significant number of ships out of the NDRF by sales rather than by contract.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2012	$3,740,000
Budget request, fiscal year 2013	3,750,000
Recommended in the bill	3,750,000
Bill compared with:.	
Appropriation, fiscal year 2012	+10,000
Budget request, fiscal year 2013	– – –

The Maritime Guaranteed Loan Program, as provided for by Title XI of the Merchant Marine Act of 1936, provides for guaranteed loans for purchasers of ships from the U.S. shipbuilding industry and for modernization of U.S. shipyards. Funds for administrative expenses for the Title XI program are appropriated to this account, and then paid to operations and training to be obligated and expended.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $3,750,000 for the Maritime Guaranteed Loan (Title XI) Program, $10,000 more

than the amount provided in fiscal year 2012. MARAD currently manages a loan portfolio of approximately $2,300,000,000. Since 2009, the agency has reported consistently that the number of loans not in default has fallen short of the stated goal of 92%. Until the portfolio performs up to the agency's goal of 92% of loans not in default, the Committee cannot endorse an expansion of this loan program

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Section 170. The Committee continues a provision that allows the Maritime Administration to furnish utilities and services and make repairs to any lease, contract, or occupancy involving government property under the control of MARAD and rental payments shall be paid into the Treasury as miscellaneous receipts.

Section 171. The Committee continues a provision regarding MARAD ship disposal.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) administers nationwide safety programs designed to protect the public and the environment from risks inherent in the commercial transportation of hazardous materials by pipeline, air, rail, vessel, and highway. Many of these materials are essential to the national economy. The agency's highest priority is safety, and it uses safety management principles and security assessments to promote the safe transport of hazardous materials and the security of the nation's pipelines.

OPERATIONAL EXPENSES

(PIPELINE SAFETY FUND)

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2012	$21,360,000
Budget request, fiscal year 2013	21,047,000
Recommended in the bill	23,030,000
Bill compared with:	
Appropriation, fiscal year 2012	+1,670,000
Budget request, fiscal year 2013	+1,983,000

This appropriation finances the operational support costs for PHMSA, including agency-wide functions of administration, management, policy development, legal counsel, budget, financial management, civil rights, human resources, acquisition services, information technology, and governmental and public affairs.

COMMITTEE RECOMMENDATION

The Committee recommends $23,030,000 for PHMSA operational expenses, of which $639,000 shall be derived from the Pipeline Safety Fund. This is $1,670,000 above fiscal year 2012, and $1,983,000 above the budget request. The Committee includes bill language directing PHMSA to transfer $1,500,000 to the pipeline safety program to fund the pipeline information grants to communities.

The Committee recommends increased funding to cover base adjustments in the pipeline safety program and to continue support for PHMSA's seven-year information technology (IT) modernization effort, which began in fiscal year 2010. The Committee includes $3,815,000 of total operational expenses to further the IT modernization, as proposed in the budget request. The Committee directs PHMSA to include full lifecycle costs of this IT modernization initiative in its future budget justifications.

HAZARDOUS MATERIALS SAFETY

Appropriation, fiscal year 2012	$42,338,000
Budget request, fiscal year 2013	50,673,000
Recommended in the bill	42,546,000
Bill compared with:	
Appropriation, fiscal year 2012	+208,000
Budget request, fiscal year 2013	−8,127,000

The hazardous materials safety program advances the safe and secure transport of hazardous materials (hazmat) in commerce by air, truck, railroad and vessel. PHMSA evaluates hazmat safety risks, develops and enforces regulations for transporting hazmat, educates shippers and carriers, investigates hazmat incidents and failures, conducts research, and provides grants to improve emergency response to transportation incidents involving hazmat.

COMMITTEE RECOMMENDATION

The Committee recommends $42,546,000 to continue the agency's hazardous materials safety program, which is $208,000 above fiscal year 2012 and $8,127,000 below the budget request. The Committee recommends $1,725,000 of the total to remain available for three years for long-term research and development contracts.

President's Fee Proposal.—The Committee does not include the President's request for a new fee on the processing and enforcing of special permits and approvals, which would have raised $12,000,000 in fiscal year 2013. An expensive new fee should not be enacted through an appropriations Act, especially when the new fee would be imposed on top of an existing fee structure, but rather through authorizing legislation originating in the committees of jurisdiction.

Special Permits and Approvals.—The Administration's request to collect new fees for the processing and enforcing of special permits and approvals (SP&A) is intended to relieve the increased costs associated with a dramatic increase in program workload over the past few years. The workload increased because PHMSA made necessary program improvements in response to reviews and audits by DOT's Office of the Inspector General and the House Transportation and Infrastructure Committee.

The Committee recognizes the value of these improvements, the increased demand on the SP&A program, and the value of the SP&A program in ensuring safety while accommodating industry innovations in safely transporting hazardous materials. However, the Committee notes PHMSA can and should deal with the increased workload in ways that do not require a permanent expansion of program size and resources. The SP&A process should be streamlined using ongoing IT system modernizations, and it should

be reevaluated to ensure it is operating efficiently and as only exceptions to the HMR, which is the primary method of regulating the transport of hazardous materials.

The Committee directs PHMSA to evaluate how it can better utilize the Hazardous Materials Regulations and to formulate recommendations on how and when HMR improvements can occur, the cost-savings of such improvements, and the anticipated lessening of the SP&A workload as a result of such improvements. PHMSA will report such findings to the Committees on Appropriations within 180 days of enactment.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

(PIPELINE SAFETY DESIGN REVIEW FUND)

	(Pipeline safety fund)	(Oil spill liability trust fund)	(Design review fund)	Total
Appropriation, fiscal year 2012	$90,679,000	$18,573,000	– – –	$109,252,000
Budget request, fiscal year 2013	150,500,000	21,510,000	$4,000,000	176,010,000
Recommended in the bill	90,679,000	18,573,000	2,000,000	111,252,000
Bill compared to:				
Appropriation, fiscal year 2012	0	0	2,000,000	2,000,000
Budget request, fiscal year 2013	−59,821,000	−2,937,000	−2,000,000	−64,758,000

PHMSA oversees the safety, security, and environmental protection of pipelines through analysis of data, damage prevention, education and training, development and enforcement of regulations and policies, research and development, grants for states pipeline safety programs, and emergency planning and response to accidents. The pipeline safety program is responsible for a national regulatory program to protect the public against the risks to life and property in the transportation of natural gas, petroleum and other hazardous materials by pipeline. The Oil Pollution Act of 1990 expanded the role of the pipeline safety program in environmental protection and created new emphasis on spill prevention and containment of oil and hazardous substances from pipelines.

COMMITTEE RECOMMENDATION

The Committee recommends $111,252,000 to continue pipeline safety operations, research and development, and state grants-in-aid, which is $2,000,000 above fiscal year 2012 and $60,758,000 below the budget request. Of the total, $18,573,000 is from the oil spill liability trust fund, $90,679,000 is from the pipeline safety fund, and $2,000,000 is from the newly authorized pipeline safety design review fund. These amounts reflect the maximum authorized funding levels.

The Committee recommends $1,058,000 of the funds provided to be used for the one-call State grant program, which is the same as fiscal year 2012. The Committee recommends $48,191,000 of the funds provided to remain available until September 30, 2015, for multi-year grants and research and development contracts, which is the same amount as fiscal year 2012.

New Pipeline Safety Design Review Fund.—The Committee allows $2,000,000 of Pipeline Safety budgetary resources to be derived from the newly authorized Pipeline Safety Design Review Fund, which is codified at 49 U.S.C. 60117(n). The fund works as follows: if a new major pipeline project exceeds the authorized $2.5 million threshold and begins the planning or construction phases in fiscal year 2013, then PHMSA is authorized to recoup costs associated with overseeing and inspecting it by imposing a design review fee upon the project sponsor(s). If no such projects are initiated in fiscal year 2013, then these fees will not be collected and these funds will not be expended. The design review fee more accurately aligns the costs of overseeing major projects with those who initiate them.

Pipeline Safety Inspectors.—The Administration requests a staggering and unreasonable 120 increase in its full-time equivalent (FTE) for pipeline inspection and enforcement personnel. The new pipeline authorization, however, which President Obama signed into law on January 3, 2012, and which passed the House and Senate with unanimous consensus in 2011, provided only 10 new FTE if PHMSA first demonstrates it can fill the significant, long-standing vacancies in its pipeline inspection and enforcement personnel by the end of fiscal year 2013.

As of May 14, 2012, PHMSA still had vacancies in 10 of its 135 total FTE for pipeline inspection and enforcement. Therefore, the Committee provides no additional resources at this time. The Committee will reconsider a modest request for additional Pipeline Safety personnel in the Administration's fiscal year 2014 budget, but only if PHMSA satisfies the pre-conditions enacted into law—by filling existing vacancies before asking for more and by determining that requested increases are necessary.

The Committee is aware of several challenges PHMSA faces in hiring pipeline safety inspectors. One such challenge is the delay caused by the federal hiring process, which is compounded by other market dynamics. The Committee encourages the Office of Personnel Management to give strong consideration to PHMSA's request for direct-hire authority for its pipeline safety inspection and enforcement personnel. Such authority may enable PHMSA to increase its personnel to authorized levels and thereby demonstrate the need for additional resources.

Pipeline Emergencies Training Program.—The Committee reiterates its concern that the U.S. pipeline infrastructure is aging and poses significant safety and environmental risks. The individuals nationwide who are tasked with responding to pipeline disasters must be well-trained, and PHMSA must take seriously its role in providing such training through the Pipeline Emergencies Training Program.

The Committee is advised there may be deficiencies in pipeline emergency training in various areas throughout the country. Therefore, the Committee directs PHMSA to report in-person to the Committees on Appropriations, within 180 days of enactment, on whether it has a robust and active training curriculum, how training is delivered, and what resources are used to prepare emergency responders.

Self-contained Breathing Apparatus.—The Committee is advised that the approval processes for Self Contained Breathing Apparatus (SCBA) respirator cylinders by both PHMSA and the National Institute for Occupational Safety and Health (NIOSH) may be duplicative and potentially restrictive of competitive options. The Committee requests PHMSA to conduct a study, within a year of enactment, on whether these approval processes can be made more efficient.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

	(Emergency preparedness fund)	(Emergency preparedness grant program)
Appropriation, fiscal year 2012	$188,000	($28,318,000)
Budget request, fiscal year 2013	188,000	(28,318,000)
Recommended in the bill	188,000	(28,318,000)
Bill compared to:		
Appropriation, fiscal year 2012	– – –	– – –
Budget request, fiscal year 2013	– – –	– – –

The Hazardous Materials Transportation Uniform Safety Act of 1990 (Public Law 101–615) requires PHMSA to: (1) develop and implement a reimbursable emergency preparedness grant program; (2) monitor public sector emergency response training and planning and provide technical assistance to states, political subdivisions and Indian tribes; and (3) develop and update periodically a mandatory training curriculum for emergency responders.

COMMITTEE RECOMMENDATION

The Committee recommends $28,318,000 for the emergency preparedness grants program, which is the same as fiscal year 2012 and the budget request.

HMEP Grants.—The Committee supports PHMSA's efforts to strengthen oversight of the Hazardous Materials Emergency Preparedness Grants Program, in response to recent audit findings by the DOT Office of Inspector General.

RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION

RESEARCH AND DEVELOPMENT

Appropriation, fiscal year 2012	$15,981,000
Budget request, fiscal year 2013	13,670,000
Recommended in the bill	13,500,000
Bill compared with:	
Appropriation, fiscal year 2012	−2,487,000
Budget request, fiscal year 2013	−170,000

The Research and Innovative Technology Administration (RITA) was established as an administration within the Department of Transportation (DOT) effective November 30, 2004, pursuant to the Norman Y. Mineta Research and Special Programs Improvement Act, Public Law 108–426. The mission of RITA is to provide strategic clarity to DOT's multi-modal and intermodal research efforts, while coordinating the multifaceted research agenda of the Department. RITA coordinates, facilitates, and reviews the following research and development programs and activities: advancement and

research and development of innovative technologies, including intelligent transportation systems; education and training in transportation and transportation-related fields, including the University Transportation Centers and the Transportation Safety Institute; and activities of the Volpe National Transportation Center. Further, RITA includes the Bureau of Transportation Statistics, which is funded from the Federal Highway Administration's federal-aid highway account.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $13,500,000 for fiscal year 2013, which is $2,487,000 below the fiscal year 2012 appropriation provided for RITA and $170,000 below the fiscal year 2013 budget request.

While the Committee endorses the Administration's proposal to bring RITA's functions under the Office of the Secretary, the authorizing committees of jurisdiction have not had a chance to examine the issue, or consider legislation authorizing the change. The Committee encourages the Secretary to find additional salaries and expenses savings in anticipation of the proposed realignment and directs the $170,000 reduction to come from this activity.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The Inspector General's office was established in 1978 to provide an objective and independent organization that would be more effective in: (1) preventing and detecting fraud, waste, and abuse in departmental programs and operations; and (2) providing a means of keeping the Secretary of Transportation and the Congress fully and currently informed of problems and deficiencies in the administration of such programs and operations. According to the authorizing legislation, the Inspector General (IG) is to report dually to the Secretary of Transportation and to the Congress.

Appropriation, fiscal year 2012	$79,624,000
Budget request, fiscal year 2013	84,499,000
Recommended in the bill	84,499,000
Bill compared with:	
Appropriation, fiscal year 2012	4,875,000
Budget request, fiscal year 2013	– – –

COMMITTEE RECOMMENDATION

The Committee recommendation provides $84,499,000 for fiscal year 2013, which is $4,875,000 above the fiscal year 2012 enacted level and equal to the budget request. The Committee continues to highly value the work of the IG in oversight of departmental programs and activities. The funding provided for fiscal year 2013 supports 27 additional FTE included in the budget request.

The Committee recognizes that the National Transportation Safety Board Reauthorization Act of 2006 (Public Law 109–443) authorized the Government Accountability Office (GAO) to audit, at least annually, National Transportation Safety Board (NTSB) programs and expenditures, including information security. It also provided that the NTSB and OIG, in the absence of a direct appro-

priation, enter into a reimbursable agreement for any NTSB-related audits or reviews performed by the OIG. The OIG continues to perform the annual audit of NTSB's financial statements under the Chief Financial Officers Act, maintain the hotline, and conduct follow-up investigations on a cost reimbursement basis. The OIG has requested $200,000 from NTSB in its congressional justification for reimbursement of costs estimated to carry out this function.

Unfair Business Practices.—The bill maintains language first enacted in fiscal year 2000 which authorizes the OIG to investigate allegations of fraud and unfair or deceptive practices and unfair methods of competition by air carriers and ticket agents.

Audit Reports.—The Committee requests the IG to continue forwarding copies of all audit reports to the Committee immediately after they are issued, and to continue to make the Committee aware immediately of any review that recommends cancellation or modifications to any major acquisition project or grant, or which recommends significant budgetary savings. The OIG is also directed to withhold from public distribution for a period of 15 days any final audit or investigative report which was requested by the House or Senate Committees on Appropriations.

Oversight of the Metropolitan Washington Airports Authority.—The Committee has continuing concerns about the lack of oversight of the Metropolitan Washington Airport Authority (MWAA). A recent investigation by the DOT Inspector General (IG) found a number of cases of questionable sole source contracting practices, a lack of ethical disclosure requirements for board members, and an overall lack of accountability and transparency. In order to improve the oversight of MWAA, the Committee recommendation includes a new provision that provides the DOT IG with oversight responsibilities for MWAA, and requires that MWAA reimburse the DOT IG for this new responsibility.

Houston METRO Finances.—The Committee directs the IG to conduct an audit into the financial solvency of Metropolitan Transit Authority of Harris County, Texas (Houston METRO). As part of this audit, the IG should conduct a stress test to determine if Houston METRO has adequate finances to pay for the construction of new rail lines as well as the operation and maintenance of existing rail lines and the operation and maintenance of buses.

SURFACE TRANSPORTATION BOARD

The Surface Transportation Board (STB) was created in the Interstate Commerce Commission Termination Act of 1995 and is the successor agency to the Interstate Commerce Commission. The STB is an economic regulatory and adjudicatory body charged by Congress with resolving railroad rate and service disputes and reviewing proposed railroad mergers. The STB is decisionally independent, although it is administratively affiliated with the Department of Transportation. The Passenger Rail Investment and Improvement Act of 2008, Pub. L. 110–432, (PRIIA), included new responsibilities for the STB.

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$29,310,000
Budget request, fiscal year 2013	31,250,000
Recommended in the bill	31,250,000
Bill compared with:	
Appropriation, fiscal year 2012	+1,940,000
Budget request, fiscal year 2013	– – –

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $31,250,000 for fiscal year 2012, which is $1,940,000 above the fiscal year 2011 enacted level and equal to the fiscal year 2012 budget request. The STB is estimated to collect $1,250,000 in fees which will offset the appropriation for a total program cost of $30,000,000.

GENERAL PROVISIONS—DEPARTMENT OF TRANSPORTATION

Section 180. The Committee continues the provision allowing the Department of Transportation (DOT) to use funds for aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 181. The Committee continues the provision limiting appropriations for services authorized by 5 U.S.C. 3109 to the rate for an Executive Level IV.

Section 182. The Committee continues the provision prohibiting funds in this act for salaries and expenses of more than 110 political and Presidential appointees in the DOT and prohibits political and Presidential personnel from being assigned on temporary detail outside the DOT.

Section 183. The Committee continues the provision prohibiting recipients of funds made available in this Act from releasing personal information, including Social Security number, medical or disability information, and photographs from a driver's license or motor vehicle record, without express consent of the person to whom such information pertains; and prohibits the withholding of funds provided in this Act for any grantee if a state is in noncompliance with this provision.

Section 184. The Committee continues the provision allowing funds received by the Federal Highway Administration, Federal Transit Administration, and the Federal Railroad Administration from states, counties, municipalities, other public authorities, and private sources to be used for expenses incurred for training may be credited to each agency's respective accounts.

Section 185. The Committee continues the provision prohibiting funds from being used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the Department or its modal administrations, and directs the Secretary to give concurrent notification for any "quick release" of funds from the Federal Highway Administration's emergency relief program.

Section 186. The Committee continues a provision allowing funds received from rebates, refunds, and similar sources to be credited to appropriations of the DOT.

Section 187. The Committee continues a provision allowing amounts from improper payments to a third party contractor that are lawfully recovered by the DOT to be available to cover expenses incurred in the recovery of such payments.

Section 188. The Committee mandates that reprogramming actions are to be approved or denied solely by the House and Senate Committees on Appropriations.

Section 189. The Committee caps the amount of fees the Surface Transportation Board can charge and collect for late complaints filed at the amount authorized for court civil suit filing fees.

Section 190. The Committee includes a provision allowing funds to the modal administrations to be obligated to the Office of the Secretary for the costs related to assessments or reimbursable agreements only when such amounts are for the costs of goods and services that are purchased to provide a direct benefit to the applicable modal administration or administrations.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MANAGEMENT AND ADMINISTRATION

Appropriation, fiscal year 2012	$1,331,500,000
Budget request, fiscal year 2013	1,349,400,000
Recommended in the bill	1,326,614,000
Bill compared with:	
Appropriation, fiscal year 2012	−4,886,000
Budget request, fiscal year 2013	−22,786,000

Management and Administration provides operating support to the Department of Housing and Urban Development (HUD), including salaries and expenses (S&E) for all HUD employees. The Committee supports the Department's efforts to transform the way HUD does business and recommends the Department first and foremost focus its efforts on its human capital investments. While the Committee appreciates the expanded Congressional Budget Justifications the Department submitted, the Committee is appalled with the quality of the information the Department and Administration provides throughout the year to explain and justify their budget requests.

HUD does not have adequate knowledge of the number of people it takes to implement a program and is not transparent about the budgeting of S&E resources. Further, the information HUD provides is often wrong, contains mathematical errors and calls into question HUD's entire Congressional Budget Justification and the Department's competence in managing its resources. The Congressional Budget Justification is delivered to the Committee on behalf of the President's effort to ensure housing for the nation's most vulnerable and to revitalize distressed communities. If the Department and the Office of Management and Budget (OMB) cannot provide to the Committee basic data that is accurate, it calls into question the Administration's competence in administering the Nation's housing and economic development policies.

Therefore, the Committee directs HUD and OMB to jointly provide quarterly in-person briefings to the House and Senate Committee on Appropriations on their efforts to improve data quality and management of the Department's efforts and S&E resources. These briefings should provide updates on the Administration's efforts to improve the Department's budget process, hiring process, performance appraisal process, succession planning process and the budgeting of S&E resources. In addition, these briefings should include reports on the number of Full Time Equivalent (FTE) projected for each office in the Department compared to last year's actual level and the authorized level for the current fiscal year.

Full Time Equivalent Levels.—HUD should be embarrassed by the lack of FTE data it provides and has available internally. It is completely unacceptable for a Cabinet level-agency to not have sys-

tems in place to track the most fundamental FTE data including FTE levels, actual onboard position levels, salary levels, benefits levels and employee tenure. This lack of essential information led to multiple Anti-Deficiency Act violations in fiscal year 2011, in which HUD hired more people than it had resources to pay. To date, HUD has not even tried to address these problems and thus the Committee has no faith in HUD's ability to appropriately staff its operations. The Committee now will direct FTE levels for each office. The Committee directs the Department to operate fully within these FTE levels. The Department shall not hire a shadow workforce of contractors to perform functions normally done by government employees in order to go above these totals.

Congressional Budget Justification.—The Committee continues bill language requiring HUD to submit detailed staffing justifications for each office within the Department.

Reprogramming.—As in previous years, the Committee reiterates that the Department must limit the reprogramming of funds between the program, projects, and activities within each account without prior approval of the Committees on Appropriations. Unless otherwise identified in the bill or report, the most detailed allocation of funds presented in the budget justifications is approved, and any deviation from such approved allocation subject to the normal reprogramming requirements.

Reorganizations.—The Committee expects notice one month prior notice to any office, program or activity reorganization. Additionally, the Committee requires notice on a monthly basis of all ongoing litigation, including any negotiations or discussions, planned or ongoing, regarding a consent decree between the Department and any other entity, including the estimated costs of such decrees.

New initiatives.—The Committee reiterates that no changes may be made to any program, project, or activity if it is construed to have policy implications, without prior approval of the Committees on Appropriations.

Relationship between HUD and the Committee on Appropriations.—The primary relationship between the Committee and HUD exists via the Departmental budget office. This relationship, an absolute necessity in structuring the annual appropriations Act, is based on the sharing of a wide range of budgetary and cost information. The Committee retains the right to call upon all offices and agencies within the Department, but the primary connection between the two entities exists through the budget office. To that end, the Committee expects that all offices within HUD will work with the budget office to provide timely and accurate information for submission to the Committee. The Department is reminded that directives and reports mandated in the House or Senate Appropriations reports are not optional, unless revised or eliminated by the Statement of Managers accompanying the Act. Finally, the Committee cautions HUD that Section 405 of the Appropriations Act governs the creation of new offices and policies.

ADMINISTRATION, OPERATIONS, AND MANAGEMENT

Appropriation, fiscal year 2012	$537,789,000
Budget request, fiscal year 2013	532,546,000
Recommended in the bill	518,068,000
Bill compared with:	
Appropriation, fiscal year 2012	−19,721,000
Budget request, fiscal year 2013	−14,478,000

The Administration, Operations, and Management account funds the salaries and expenses of the Immediate Office of the Secretary, the Immediate Office of the Deputy Secretary and the Chief Operating Officer, the Office of Hearings and Appeals, the Office of Small and Disadvantaged Business Utilization, the Office of Congressional and Intergovernmental Relations, the Office of General Counsel, the Office of the Chief Financial Officer, the Office of Public Affairs, the Office of the Chief Procurement Officer, the Office of Departmental Equal Employment Opportunity, the Office of Field Policy and Management, the Office of Sustainable Housing and Communities, the Office of Strategic Planning and Management, the Office of the Chief Human Capital Officer, the Office of the Chief Information Officer, and the Center for Faith-Based and Community Initiatives.

The Office of the Chief Human Capital Officer provides general support services to all offices and divisions throughout HUD. These services include: management analysis, human resource management, employee training, performance analysis, general building and office services, and special activities directly assigned by the Secretary of HUD.

The Office of Field Policy and Management (FPM) serves as the principal advisor providing oversight and communicating Secretarial priorities and policies to field office staff and HUD clients. The Regional and Field Office Directors act as the operational managers in each of the field offices and manage and coordinate cross-program delivery in the field.

The Office of the Chief Procurement Officer's (OCPO) mission is to provide high-quality acquisition support services to all HUD program offices by purchasing necessary operational and mission-related goods and services; provide advice, guidance and technical assistance to all departmental offices on matters concerning procurement; assist program offices in defining and specifying their procurement needs; develop and maintain all procurement guidance including regulations, policies, and procedures; and assist in the development of sound acquisition strategies.

The Office of the Chief Financial Officer (OCFO) provides leadership in instituting financial integrity, fiscal responsibility and accountability. The CFO is responsible for all aspects of financial management, accounting and budgetary matters; ensuring the Department establishes and meets financial management goals and objectives; ensuring the Department is in compliance with financial management legislation and directives; analyzing budgetary implications of policy and legislative proposals; and providing technical oversight with respect to all budget activities throughout the Department.

Appropriations Attorneys.—During consideration of the fiscal year 2003 appropriations legislation, it became apparent to the

Committee that both the Committee and the Department would be better served if the attorneys responsible for appropriations matters were housed in the Office of the Chief Financial Officer (OCFO), and the fiscal year 2003 Act provided funds and FTE to the OCFO to accommodate four attorneys transferred from the Office of General Counsel (OGC). Since that time, the Committee has routinely received prompt, accurate, and reliable information from the OCFO on various appropriations law matters. For fiscal year 2013, the Committee continues to fund appropriations attorneys in the OCFO and directs HUD to maintain this responsibility within the OCFO.

The General Counsel, as the chief legal officer and legal voice of the Department, is the legal adviser to the Secretary and other principal staff of the Department. It is the responsibility of the Office of the General Counsel (OGC) to provide legal opinions, advice and services with respect to all programs and activities, and to provide counsel and assistance in the development of the Department's programs and policies.

The mission of the Office of Departmental Equal Employment Opportunity (ODEEO) is to ensure the enforcement of Federal laws relating to the elimination of all forms of discrimination in the Department's employment practices. The mission is carried out through the functions of three divisions: the Affirmative Employment division, the Alternative Dispute Resolution division, and the Equal Employment Opportunity division.

The Office of Faith-based and Community Initiatives conducts outreach, recommends changes to HUD policies and programs that present barriers to grassroots organizations, and initiates special projects, such as grant writing training.

The Office of Strategic Planning and Management drives organizational, programmatic, and operational change across the Department to maximize efficiency and performance. The office will facilitate HUD's strategic planning process by identifying the Department's strategic priorities and transformational change initiatives, create and manage work plans for targeted transformation projects, and develop key program performance measures and targets for monitoring.

COMMITTEE RECOMMENDATION

The Committee recommends $518,068,000 for this account, which is $19,721,000 below above the level enacted in fiscal year 2012 and $14,478,000 below the budget request. Further, the committee directs that the offices within this account shall have no more than 2,197 Full Time Equivalents. The funds and allowable FTE shall be distributed as follows:

Office	Funding level	FTE level
Immediate Office of the Secretary	$3,572,000	18
Office of the Deputy Secretary and Chief Operating Officer	1,206,000	6
Office of Hearings and Appeals	1,711,000	10
Office of Small and Disadvantaged Business Utilization	705,000	5
Office of the Chief Financial Officer	47,627,000	194
Office of the General Counsel	95,102,000	629
Office of Congressional and Intergovernmental Relations	2,400,000	17
Office of Public Affairs	3,502,000	25
Office of the Chief Human Capital Officer	247,535,000	475

Office	Funding level	FTE level
Office of Field Policy and Management	47,500,000	342
Office of the Chief Procurement Officer	16,563,000	121
Office of the Departmental Equal Employment Opportunity	3,127,000	20
Center for Faith-Based and Community Initiatives	1,404,000	8
Office of Sustainable Housing and Communities	2,360,000	17
Office of Strategic Planning and Management	4,884,000	30
Office of the Chief Information Officer	38,870,000	280

Further, the Secretary must provide quarterly status updates to the Committees regarding pending congressional reports. The bill also provides that no more than $25,000 provided under the immediate Office of the Secretary shall be available for the official reception and representation expenses as the Secretary may determine. In addition, the bill includes a provision requiring the Department to notify the Committees on Appropriations one month in advance of any international travel.

PERSONNEL COMPENSATION AND BENEFITS

PUBLIC AND INDIAN HOUSING

Appropriation, fiscal year 2012	$200,000,000
Budget request, fiscal year 2013	211,634,000
Recommended in the bill	206,500,000
Bill compared with:	
Appropriation, fiscal year 2012	+6,500,000
Budget request, fiscal year 2013	−5,134,000

The Office of Public and Indian Housing (PIH) oversees the administration of HUD's Public Housing, Housing Choice Voucher, and Native American Programs. PIH is responsible for administering and managing programs authorized and funded by Congress under the basic provisions of the U.S. Housing Act of 1937.

COMMITTEE RECOMMENDATION

The Committee recommends $206,500,000 for this account, which is $6,500,000 above the level enacted in fiscal year 2012, and $5,134,000 below the fiscal year 2013 budget request. The Committee directs that PIH shall have no more than 1,527 FTE.

COMMUNITY PLANNING AND DEVELOPMENT

Appropriation, fiscal year 2012	$100,000,000
Budget request, fiscal year 2013	103,882,000
Recommended in the bill	103,500,000
Bill compared with:	
Appropriation, fiscal year 2012	+3,500,000
Budget request, fiscal year 2013	−382,000

The Office of Community Planning and Development (CPD) assists in developing viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expanded economic opportunities for low and moderate-income persons. The primary means toward this end is the development of partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations. This Office is responsible for the effective administration of Community Development Block Grants (CDBG), Home Investment Partnership (HOME), Brownfields Economic Development Initiative (BEDI),

Self-Help Homeownership Opportunity Program (SHOP), Homeless Assistance Grants and other HUD community development programs.

COMMITTEE RECOMMENDATION

The Committee recommends $103,500,000 for this account, which is $3,500,000 above the level enacted in fiscal year 2012, and $332,000 below the budget request. The Committee directs that CPD shall have no more than 810 FTE.

Office of Sustainable Communities.—The Committee provides $2,360,000 for the Office of Sustainable Communities for the following limited purposes: to continue overseeing and providing technical assistance to previous grantees that received fiscal year 2010 and 2011 funds; to continue coordinating with other federal agencies to remove unnecessary federal barriers to local development projects; and to continue identifying "sustainability" best practices within the Department's existing programs.

The Committee, however, does not include funding for additional grants and, accordingly, does not include funding for another grant competition or additional oversight. Instead, the Committee directs the Department to undertake the following activities, which are achievable with the resources provided and within the appropriate scope of this office, as defined in the previous paragraph:

1. Evaluate the results of the first two pilot programs, including identifying best practices and lessons learned. Such evaluation shall include, to the greatest possible extent, cost-benefit analysis for each grantee's activities, including cost-savings and efficiencies realized by particular activities.

2. Determine how best to export such best practices and lessons learned to all communities interested in undertaking such efforts using their own funds (including federal funds over which communities have control). These methods shall not involve the provision of additional federal grant funds, nor any unauthorized mandates or funding conditions imposed by the Department. Rather, they shall reflect cost-free or minimal-cost methods of sharing with all communities the knowledge gained by the Department from the two previous taxpayer-funded pilots. Such methods might include a website, educational materials, toolkits, etc.

3. Develop a toolkit to enable localities to pool resources and undertake holistic community development and planning activities, if they so choose. Such a toolkit might include, for example, lessons learned from prior grantees, case studies, model plans, sample legal documents such as "memoranda of understanding" to enable the joint pooling of resources and joint planning efforts, sample cost estimates, checklists of various parties to be consulted and the various cost-saving activities and development efficiencies to be considered, etc.

The Committee includes additional views on the Administration's proposal for Sustainable Communities within the Community Development Fund report section.

HOUSING

Appropriation, fiscal year 2012	$391,500,000
Budget request, fiscal year 2013	398,832,000
Recommended in the bill	396,500,000
Bill compared with:	
Appropriation, fiscal year 2012	+5,000,000
Budget request, fiscal year 2013	−2,332,000

The Office of Housing implements programmatic, regulatory, financial, and operational responsibilities under the leadership of six deputy assistant secretaries and the field staff for activities related to Federal Housing Administration (FHA) multifamily and single family homeownership programs, and assisted rental housing programs.

COMMITTEE RECOMMENDATION

The Committee recommends $396,500,000 for this account, which is $5,000,000 above the level enacted in fiscal year 2012, and $2,332,000 below the budget request. The Committee directs that the Office of Housing shall have no more than 3,167 FTE. Further, the Committee directs that the Program Support Division shall have no more than 60 FTE and the newly formed Office of Housing Counseling shall have no more than 67 FTE.

POLICY DEVELOPMENT AND RESEARCH

Appropriation, fiscal year 2012	$22,211,000
Budget request, fiscal year 2013	21,394,000
Recommended in the bill	22,326,000
Bill compared with:	
Appropriation, fiscal year 2012	+115,000
Budget request, fiscal year 2013	+932,000

The Office of Policy Development and Research (PD&R) directs the Department's annual research agenda to support the research and evaluation of housing and other departmental initiatives to improve HUD's effectiveness and operational efficiencies. Research proposals are determined through consultation with senior staff from each HUD program office, the Office of Management and Budget, the Congress, as well as discussions with key HUD stakeholders. The office addresses all inquiries regarding key housing economic information such as the American Housing Survey, Fair Market Rents, Median Family Income Limits, annual housing goals and oversight of the Government Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, Real Estate Settlement Procedures Act, and mortgage market analyses.

COMMITTEE RECOMMENDATION

The Committee recommends $22,326,000 for this account, which is $115,000 above the level enacted in fiscal year 2012 and $932,000 above the budget request. The Committee directs that PD&R shall have no more than 151 FTE.

FAIR HOUSING AND EQUAL OPPORTUNITY

Appropriation, fiscal year 2012	$72,600,000
Budget request, fiscal year 2013	74,296,000
Recommended in the bill	72,904,000
Bill compared with:	
Appropriation, fiscal year 2012	+304,000
Budget request, fiscal year 2013	−1,392,000

The Office of Fair Housing and Equal Opportunity (FHEO) is responsible for developing policies and guidance, and for providing technical support for enforcement of the Fair Housing Act and the civil rights statutes. FHEO serves as the central point for the formulation, clearance and dissemination of policies, intra-departmental clearances, and public information related to fair housing issues. FHEO receives, investigates, conciliates and recommends the issuance of charges of discrimination and determinations of non-compliance for complaints filed under Title VIII and other civil rights authorities. Additionally, FHEO conducts civil rights compliance reviews and compliance reviews under Section 3.

COMMITTEE RECOMMENDATION

The Committee recommends $72,904,000 for this account, which is $304,000 above the level enacted in fiscal year 2012 and $1,392,000 below the budget request. The Committee directs that the FHEO shall have no more than 581 FTE.

OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL

Appropriation, fiscal year 2012	$7,400,000
Budget request, fiscal year 2013	6,816,000
Recommended in the bill	6,816,000
Bill compared with:	
Appropriation, fiscal year 2012	−584,000
Budget request, fiscal year 2013	−−−

The Office of Healthy Homes and Lead Hazard Control (OHHLHC) is directly responsible for the administration of the Lead-Based Paint Hazard Reduction program authorized by Title X of the Housing and Community Development Act of 1992. The office also addresses multiple housing-related hazards affecting the health of residents, particularly children. The office develops lead-based paint regulations, guidelines, and policies applicable to HUD programs, and enforces the Lead Disclosure Rule issued under Title X. For both lead-based paint and healthy homes issues, the office designs and administers programs for grants, training, research, education and information dissemination, and serves as the Department's central information source for the Secretary, the Congress, HUD staff, HUD grantees, state and local governments and the public.

COMMITTEE RECOMMENDATION

The Committee recommends $6,816,000 for this account, which is $584,000 below the level enacted in fiscal year 2012 and the same as the budget request. The Committee directs that OHHLHC shall have no more than 58 FTE.

PUBLIC AND INDIAN HOUSING

TENANT-BASED RENTAL ASSISTANCE

Appropriation, fiscal year 2012	$18,914,369,000
Budget request, fiscal year 2013	19,074,283,000
Recommended in the bill	19,134,283,000
Bill compared with:	
Appropriation, fiscal year 2012	219,914,000
Budget request, fiscal year 2013	60,000,000

In fiscal year 2005, the Housing Certificate Fund was separated into two new accounts: Tenant-Based Rental Assistance and Project-Based Rental Assistance. This account administers the tenant-based Section 8 rental assistance program otherwise known as the Housing Choice Voucher program.

COMMITTEE RECOMMENDATION

The Committee recommends $19,134,283,000 for tenant-based rental assistance, which is $60,000,000 above the budget request and $219,914,000 above the fiscal year 2012 enacted level. Consistent with the budget request, the Committee continues the advance of $4,000,000,000 of the funds appropriated under this heading for Section 8 programs to October 1, 2012.

Voucher Renewals.—The Committee provides $17,237,948,000 for the renewal of tenant-based vouchers. This level is the same as the budget request and a decrease of $4,403,000 from the fiscal year 2012 enacted level. The Department is instructed to monitor and report to the House and Senate Committees on Appropriations each quarter on the trends in Section 8 subsidies and to report on the required program alterations due to changes in rent or changes in tenant income.

Tenant protection.—The Committee provides $75,000,000 for tenant protection vouchers, which is equal to the budget request and the same as the fiscal year 2012 enacted level.

Administrative Fees.—The Committee provides $1,575,000,000 for allocations to PHAs to conduct activities associated with placing and maintaining individuals under Section 8 assistance. This amount is equal to the budget request and $225,000,000 above the fiscal year 2012 enacted level.

Family Self-Sufficiency Coordinators.—The Committee provides $60,000,000 to support the Family Self-Sufficiency program, which helps section 8 residents find employment and increase their earnings. The budget request proposed funding this program as a separate account and opening the program up to participants outside the Housing Choice Voucher program. HUD has not demonstrated that this change would improve the effectiveness of the program or provide additional opportunities for employment and economic self-sufficiency.

Mainstream Voucher Renewals.—The Committee provides $111,335,000 to renew expiring Section 811 tenant-based subsidies. This level is equal to the budget request and $683,000 below the fiscal year 2012 enacted level. The Committee directs HUD to issue guidance to the housing agencies administering these vouchers to continue to serve people with disabilities upon turnover.

Veterans Affairs Supportive Housing.—The Committee provides $75,000,000 for incremental voucher assistance through the Veterans Affairs Supportive Housing (VASH) program. This funding level is equal to the budget request and the same as the level provided in fiscal year 2012. This program is administered in conjunction with the Department of Veterans Affairs. These vouchers shall remain available for homeless veterans upon turnover. This funding will add 10,000 new vouchers for this program, and will support the Department of Veterans Affairs' (VA) goal of ending homelessness among veterans within five years. The Committee directs HUD to report on VASH utilization rates, challenges encountered in the program, and increases in veteran self-sufficiency by March 1, 2013.

The Committee continues in bill language the direction to the Department to communicate to each PHA, within 60 days of enactment, the fixed amount that will be made available to each PHA for fiscal year 2013. The amount provided in this account is the only source of federal funds that may be used to renew tenant-based vouchers. The amounts appropriated here may not be augmented from any other source.

Section 8 Reforms.—The budget request includes a number of new authorizing provisions intended to reform the Housing Choice Voucher program, including several provisions that result in cost-saving measures that provide administrative relief to PHAs. The Committee commends the administration for proposing these reforms, particularly given the increasing costs of the HCV renewals each year. These rising costs have crowded out other HUD programs that address key priorities of community development, home ownership, and homelessness. While the Committee is fully supportive of many of these reform proposals, it does not include these new authorizing provisions in this bill. The Committee urges the authorizing committee to address these reforms expeditiously, as a failure to reform this program could result in either a significant cut to the number of leased vouchers, or deep cuts to other HUD programs. The Committee urges the administration to continue to work with the authorizing committees on a reform bill, with the goal of enactment prior to the beginning of fiscal year 2013.

The Committee also encourages HUD to pursue regulatory and administrative reforms that do not require new authorizations, but that relieve the administrative burdens on PHAs.

HOUSING CERTIFICATE FUND

(RESCISSION)

The Housing Certificate Fund, until fiscal year 2005, provided funding for both the project-based and tenant-based components of the Section 8 program. Project-Based Rental Assistance and Tenant-Based Rental Assistance are now separately funded accounts. The Housing Certificate Fund retains balances from previous years' appropriations.

COMMITTEE RECOMMENDATION

Language is included to allow unobligated balances from specific accounts may be used to renew or amend Project-Based Rental Assistance contracts.

PUBLIC HOUSING CAPITAL FUND

Appropriation, fiscal year 2012	$1,875,000,000
Budget request, fiscal year 2013	2,070,000,000
Recommended in the bill	1,985,000,000
Bill compared with:	
Appropriation, fiscal year 2012	110,000,000
Budget request, fiscal year 2013	−85,000,000

The Public Housing Capital Fund provides funding for public housing capital programs, including public housing development and modernization. Examples of capital modernization projects include replacing roofs and windows, improving common spaces, upgrading electrical and plumbing systems, and renovating the interior of an apartment.

COMMITTEE RECOMMENDATION

The Committee recommends $1,985,000,000 for the Public Housing Capital Fund, which is $85,000,000 below the budget request and $110,000,000 above the fiscal year 2012 enacted level.

Within the amounts provided the Committee directs that:

—No more than $15,345,000 is directed to support the ongoing Public Housing Financial and Physical Assessment activities of the Real Estate Assessment Center; and

—$20,000,000 is made available for Emergency Capital needs, excluding Presidentially declared disasters. The Committee continues to include language to ensure that funds are used only for repairs needed due to an unforeseen and unanticipated emergency event or natural disaster that occurs during fiscal year 2012;

—$5,000,000 is directed to the support of administrative and judicial receiverships. The Committee directs that the Department continue to report to the House and Senate Committees on Appropriations quarterly on the progress made at each agency under receivership.

PUBLIC HOUSING OPERATING FUND

Appropriation, fiscal year 2012	$3,961,850,000
Budget request, fiscal year 2013	4,524,000,000
Recommended in the bill	4,524,000,000
Bill compared with:	
Appropriation, fiscal year 2012	562,150,000
Budget request, fiscal year 2013	–––

The Public Housing Operating Fund subsidizes the costs associated with operating and maintaining public housing. This subsidy supplements funding received by public housing authorities (PHA) from tenant rent contributions and other income. In accordance with section 9 of the United States Housing Act of 1937, as amended, funds are allocated by formula to public housing authorities for the following purposes: utility costs; anti-crime and anti-drug activities, including the costs of providing adequate security; routine

maintenance cost; administrative costs; and general operating expenses.

COMMITTEE RECOMMENDATION

The Committee recommends $4,524,000,000 for the federal share of PHA operating expenses. This amount is equal to the budget request and $562,150,000 above the fiscal year 2012 enacted level. The Committee does not include language in the budget request that would allow PHAs to entirely merge their Capital and Operating Funds and use those funds for either purpose. While the Committee supports the idea of giving PHAs flexibility so they can operate more efficiently, HUD has provided no information on how it would identify and budget for capital and operating needs in the future if this authority to merge funds were approved. The Committee would consider a proposal to provide greater flexibility to PHAs in future years if HUD provides adequate assurances that it would be able to accurately assess PHAs' operating and capital needs, and accurately identify actual expenditures for each of these activities over time.

CHOICE NEIGHBORHOODS INITIATIVE

Appropriation, fiscal year 2012	$120,000,000
Budget request, fiscal year 2013	150,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– 120,000,000
Budget request, fiscal year 2013	– 150,000,000

COMMITTEE RECOMMENDATION

The Committee recommends no funding for the Choice Neighborhoods Initiative. This program remains unauthorized, and the Committee urges the Administration to work with the authorizing committees prior to requesting new programs in the budget request. The Committee believes that many of the objectives of the Choice Neighborhood Initiative, including affordable housing and community development, can be achieved through existing programs at HUD, such as Community Development Block Grants and the HOME program. The Committee notes that it has provided funding for these two programs at above the budget request and above the fiscal year 2012 enacted level.

FAMILY SELF-SUFFICIENCY

Appropriation, fiscal year 2012	$0
Budget request, fiscal year 2013	60,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– 60,000,000

The budget request proposes to create a consolidated program to help HUD-assisted residents achieve economic independence, rather than continue separate programs for Housing Choice Voucher and Project Based families.

COMMITTEE RECOMMENDATION

The Committee does not include funding for this new, consolidated program, but instead continues to provide $60,000,000 for Family Self-Sufficiency coordinators in the Tenant Based Rental Assistance account, consistent with prior year appropriations Acts. The budget request did not provide adequate justification for this program change, as it merely reiterated the mission and success of the existing program under Tenant Based Rental Assistance.

NATIVE AMERICAN HOUSING BLOCK GRANTS

Appropriation, fiscal year 2012	$650,000,000
Budget request, fiscal year 2013	650,000,000
Recommended in the bill	650,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –

The Native American Housing Block Grants program, authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), provides funds to American Indian tribes and their Tribally Designated Housing Entities (TDHEs) to address affordable housing needs within their communities.

COMMITTEE RECOMMENDATION

The Committee recommends $650,000,000 for Native American Housing Block Grants, which is the same as fiscal year 2012 and the budget request. Of the amounts made available under this heading:

—$2,000,000 is for Title VI loan guarantees up to $18,332,000.

—$2,000,000 is for national or regional organizations representing Native American housing interests to provide training and technical assistance to Indian housing authorities and TDHEs. The Committee agrees with the President's budget request that no specific funds should be set aside for the National American Indian Housing Council (NAIHC), as NAIHC has significant carryover and other Indian organizations are interested in and capable of providing these services.

HUD Inspection, Technical Assistance, and Training.—The Committee does not provide additional funding for the Department to administer inspections, technical assistance, and training because the Department has five fiscal years' worth of this funding in carryover balances ($10,000,000). Given the enormous need in Indian country for technical assistance and training, the Committee is appalled that such funds are not being used and recommends no additional funding until the Department spends down existing funds.

The Committee is advised that the Department plans to change the way in which these funds are used—namely, by initiating a competition for organizations and contractors with experience in Indian housing to provide these services. The Committee approves this effort to improve the timely use of these funds and directs the Department to begin such competition as soon as possible.

Timely Expenditure of Funds.—The Committee continues language requiring fiscal year 2013 funds to be spent within 10 years.

The Committee reiterates its concern that some tribes carry enormous backlogs of unspent block grant funds. Unexpended balances of this proportion call into question the need for any additional appropriations in this account, which unfortunately impacts all tribes. The Committee is aware that some tribes spend all of their funds in a given year and could use additional grant funding to house tribal members immediately. Some tribes even take out loans, with interest paid for by the tribe, to bridge-finance NAHASDA projects in between appropriations cycles.

The Committee therefore strongly urges tribes to consider adopting a method by which unexpended funds may be redistributed for timely use in the upcoming NAHASDA reauthorization negotiations. There are many ways to structure such a redistribution, so that overall funds are spent down (thereby demonstrating a need to increase the overall account) while not penalizing a tribe's future allocations.

NATIVE HAWAIIAN HOUSING BLOCK GRANT

Appropriation, fiscal year 2012	$13,000,000
Budget request, fiscal year 2013	13,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– 13,000,000
Budget request, fiscal year 2013	– 13,000,000

The Native Hawaiian Housing Block Grant program provides grants to the State of Hawaii Department of Hawaiian Home Lands for housing and housing-related assistance to develop, maintain and operate affordable housing for eligible low-income native Hawaiian families.

COMMITTEE RECOMMENDATION

The Committee does not recommend funding for this program, which is $13,000,000 below fiscal year 2012 and the budget request. This program is not authorized.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

Credit subsidy:	
Appropriation, fiscal year 2012	$6,000,000
Budget request, fiscal year 2013	7,000,000
Recommended in the bill	6,000,000
Bill compared with:	
Appropriation, fiscal year 2012	0
Budget request, fiscal year 2013	– 1,000,000
Limitation on guaranteed loans:	
Appropriation, fiscal year 2012	360,000,000
Budget request, fiscal year 2013	900,000,000
Recommended in the bill	633,000,000
Bill compared with:	
Appropriation, fiscal year 2012	273,000,000
Budget request, fiscal year 2013	– 267,000,000

Section 184 of the Housing and Community Development Act of 1992 establishes a loan guarantee program for Native American individuals and housing authorities to build new housing or purchase existing housing on trust land. This program provides access to pri-

vate financing that otherwise might be unavailable because of the unique legal status of Indian trust land.

COMMITTEE RECOMMENDATION

The Committee recommends $6,000,000 in new credit subsidy for the Section 184 loan guarantee program, which is the same as fiscal year 2012 and $1,000,000 below the budget request, to guarantee a total loan volume of $360,000,000, which is $273,000,000 above fiscal year 2012 and $267,000,000 below the budget request.

The Committee includes language allowing the Secretary to increase loan guarantee fees, which will dramatically increase the supported loan volume.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

PROGRAM ACCOUNT

Program account:	
Appropriation, fiscal year 2012	$386,000
Budget request, fiscal year 2013	1,000,000
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	– 386,000
Budget request, fiscal year 2013	– 1,000,000

The Native Hawaiian Housing Loan Guarantee Fund provides loan guarantees for native Hawaiian individuals and their families, the Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, and nonprofit organizations experienced in planning and developing affordable housing for native Hawaiians. Loaned funds may be used to purchase, construct, and/or rehabilitate single-family homes on Hawaiian Home Lands.

COMMITTEE RECOMMENDATION

The Committee does not recommend funding for this program, which is $386,000 below fiscal year 2012 and $1,000,000 below the budget request. This program is not authorized.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Appropriation, fiscal year 2012	$332,000,000
Budget request, fiscal year 2013	330,000,000
Recommended in the bill	330,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– 2,000,000
Budget request, fiscal year 2013	– – –

The Housing Opportunities for Persons with AIDS (HOPWA) program is authorized by the AIDS Housing Opportunities Act (42 U.S.C. 12901 et seq.). This program provides states and localities with resources to address the housing needs of low-income persons living with HIV/AIDS. Providing housing stability for this population facilitates necessary medical treatment and is cost-effective. Ninety percent of funding is distributed by formula to qualifying states and metropolitan areas based on the cumulative incidences of AIDS reported to the Centers for Disease Control. The remaining

10 percent of funding is distributed by HUD through a national competition. Government recipients are required to have a HUD-approved Comprehensive Plan or Comprehensive Housing Affordability Strategy (CHAS).

COMMITTEE RECOMMENDATION

The Committee recommends $330,000,000, which is $2,000,000 below fiscal year 2012 and the same as the budget request.

The Committee includes language requiring the Secretary to continue renewing eligible, expiring HOPWA contracts that were previously funded under the national competition, before awarding new competitive grants.

The Committee includes language requiring the Department to notify grantees of their formula allocation within 60 days of enactment of this Act.

COMMUNITY DEVELOPMENT FUND

Appropriation, fiscal year 2012	$3,308,090,000
Budget request, fiscal year 2013	3,143,090,000
Recommended in the bill	3,404,000,000
Bill compared with:	
Appropriation, fiscal year 2012	95,910,000
Budget request, fiscal year 2013	260,910,000

The Community Development Fund, authorized by the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), provides funding, primarily through Community Development Block Grants, to state and local governments and other eligible entities to carry out community and economic development activities.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $3,404,000,000 for the Community Development Fund account, which is the $95,910,000 above fiscal year 2012 and $260,910,000 above the budget request.

Of the amounts made available:

—$3,344,000,000 is for the Community Development Block Grants ("CDBG") formula program for entitlement communities and states. This is $396,000,000 above both fiscal year 2012 and the budget request;

—$60,000,000 is for the Native American Housing and Economic Development Block Grant (also known as "Indian CDBG"), which is the same as fiscal year 2012 and the budget request; and

—$7,000,000, of the amount provided for the regular CDBG formula program, is for insular areas, per 42 U.S.C. 5306(a)(2), which is the same as fiscal year 2012 and the budget request.

The Committee includes language requiring the Department to notify grantees of their formula allocation within 60 days of enactment of this Act.

Matching Funds.—The Committee notes localities often use CDBG to serve as the "local match" for many other federal programs. The point of a local match requirement is to have recipients of federal funding at least "put some skin the game" in exchange for large amounts of federal assistance.

The Committee directs the Department to provide to the Committees on Appropriations, within 180 days of enactment, a detailed analysis of how much CDBG funding has been used by grantees as matching dollars for other federal programs over the last several fiscal years. The report should detail the percentage of CDBG funds used to match other federal programs; which federal programs are being matched; the local match requirements of such federal programs; what portion of the local match requirements are being met using CDBG, by federal program; and what legal authority allows the use of CDBG as a local match, by federal program.

Sustainable Communities.—The Committee declines to set-aside any CDBG funds for Sustainable Communities grants, consistent with the fact that there is no authorization for this program and that the committee of jurisdiction does not want this unauthorized program funded. The House Financial Services Committee noted in its Views and Estimates on the Fiscal Year 2013 Budget:

> [T]he relatively new . . . Sustainable Communities Initiative [ ], which . . . ha[s] yet to be authorized the Committee, should not be funded at the expense of other critical affordable housing programs.

This language was adopted with unanimous and bipartisan agreement.

The House Committee on Appropriations fully agrees. While the Committee recommends a higher amount for CDBG than past years, it is still well below the fiscal year 2010 level of $3,990,068,000, as observed in the House Financial Services Committee's budget views. Additionally, the Committee notes Congress does not yet have sufficient information to assess whether the prior grants have been successful and should be continued. The Committee includes language in the Management and Administration portion of this report that directs data collection and analysis to enable such an assessment.

Further, the Committee reiterates its concerns from last year that this proposed grant program is unauthorized, with amorphous goals that are entirely subjective. If the Department agrees that community development goals are local in nature, then should not localities be solely responsible for determining these goals? The Committee does not agree with HUD's proposal that bureaucrats with unfettered discretion should make value judgments (with no meaningful parameters or other basis in law) on which few communities deserve such funds. The Committee instead provides all communities with higher CDBG allocations, so all communities can decide how best to undertake local development.

To the extent the Department wishes to educate all communities on the best practices and efficiencies learned by the Department over the years and to equip all communities with the tools necessary to undertake holistic and/or regional development activities, then the Committee provides sufficient resources within the Office of Sustainable Communities to do this (as well as to continue overseeing prior grantees).

The Committee strongly urges the Department to include in such best practices a focus on how integrating housing and transpor-

tation options can meet the special safety needs of elderly individuals and individuals with disabilities.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

Credit subsidy:	
Appropriation, fiscal year 2012	$5,952,000
Budget request, fiscal year 2013	0
Recommended in the bill	6,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+48,000
Budget request, fiscal year 2013	+6,000,000
Limitation on guaranteed loans:	
Appropriation, fiscal year 2012	240,000,000
Budget request, fiscal year 2013	500,000,000
Recommended in the bill	244,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+4,000
Budget request, fiscal year 2013	−256,000,000

The Section 108 Loan Guarantee Program is a source of variable and fixed-rate financing for communities undertaking projects eligible under the Community Development and Block Grant (CDBG) program. Such activities may include economic development, housing rehabilitation, public facilities, and large-scale physical development projects. By pledging their current and future CDBG allocations to cover the loan amount as security, communities are able to finance large-scale projects with a federally guaranteed loan. HUD may require additional security for a loan, as determined on a case-by-case basis.

COMMITTEE RECOMMENDATION

The Committee recommends $6,000,000 for the Section 108 loan guarantee program, which is $48,000 above fiscal year 2012 and $6,000,000 above the budget request, to guarantee a new loan volume of $244,000,000.

Subsidy Carryover.—With carryover balances in this account, the total loan volume in fiscal year 2013 may be up to $319,000,000. The Committee notes this is more than adequate, based on recent program demand. In fiscal years 2010 and 2011, loans were guaranteed in amounts of $278,000,000 and $290,000,000, respectively.

Proposed Fee.—The Committee declines to enact the President's proposed new fee structure for Section 108 borrowers. The proposed fee would increase the capital costs of assisted development projects, which would decrease the ability of local governments to use the Section 108 guarantee to finance development in distressed areas and areas of low capital investment.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Appropriation, fiscal year 2012	$1,000,000,000
Budget request, fiscal year 2013	1,000,000,000
Recommended in the bill	1,200,000,000
Bill compared with:	
Appropriation, fiscal year 2012	200,000,000
Budget request, fiscal year 2013	200,000,000

The HOME investment partnerships program provides block grants to participating jurisdictions (states, units of local government, Indian tribes, and insular areas) to undertake activities that expand the supply of affordable housing in the jurisdiction. HOME block grants are distributed based on formula allocations. Upon receipt of these Federal funds, state and local governments develop a housing affordability strategy to acquire, rehabilitate, or construct new affordable housing, or to provide rental assistance to eligible families.

COMMITTEE RECOMMENDATION

The Committee recommends $1,200,000,000 for activities funded under this account, which is $200,000,000 above fiscal year 2012 and the budget request.

The Committee continues language to prevent approximately 52 new participating jurisdictions from being permanently added to the HOME program. It does not make sense to permanently increase the number of participating jurisdictions, when overall HOME funding has been significantly decreased in recent years.

The Committee continues language providing much-needed reforms to the HOME program. The Department is finalizing similar regulations.

In the general provisions of Title II, the Committee includes language making reforms requested by the Department.

The Committee continues language requiring the Department to notify grantees of their formula allocation within 60 days of enactment of this Act.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

Appropriation, fiscal year 2012	$53,500,000
Budget request, fiscal year 2013	– – –
Recommended in the bill	60,000,000
Bill compared with:	
Appropriation, fiscal year 2012	6,500,000
Budget request, fiscal year 2013	60,000,000

Self-Help Homeownership Opportunity Program (SHOP) funds are distributed through competitive grants to national and regional nonprofit organizations and consortia that have experience in providing or facilitating self-help homeownership opportunities. Grant funds are used for land acquisition and infrastructure improvements associated with developing new decent, safe, and sanitary non-luxury dwellings for low-income persons using the self-help model.

Additionally, Section 4 Capacity Building funds are set-aside within this account for activities described under section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note). Section 4 funds are awarded competitively to a limited number of non-profits, which use the funds to develop the capacity of community development corporations (CDCs) and community housing development organizations (CHDOs). The CDCs and CHDOs then undertake community development and affordable housing activities. Section 4 funds must be matched by recipients with at least three times the grant amount in private funding.

COMMITTEE RECOMMENDATION

The Committee recommends $60,000,000 for the Self Help Homeownership Opportunity Program account, which is $6,500,000 above fiscal year 2012 and $60,000,000 above the budget request. The President's budget proposed eliminating SHOP altogether and proposed $35,000,000 for Section 4 Capacity Building activities as a set-aside within the Community Development Fund (CDF).

Of the total amount, the Committee recommends:

—$20,000,000 for the SHOP program, which is $6,500,000 above fiscal year 2012 and $20,000,000 above the budget request;

—$35,000,000 for the Section 4 Capacity Building program, of which at least $5,000,000 is for rural capacity building activities. This is the same as fiscal year 2012 and the budget request (though the budget request funded Section 4 within CDF); and

—$5,000,000 for rural capacity building activities by national organizations with expertise in rural housing development, which is the same as fiscal year 2012 and $5,000,000 above the budget request.

Proposed elimination of SHOP.—The Administration once again proposes to eliminate all funding for the SHOP program, citing the HOME program as an acceptable substitute funding source and citing the rising administrative costs of SHOP recipients.

Regarding the first point, the Committee notes there are many differences between the SHOP program, which allows non-profits to create affordable housing through the unique "self-help" model of homeownership, and the HOME program, which provides funding to states and local governments to increase the stock of affordable housing. There are several reasons why the Committee declines to eliminate SHOP: HOME funding has decreased significantly in recent years; the self-help and sweat-equity model enjoys broad Congressional support; and SHOP funding is much-needed in rural areas, where state-wide HOME funds are scarce and often set-aside for large tax-credit developments, rather than for self-help homeownership.

Regarding rising administrative costs, the Committee directs HUD to evaluate the history of administrative costs in the SHOP program, including whether HUD's imposition of various requirements, such as mandatory site visits and Energy-Star certifications, has resulted in SHOP grantees requiring higher administrative costs. The Committee directs the Secretary to report to the House and Senate Committees on Appropriations within 180 days of enactment on whether current administrative costs are reasonable, what portion of administrative costs are attributable to HUD requirements, and what actions can be taken by both HUD and grantees to reduce the administrative burden in this program.

Prohibition on Demand-Response Initiative.—The Committee includes language prohibiting the Department from continuing its "demand-response" (or "place-based") initiative using Section 4 funds. In doing so, nearly $20,000,000 in funds provided between fiscal years 2010 through 2012 will be freed-up from the Department's control and given back to Section 4 grantees, to be used on capacity building activities.

Since fiscal year 2010, the Department has awarded points in the Section 4 grant competition to applicants that agree to set-aside up to 15% of funds for activities to be determined by HUD. While this may have begun with good intentions, HUD has failed over three fiscal years to direct how these funds should be used, thereby causing delays and holding up nearly $20,000,000. It is clear to the Committee that HUD has no idea how it intends these funds to be spent, including, for example, which entities will be assisted by these funds, how the match requirement of the Section 4 program might be impacted, or how the geographical and expertise differences of grantees will influence project assignments.

This amount of delay and unpreparedness by HUD is inexcusable and particularly ironic, given HUD is the one that initiated this effort based on a supposed need to respond to demand. If the Department insists on implementing a new, unauthorized initiative that essentially rewrites the way in which grant funds may be used, then HUD should at least have a plan ready to do it.

Equally inexcusable is the fact that HUD never included this initiative—which siphons off grantee resources in an effort to support the Department's OneCPD initiative—in any of its operating plans, budgets, budget justifications, or any other documents describing OneCPD or the Transformation Initiative to Congress. In the future, the Committee directs HUD to include this and any similar ideas in its budgets, budget justifications, and operating plans to Congress, *prior* to undertaking such activities.

Finally, the Committee notes there is nothing wrong with encouraging Section 4 recipients to work in under-served areas, but this goal can be accomplished without HUD taking control of and holding hostage grantee funds. As a case in point, HUD already encouraged Section 4 grantees to work in underserved areas prior to fiscal year 2010 (and thereafter) by awarding points based on applicants' plans to do such work. This is a far better, less coercive way for HUD to encourage serving disadvantaged areas.

HOMELESS ASSISTANCE GRANTS

Appropriation, fiscal year 2012	$1,901,190,000
Budget request, fiscal year 2013	2,231,000,000
Recommended in the bill	2,000,000,000
Bill compared with:	
Appropriation, fiscal year 2012	98,810,000
Budget request, fiscal year 2013	−231,000,000

The Homeless Assistance Grants account provides funding for the homeless programs under title IV of the McKinney Act, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009.

The HEARTH Act streamlined several former homeless assistance grants into three programs: (1) the Continuum of Care (CoC) Grant program, which competitively funds new projects and renewed projects which were previously funded under three grant programs: the old supportive housing, shelter plus care, and Section 8 moderate rehabilitation single room occupancy programs; (2) the Emergency Solutions Grants (ESG) program, which distributes funding by formula to states, localities, and insular areas, to fund traditional shelter and outreach activities (as under the old emer-

gency solutions grant program) and new prevention and re-housing activities, as authorized by the HEARTH Act; and (3) the Rural Housing Stability Grants program, which funds activities similar to those funded by the old rural homelessness grant program.

COMMITTEE RECOMMENDATION

The Committee recommends funding the homeless grant assistance programs at $2,000,000,000, which is $98,810,000 above fiscal year 2012 and $231,000,000 below the budget request. Of the total amount provided, the Committee recommends:

—$286,000,000 for Emergency Solution Grants (ESG), which is $36,000,000 above fiscal year 2012 and the same as the budget request;

—$1,650,000,000 minimum for Continuum of Care Grants (CoC) and the Rural Housing Stability Grants, which is $57,000,000 above fiscal year 2012 and $287,000,000 below the budget request;

—$6,000,000 for the National Homeless Data Analysis Project, which is the $1,000,000 below fiscal year 2012 and $2,000,000 below the budget request; and

—$58,000,000 in additional homeless grant funds that the Department may direct toward Emergency Solution Grants, Continuum of Care Grants, or the Rural Housing Stability Grants. However, the Department shall not direct such funds toward the National Homeless Data Analysis Project or to new projects under the Continuum of Care.

Despite the tough budget environment, Congress has increased or held steady homeless grant funding in recent years. This year, the Committee recommends an increase of $98,810,000.

HEARTH Act Implementation.—The Committee supports the Department's work to address homelessness and to implement the HEARTH Act as much reasonably possible, given fiscal constraints. As written, the HEARTH Act would require $4,400,000,000 each fiscal year to implement while remaining internally consistent. Such cost is unreasonable in this fiscal environment. This Committee will not fund everything envisioned in HEARTH, just as Congress frequently does not fully fund all ideas envisioned in authorizing bills. The Committee looks forward to working with the Department to make sure the most important parts of HEARTH are funded, given fiscal realities.

The Committee notes it has been over 3 years since HEARTH was signed into law, and still there are no regulations for the Continuum of Care program. The HEARTH Act required the Secretary to promulgate regulations for all programs created or modified by the Act within 12 months of the date of enactment, which was May 20, 2010. The Committee directs the Department to finalize such regulations as soon as possible.

Emergency Solutions Grants.—The Committee recommends increasing Emergency Solutions Grants (ESG) to $286,000,000. The ESG program, authorized by subtitle B of the HEARTH Act, provides funding for homelessness prevention and rapid re-housing efforts, in addition to traditional emergency shelter and outreach activities. Because of the ESG's innovative focus on preventing and

solving homelessness, rather than simply managing it, the Committee strongly supports this program.

The Committee also continues bill language that makes clear the ESG program should not receive less than the appropriated amount, notwithstanding any other provision of law, including the renewals certification provision in subtitle B of the HEARTH Act.

Continuum of Care Grants.—The Committee is concerned about the so-called "renewal burden" in the Continuum-of-Care program. This number is exploding in growth—in the hundreds of millions each year—and is completely unsustainable. Further, it has and will continue to crowd-out other homeless funding including the Rural Housing Stability Grants and the Emergency Solutions Grants.

The Continuum of Care is supposed to be a competitive grants program. However, a "renewal burden" is antithetical to the concept of competition. Competition for scarce resources is what drives better performance and spurs innovation. Automatic renewals are just the opposite—creating inefficiencies and removing all incentives to perform better.

To-date, the Department seems uninterested in re-evaluating programs to ensure the best use of resources through a national competition. Instead, its approach is to simply renew all existing grantees and to request even more funding so that additional localities may be permanently added to the program, without regard to their subsequent performance. This is precisely what gives government-run programs a bad name. It is not the Committee's intention to maintain an entitlement program for ailing and inflexible service providers. The Committee reminds providers in the Continuum of Care that these funds are intended to assist and house the homeless as effectively and as efficiently as possible.

The Committee is aware the Department is considering ways in which localities can be encouraged to choose better projects through a local competitive process. This is a step in the right direction, but mere encouragement will not solve the problem of exploding costs on a national scale. The Committee directs the Department to report to the Committees on Appropriations within 90 days of enactment on how the Continuum of Care can be run more like a true competition—on both the national and local level—assuming scarce resources.

The Committee does not view the Department's "renewal" estimate as something that must be funded each year. The Committee recommends less than the renewal number this year, and yet the overall appropriation increases by nearly $100,000,000 over fiscal year 2012. The Committee notes the HEARTH Act does not expressly require funding renewals. While the Secretary is permitted to prioritize funding of renewals and has great latitude to fund renewals, this is only to the extent sufficient funding is available.

HOUSING PROGRAMS

PROJECT-BASED RENTAL ASSISTANCE

Appropriation, fiscal year 2012	$9,339,672,000
Budget request, fiscal year 2013	8,700,400,000
Recommended in the bill	8,700,400,000
Bill compared with:	
Appropriation, fiscal year 2012	−639,672,000
Budget request, fiscal year 2013	−−−

The Project-Based Rental Assistance account (PBRA) provides a rental subsidy to a private landlord tied to a specific housing unit so that the properties themselves, rather than the individual living in the unit, remain subsidized. Amounts provided in this account include funding for the renewal of expiring project-based contracts, including Section 8, moderate rehabilitation, and single room occupancy (SRO) contracts, amendments to Section 8 project-based contracts, and administrative costs for performance-based, project-based Section 8 contract administrators and costs associated with administering moderate rehabilitation and single room occupancy contracts.

COMMITTEE RECOMMENDATION

The Committee provides a total of $8,700,400,000 for the annual renewal of project-based contracts, of which not less than $260,000,000 is for the cost of contract administrators. This funding level is $639,672,000 below the enacted level for fiscal year 2012 and the same as the budget request.

HOUSING FOR THE ELDERLY

Appropriation, fiscal year 2012	$374,627,000
Budget request, fiscal year 2013	475,000,000
Recommended in the bill	425,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+50,373,000
Budget request, fiscal year 2013	−50,000,000

The Housing for the Elderly (Section 202) program provides eligible private, non-profit organizations with capital grants to finance the acquisition, rehabilitation or construction of housing intended for low income elderly people. In addition, the program provides project-based rental assistance contracts (PRAC) to support operational costs for units constructed under the program.

COMMITTEE RECOMMENDATION

The Committee recommends $425,000,000, which is $50,373,000 above the level enacted for fiscal year 2012 and $50,000,000 below the budget request. The Committee includes language allowing HUD to recoup residual receipts. These funds have accumulated in situations where the subsidies and tenant rent payments provided have exceeded actual costs. This language will permit these funds to be used to provide housing assistance for seniors who are not currently receiving assistance instead of the funds continuing to remain unused.

The recommendation allocates funding as follows:

- $50,000,000 and all residual receipts collected for new awards of project rental assistance;
- $285,000,000 for the renewal and amendment of project-based rental assistance contracts (PRAC);
- $90,000,000 for service coordinators and the continuation of congregate services grants.

The Committee continues language relating to the initial contract and renewal terms for assistance provided under this heading and language allowing these funds to be used for inspections and analysis of data by HUD's REAC program office.

HOUSING FOR PERSONS WITH DISABILITIES

Appropriation, fiscal year 2012	$165,000,000
Budget request, fiscal year 2013	150,000,000
Recommended in the bill	165,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	+15,000,000

The Housing for Persons with Disabilities (Section 811) program provides eligible private, non-profit organizations with capital grants to finance the acquisition, rehabilitation or construction of supportive housing for disabled persons and provides project-based rental assistance (PRAC) to support operational costs for such units.

COMMITTEE RECOMMENDATION

The Committee recommends $165,000,000 for Section 811 activities, the same as fiscal year 2012 enacted level, and $15,000,000 above the budget request. The recommendation provides up to $96,000,000 for capital grants and PRAC and $69,000,000 for PRAC renewals. Renewal of mainstream vouchers is provided under the tenant-based rental assistance account as proposed by the budget request. The Committee continues language allowing these funds to be used for inspections and analysis of data by HUD's REAC program office.

OTHER ASSISTED HOUSING PROGRAMS

HOUSING COUNSELING ASSISTANCE

Appropriation, fiscal year 2012	$45,000,000
Budget request, fiscal year 2013	55,000,000
Recommended in the bill	45,000,000
Bill compared to:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– 10,000,000

Section 106 of the Housing and Urban Development Act of 1968 authorized HUD to provide housing counseling services to homebuyers, homeowners, low and moderate income renters, and the homeless.

COMMITTEE RECOMMENDATION

The Committee recommends $45,000,000 funding for housing counseling, the same as the level enacted in fiscal year 2012 and $10,000,000 below the budget request.

PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

Appropriation, fiscal year 2012	$6,500,000
Budget request, fiscal year 2013	8,000,000
Recommended in the bill	4,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−2,500,000
Budget request, fiscal year 2013	−4,000,000

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorized the Secretary to establish Federal manufactured home construction and safety standards for the construction, design, and performance of manufactured homes. All manufactured homes are required to meet the Federal standards, and fees are charged to producers to cover the costs of administering the Act.

COMMITTEE RECOMMENDATION

The Committee recommends up to $4,000,000 for the manufactured housing standards programs to be derived from fees collected and deposited in the Manufactured Housing Fees Trust Fund established pursuant to the Manufactured Housing Improvement Act of 2000. The Committee recommends no direct appropriation for this account. The amount recommended is $2,500,000 below the level enacted in fiscal year 2012 and $4,000,000 below the budget request.

In addition, the Committee includes language allowing the Department to collect fees from program participants for the dispute resolution and installation programs. These fees are to be deposited into the trust fund and may be used by the Department subject to the overall cap placed on the account.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Limitation of direct loans	Limitation of guaranteed loans	Administrative contract expenses
Appropriation, fiscal year 2012	$50,000,000	$400,000,000,000	$207,000,000
Budget request, fiscal year 2013	50,000,000	400,000,000,000	215,000,000
Recommended in the bill	50,000,000	400,000,000,000	215,000,000
Bill compared to:			
Appropriation, fiscal year 2012	– – –	– – –	8,000,000
Budget request, fiscal year 2013	– – –	– – –	– – –

The Federal Housing Administration's (FHA) mutual mortgage insurance program account includes the mutual mortgage insurance (MMI) and cooperative management housing insurance funds. This program account covers unsubsidized programs, primarily the single-family home mortgage program, which is the largest of all the FHA programs. The cooperative housing insurance program provides mortgages for cooperative housing projects of more than five units that are occupied by members of a cooperative housing corporation.

COMMITTEE RECOMMENDATION

The Committee recommends the following limitations on loan commitments in the MMI program account: $400,000,000,000 for loan guarantees and $50,000,000 for direct loans. The recommendation also includes $215,000,000 for administrative contract expenses, of which $71,500,000 is transferred to the Working Capital Fund for development and modifications to information technology systems that serve programs or activities under the FHA. The Committee continues language as requested, appropriating additional administrative expenses in certain circumstances.

The Committee's recommendation for administrative contract expenses is $8,000,000 above the level enacted in fiscal year 2012 and the same as the FY 2013 budget request.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

	Limitation of direct loans	Limitation of guaranteed loans
Appropriation, fiscal year 2012	$20,000,000	$25,000,000,000
Budget request, fiscal year 2013	20,000,000	25,000,000,000
Recommended in the bill	20,000,000	25,000,000,000
Bill compared to:		
Appropriation, fiscal year 2012	– – –	– – –
Budget request, fiscal year 2013	– – –	– – –

The Federal Housing Administration's (FHA) general and special risk insurance (GI and SRI) program account includes 17 different programs administered by FHA. The GI fund includes a wide variety of insurance programs for special-purpose single and multifamily loans, including loans for property improvements, manufactured housing, multifamily rental housing, condominiums, housing for the elderly, hospitals, group practice facilities, and nursing homes. The SRI fund includes insurance programs for mortgages in older, declining urban areas that would not be otherwise eligible for insurance, mortgages with interest reduction payments, and mortgages for experimental housing and for high-risk mortgagors who would not normally be eligible for mortgage insurance without housing counseling.

COMMITTEE RECOMMENDATION

The Committee recommends the following limitations on loan commitments for the general and special risk insurance program account as requested: $25,000,000,000 for loan guarantees and $20,000,000 for direct loans, which is the same as fiscal year 2012 and the budget request

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE

PROGRAM ACCOUNT

	Limitation of guaranteed loans	Administrative contract expenses
Appropriation, fiscal year 2012	$500,000,000,000	$19,500,000
Budget request, fiscal year 2013	500,000,000,000	21,000,000
Recommended in the bill	500,000,000,000	20,500,000

	Limitation of guaranteed loans	Administrative contract expenses
Bill compared to:		
Appropriation, fiscal year 2012	– – –	1,000,000
Budget request, fiscal year 2013	– – –	– 500,000

The Guarantee of Mortgage-Backed Securities Program facilitates the financing of residential mortgage loans insured or guaranteed by the Federal Housing Administration, the Department of Veterans Affairs, and the Rural Housing Services program. The Government National Mortgage Association (GNMA) guarantees the timely payment of principal and interest on securities issued by private service institutions such as mortgage companies, commercial banks, savings banks, and savings and loan associations that assemble pools of mortgages and issue securities backed by the pools. In turn, investment proceeds are used to finance additional mortgage loans. Investors include non-traditional sources of credit in the housing market such as pension and retirement funds, life insurance companies, and individuals.

COMMITTEE RECOMMENDATION

The recommendation includes a $500,000,000,000 limitation on loan commitments for mortgage-backed securities as requested and $20,500,000 for the personnel costs of GNMA, to be funded by Commitment and Multiclass fees. The recommendation for personnel costs is $1,000,000 more than fiscal year 2012 and $500,000 below the budget request.

POLICY DEVELOPMENT AND RESEARCH

Appropriation, fiscal year 2012	$46,000,000
Budget request, fiscal year 2013	52,000,000
Recommended in the bill	52,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+6,000,000
Budget request, fiscal year 2013	– – –

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, evaluation, and reports relating to the Department's mission and programs. These functions are carried out internally and through grants and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research programs seek ways to improve the efficiency, effectiveness, and equity of HUD programs and to identify methods to achieve cost reductions. Additionally, this appropriation is used to support HUD evaluation and monitoring activities and to conduct housing surveys.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $52,000,000 for this account, which is an increase of $6,000,000 over the level enacted in fiscal year 2012.

The Committee commends the Department for making a greater investment in the Office of Policy Research and Development

(PD&R) and giving the office a greater decision-making role in departmental management. Before proposing a new program or a change to an existing program, HUD should first consult with PD&R on any research or findings to support the proposal and the cost effectiveness, and the budget office to ensure the proposal fits in to the overall spend plan and is properly accounted for. The Department would gain a lot of credibility if more decisions and programs were more thoroughly vetted with PD&R and the budget office prior to proposals to the Congress or stakeholders.

FAIR HOUSING AND EQUAL OPPORTUNITY

Appropriation, fiscal year 2012	$70,847,000
Budget request, fiscal year 2013	68,000,000
Recommended in the bill	68,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−2,847,000
Budget request, fiscal year 2013	− − −

The Office of Fair Housing and Equal Opportunity (FHEO) is responsible for developing policies and guidance, and for providing technical support for enforcement of the Fair Housing Act and the civil rights statues. FHEO serves as the central point for the formulation, clearance and dissemination of policies, intra-departmental clearances, and public information related to fair housing issues. FHEO receives, investigates, conciliates and recommends the issuance of charges of discrimination and determinations of non-compliance for complaints filed under Title VIII and other civil rights authorities. Additionally, FHEO conducts civil rights compliance reviews and compliance reviews under Section 3.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $68,000,000 for this account, which is $2,847,000 below the level enacted in fiscal year 2012. Of the funds provided, $300,000 is for the Limited English Proficiency Initiative, $1,500,000 is for the National Fair Housing Training Academy, and $23,700,000 is for the Fair Housing Assistance Program. Of the $42,500,000 set aside for the Fair Housing Initiatives Program, $29,250,000 is for private enforcement activities, $8,750,000 is for education and outreach activities, and $4,500,000 is for the Fair Housing Organization Initiative.

OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

Appropriation, fiscal year 2012	$120,000,000
Budget request, fiscal year 2013	120,000,000
Recommended in the bill	120,000,000
Bill compared with:	
Appropriation, fiscal year 2012	− − −
Budget request, fiscal year 2013	− − −

The Office of Lead Hazard Control and Healthy Homes is responsible for administering the Lead-Based Paint Hazard Reduction program authorized by Title X of the Housing and Community Development Act of 1992. The office also addresses multiple housing-related health hazards through the Healthy Homes Initiative, pursuant to the Secretary's authority in sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 and 1701z–2).

The office develops lead-based paint regulations, guidelines, and policies applicable to HUD programs and enforces the Lead Disclosure Rule issued under Title X. For both lead-related and Healthy Homes issues, the office designs and administers programs for grants, training, research, demonstration, and education.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $120,000,000 for the lead programs, which is equal to the level enacted in fiscal year 2012 bill. Of the amount provided, the Committee recommends $10,000,000 for the Healthy Homes Initiative, and not less than $45,000,000 for the lead hazard reduction program.

MANAGEMENT AND ADMINISTRATION

WORKING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2012	$199,035,000
Budget request, fiscal year 2013	170,000,000
Recommended in the bill	175,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−24,035,000
Budget request, fiscal year 2013	+5,000,000

The Working Capital Fund was established pursuant to 42 U.S.C. § 3535 to provide necessary capital for the development of, modifications to, and infrastructure for Department-wide information technology systems, and for the continuing operation of both Department-wide and program-specific information technology systems.

COMMITTEE RECOMMENDATION

The Committee recommends $175,000,000 in direct appropriations for the Working Capital Fund (WCF) to support Department-wide information technology system activities, $24,035,000 less than the fiscal year 2012 enacted level and $5,000,000 more than the budget request. In addition to the direct appropriation for Department-wide systems, funds are transferred from FHA.

The Committee recommendation includes $5,000,000 over the budget request specifically for the purpose of creating a system to centrally account for, control, oversee, and report on full-time equivalents (FTE) numbers and expenses across the Department. The Committee is astonished that no basic system exists in the budget office or anywhere in the Department. To answer a simple FTE-related question from the Committee, the budget office is forced to put out a call for data to each office and no system exists to verify the responses. Further, the Office of the Chief Financial Officer does not have a reliable method for monitoring the FTE burn rate across each office or the Department, which explains a number of Anti-Deficiency Act violations in recent years. There is one Department, not a loose cooperative of stand-alone offices. The Secretary, Deputy Secretary, and Chief Financial Officer are responsible for the allocation and expenditure of these funds and the Committee is adamant on oversight. The Committee directs HUD

to report on this effort and outline a plan for creating such a system within the Department's fiscal year 2013 operating plan.

As for the $60,000,000 HUD requested through the Transformation Initiative for investments in both specific office and department-wide information technology (IT) systems, the Committee directs HUD to use its current statutory authority to establish a true and traditional WCF, complete with work agreements, contracts, and fund transfers to pay for IT investments. The $175,000,000 provided by direct appropriation should be enough to start the year and get the WCF and work agreements in place to bring in the remaining $60,000,000 by the end of the year. Instead of requesting transfer authority under the Transformation Initiative, the Department should make the new WCF a part of the fiscal year 2014 budget request, similar to the Department of Transportation. A new WCF will ensure the office or offices affected by the Department's IT investments and maintenance will be active participants in the decision-making and financing of the Department's systems, and more importantly, that the Chief Financial Officer will have direct control and oversight over those systems and decisions. The Committee views the creation of a true WCF to be a more sustainable protocol than the Transformation Initiative.

The Committee has retained language that precludes the use of these or any other funds appropriated previously to the Working Capital Fund or program offices for transfer to the Working Capital Fund that would be used or transferred to any other entity in HUD or elsewhere for the purposes of implementing the Administration's "e-Gov" initiative without the Committee's approval in HUD's operating plan. The Committee directs that funds appropriated for specific projects and activities should not be reduced or eliminated in order to fund other activities inside and outside of HUD without the expressed approval of the Committee. HUD is not to contribute or participate in activities that are specifically precluded in legislation, unless the Committee agrees to a change.

Further, the Committee retains language requiring the General Accountability Office (GAO) to audit and oversee HUD's information technology programs, development and investments. While working with GAO, HUD has made vast improvements to its IT management, the Committee views GAO's continued participation to be crucial to HUD's efforts.

OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 2012	$124,000,000
Budget request, fiscal year 2013	125,600,000
Recommended in the bill	125,600,000
Bill compared with:	
Appropriation, fiscal year 2012	+1,600,000
Budget request, fiscal year 2013	– – –

The Office of Inspector General (IG) provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of waste, fraud, and mismanagement. The audit function provides internal audit, contract audit, and inspection services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to ne-

gotiation, award, administration, re-pricing, and settlement of contracts. Internal audits evaluate all facets of agency operations. Inspection services provide detailed technical evaluations of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends $125,600,000 for the Office of Inspector General, which is $1,600,000 above the fiscal year 2012 enacted level and the same as the budget request.

TRANSFORMATION INITIATIVE

Appropriation, fiscal year 2012	$50,000,000
Budget request, fiscal year 2013	– – –
Recommended in the bill	50,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	+50,000,000

The Transformation Initiative is the Department's effort to improve and streamline the systems and operations at HUD. Managed by the Office of Strategic Planning and Management, this initiative has three elements: (1) research, evaluation, and program metrics; (2) program demonstrations; (3) technical assistance and capacity building.

COMMITTEE RECOMMENDATION

The Committee provides $50,000,000 for activities under the Transformation Initiative (TI), consistent with the fiscal year 2012 appropriation. The budget requested authority to transfer up to 0.5 percent from various other HUD accounts, but not to exceed $120,000,000 in total funds.

The Committee finds the mass transfer to be an awkward method of funding the activities under this account and distorts the resources required and available under the various donor program accounts. A more transparent method is to simply appropriate funds for the transformation activities directly. The Committee again strongly urges HUD to consider incorporating a direct appropriation for TI in the fiscal year 2014 budget materials.

Despite the decision to reject HUD's transfer proposal, the Committee supports HUD's efforts to reform its operations and take a hard look at how the Department delivers services, evaluates programs, and seeks to find better, more effective, and hopefully more cost efficient ways to fulfill its mission.

The Committee retains language requiring HUD to submit a plan for the fiscal year 2013 funds. Committee's recommendation provides funds for the following initiatives:

- $1,000,000 for research-ready data integration;
- $2,000,000 for biennial research NOFAs;
- $1,000,000 for the Multidisciplinary Research Team;
- $1,000,000 for the HOME affordability study;
- $1,000,000 for emerging research issues;
- $1,000,000 for Choice Neighborhoods evaluations;

- $5,000,000 for the rental assistance demonstration evaluation;
- $7,000,000 for homeless programs demonstrations;
- $2,000,000 for the moving to work evaluation;
- $2,000,000 for Section 811 project rental assistance demonstration evaluations;
- $2,000,000 for the senior and services demonstration; and
- $25,000,000 for technical assistance.

GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Section 201. The Committee continues the provision that relates to the division of financing adjustment factors.

Section 202. The Committee continues the provision that prohibits available funds from being used to investigate or prosecute lawful activities under the Fair Housing Act.

Section 203. The Committee continues by reference the two provisions in prior appropriations Acts that correct the HOPWA formula and make other technical corrections.

Section 204. The Committee continues language requiring funds appropriated to be distributed on a competitive basis in accordance with the Department of Housing and Urban Development Reform Act of 1989.

Section 205. The Committee continues language regarding the availability of funds subject to the Government Corporation Control Act and the Housing Act of 1950.

Section 206. The Committee continues language regarding allocation of funds in excess of the budget estimates.

Section 207. The Committee continues language regarding the expenditure of funds for corporations and agencies subject to the Government Corporation Control Act.

Section 208. The Committee continues language requiring the Secretary to provide quarterly reports on uncommitted, unobligated and excess funds in each departmental program and activity.

Section 209. The Committee continues the provision that requires that the Administration's budget and the Department's budget justifications for fiscal year 2014 shall be submitted in the identical account and sub-account structure provided in this Act.

Section 210. The Committee continues the provision that exempts PHA Boards in Alaska, Iowa, and Mississippi and the County of Los Angeles from public housing resident representation requirement.

Section 211. The Committee continues the provision that authorizes HUD to transfer debt and use agreements from an obsolete project to a viable project, provided that no additional costs are incurred, and other conditions are met.

Section 212. The Committee continues the provision that prohibits the IG from changing the basis on which the audit of GNMA is conducted.

Section 213. The Committee continues the provision that sets forth requirements for eligibility for Section 8 voucher assistance, and includes consideration for persons with disabilities.

Section 214. The Committee continues the provision that distributes Native American housing block grant funds to the same Native Alaskan recipients as 2005.

Section 215. The Committee continues the provision that authorizes the Secretary to insure mortgages under Section 255 of the National Housing Act.

Section 216. The Committee continues the provision that instructs HUD on managing and disposing of any multifamily property that is owned by HUD.

Section 217. The Committee continues the provision that provides that the Secretary shall report quarterly on HUD's use of all sole source contracts.

Section 218. The Committee continues the provision that authorizes the Secretary to waive certain requirements on adjusted income for certain assisted living projects for counties in Michigan.

Section 219. The Committee continues the provision that allows the recipient of a section 202 grant to establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity.

Section 220. The Committee continues the provision that allows amounts provided under the Section 108 loan guarantee program may be used to guarantee notes or other obligations issued by any State on behalf of non-entitlement communities in the State.

Section 221. The Committee continues the provision that instructs HUD that PHAs that own and operate 400 units or fewer of public housing are exempt from asset management requirements.

Section 222. The Committee continues the provision that restricts the Secretary from imposing any requirement or guideline relating to asset management that restricts or limits the use of capital funds for central office costs, up to the limit established in QHWRA.

Section 223. The Committee continues the provision that provides that no employee of the Department shall be designated as an allotment holder unless the CFO determines that such allotment holder has received training.

Section 224. The Committee continues the provision that provides that funding for indemnities is limited to non-programmatic litigation and is restricted to the payment of attorney fees only.

Section 225. The Committee continues language regarding Notice of Funding Availability (NOFA) announcements and publication.

Section 226. The Committee continues the provision that authorizes the Secretary to transfer up to 5 percent of funds appropriated under the heading "Administration, Operations, and Management."

Section 227. The Committee continues the provision that allows the Disaster Housing Assistance Programs to be considered a program of the Department of Housing and Urban Development for the purpose of income verifications and matching.

Section 228. The Committee includes a provision regarding PHA salary levels.

Section 229. The Committee includes a provision that allows critical access hospitals to be insured under section 242 of the National Housing Act.

Section 230. The Committee includes a new provision that allows the Secretary to increase loan guarantee fees under the Indian Housing Loan Guarantee Program.

Section 231. The Committee includes a new provision that facilitates evictions in HOME-funded properties when necessary to ensure safety and that allows recaptured HOME technical assistance funding to be redistributed in the formula program.

Section 232. The Committee includes a provision which extends the availability of Hope VI funds appropriated in prior years.

Section 233. The Committee includes a new provision that requires annual, rather than quarterly, reporting by the Secretary regarding duplication of benefits in Community Development Fund disaster funding.

Section 234. The Committee includes a provision that repeals the paragraphs under the heading "Flexible Subsidy Fund."

TITLE III—RELATED AGENCIES

UNITED STATES ACCESS BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$7,400,000
Budget request, fiscal year 2013	7,400,000
Recommended in the bill	7,400,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –

The United States Access Board (Access Board) was established by section 502 of the Rehabilitation Act of 1973 and is the only Federal Agency whose primary mission is accessibility for people with disabilities. The Access Board is responsible for developing guidelines under the Americans with Disabilities Act, the Architectural Barriers Act, and the Telecommunications Act. The Access Board is responsible for developing standards under section 508 of the Rehabilitation Act for accessible electronic and information technology used by Federal agencies. The Access Board also enforces the Architectural Barriers Act and provides training and technical assistance on the guidelines and standards it develops.

The Access Board has been given responsibilities under the Help America Vote Act to serve on the Election Assistance Commission's Board of Advisors and Technical Guidelines Development Committee. Additionally, the Board maintains a small research program that develops technical assistance materials and provides information needed for rulemaking.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $7,400,000 for the operations of the Access Board, which is the same as the fiscal year 2012 enacted level.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$24,100,000
Budget request, fiscal year 2013	26,000,000
Recommended in the bill	25,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+900,000
Budget request, fiscal year 2013	– 1,000,000

Established in 1961, the Federal Maritime Commission (FMC) is an independent government agency, responsible for the regulation of oceanborne transportation in the foreign commerce of the United States. FMC policy focuses on 1) maintaining an efficient and competitive international ocean transportation system; and 2) protecting the public from unlawful, unfair, and deceptive ocean trans-

portation practices. The Federal Maritime Commission monitors ocean common carriers, marine terminal operators, conferences, ports, and ocean transportation intermediaries to ensure they maintain just and reasonable practices. Among other activities, FMC also maintains a trade monitoring and enforcement program, monitors the laws and practices of foreign governments and their impacts on shipping conditions in the U.S. and enforces special regulatory requirements as they apply to controlled carriers.

The principal shipping statutes administered by the FMC are the Shipping Act of 1984 (46 U.S.C. 40101–41309), the Foreign Shipping Practices Act of 1988 (46 U.S.C. 42301–42307), Section 19 of the Merchant Marine Act, 1920 (46 U.S.C. 42101–42109), and Public Law 89–777 (46 U.S.C. 44101–44106).

COMMITTEE RECOMMENDATION

The Committee recommends $25,000,000 for the Federal Maritime Commission, which is $900,000 above the fiscal year 2012 appropriation and $1,000,000 less than the budget request.

NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$20,500,000
Budget request, fiscal year 2013	22,000,000
Recommended in the bill	25,000,000
Bill compared with:	
Appropriation, fiscal year 2012	4,500,000
Budget request, fiscal year 2013	3,000,000

The Amtrak Inspector General is expected to be an independent, objective unit responsible for detecting and preventing fraud, waste, abuse, and violations of law and for promoting economy, efficiency and effectiveness at Amtrak.

COMMITTEE RECOMMENDATION

The Committee recommends $25,000,000 for Amtrak's Office of Inspector General (Amtrak OIG), which is $4,500,000 above the fiscal year 2012 enacted level and $3,000,000 above the proposed in the fiscal year 2013 budget. This additional funding should be used to review the processes and procedures Amtrak and FRA are using to distribute the Bridges and Tunnels Grants within Amtrak's Capital and Debt service account.

As in fiscal year 2012, the Committee continues to fund the Amtrak OIG as a separate entity and denies the budget's request to fund the Amtrak OIG through a direct grant from the Federal Railroad Administration.

Budget Justification.—The Committee directs the Amtrak OIG to submit to the Committees on Appropriations a comprehensive budget justification for fiscal year 2012 in similar format and substance to those submitted by other agencies of the Federal government and similar to the Amtrak OIG submission last year.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$102,400,000
Budget request, fiscal year 2013	102,400,000
Recommended in the bill	102,400,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –

Initially established along with the Department of Transportation (DOT), the National Transportation Safety Board (NTSB) commenced operations on April 1, 1967, as an independent federal agency charged by Congress with investigating every civil aviation accident in the United States, as well as significant accidents in other modes of transportation—railroad, highway, marine and pipeline—and issuing safety recommendations aimed at preventing future accidents. Although it has always operated independently, the NTSB relied on the DOT for funding and administrative support until the Independent Safety Board Act of 1974 (Public Law 93–633) severed all ties between the two organizations effective April of 1975.

In addition to its investigatory duties, the NTSB is responsible for maintaining the government's database of civil aviation accidents and conducting special studies of transportation safety issues of national significance. Furthermore, in accordance with the provisions of international treaties, the NTSB supplies investigators to serve as U.S. Accredited Representatives for aviation accidents overseas involving U.S.-registered aircraft, or involving aircraft or major components of U.S. manufacture. The NTSB also serves as the 'court of appeals' for any airman, mechanic or mariner whenever certificate action is taken by the Administrator of the Federal Aviation Administration (FAA) or the U.S. Coast Guard Commandant, or when civil penalties are assessed by the FAA. In addition, the NTSB operates the NTSB Academy in Ashburn, Virginia.

COMMITTEE RECOMMENDATION

The Committee recommends $102,400,000 for the salaries and expenses of the NTSB, which is equal to the fiscal year 2012 level and equal to the budget request. The Committee commends the NTSB for requesting a budget at a hard freeze at fiscal year 2012 enacted levels, even though its budget consists largely of salaries and expenses. The leadership of the NTSB is to be commended for this recognition of the current era of fiscal austerity.

NTSB Academy.—The agency is encouraged to continue to seek additional opportunities to lease out, or otherwise generate revenue from the NTSB Academy, so that the agency can appropriately focus its resources on the important investigative work that is central to the agency's mission. In addition, the agency is again directed to submit detailed information on the costs associated with the NTSB Academy, as well as the revenue the facility is expected to generate, as part of the fiscal year 2014 budget request.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriation, fiscal year 2012	$215,300,000
Budget request, fiscal year 2013	213,000,000
Recommended in the bill	225,300,000
Bill compared with:	
Appropriation, fiscal year 2012	+10,000,000
Budget request, fiscal year 2013	+12,300,000

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978). Neighborhood Reinvestment Corporation now operates under the trade name 'NeighborWorks America.' NeighborWorks America helps local communities establish working partnerships between residents and representatives of the public and private sectors. These partnership-based organizations are independent, tax-exempt, community-based nonprofit entities, often referred to as NeighborWorks organizations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $225,300,000 for fiscal year 2012, which is $10,000,000 above the fiscal year 2012 enacted level and $12,300,000 above the budget request.

In total, $80,000,000 is provided for the National Foreclosure Mitigation Counseling (NFMC) program, which is the same as the fiscal year 2012 enacted level and $5,900,000 below the fiscal 2013 budget request. The NFMC has provided foreclosure counseling for over one million families to date. This program has also provided training for more than 4,000 foreclosure counselors. NeighborWorks has done an admirable job in adapting to different responsibilities and fulfilling its mission.

UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

Appropriation, fiscal year 2012	$3,300,000
Budget request, fiscal year 2013	3,600,000
Recommended in the bill	3,300,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	–300,000

The mission of the United States Interagency Council on Homelessness (USICH) is "to coordinate the Federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the Federal Government in contributing to the end of homelessness." 42 U.S.C. 11311 (2012).

The USICH was reauthorized in 2009 in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, P.L. 111–22, with a termination date of October 1, 2010. This date was extended to October 1, 2015.

COMMITTEE RECOMMENDATION

The Committee recommends $3,300,000 for the USICH, which is the same as fiscal year 2012 and $300,000 below the budget request.

On June 22, 2010, the USICH fulfilled one of its core responsibilities under the HEARTH Act by publishing the nation's first comprehensive plan to prevent and end homelessness. The plan, "Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness," will continue to serve as the roadmap for future coordinated efforts between the nineteen USICH member agencies and local and state partners.

The Committee encourages the nineteen USICH agencies to use the next few years to establish good working relationships and interagency efficiencies that will endure past the USICH's sunset date in 2015.

TITLE IV—GENERAL PROVISIONS, THIS ACT

Section 401. The Committee continues the provision requiring pay raises to be funded within appropriated levels in this Act or previous appropriations Acts.

Section 402. The Committee continues the provision prohibiting pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 403. The Committee continues the provision prohibiting obligations beyond the current fiscal year and prohibiting transfers of funds unless expressly provided in this Act.

Section 404. The Committee continues the provision limiting consulting service expenditures of public record in procurement contracts.

Section 405. The Committee continues the provision specifying reprogramming procedures by subjecting the establishment of new offices and reorganizations to the reprogramming process.

Section 406. The Committee continues a provision that ensures that 50 percent of unobligated balances may remain available for certain purposes.

Section 407. The Committee continues the provision requiring agencies and departments funded in this Act to report on all sole source contracts.

Section 408. The Committee continues the provision prohibiting employee training not directly related to the performance of official duties.

Section 409. The Committee continues the provision prohibiting funds from being used for any project that seeks to use the power of eminent domain unless eminent domain is employed only for a public use.

Section 410. The Committee continues the provision prohibiting the transfer of funds made available in this Act to any instrumentality of the United States Government except as authorized by this Act or any other appropriations Act.

Section 411. The Committee continues the provision prohibiting funds in this Act from being used to permanently replace an employee intent on returning to his past occupation after completion of military service.

Section 412. The Committee continues the provision prohibiting funds in this Act from being used unless the expenditure is in compliance with the Buy American Act.

Section 413. The Committee continues the provision prohibiting funds from being appropriated or made available to any person or entity that has been found to violate the Buy American Act.

Section 414. The Committee continues the provision that prohibits funds for first-class airline accommodations in contravention of section 301–10.122 and 301–10.123 of title 41 CFR.

Section 415. The Committee continues the provision which prohibits funds in this Act or any prior Act from going to the group ACORN or any of its affiliates, subsidiaries, or allied organizations.

Section 416. The Committee includes a provision that prohibits convicted felons from receiving certain Federal funds.

Section 417. The Committee includes a provision that prohibits funding to corporations with any unpaid Federal tax liability.

Section 418. The Committee includes a provision that establishes a spending reduction account.

HOUSE OF REPRESENTATIVES REPORTING REQUIREMENTS

The following materials are submitted in accordance with various requirements of the Rules of the House of Representatives:

FULL COMMITTEE VOTES

There were no rollcall votes.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding: The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

RESCISSION OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

TITLE I—DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration, Research, Engineering & Development	$26,183,998
Federal Railroad Administration, Next Generation High Speed Rail	1,973,000
Federal Railroad Administration, Northeast Corridor Improvement Program	4,419,000
Federal Transit Administration, Formula and Bus Grants	72,495,539
Federal Transit Administration, Capital Investment Grants	11,429,055
Federal Transit Administration, Washington Metropolitan Area Transit Authority	523,000
Federal Transit Administration, University Transportation Research	292,554
Federal Transit Administration, Job Access and Reverse Commute Grants	14,661,719
Federal Transit Administration, Research, Training & Human Resources	247,579
Federal Transit Administration, Interstate Transfer Grants	2,661,568
Federal Transit Administration, Urban Discretionary Accounts	578,353

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Certificate Fund	Such sums as available

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted regarding the transfers of funds provided in the accompanying bill.

UNDER TITLE I—DEPARTMENT OF TRANSPORTATION

Account from which the transfer is made	Account to which the transfer is made	Amount
Office of the Secretary	Office of the Secretary	≤5% of certain funds subject to conditions
Federal Aviation Administration	Federal Aviation Administration	≤2% of certain funds subject to conditions
FHWA: Limitation on administrative expenses.	Appalachian Regional Commission	$3,220,000
MARAD: Operations & Training	Maritime Guaranteed Loan (Title XI) Program Account.	$3,750,000
Pipeline & Hazardous Materials Safety Administration.	Pipeline Safety	$1,500,000

UNDER TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Account from which the transfer is made	Account to which the transfer is made	Amount
FHA MMI Program Account	Working Capital Fund	$71,500,000
Shelter Plus Care	Homeless Assistance Grants	Such sums as available
Administration, Operations and Management.	Program Office Salaries and Expenses	≤5% or $5,000,000, whichever is less, subject to conditions
Program Office Salaries and Expenses	Administration, Operations and Management.	≤5% or $5,000,000, whichever is less, subject to conditions

DISCLOSURE OF EARMARKS AND CONGRESSIONALLY DIRECTED SPENDING ITEMS

Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH RULE XIII, CL. 3(e) (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 49, UNITED STATES CODE

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SUBTITLE VII—AVIATION PROGRAMS

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PART B—AIRPORT DEVELOPMENT AND NOISE

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CHAPTER 471—AIRPORT DEVELOPMENT

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SUBCHAPTER I—AIRPORT IMPROVEMENT

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§ 47124. Agreements for State and local operation of airport facilities

(a) * * *

(b) AIR TRAFFIC CONTROL CONTRACT PROGRAM.—

(1) * * *

* * * * * * *

(3) CONTRACT AIR TRAFFIC CONTROL TOWER PROGRAM.—

(A) * * *

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(D) COSTS EXCEEDING BENEFITS.—If the costs of operating an air traffic tower under the program exceed the benefits, the airport sponsor or State or local government having jurisdiction over the airport shall pay the portion of the costs that exceed such benefit, with the maximum allowable local cost share capped at 20 percent.

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NATIONAL HOUSING ACT

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TITLE II—MORTGAGE INSURANCE

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MORTGAGE INSURANCE FOR HOSPITALS

SEC. 242. (a) * * *

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(i) TERMINATION OF EXEMPTION FOR CRITICAL ACCESS HOSPITALS.—

(1) IN GENERAL.—The exemption for critical access hospitals under subsection (b)(1)(B) shall have no effect after [July 31, 2011] *July 31, 2016*.

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HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

SEC. 184. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) * * *

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[(d) GUARANTEE FEE.—The Secretary shall fix and collect a guarantee fee for the guarantee of loans under this section, which may not exceed the amount equal to 1 percent of the principal obligation

of the loan. The fee shall be paid by the lender at time of issuance of the guarantee and shall be adequate, in the determination of the Secretary, to cover expenses and probable losses. The Secretary shall deposit any fees collected under this subsection in the Indian Housing Loan Guarantee Fund established under subsection (i).**]**

(d) GUARANTEE FEE.—The Secretary shall establish and collect, at the time of issuance of the guarantee, a fee for the guarantee of loans under this section, in an amount not exceeding 3 percent of the principal obligation of the loan. The Secretary may also establish and collect annual premium payments in an amount not exceeding 1 percent of the remaining guaranteed balance (excluding the portion of the remaining balance attributable to the fee collected at the time of issuance of the guarantee). The Secretary shall establish the amount of the fees and premiums by publishing a notice in the Federal Register. The Secretary shall deposit any fees and premiums collected under this subsection in the Indian Housing Loan Guarantee Fund established under subsection (i).

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CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT

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TITLE II—INVESTMENT IN AFFORDABLE HOUSING

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Subtitle A—HOME Investment Partnerships

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SEC. 225. TENANT AND PARTICIPANT PROTECTIONS.

(a) * * *

(b) TERMINATION OF TENANCY.—An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted under this title except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause. Any termination or refusal to renew must be preceded by not less than 30 days by the owner's service upon the tenant of a written notice specifying the grounds for the action. *Such 30 day waiting period is not required if the grounds for the termination or refusal to renew involve a direct threat to the safety of the tenants or employees of the housing, or an imminent and serious threat to the property (and the termination or refusal to renew is in accordance with the requirements of State or local law).*

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Subtitle B—Community Housing Partnership

SEC. 231. SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.

(a) * * *

(b) RECAPTURE AND REUSE.—If any funds reserved under subsection (a) remain uninvested for a period of 24 months, then the Secretary shall deduct such funds from the line of credit in the participating jurisdiction's HOME Investment Trust Fund and **[**make such funds available by direct reallocation (1) to other participating jurisdictions for affordable housing developed, sponsored or owned by community housing development organizations, or (2) to nonprofit intermediary organizations to carry out activities that develop the capacity of community housing development organizations consistent with section 233, with preference to community housing development organizations serving the jurisdiction from which the funds were recaptured**]** *reallocate the funds by formula in accordance with section 217(d) of this Act (42 U.S.C. 12747(d))*.

[(c) DIRECT REALLOCATION CRITERIA.—Insofar as practicable, direct reallocations under this section shall be made according to the selection criteria established under section 217(c).**]**

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DEPARTMENT OF DEFENSE, EMERGENCY SUPPLEMENTAL APPROPRIATIONS TO ADDRESS HURRICANES IN THE GULF OF MEXICO, AND PANDEMIC INFLUENZA ACT, 2006

(Public Law 109–148)

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DIVISION B

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TITLE I

EMERGENCY SUPPLEMENTAL APPROPRIATIONS TO ADDRESS HURRICANES IN THE GULF OF MEXICO

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CHAPTER 9

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COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for the "Community development fund", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005 in States for which the President declared a major disaster under title IV of the Robert T. Stafford Dis-

aster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in conjunction with Hurricane Katrina, Rita, or Wilma, $11,500,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That no State shall receive more than 54 percent of the amount provided under this heading: *Provided further*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further,* That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further*, That each State may use up to five percent of its allocation for administrative costs: *Provided further,* That Louisiana and Mississippi may each use up to $20,000,000 (with up to $400,000 each for technical assistance) from funds made available under this heading for LISC and the Enterprise Foundation for activities authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, and for activities authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, including demolition, site clearance and remediation, and program administration: *Provided further,* That in administering the funds under this heading, the Secretary of Housing and Urban Development shall waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute, as modified: *Provided further,* That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further,* That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further,* That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available

under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further,* That the Secretary shall notify the Committees on Appropriations on any proposed allocation of any funds and any related waivers made pursuant to these provisions under this heading no later than 5 days before such waiver is made: *Provided further,* That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report [quarterly] *annually* to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits: *Provided further,* That the amounts provided under this heading are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

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EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE, THE GLOBAL WAR ON TERROR, AND HURRICANE RECOVERY, 2006

(Public Law 109–234)

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TITLE II

FURTHER HURRICANE DISASTER RELIEF AND RECOVERY

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

* * * * * * *

CHAPTER 9

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Community development fund", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of Hurricanes Katrina, Rita, or Wilma in States for which the President declared a major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $5,200,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided,* That funds pro-

vided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further,* That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further,* That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further,* That each State may use up to five percent of its allocation for administrative costs: *Provided further,* That not less than $1,000,000,000 from funds made available on a pro-rata basis according to the allocation made to each State under this heading shall be used for repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas: *Provided further*, That no State shall receive more than $4,200,000,000: *Provided further,* That in administering the funds under this heading, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute: *Provided further,* That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further,* That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further,* That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further,* That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further,* That prior to the obligation of funds to each State, the Secretary shall ensure that such plan gives priority to infrastructure development and rehabilitation and the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing: *Provided further,* That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further,* That the Secretary shall notify the Committees on Appropriations on any

proposed allocation of any funds and any related waivers made pursuant to these provisions under this heading no later than 5 days before such waiver is made: *Provided further,* That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report [quarterly] *annually* to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits: *Provided further*, That of the amounts made available under this heading, $12,000,000 shall be transferred to "Management and Administration, Salaries and Expenses", of which $7,000,000 is for the administrative costs, including IT costs, of the KDHAP/DVP voucher program; $9,000,000 shall be transferred to the Office of Inspector General; and $6,000,000 shall be transferred to HUD's Working Capital Fund: *Provided further*, That none of the funds provided under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program: *Provided further*, That the amounts provided under this heading are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

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SUPPLEMENTAL APPROPRIATIONS ACT, 2008

(Public Law 110–252)

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TITLE III—NATURAL DISASTER RELIEF AND RECOVERY

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CHAPTER 6—HOUSING AND URBAN DEVELOPMENT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for "Community Development Fund", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in areas covered by a declaration of major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) as a result of recent natural disasters, $300,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further*, That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the

Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further*, That each State may use up to five percent of its allocation for administrative costs: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development shall waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute, as modified: *Provided further*, That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further*, That the Secretary shall notify the Committees on Appropriations on any proposed allocation of any funds and any related waivers made pursuant to these provisions under this heading no later than 5 days before such waiver is made: *Provided further*, That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report [quarterly] *annually* to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits.

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MILITARY CONSTRUCTION AND VETERANS AFFAIRS AND RELATED AGENCIES APPROPRIATIONS ACT, 2009

(Public Law 110–329)

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DIVISION B—DISASTER RELIEF AND RECOVERY SUPPLEMENTAL APPROPRIATIONS ACT, 2008

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TITLE I—RELIEF AND RECOVERY FROM NATURAL DISASTERS

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CHAPTER 10—TRANSPORTATION AND HOUSING AND URBAN DEVELOPMENT

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for the "Community Development Fund", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by hurricanes, floods, and other natural disasters occuring during 2008 for which the President declared a major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, $6,500,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further*, That such funds may not be used for activities reimbursable by, or for which funds are made available by, the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under the Community Development Fund: *Provided further*, That each State may use up to 5 percent of its allocation for administrative costs: *Provided further*, That $6,500,000 shall be available for use by the Assistant Secretary of Community Planning and Development for the administrative costs, including information technology costs, with respect to amounts made available under this section and under section 2301(a) of the Housing and Economic Recovery Act of 2008. *Provided further*, That not less than $650,000,000 from funds made available on a pro-rata basis according to the allocation made to each State under this heading shall be used for repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas where there is a demonstrated need as determined by the Secretary: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision

of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by a State explaining why such waiver is required to facilitate the use of such funds or guarantees, if the Secretary finds that such waiver would not be inconsistent with the overall purpose of title I of the Housing and Community Development Act of 1974: *Provided further*, That a waiver granted by the Secretary under the preceding proviso may not reduce the percentage of funds which must be used for activities that benefit persons of low and moderate income to less than 50 percent, unless the Secretary specifically finds that there is compelling need to further reduce or eliminate the percentage requirement: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the 2-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That the Secretary shall allocate to the states not less than 33 percent of the funding provided under this heading within 60 days after the enactment of this Act based on the best estimates available of relative damage and anticipated assistance from other Federal sources: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further*, That the Secretary shall notify the Committees on Appropriations of any proposed allocation of any funds and any related waivers made pursuant to the provisions under this heading no later than 5 days before such allocation or waiver is made: *Provided further*, That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report ⟦quarterly⟧ *annually* to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits: *Provided further*, That none of the funds provided under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS ACT, 2008

(Public Law 110–161)

AN ACT Making appropriations for the Department of State, foreign operations, and related programs for the fiscal year ending September 30, 2008, and for other purposes.

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DIVISION K—TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

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TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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HOUSING PROGRAMS

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[FLEXIBLE SUBSIDY FUND

[(TRANSFER OF FUNDS)

[From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2007, and any collections made during fiscal year 2008 and all subsequent fiscal years, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act.**]**

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CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

TITLE I—DEPARTMENT OF TRANSPORTATION

Language is included under Office of the Secretary, "Salaries and expenses" specifying certain amounts for individual offices of the Office of the Secretary and official reception and representation expenses, and specifying transfer authority among offices.

Language is included under Office of the Secretary, "Salaries and expenses" which would allow crediting the account with up to $2,500,000 in user fees; prohibits establishment of Assistant Secretary of Public Affairs.

Language is included under the Office of the Secretary, "Financial Management Capital" which provides funds to upgrade DOT's financial systems and processes.

Language is included under the Office of the Secretary, "Cyber Security Initiatives" which provides funds for information technology security upgrades.

Language is included for the Office of Civil Rights, which is responsible for advising the Secretary on civil rights and equal opportunity issues and ensuring the full implementation of the civil rights laws and departmental civil rights policies in all official actions and programs.

Language is included under the Office of the Secretary, "Transportation planning, research, and development" which provides funds for conducting transportation planning, research, systems development, development activities and making grants, and makes funds available until expended.

Language is included that limits operating costs and capital outlays of the Working Capital Fund for the Department of Transportation; provides that services shall be provided on a competitive basis, except for non-DOT entities; restricts the transfer for any funds to the Working Capital Fund with approval; and limits special assessments or reimbursable agreements levied against any program, project or activity funded in this Act to only those assessments or reimbursable agreements that are presented to and approved by the House and Senate Committees on Appropriations.

Language is included under the Office of the Secretary, "Minority business resource center" which limits the amount of loans that can be subsidized, and provides funds for administrative expenses.

Language is included under Office of the Secretary, "Minority business outreach" specifying that funds may be used for business opportunities related to any mode of transportation, and limits the availability of funds.

Language is included under the Office of the Secretary, "Payments to air carriers" that provides funds from the Airport and Airway Trust Fund, allows the Secretary of Transportation to consider subsidy requirements when determining service to a community, limits funds only to communities served in fiscal year 2011, eliminates the requirement that carriers use at least 15-passenger aircraft, and allows the Secretary to repay any funds borrowed from the Federal Aviation Administration to fund the essential air service program.

Section 101 prohibits the Office of the Secretary of Transportation from approving assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

Section 102 allows the Secretary or his designee to work with States and State legislators to consider proposals related to the reduction of motorcycle fatalities.

Section 103 allows the Department to use the Working Capital Fund to provide transit benefits to Federal employees.

Section 104 sets administrative requirements of the Department's Credit Council.

Language is included under the Federal Aviation Administration, "Operations" that provides funds for operations and research related to commercial space transportation, administrative expenses for research and development, establishment of air navigation fa-

cilities, establishment of air navigation facilities, the operation (including leasing) and maintenance of aircraft, subsidizing the cost of aeronautical charts and maps sold to the public, lease or purchase of passenger motor vehicles for replacement; funds for certain aviation program activities; and specifies transfer authority among offices.

Language is included under the Federal Aviation Administration, "Operations" permitting transfer of funds, as specified.

Language is included requiring a controller workforce plan by March 31 of each fiscal year required by section 221 of Public Law 108–176 and reduces the appropriation by $100,000 for each day the report is late.

Language is included requiring a similar March 31 report on flight standards and aircraft certification staff and reduces the appropriation by $100,000 for each day the report is late.

Language is included under the Federal Aviation Administration, "Operations" permitting the use of funds to enter into a grant agreement with a nonprofit standard setting organization to develop aviation safety standards.

Language is included under the Federal Aviation Administration, "Operations" that prohibits the use of funds for new applicants of the second career training program.

Language is included under the Federal Aviation Administration, "Operations" that prohibits funds to plan, finalize, or implement any regulation that would promulgate new aviation user fees not specifically authorized by law after the date of enactment of this Act.

Language is included under the Federal Aviation Administration, "Operations" that credits funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources for expenses incurred in the provision of agency services.

Language is included under the Federal Aviation Administration, "Operations" that provides $10,350,000 for the contract tower cost sharing program.

Language is included under the Federal Aviation Administration, "Operations" that prohibits funds for conducting and coordinating activities on aeronautical charting and cartography through the Working Capital Fund.

Language is included under Federal Aviation Administration, "Facilities and equipment" that provides funds for acquisition, establishment, technical support services, improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment; engineering and service testing, construction and furnishing of quarters and related accommodations at remote localities; and the purchase, lease, or transfer of aircraft.

Language is included under Federal Aviation Administration, "Facilities and equipment" that provides funds from the Airport and Airway Trust Fund and limits the availability of funds.

Language is included under Federal Aviation Administration, "Facilities and equipment" that allows certain funds received for expenses incurred in the establishment and modernization of air navigation facilities to be credited to the account.

Language is included under Federal Aviation Administration, "Facilities and equipment" that requires the Secretary of Transportation to transmit a comprehensive capital investment plan for the Federal Aviation Administration.

Language is included under Federal Aviation Administration, "Research, engineering, and development" that provides funds from the Airport and Airway Trust Fund for research, engineering, and development, including construction of experimental facilities and acquisition of necessary sites by lease or grant; and limits the availability of funds.

Language is included under Federal Aviation Administration, "Research, engineering, and development" that allows certain funds received for expenses incurred in research, engineering and development to be credited to the account.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that provides funds from the Airport and Airway Trust Fund for airport planning and development; noise compatibility planning and programs; procurement, installation, and commissioning of runway incursion prevention devices and systems; grants authorized under section 41743 of title 49, U.S.C.; and inspection activities and administration of airport safety programs; and limits the availability of funds.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that limits funds available for the planning or execution of programs with obligations in excess of $3,350,000,000.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that prohibits funds for the replacement of baggage conveyor systems, reconfiguration of terminal baggage areas, or other airport improvements that are necessary to install bulk explosive detection systems.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that establishes a cost share of 95 percent for construction projects for which the project sponsor received a grant in fiscal year 2011. Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that provides $105,000,000 for administration.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that specifies $15,000,000 for the airport cooperative research program, $29,300,000 for the airport technology research program.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that rescinds contract authority above the obligation limitation.

Section 110 limits the number of technical workyears at the Center for Advanced Aviation Systems Development to 600 in fiscal year 2011.

Section 111 prohibits FAA from requiring airport sponsors to provide the agency "without cost" building construction, maintenance, utilities and expenses, or space in sponsor-owned buildings, except in the case of certain specified exceptions.

Section 112 allows reimbursement for fees collected and credited under 49 U.S.C. 45303.

Section 113 allows reimbursement of funds for providing technical assistance to foreign aviation authorities to be credited to the operations account.

Section 114 prohibits funds limited in this Act for the Airport Improvement Program to be provided to an airport that refuses a request from the Secretary of Transportation to use public space at the airport for the purpose of conducting outreach on air passenger rights.

Section 115 prohibits the FAA from paying Sunday premium pay except in those cases where the individual actually worked on a Sunday.

Section 116 prohibits FAA from using funds to purchase store gift cards or gift certificates through a government-issued credit card.

Section 117 allows airports experiencing the required level of boardings through charter and scheduled air service to be eligible for funds under 49 U.S.C. 47114(c).

Section 118 requires approval from the Deputy Assistant Secretary for Administration of the Department of Transportation for retention bonuses for any FAA employee.

Section 119 limits the cost-share required under the contract tower program to 20 percent.

Section 119A requires the Secretary to block the display of an owner or operator's aircraft registration number in the Aircraft Situational Display to Industry program, upon the request of an owner or operator.

Section 119B prohibits funds to change weight restrictions or prior permission rules at Teterboro Airport, Teterboro, New Jersey.

Language is included under the Federal Highway Administration, "Limitation on administrative expenses" that limits the amount to be paid, together with advances and reimbursements received, for the administrative expenses of the agency, including an amount for financial system upgrades subject to conditions. In addition to this limitation, an amount is specified that is to be made available to the Appalachian Regional Commission for administrative expenses.

Language is included under the Federal Highway Administration, "Federal-aid highways" that limits the obligations for Federal-aid highways and highway safety construction programs; limits the amount available for the implementation or execution of programs for transportation research, which shall not apply to any authority previously made available for obligation; and allows the Secretary to charge, collect and spend fees for loan applications and that such amounts are in addition to administrative expenses and are not subject to any obligation limitation or limitation on administrative expenses under section 608 of title 23, U.S.C., and which are available until expended.

Language is included under the Federal Highway Administration, "Federal-aid highways" that liquidates contract authority.

Section 120 distributes obligation authority among federal-aid highways programs.

Section 121 credits funds received by the Bureau of Transportation Statistics to the federal-aid highways account.

Section 122 provides requirements for any waiver of the Buy American Act.

Section 123 prohibits tolling in Texas, with exceptions.

Language is included under the Federal Motor Carrier Safety Administration, "Motor Carrier Safety Operations and Programs" that provides a limitation on obligations and liquidation of contract authorization, including specifying amounts available for research and technology programs and commercial motor vehicle operator's grants; and prohibits funds for outreach and education from being transferred.

Language is included under the Federal Motor Carrier Safety Administration, "Motor carrier safety grants" that provides a limitation on obligations and liquidation of contract authorization, including specifying amounts available for the commercial driver's license improvements program, border enforcement grants program, the performance and registration information system management program, the commercial vehicle information systems and networks deployment program, the safety data improvement program, and the commercial driver's license information system modernization program; and specifies amount for new entrant audits.

Section 130 continues a provision subjecting funds appropriated in this Act to the terms and conditions included in prior appropriations Acts regarding Mexico-domiciled motor carriers.

Language is included under National Highway Traffic Safety Administration, "Operations and research" that limits the availability of funds and prohibits the planning or implementation of any rulemaking on labeling passenger car tires for low rolling resistance.

Language is included under National Highway Traffic Safety Administration, "Operations and research" that provides a limitation on obligations, limits the availability of funds, and provides a liquidation of contract authorization from the highway trust fund.

Language is included under the National Highway Traffic Safety Administration "National driver register" that provides a limitation on obligations and a liquidation of contract authorization from the highway trust fund.

Language is included under the National Highway Traffic Safety Administration "National driver register modernization" that limits the availability of funds.

Language is included under the National Highway Traffic Safety Administration "Highway traffic safety grants" that provides a limitation on obligations, limits the availability of funds, specifies the amounts for certain safety grant programs and provides a liquidation of contract authorization from the highway trust fund.

Language is included under the National Highway Traffic Safety Administration that reallocates funds from the seat belt performance grants program to fund a new distracted driving grant program and allows a portion of the funding to be used for the development, production, and use of broadcast and print media in support of efforts to prevent distracted driving.

Language is included under National Highway Traffic Safety Administration, "Highway traffic safety grants" prohibiting the use of funds for construction, rehabilitation or remodeling costs or for office furniture for state, local, or private buildings.

Language is included under National Highway Traffic Safety Administration, "Highway traffic safety grants" that limits funding for an evaluation for the high visibility enforcement program.

Language is included under National Highway Traffic Safety Administration, "Highway traffic safety grants" limiting the amount of funds available for technical assistance to states under section 410.

Section 140 provides funding for travel and related expenses for state management reviews and highway safety core competency development training.

Section 141 exempts obligation authority that was made available in previous public laws for multiple years from limitations on obligations for the current year.

Section 142 prohibits funding for the National Highway Safety Advisory Committee.

Language is included under Federal Railroad Administration, "Safety and operations" limiting the availability of funds.

Language is included under Federal Railroad Administration, "Railroad research and development" limiting the availability of funds.

Language is included under Federal Railroad Administration, "Railroad rehabilitation and improvement financing program" authorizing the Secretary to issue direct loans and loan guarantees under sections 502 through 504 of the Railroad Revitalization and Regulatory Reform Act.

Language is included under Federal Railroad Administration, "Railroad rehabilitation and improvement program" that prohibits new direct loans or loan guarantee commitments using federal funds for credit risk premium under section 502 of the Railroad Revitalization and Regulatory Reform Act.

Language is included under the Federal Railroad Administration, "Operating subsidy grants to the National Railroad Passenger Corporation" that allows the Secretary of Transportation to make quarterly grants to the National Railroad Passenger Corporation; allows the Secretary to approve funding only after receiving and reviewing a grant request for each train route; ensures that each grant request is accompanied by a detailed financial analysis, revenue projection, and capital expenditure projection; requires the Corporation to submit a detailed business plan that includes targets for ridership, revenues, and capital and operating expenses as well as semi-annual reports regarding the status of the business plan; requires the Corporation to follow the provisions of the direct loan agreement; prohibits funds to support any route with a discounted fare of more than 50 percent off the normal peak fare, unless the operating loss is the result of a discount covered by a State; and requires Amtrak to submit a 2014 budget similar to other Federal agencies.

Language is included under the Federal Railroad Administration, "Capital and Debt Service Grants to the National Railroad Passenger Corporation" that allows the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for the maintenance and repair of capital infrastructure and debt service; allows the Secretary to retain some funds to be used for oversight; bars a portion of these funds under this section to be used

for operating losses; restricts the use of funds unless they have been approved by the Secretary or are contained in the Corporation's business plan; provides funds for high priority state-of-good-repair intercity infrastructure projects on existing intercity passenger rail services; and allows the Secretary to retain some funds to be used by the Northeast Corridor Commission.

Section 150 retains a provision that ceases the availability of Amtrak funds if the railroad contracts for services outside the United States for any service performed by a full-time or part-time Amtrak employee as of July 1, 2006.

Section 151 retains a provision, which allows FRA to receive and use cash or spare parts to repair and replace damaged automated track inspection cars and equipment in connection with the automated track inspection program.

Section 152 includes a provision which authorizes the Secretary to allow issuers of any preferred stock to redeem or repurchase such stock sold to the Department.

Section 153 continues a provision that limits overtime to $35,000 per employee, allows Amtrak's president to waive this restriction for specific employees for safety or operational efficiency reasons, and requires notification to the House and Senate Committees on Appropriations within 30 days of granting such a waiver.

Section 154 includes a provision which transfers unobligated balances in contract authority that were originally authorized for Magnetic Levitation to activities authorized under the Railway-Highway Grade Crossing Hazard Elimination Program.

Language is included under Federal Transit Administration, "Administrative Expenses" specifying an amount for administrative expenses and travel; prohibiting a permanent office of transit security; directing the submission of the annual report on new starts. Language is included under Federal Transit Administration, "Formula and Bus Grants" that provides a limitation on obligations from the Highway Trust Fund, contingent upon reauthorization, and limits the availability of funds.

Language is included under Liquidation of Contract Authority which makes funds available for payments of obligations, contingent upon authorization.

Language is included under Federal Transit Administration, "Research and University Research Centers" that limits the availability of funds and specifies the amounts for certain offices and programs.

Language is included under Federal Transit Administration, "Capital Investment Grants" that limits the availability of funds.

Language is included under Federal Transit Administration, "Washington Metropolitan Area Transit Authority" for capital and preventive maintenance expenditures and requires the Secretary to determine that WMATA has placed the highest priority on safety investments and waives a requirement under the Passenger Rail Infrastructure Improvement and Investment Act.

Section 160 exempts previously made transit obligations from limitations on obligations.

Section 161 allows funds appropriated for capital investment grants and bus and bus facilities not obligated by September 30,

2015, plus other recoveries to be available for other projects under 49 U.S.C. 5309.

Section 162 allows for the transfer of prior year appropriations from older accounts to be merged into new accounts with similar, current activities.

Section 163 allows prior year funds available for capital investment grants to be used in this fiscal year for such projects.

Section 164 requires unobligated funds or recoveries under section 5309 of title 49 that are available for reallocation shall be directed to projects eligible to use the funds for the purposes for which they were originally intended.

Section 165 provides flexibility to fund program management oversight activities as authorized by section 5316 of title 49, United States Code.

Section 166 prohibits funds from being used to carry out 49 U.S.C. 5309(m)(6)(B) and (C).

Section 167 prohibits a full funding grant agreement for a project with a new starts share greater than 60%.

Section 168 directs the Secretary to conduct a formal adjudication related to charter bus service under part 604 of title 49 CFR.

Section 169 permits the Secretary to consider significant private contributions when calculating the non-Federal share of new starts projects.

Section 169A rescinds unobligated prior year funds from various transit accounts.

Section 169B prohibits funds for a certain fixed guideway project in Houston, Texas.

Section 169C allows fuel and utilities for vehicles to be treated as a capital maintenance expense under section 5307 in fiscal year 2013, up to $100,000,000.

Language is included under the Saint Lawrence Seaway Development Corporation that authorizes expenditures, contracts, and commitments as may be necessary.

Language is included under the Saint Lawrence Seaway Development Corporation "Operations and Maintenance" that provides funds derived from the Harbor Maintenance Trust Fund.

Language is included under Maritime Administration, "Maritime Security Program" that provides funds to preserve a U.S. flag merchant fleet.

Language is included under Maritime Administration, "Operations and Training" that provides dedicated funds for salaries and benefits of employees of the United States Merchant Marine Academy, Student Incentive Program payments, capital improvements at the United States Merchant Marine Academy, and the State Maritime Schools Schoolship Maintenance and Repair; directs allotment holders, and limits funds until the Secretary completes a plan detailing how funding will be expended at the Academy.

Language is included under Maritime Administration, "Ship Disposal" that limits the availability of funds.

Language is included under Maritime Administration, "Maritime Guaranteed Loan (Title XI) Program Account" that provides for the transfer to Operations and Training. Section 170 allows the Maritime Administration to furnish utilities and services and make repairs to any lease, contract, or occupancy involving government

property under the control of MARAD and rental payments shall be covered into the Treasury as miscellaneous receipts.

Section 170 allows the Maritime Administration to furnish utilities and services and make repairs to any lease, contract, or occupancy involving government property under the control of MARAD.

Section 171 continues a provision regarding MARAD ship disposal.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Operational expenses" which specifies the amount derived from the pipeline safety fund and requires that $1,500,000 be transferred to the pipeline safety account to fund pipeline safety information grants to communities.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Hazardous materials safety" which limits the availability of a certain amount and allows up to $800,000 in fees collected under 49 U.S.C. 5108(g) to be deposited in the general fund of the Treasury as offsetting receipts.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Hazardous materials safety" that credits certain funds received for expenses incurred for training and other activities incurred in performance of hazardous materials exemptions and approval functions.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Pipeline safety" which specifies the amounts derived from the pipeline safety fund and the oil spill liability trust fund and limits their period of availability.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Pipeline safety" that requires the agency to fund the one-call state grant program.

Language is included under Pipeline and Hazardous Materials Safety Administration, "Emergency Preparedness Grants" which specifies the amount derived from the emergency preparedness fund, limits the availability of some funds, and prohibits funds from being obligated by anyone other than the Secretary or his designee.

Language is included under Office of Inspector General, "Salaries and expenses" that provides the Inspector General with all necessary authority to investigate allegations of fraud by any person or entity that is subject to regulation by the Department of Transportation and the authority to investigate unfair or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents.

Language is included under the Office of the Inspector General, "Salaries and expenses" providing the IG with authority to conduct audits and investigations of the Metropolitan Washington Airports Authority (MWAA) and to require MWAA to reimburse the IG to these audits and investigations.

Language is included under Surface Transportation Board, "Salaries and expenses" allowing the collection of $1,250,000 in fees established by the Chairman of the Surface Transportation Board; and providing that the sum appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such fees are received.

Section 180 allows the Department of Transportation to use funds for aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 181 limits appropriations for services authorized by 5 U.S.C. 3109 to the rate for an Executive Level IV.

Section 182 prohibits funds in this Act for salaries and expenses of more than 110 political and Presidential appointees in the Department of Transportation, and prohibits political and Presidential personnel assigned on temporary detail outside the Department of Transportation.

Section 183 prohibits recipients of funds made available in this Act from releasing personal information, including Social Security number, medical or disability information, and photographs from a driver's license or motor vehicle record, without express consent of the person to whom such information pertains; and prohibits the withholding of funds provided in this Act for any grantee if a state is in noncompliance with this provision.

Section 184 allows funds received by the Federal Highway Administration, Federal Transit Administration, and the Federal Railroad Administration from states, counties, municipalities, other public authorities, and private sources to be used for expenses incurred for training may be credited to each agency's respective accounts.

Section 185 prohibits funds in Title I of this Act from being issued for any grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administrations.

Section 186 allows funds received from rebates, refunds, and similar sources to be credited to Department of Transportation appropriations.

Section 187 allows amounts from improper payments to a third party contractor that are lawfully recovered by the Department of Transportation to be available to cover expenses incurred in recovery of such payments.

Section 188 stipulates that the Committees on Appropriations solely approve or deny any funds provided or limited in this Act that are subject to a reprogramming action that requires notice to be provided to the House and Senate Committees on Appropriations.

Section 189 prohibits the Surface Transportation Board from charging or collecting filing fees for late complaints in an amount in excess of the authorized amount under section 1914 of title 28, United States Code.

Section 190 allows funds to modal administrations to be obligated to the Office of the Secretary for the costs related to assessments or reimbursable agreements only when the services provide a direct benefit to the applicable modal administration.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Language is included under Department of Housing and Urban Development, "Management and Administration" which designates

funds for "Administration, Operations and Maintenance"; allows funds to be used for certain administrative and non-administrative expenses; allows funds to be used for advertising and promotional activities; requires the Secretary to submit a detailed budget justification for each office within the Department.

Language is included under Department of Housing and Urban Development, "Program office salaries and expenses" which designates funds for "Public and Indian Housing," "Community Planning and Development," "Housing," "Policy Development and Research," "Fair Housing and Equal Opportunity" and "Office of Healthy Homes and Lead Hazard Control."

Language is included under Department of Housing and Urban Development, "Tenant-Based Rental Assistance" which specifies funds for certain programs, activities and purposes and limits the use and availability of certain funds; specifies the methodology for allocation of renewal funding; directs the Secretary to provide renewal funding based on validated voucher system leasing and cost data for the prior year; prohibits funds to exceed a public housing agency's authorized level of units under contract, except for those participating in the Moving to Work demonstration; directs the Secretary to the extent possible to prorate each public housing agency's (PHA) allocation; directs the Secretary to notify PHAs of their annual budget not later than 60 days after enactment of the Act; allows the Secretary to extend the notification period with the prior approval of the House and Senate appropriations committees; specifies the amounts available to the Secretary to allocate to PHAs that need additional funds and for fees; specifies the amount for additional rental subsidy due to unforeseen emergencies and portability; provides funding for public housing agencies with vouchers that were not in use during the previous 12 month period in order to be available to meet a commitment pursuant to section 8(o)(13); provides funding for incremental vouchers for homeless veterans; and provides for adjustments in allocations for PHAs that participate in the Small Area Fair Market Rent demonstration.

Language is included under Department of Housing and Urban Development, "Tenant-Based Rental Assistance" which provides funds for tenant protection vouchers; sets certain conditions for the Secretary to provide such vouchers; provides funds for residents of multi-family properties that would not otherwise have been eligible for tenant-protection vouchers; and sets eligibility requirements for multi-family properties to participate in the program.

Language is included under Department of Housing and Urban Development, "Tenant-Based Rental Assistance" which provides funds for administrative and other expenses of public housing agencies to administer the section 8 tenant-based rental assistance program; sets an amount to be available to PHAs that need additional funds to administer tenant protection assistance, disaster related vouchers, Veterans Affairs Supportive Housing vouchers and other special purpose vouchers; establishes that "Moving to Work" (MTW) agencies be funded pursuant to their MTW agreements; provides funds for family self-sufficiency coordinators; and provides funds for section 811 mainstream vouchers.

Language is included under Department of Housing and Urban Development, "Tenant-Based Rental Assistance" which provides

funds for Veterans Affairs Supportive Housing (VASH) vouchers, sets requirements for the administration of VASH vouchers, specifies that funds shall remain available for homeless veterans upon turn-over of such vouchers, and requires the Secretary separately track such vouchers.

Language is included under Department of Housing and Urban Development, "Housing Certificate Fund" which rescinds prior year funds; and allows the Secretary to use recaptures to fund project-based contracts and contract administrators.

Language is included under Department of Housing and Urban Development, "Public Housing Capital Fund" which limits the availability of funds; limits the delegation of certain waiver authorities and prohibits funds from being used for certain activities; specifies the total amount available for certain activities; specifies an amount for ongoing Public Housing Financial and Physical Assessment activities of the Real Estate Assessment Center; specifies an amount for emergency capital needs; specifies the amount for support services, service coordinators and congregate services; specifies the amount to support the costs of administrative and judicial receiverships; and makes funds available for bonuses for high performing PHAs.

Language is included under Department of Housing and Urban Development, "Public Housing Operating Fund" which sets the basis for the allocation of funds and prohibits the use of funds under certain conditions, and provides the Secretary with the authority to take into account changes in requirements on PHAs in the administration of the section 8 voucher program.

Language is included under Department of Housing and Urban Development, "Native American Housing Block Grants" which limits the availability of funds; specifies the formula for allocation; specifies the amounts for technical assistance and capacity building to support the inspection of Indian housing units, administrative expenses, to subsidize the total principal amount of any notes, and the cost of guaranteed notes, which are defined in section 502 of the Congressional Budget Act of 1974.

Language is included under Department of Housing and Urban Development, "Indian Housing Loan Guarantee Fund Program Account" which limits the availability of funds; specifies how to define the costs of modifying loans; specifies the amount and availability of funds to subsidize total loan principal; and provides a dedicated amount for administrative expenses.

Language is included under Department of Housing and Urban Development, "Housing Opportunities for Persons with AIDS" which limits availability of funds and sets forth certain requirements for the allocation and renewal of funds and contracts.

Language is included under Department of Housing and Urban Development, "Community Development Fund" which limits the use and availability of certain funds; specifies the allocation of certain funds; specifies the amount made available for grants to federally-recognized Indian tribes, emergencies, Economic Development Initiatives with certain restrictions, and Neighborhood Initiatives with certain restrictions and the Sustainable Communities Initiative.

Language is included under Department of Housing and Urban Development, "Community Development Loan Guarantees Program Account" which limits the availability of funds; specifies how to define the costs of modifying loans; and specifies the amount and availability of funds to subsidize total loan principal.

Language is included under Department of Housing and Urban Development, "Home Investment Partnerships Program" which limits the availability of funds; specifies the allocation of certain funds for certain purposes; and directs HUD to notify formula grantees no later than 60 days after enactment of the Act.

Language is included under Department of Housing and Urban Development, "Self-Help and Assisted Homeownership Opportunity Program" which limits the availability of funds; specifies the allocation of certain funds for certain purposes; and directs HUD to issue a NOFA not later than 60 days after enactment of the Act.

Language is included under Department of Housing and Urban Development, "Homeless Assistance Grants" which limits the availability of funds; specifies the allocation of certain funds for certain purposes; specifies matching requirements; directs the Secretary to renew contracts under certain conditions; requires grantees to integrate homeless programs with other social service providers.

Language is included under Department of Housing and Urban Development, "Project-Based Rental Assistance" which limits the availability of funds and specifies the allocation of certain funds for certain purposes; and allows the Secretary to recapture residual receipts from certain properties.

Language is included under Department of Housing and Urban Development, "Housing for the Elderly" which limits the availability of funds; specifies the allocation of certain funds; designates certain funds to be used only for certain grants; allows the Secretary to waive certain provisions governing contract terms; and allows the Secretary to recapture residual receipts from certain properties.

Language is included under Department of Housing and Urban Development, "Housing for Persons with Disabilities" which limits the availability of funds; specifies the allocation of certain funds; and allows funds to be used to renew certain contracts.

Language is included under Department of Housing and Urban Development, "Housing Counseling Assistance" which limits the availability of funds and specifies amounts to be used for administrative contract services.

Language is included under Department of Housing and Urban Development, "Payment to Manufactured Housing Fees Trust Fund" which limits the availability of funds and permits fees to be assessed, modified, and collected, and permits temporary borrowing authority from the General Fund of the Treasury.

Language is included under the Department of Housing and Urban Development, "Mutual Mortgage Insurance Program Account" which sets a loan principal limitation; limits the obligations to make direct loans; specifies funds for specific purposes; allows for the transfer of certain funds; allows for additional contract expenses as guaranteed loan commitments exceed certain levels.

Language is included under Department of Housing and Urban Development, "General and Special Risk Program Account" which

sets a loan principal limitation; limits the obligations to make direct loans; specifies funds for specific purposes; and allows for the transfer of funds.

Language is included under Department of Housing and Urban Development, "Government National Mortgage Association" which limits new commitments to issue guarantees, provides funds for salaries and expenses, and allows for additional salaries and expenses as guaranteed loan commitments exceed certain levels.

Language is included under Department of Housing and Urban Development, "Policy Development and Research" which limits the availability of funds and specifies authorized uses.

Language is included under Department of Housing and Urban Development, "Fair Housing and Equal Opportunity" which limits the availability of funds; authorizes the Secretary to assess and collect fees; places restrictions on the use of funds for lobbying activities; and provides funds for programs that support the assistance of persons with limited English proficiency.

Language is included under Department of Housing and Urban Development, "Office of Lead Hazard Control and Healthy Homes" which limits the availability of funds; specifies the amount of funds for specific purposes; specifies the treatment of certain grants, specifies a matching requirement for grants, requires certification of grantee capacity, and allows for a reallocation of grant funds based on demand for such grants.

Language is included under Department of Housing and Urban Development, "Management and Administration: Working Capital Fund" which limits the availability and purpose of funds, including funds transferred, provides funds for the development of information technology systems, and restricts the amount provided until the Secretary submits an expenditure plan for such systems.

Language is included under Department of Housing and Urban Development, "Office of Inspector General" which specifies the use of funds and directs that the IG shall have independent authority over all personnel issues within the office.

Language is included under Department of Housing and Urban Development, "Transformation Initiative" (TI) which provides funds for research, evaluation, program metrics and demonstrations, and requires a match from participants in such agreements.

Section 201 relates to the division of financing adjustment factors.

Section 202 prohibits available funds from being used to investigate or prosecute lawful activities under the Fair Housing Act.

Section 203 corrects an anomaly in the HOPWA formula that results in the loss of funds for certain states.

Section 204 requires funds appropriated to be distributed on a competitive basis in accordance with the Department of Housing and Urban Development Reform Act of 1989.

Section 205 establishes the availability of funds subject to the Government Corporation Control Act and the Housing Act of 1950.

Section 206 sets requirements on the allocation of funds in excess of the budget estimates.

Section 207 sets requirements regarding the expenditure of funds for corporations and agencies subject to the Government Corporation Control Act.

Section 208 requires the Secretary to provide quarterly reports on uncommitted, unobligated and excess funds in each departmental program and activity.

Section 209 requires that the Administration's budget and the Department's budget justifications for fiscal year 2014 shall be submitted in the identical account and sub-account structure provided in this Act.

Section 210 exempts PHA Boards in Alaska, Iowa, and Mississippi and the County of Los Angeles from public housing resident representation requirement.

Section 211 authorizes HUD to transfer debt and use agreements from an obsolete project to a viable project, provided that no additional costs are incurred, and other conditions are met.

Section 212 prohibits the IG from changing the basis on which the audit of GNMA is conducted.

Section 213 sets requirements for eligibility for Section 8 voucher assistance, and includes consideration for persons with disabilities.

Section 214 requires the distribution of Native American housing block grant funds to the same Native Alaskan recipients as 2005.

Section 215 authorizes the Secretary to insure mortgages under Section 255 of the National Housing Act.

Section 216 instructs HUD on managing and disposing of any multifamily property that is owned by HUD.

Section 217 requires the Secretary to report quarterly on HUD's use of all sole source contracts.

Section 218 authorizes the Secretary to waive certain requirements on adjusted income for certain assisted living projects for counties in Michigan.

Section 219 allows the recipient of a section 202 grant to establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity.

Section 220 allows amounts provided under the Section 108 loan guarantee program may be used to guarantee notes or other obligations issued by any State on behalf of non-entitlement communities in the State, and that regulations shall be promulgated within 60 days of enactment.

Section 221 instructs HUD that PHAs that own and operate 400 units or fewer of public housing are exempt from asset management requirements.

Section 222 restricts the Secretary from imposing any requirement or guideline relating to asset management that restricts or limits the use of capital funds for central office costs, up to the limit established in QHWRA.

Section 223 requires that no employee of the Department shall be designated as an allotment holder unless the CFO determines that such allotment holder has received training.

Section 224 provides that funding for indemnities is limited to non-programmatic litigation and is restricted to the payment of attorney fees only.

Section 225 sets requirements regarding Notice of Funding Availability (NOFA) announcements and publication.

Section 226 authorizes the Secretary to transfer up to 5 percent of funds appropriated under the title "Personnel Compensation and Benefits."

Section 227 allows the Disaster Housing Assistance Programs to be considered a program of the Department of Housing and Urban Development for the purpose of income verifications and matching.

Section 228 sets limitations on funds used for PHA salary levels.

Section 229 allows critical access hospitals to be insured under section 242 of the National Housing Act.

Section 230 allows the Secretary to increase loan guarantee fees under the Indian Housing Loan Guarantee Program.

Section 231 allows evictions in HOME-funded properties when necessary to ensure safety and that allows recaptured HOME technical assistance funding to be redistributed in the formula program.

Section 232 extends the availability of Hope VI funds appropriated in prior years.

Section 233 requires annual, rather than quarterly, reporting by the Secretary regarding duplication of benefits in Community Development Fund disaster funding.

Section 234 repeals paragraphs under the heading "Flexible Subsidy Fund."

TITLE III—RELATED AGENCIES

Language is included for the Access Board, "Salaries and Expenses" that allows for the credit to the appropriation of funds received for publications and training expenses.

Language is included for the Federal Maritime Commission, "Salaries and Expenses" that provides funds for services authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, uniforms and allowances, and official reception and representation expenses.

Language is included for the National Railroad Passenger Corporation, Office of Inspector General, "Salaries and Expenses" to provide funds for an independent, objective unit responsible for detecting and preventing fraud, waste, abuse, and violations of law and promoting economy, efficiency and effectiveness at Amtrak.

Language is included for the National Railroad Passenger Corporation, Office of Inspector General, "Salaries and expenses" which requires the IG to submit its budget request concurrently with the President's budget and in a similar format.

Language is included under National Transportation Safety Board, "Salaries and expenses" that provides funds for hire of passenger motor vehicles and aircraft, services authorized by 5 U.S.C. 3109, uniforms or allowances therefore, and for official reception and representation expenses.

Language is included under National Transportation Safety Board, "Salaries and expenses" that allows funds provided in this Act to be used to pay for costs associated with a 2001 capital lease.

Language is included in the Neighborhood Reinvestment Corporation (NRC), "Payment to the Neighborhood Reinvestment Corporation" which limits the availability of funds; specifies the allocation of funds to certain activities; and specifies the terms and conditions surrounding NRC activities.

Language is included for the United States Interagency Council on Homelessness, "Operating Expenses" that provides funds for salaries, travel, hire of passenger motor vehicles, rental of conference rooms, and the employment of experts and consultants.

TITLE IV—GENERAL PROVISIONS, THIS ACT

Section 401 requires pay raises to be funded within appropriated levels in this Act or previous appropriations Acts.

Section 402 prohibits pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 403 prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided herein.

Section 404 limits consulting service expenditures of public record in procurement contracts.

Section 405 specifies reprogramming procedures by subjecting the establishment of new offices and reorganizations to the reprogramming process.

Section 406 provides that fifty percent of unobligated balances may remain available for certain purposes.

Section 407 requires a report from all agencies and departments funded under this Act to the Committees on Appropriations on all sole source contracts by no later than July 30, 2010.

Section 408 prohibits Federal training not directly related to the performance of official duties.

Section 409 prohibits funds from being used for any project that seeks to use the power of eminent domain unless eminent domain is employed only for a public use.

Section 410 prohibits the transfer of funds made available in this Act to any instrumentality of the United States Government except as authorized by this Act or any other appropriations Act.

Section 411 prohibits funds in this Act from being used to permanently replace an employee intent on returning to his past occupation after the completion of military service.

Section 412 prohibits funds in this Act from being used unless the expenditure is in compliance with the Buy American Act.

Section 413 prohibits funds from being appropriated or made available to any person or entity that has been found to violate the Buy American Act.

Section 414 prohibits funds for first-class airline accommodations in contravention of section 301–10.122 and 301–10.123 of title 41 CFR.

Section 415 prohibits funds in this Act or any prior Act from going to the group ACORN or any of its affiliates, subsidiaries, or allied organizations.

Section 416 prohibits convicted felons from receiving certain Federal funds.

Section 417 prohibits funding to corporations with any unpaid Federal tax liability.

Section 418 establishes a spending reduction account.

APPROPRIATIONS NOT AUTHORIZED BY LAW

The Committee, in a number of instances, has found it necessary to recommend funding for ongoing activities and programs for which authorizations have not been enacted to date. These include some of the programs under the Department of Transportation, Department of Housing and Urban Development, and related agen-

cies. Pursuant to clause 3(f)(1)(B) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law for the period concerned:

APPROPRIATIONS NOT AUTHORIZED BY LAW AND EXPIRING AUTHORIZATIONS

[Dollars in thousands]

Program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
TITLE I—DEPARTMENT OF TRANSPORTATION				
Office of the Secretary of Transportation:				
Research and Development [1]	.....	.....	.....	$13,670
Federal Highway Administration:				
Federal-aid Highways [2]	2012	$39,446,216	$39,143,583	39,143,583
Federal Motor Carrier Safety Administration:				
Motor Carrier Safety Operations and Programs [2]	2012	244,144	247,724	244,144
Motor Carrier Safety Grants [2]	2012	307,000	307,000	307,000
National Highway Traffic Safety Administration:				
Operations and Research—General Fund	2009	157,400	127,000	152,000
Operations and Research—Highway Trust Fund [2]	2012	108,244	105,500	118,244
National Driver Register—Highway Trust Fund [2]	2012	4,116	4,000	4,166
Highway Traffic Safety Grants [2]	2012	550,328	550,328	501,828
Federal Transit Administration:				
Administrative Expenses [2]	2012	98,713	98,713	100,000
Research and University Research Centers [2]	2012	44,000	44,000	44,000
Capital Investment Grants [2]	2012	1,955,000	1,950,000	1,816,993
Formula & Bus Grants [2]	2012	8,360,565	8,360,565	8,360,565
Maritime Administration:				
Operations and Training	2012	164,158	156,258	145,753
Ship Disposal	2012	18,500	5,500	4,000
Title XI	2012	14,260	3,740	3,750
Pipeline and Hazardous Materials Safety Administration:				
Hazardous Materials Safety	2009	32,000	32,000	42,546
Emergency Preparedness Grants	2009	30,000	28,318	28,318
Surface Transportation Board:				
Surface Transportation Board	1998	12,000	13,853	31,250
TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Rental Assistance:				
Section 8 Contract Renewals and Administrative Expenses	1994	8,446,173	5,458,106	8,440,400
Contract Administrators	.....	.....	.....	260,000
Public Housing Capital Fund	2003	3,000,000	2,712,555	1,985,000
Public Housing Operating Fund	2003	2,900,000	3,576,600	4,524,000
Indian Housing Loan Guarantee Fund	2007	(3)	6,000	6,000
Housing Opportunity for Persons with AIDS	1994	156,300	156,000	330,000
Community Development Fund:				
Community Development Block Grant	1994	4,168,000	4,380,000	3,404,000
Home Investment Partnership	1994	2,173,612	1,275,000	1,200,000
Self-Help Homeownership Opportunity Program	2000	.....	53,500	60,000
Homeless Assistance	2011	(3)	1,905,000	2,000,000
Housing for the Elderly	2003	.....	783,286	425,000
Housing for Persons with Disabilities	2003	.....	250,515	165,000
FHA General and Special Risk Program Account:				
Limitations on Guaranteed Loans	1995	.....	(20,885,072)	(25,000,000)
Limitation on Direct Loans	1995	.....	(220,000)	(20,000)
Credit Subsidy	1995	.....	188,395	.....
Administrative Expenses	1995	.....	197,470	215,000
GNMA Mortgage Backed Securities Loan Guarantee Program Account:				
Limitations on Guaranteed Loans	1996	(110,000,000)	(110,000,000)	(500,000,000)

APPROPRIATIONS NOT AUTHORIZED BY LAW AND EXPIRING AUTHORIZATIONS—Continued

[Dollars in thousands]

Program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Administrative Expenses	1996		9,101	20,500
Policy Development and Research	1994	36,470	35,000	52,000
Fair Housing Activities, Fair Housing Program	1994	26,000	20,481	68,000
Lead Hazard Reduction Program	1994	276,000	185,000	120,000
Salaries and Expenses	1994	1,029,496	916,963	1,326,614
Transformation Initiative				50,000
TITLE III—RELATED AGENCIES				
National Transportation Safety Board	2008	96,625	91,000	102,400

[1] Research and Development was previously appropriated in the Research and Innovative Technology Administration and has been appropriated through the Office of the Secretary in this bill.

[2] For surface transportation programs, the authorized level in this table is actually the annualized level of authorization provided in P.L. 112-102, which goes through June 30, 2012.

[3] Such sums as necessary.

COMPARISON WITH THE BUDGET RESOLUTION

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1)(A) of the Congressional Budget Act of 1974, the following table compares the levels of new budget authority and outlays provided in the bill with the appropriate allocations made under section 302(b) of the Budget Act:

BUDGETARY IMPACT OF TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2013 PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	302(b) Allocation		This Bill	
	Budget Authority	Outlays	Budget Authority	Outlays
Comparison of amounts in the bill with Committee allocations to its subcommittees: Subcommittee on Transportation, Housing and Urban Development, and Related Agencies				
Discretionary	51,606	115,161	51,606	[1] 114,864
Mandatory	0	0	0	0

[1] Includes outlays from prior-year budget authority.

FIVE-YEAR OUTLAY PROJECTIONS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(B) of the Congressional Budget Act of 1974, the following table contains five-year outlay projections associated with the budget authority provided in the accompanying bill, as provided to the Committee by the Congressional Budget Office:

BUDGETARY IMPACT OF TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2013 PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	302(b) Allocation		This Bill	
	Budget Authority	Outlays	Budget Authority	Outlays
Comparison of amounts in the bill with Committee allocations to its subcommittees: Subcommittee on Transportation, Housing and Urban Development, and Related Agencies				
Projection of outlays associated with the recommendation:				
2013	n.a.	n.a.	n.a.	[1] 37,955
2014	n.a.	n.a.	n.a.	32,021
2015	n.a.	n.a.	n.a.	13,838
2016	n.a.	n.a.	n.a.	5,973
2017 and future years	n.a.	n.a.	n.a.	6,965

[1] Excludes outlays from prior-year budget authority.
n.a.: not applicable.

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(C) of the Congressional Budget Act of 1974, the Congressional Budget Office has provided the following estimates of new budget authority and outlays provided by the accompanying bill for financial assistance to State and local governments:

BUDGETARY IMPACT OF TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2013 PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	302(b) Allocation		This Bill	
	Budget Authority	Outlays	Budget Authority	Outlays
Comparison of amounts in the bill with Committee allocations to its subcommittees: Subcommittee on Transportation, Housing and Urban Development, and Related Agencies				
Financial assistance to State and local governments for 2013	n.a.	n.a.	32,162	[2] 30,359

n.a.: not applicable.

CONSTITUTIONAL AUTHORITY

Pursuant to section 6(e) of the rules of the Committee on Appropriations, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill:

The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . ." In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . to pay the Debts and provide for the common Defense and general welfare of the United States . . ." Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to

appropriate funds, to determine their purpose, amount, and period of availability and to set forth terms and conditions governing their use.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

The following table provides a detailed summary, for each department and agency, comparing the amounts recommended in the bill with fiscal year 2012 enacted amounts and budget estimates presented for fiscal year 2013:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF TRANSPORTATION					
Office of the Secretary					
Salaries and expenses	102,481	110,450	108,277	+5,796	-2,173
Immediate Office of the Secretary	(2,618)	---	(2,635)	(+17)	(+2,635)
Immediate Office of the Deputy Secretary	(984)	---	(992)	(+8)	(+992)
Office of the General Counsel	(19,515)	---	(19,615)	(+100)	(+19,615)
Office of the Under Secretary of Transportation for Policy	(10,107)	---	(11,248)	(+1,141)	(+11,248)
Office of the Assistant Secretary for Budget and Programs	(10,538)	---	(12,825)	(+2,287)	(+12,825)
Office of the Assistant Secretary for Governmental Affairs	(2,500)	---	(2,601)	(+101)	(+2,601)
Office of the Assistant Secretary for Administration	(25,469)	---	(27,095)	(+1,626)	(+27,095)
Office of Public Affairs	(2,020)	---	(2,034)	(+14)	(+2,034)
Office of the Executive Secretariat	(1,595)	---	(1,701)	(+106)	(+1,701)
Office of Small and Disadvantaged Business Utilization	(1,369)	---	(1,539)	(+170)	(+1,539)
Office of Intelligence, Security, and Emergency Response	(10,778)	---	(10,875)	(+97)	(+10,875)
Office of the Chief Information Officer	(14,988)	---	(15,117)	(+129)	(+15,117)
Research and Development	---	13,670	---	---	-13,670
National Infrastructure Investments	500,000	500,000	---	-500,000	-500,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Livable Communities Initiative	---	5,000	---	---	-5,000
Financial Management Capital	4,990	10,000	10,000	+5,010	---
Cyber Security Initiatives	10,000	6,000	6,000	-4,000	---
Office of Civil Rights	9,384	9,773	9,773	+389	---
Transportation Planning, Research, and Development	9,000	10,000	8,000	-1,000	-2,000
Working Capital Fund	(172,000)	---	(174,128)	(+2,128)	(+174,128)
Minority Business Resource Center Program	922	1,285	1,285	+363	---
(Limitation on guaranteed loans)	(18,367)	(21,955)	(21,955)	(+3,588)	---
Minority Business Outreach	3,068	3,234	3,234	+166	---
Payments to Air Carriers (Airport & Airway Trust Fund)	143,000	114,000	114,000	-29,000	---
Rescission of excess compensation for general aviation operations	-3,254	---	---	+3,254	---
Total, Office of the Secretary	779,591	783,412	260,569	-519,022	-522,843
Federal Aviation Administration					
Operations	9,653,395	9,718,000	9,718,000	+64,605	---
Air traffic organization	(7,442,738)	---	(7,513,850)	(+71,112)	(+7,513,850)
Aviation safety	(1,252,991)	---	(1,255,000)	(+2,009)	(+1,255,000)
Commercial space transportation	(16,271)	---	(16,700)	(+429)	(+16,700)
Finance and management	(582,117)	---	(573,591)	(-8,526)	(+573,591)
Human resources programs	(98,858)	---	---	(-98,858)	---
Staff offices	(200,286)	---	(298,795)	(+98,509)	(+298,795)
NextGen	(60,134)	---	(60,064)	(-70)	(+60,064)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Facilities and Equipment (Airport & Airway Trust Fund)	2,730,731	2,850,000	2,749,596	+18,865	-100,404
Research, Engineering, and Development (Airport & Airway Trust Fund	167,556	180,000	175,000	+7,444	-5,000
Rescission	---	-26,184	-26,184	-26,184	---
Subtotal	167,556	153,816	148,816	-18,740	-5,000
Grants-in-Aid for Airports (Airport and Airway Trust Fund)(Liquidation of contract authorization)	(3,435,000)	(3,400,000)	(3,400,000)	(-35,000)	---
(Limitation on obligations)	(3,350,000)	(3,350,000)	(3,350,000)	---	---
Administration	(101,000)	(103,000)	(105,000)	(+4,000)	(+2,000)
Airport Cooperative Research Program	(15,000)	(15,000)	(15,000)	---	---
Airport technology research	(29,250)	(29,300)	(29,300)	(+50)	---
Small community air service development program	(6,000)	---	---	(-6,000)	---
Chapter 471 reform obligation limitation reduction (legislative proposal)	---	(-926,000)	---	---	(+926,000)
Aviation Insurance Revolving Fund (Sec. 117)	---	-1,000	---	---	+1,000
Total, Federal Aviation Administration	12,551,682	12,720,816	12,616,412	+64,730	-104,404
Appropriations	(12,551,682)	(12,747,000)	(12,642,596)	(+90,914)	(-104,404)
Rescissions	---	(-26,184)	(-26,184)	(-26,184)	---
Limitations on obligations	(3,350,000)	(2,424,000)	(3,350,000)	---	(+926,000)
Total budgetary resources	(15,901,682)	(15,144,816)	(15,966,412)	(+64,730)	(+821,596)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal Highway Administration					
Limitation on Administrative Expenses.....	(412,000)	(437,780)	(392,855)	(-19,145)	(-44,925)
Federal-Aid Highways (Highway Trust Fund):					
(Liquidation of contract authorization).....	(39,882,583)	(42,569,000)	(39,882,583)	---	(-2,686,417)
(Limitation on obligations).....	(39,143,583)	(41,830,000)	(39,143,583)	---	(-2,686,417)
(Exempt contract authority).....	(739,000)	(739,000)	(739,000)	---	---
Emergency Relief (disaster relief category).....	1,662,000	---	---	-1,662,000	---
Total, Federal Highway Administration.....	1,662,000	---	---	-1,662,000	---
Disaster relief category.....	(1,662,000)	---	---	(-1,662,000)	---
Limitations on obligations.....	(39,143,583)	(41,830,000)	(39,143,583)	---	(-2,686,417)
Exempt contract authority.....	(739,000)	(739,000)	(739,000)	---	---
Total budgetary resources.....	(41,544,583)	(42,569,000)	(39,882,583)	(-1,662,000)	(-2,686,417)
Federal Motor Carrier Safety Administration					
Motor Carrier Safety Operations and Programs (Highway Trust Fund)(Liquidation of contract authorization)..	(247,724)	(250,000)	(244,144)	(-3,580)	(-5,856)
(Limitation on obligations).....	(247,724)	(250,000)	(244,144)	(-3,580)	(-5,856)
Motor Carrier Safety Grants (Highway Trust Fund)					
(Liquidation of contract authorization).....	(307,000)	(330,000)	(307,000)	---	(-23,000)
(Limitation on obligations).....	(307,000)	(330,000)	(307,000)	---	(-23,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
CVISN contract authority (Sec. 131)	1,000	---	---	-1,000	---
Rescission of contract authority	-1,000	---	---	+1,000	---
Total, Federal Motor Carrier Safety Administration	---	---	---	---	---
Limitations on obligations	(554,724)	(580,000)	(551,144)	(-3,580)	(-28,856)
Total budgetary resources	(554,724)	(580,000)	(551,144)	(-3,580)	(-28,856)
National Highway Traffic Safety Administration					
Operations and Research (general fund)	140,146	---	152,000	+11,854	+152,000
Vehicle Safety	---	188,000	---	---	-188,000
Operations and Research (Highway Trust Fund)					
(Liquidation of contract authorization)	(109,500)	(150,000)	(122,360)	(+12,860)	(-27,640)
(Limitation on obligations)	(109,500)	---	(122,360)	(+12,860)	(+122,360)
Highway Safety Research and Development (Limitation on obligations)	---	(150,000)	---	---	(-150,000)
Subtotal	249,646	338,000	274,360	+24,714	-63,640
Highway Traffic Safety Grants (Highway Trust Fund)					
(Liquidation of contract authorization)	(550,328)	(643,000)	(501,828)	(-48,500)	(-141,172)
(Limitation on obligations)	(550,328)	(643,000)	(501,828)	(-48,500)	(-141,172)
Highway safety programs (23 USC 402)	(235,000)	(317,500)	(235,000)	---	(-82,500)
Occupant protection incentive grants(23 USC 405)	(25,000)	(40,000)	(25,000)	---	(-15,000)
Safety belt performance grants (23 USC 406)	(48,500)	---	---	(-48,500)	---
Distracted driving prevention	---	(50,000)	---	---	(-50,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
State traffic safety information system improvement(23 USC 408)	(34,500)	(34,500)	(34,500)	---	---
Impaired driving countermeasures (23 USC 410)	(139,000)	(139,000)	(139,000)	---	---
Grant administration	(25,328)	(18,000)	(25,328)	---	(+7,328)
High visibility enforcement	(29,000)	(37,000)	(29,000)	---	(-8,000)
Child safety and booster seat grants	(7,000)	---	(7,000)	---	(+7,000)
Motorcyclist safety	(7,000)	(7,000)	(7,000)	---	---
Total, National Highway Traffic Safety Administration	140,146	188,000	152,000	+11,854	-36,000
Limitations on obligations	(659,828)	(793,000)	(624,188)	(-35,640)	(-168,812)
Total budgetary resources	(799,974)	(981,000)	(776,188)	(-23,786)	(-204,812)
Federal Railroad Administration					
Safety and Operations	178,596	196,000	184,000	+5,404	-12,000
Offsetting fee collections (legislative proposal)	---	-40,000	---	---	+40,000
Direct appropriation	178,596	156,000	184,000	+5,404	+28,000
Railroad Research and Development	35,000	35,500	35,500	+500	---
System Preservation	---	1,546,000	---	---	-1,546,000
Network Development	---	1,000,000	---	---	-1,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Railroad Passenger Corporation:					
Operating Grants to the National Railroad Passenger Corporation	466,000	---	350,000	-116,000	+350,000
Capital and Debt Service Grants to the National Railroad Passenger Corporation	952,000	---	1,452,000	+500,000	+1,452,000
Subtotal	1,418,000	---	1,802,000	+384,000	+1,802,000
Next Gen High Speed Rail Service (rescission)	---	-1,973	-1,973	-1,973	---
Northeast Corridor Improvement Program (rescission)	---	-4,419	-4,419	-4,419	---
Total, Federal Railroad Administration	1,631,596	2,731,108	2,015,108	+383,512	-716,000
Federal Transit Administration					
Administrative Expenses	98,713	---	100,000	+1,287	+100,000
Formula and Bus Grants (Hwy Trust Fund, Mass Transit Account (Liquidation of contract authorization)	(9,400,000)	---	(9,400,000)	---	(+9,400,000)
(Limitation on obligations)	(8,360,565)	---	(8,360,565)	---	(+8,360,565)
Rescission of prior year contract authority	---	-72,496	-72,496	-72,496	---
Research and Technology Deployment	---	120,957	---	---	-120,957
Transit Formula Grants (Hwy Trust Fund, Mass Transit Account (Liquidation of contract authorization)	---	(9,500,000)	---	---	(-9,500,000)
(Limitation on obligations)	---	(4,759,372)	---	---	(-4,759,372)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Transit Expansion and Livable Communities (liquidation of contract authorization)	---	(1,500,000)	---	---	(-1,500,000)
(limitation on obligations)	---	(212,185)	---	---	(-212,185)
Capital Investment Grants	---	2,235,486	---	---	-2,235,486
Operations and Safety	---	166,000	---	---	-166,000
Administrative programs	---	(129,700)	---	---	(-129,700)
Rail transit safety programs	---	(36,300)	---	---	(-36,300)
Research and University Research Centers	44,000	---	44,000	---	+44,000
Bus and Rail State of Good Repair (liquidation of contract authorization)	---	(1,500,000)	---	---	(-1,500,000)
(limitation on obligations)	---	(3,207,000)	---	---	(-3,207,000)
Capital Investment Grants	1,955,000	---	1,816,993	-138,007	+1,816,993
Rescission	-58,500	-11,429	-11,429	+47,071	---
Subtotal	1,896,500	-11,429	1,805,564	-90,936	+1,816,993
Washington Metropolitan Area Transit Authority					
Capital and Preventive Maintenance	150,000	135,000	150,000	---	+15,000
Rescission	---	-523	-523	-523	---
Subtotal	150,000	134,477	149,477	-523	+15,000
University Transportation Research (rescission)	---	-293	-293	-293	---
Job Access and Reverse Commute Grants (rescission)	---	-14,662	-14,662	-14,662	---
Research, Training and Human Resources (rescission)	---	-248	-248	-248	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Interstate Transfer Grants (rescission)	---	-2,662	-2,662	-2,662	---
Urban discretionary accounts (rescission)	---	-578	-578	-578	---
Total, Federal Transit Administration	2,189,213	2,554,552	2,008,102	-181,111	-546,450
Appropriations	(2,247,713)	(2,657,443)	(2,110,993)	(-136,720)	(-546,450)
Rescissions	(-58,500)	(-30,395)	(-30,395)	(+28,105)	---
Limitations on obligations	(8,360,565)	(8,178,557)	(8,360,565)	---	(+182,008)
Total budgetary resources	(10,549,778)	(10,733,109)	(10,368,667)	(-181,111)	(-364,442)
Saint Lawrence Seaway Development Corporation					
Operations and Maintenance (Harbor Maintenance Trust Fund)	32,259	33,000	33,000	+741	---
Maritime Administration					
Maritime Security Program	174,000	184,000	184,000	+10,000	---
Operations and Training	156,258	146,298	145,753	-10,505	-545
Rescission	-980	---	---	+980	---
Ship Disposal	5,500	10,000	4,000	-1,500	-6,000
Assistance to Small Shipyards	9,980	---	---	-9,980	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Maritime Guaranteed Loan (Title XI) Program Account:					
Administrative expenses	3,740	3,750	3,750	+10	---
Rescission	-35,000	---	---	+35,000	---
Subtotal	-31,260	3,750	3,750	+35,010	---
Total, Maritime Administration	313,498	344,048	337,503	+24,005	-6,545
Pipeline and Hazardous Materials Safety Administration					
Operational Expenses:					
General Fund	20,721	20,408	22,391	+1,670	+1,983
Pipeline Safety Fund	639	639	639	---	---
Pipeline Safety information grants to communities	(1,000)	(1,000)	(1,500)	(+500)	(+500)
Subtotal	21,360	21,047	23,030	+1,670	+1,983
Hazardous Materials Safety	42,338	50,673	42,546	+208	-8,127
Pipeline Safety:					
Pipeline Safety Fund	90,679	150,500	90,679	---	-59,821
Oil Spill Liability Trust Fund	18,573	21,510	18,573	---	-2,937
Pipeline Safety Design Review Fund (leg. proposal)	---	4,000	2,000	+2,000	-2,000
Subtotal	109,252	176,010	111,252	+2,000	-64,758
Subtotal, Pipeline and Hazardous Materials Safety Administration	172,950	247,730	176,828	+3,878	-70,902

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Pipeline safety user fees	-91,318	-151,139	-91,318	---	+59,821
Special permit and approval fees (leg. proposal)	---	-12,000	---	---	+12,000
Pipeline Safety Design Review fee (leg. proposal)	---	-4,000	-2,000	-2,000	+2,000
Emergency Preparedness Grants:					
Limitation on emergency preparedness fund	(28,318)	(28,318)	(28,318)	---	---
(Emergency preparedness fund)	(188)	(188)	(188)	---	---
Total, Pipeline and Hazardous Materials Safety Administration	81,632	80,591	83,510	+1,878	+2,919
Research and Innovative Technology Administration					
Research and Development	15,981	---	13,500	-2,481	+13,500
Office of Inspector General					
Salaries and Expenses	79,624	84,499	84,499	+4,875	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Surface Transportation Board					
Salaries and Expenses	29,310	31,250	31,250	+1,940	---
Offsetting collections	-1,250	-1,250	-1,250	---	---
Total, Surface Transportation Board	28,060	30,000	30,000	+1,940	---
Total, title I, Department of Transportation	19,505,282	19,550,026	17,634,203	-1,871,079	-1,915,823
Appropriations	(17,942,016)	(19,685,493)	(17,769,670)	(-172,346)	(-1,915,823)
Rescissions	(-97,734)	(-62,971)	(-62,971)	(+34,763)	---
Disaster relief category	(1,662,000)	---	---	(-1,662,000)	---
Rescissions of contract authority	(-1,000)	(-72,496)	(-72,496)	(-71,496)	---
Limitations on obligations	(52,068,700)	(53,805,557)	(52,029,480)	(-39,220)	(-1,776,077)
Total budgetary resources	(71,573,982)	(73,355,583)	(69,663,683)	(-1,910,299)	(-3,691,900)
TITLE II - DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Management and Administration					
Administration, Operations and Management	537,789	532,546	518,068	-19,721	-14,478

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Program Office Salaries and Expenses:					
Public and Indian Housing	200,000	211,634	206,500	+6,500	-5,134
Community Planning and Development	100,000	103,882	103,500	+3,500	-382
Housing	391,500	398,832	396,500	+5,000	-2,332
Policy Development and Research	22,211	21,394	22,326	+115	+932
Fair Housing and Equal Opportunity	72,600	74,296	72,904	+304	-1,392
Office of Healthy Homes and Lead Hazard Control	7,400	6,816	6,816	-584	---
Subtotal	793,711	816,854	808,546	+14,835	-8,308
Total, Management and Administration	1,331,500	1,349,400	1,326,614	-4,886	-22,786
Public and Indian Housing					
Tenant-based Rental Assistance:					
Renewals	17,242,351	17,237,948	17,237,948	-4,403	---
Tenant protection vouchers	75,000	75,000	75,000	---	---
Administrative fees	1,350,000	1,575,000	1,575,000	+225,000	---
Family self-sufficiency coordinators	60,000	---	60,000	---	+60,000
Veterans affairs supportive housing	75,000	75,000	75,000	---	---
Sec. 811 mainstream voucher renewals	112,018	111,335	111,335	-683	---
Transformation initiative (transfer out)	---	(-25,000)	---	---	(+25,000)
Subtotal (available this fiscal year)	18,914,369	19,074,283	19,134,283	+219,914	+60,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Advance appropriations	4,000,000	4,000,000	4,000,000	---	---
Less appropriations from prior year advances	-4,000,000	-4,000,000	-4,000,000	---	---
Total, Tenant-based Rental Assistance appropriated in this bill	18,914,369	19,074,283	19,134,283	+219,914	+60,000
Public Housing Capital Fund	1,875,000	2,070,000	1,985,000	+110,000	-85,000
Transformation initiative (transfer out)	---	(-10,350)	---	---	(+10,350)
Public Housing Operating Fund	3,961,850	4,524,000	4,524,000	+562,150	---
Transformation initiative (transfer out)	---	(-22,620)	---	---	(+22,620)
Choice neighborhoods	120,000	150,000	---	-120,000	-150,000
Transformation initiative (transfer out)	---	(-750)	---	---	(+750)
Family Self-Sufficiency	---	60,000	---	---	-60,000
Native American Housing Block Grants	650,000	650,000	650,000	---	---
Transformation initiative (transfer out)	---	(-3,250)	---	---	(+3,250)
Native Hawaiian Housing Block Grant	13,000	13,000	---	-13,000	-13,000
Transformation initiative (transfer out)	---	(-65)	---	---	(+65)
Indian Housing Loan Guarantee Fund Program Account	6,000	7,000	6,000	---	-1,000
(Limitation on guaranteed loans)	(360,000)	(900,000)	---	(-360,000)	(-900,000)
Transformation initiative (transfer out)	---	(-35)	---	---	(+35)
Native Hawaiian Loan Guarantee Fund Program Account	386	1,000	---	-386	-1,000
(Limitation on guaranteed loans)	(41,504)	(107,000)	---	(-41,504)	(-107,000)
Housing Certificate Fund (rescission)	-200,000	---	---	+200,000	---
Total, Public and Indian Housing	25,340,605	26,549,283	26,299,283	+958,678	-250,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Community Planning and Development					
Housing Opportunities for Persons with AIDS	332,000	330,000	330,000	-2,000	---
Transformation initiative (transfer out)	---	(-1,650)	---	---	(+1,650)
Community Development Fund	2,948,090	2,948,090	3,404,000	+455,910	+455,910
Indian CDBG	60,000	60,000	---	-60,000	-60,000
Sustainable housing and communities	---	100,000	---	---	-100,000
Capacity building	---	35,000	---	---	-35,000
Disaster relief	300,000	---	---	-300,000	---
(Disaster relief category)	100,000	---	---	-100,000	---
Subtotal	3,408,090	3,143,090	3,404,000	-4,090	+260,910
Transformation initiative (transfer out)	---	(-15,715)	---	---	(+15,715)
Community Development Loan Guarantees (Section 108):					
(Limitation on guaranteed loans)	(240,000)	(500,000)	---	(-240,000)	(-500,000)
Credit subsidy	5,952	---	6,000	+48	+6,000
HOME Investment Partnerships Program	1,000,000	1,000,000	1,200,000	+200,000	+200,000
Transformation initiative (transfer out)	---	(-5,000)	---	---	(+5,000)
Self-help and Assisted Homeownership Opportunity Program	53,500	---	60,000	+6,500	+60,000
Homeless Assistance Grants	1,901,190	2,231,000	2,000,000	+98,810	-231,000
Transformation initiative (transfer out)	---	(-11,155)	---	---	(+11,155)
Total, Community Planning and Development	6,700,732	6,704,090	7,000,000	+299,268	+295,910

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Housing Programs					
Project-based Rental Assistance:					
Renewals	9,050,672	8,440,400	8,440,400	-610,272	---
Contract administrators	289,000	260,000	260,000	-29,000	---
Subtotal (available this fiscal year)	9,339,672	8,700,400	8,700,400	-639,272	---
Transformation initiative (transfer out)	---	(-19,000)	---	---	(+19,000)
Advance appropriations	400,000	400,000	400,000	---	---
Less appropriations from prior year advances	-400,000	-400,000	-400,000	---	---
Total, Project-based rental assistance appropriated in this bill	9,339,672	8,700,400	8,700,400	-639,272	---
Housing for the Elderly	374,627	475,000	425,000	+50,373	-50,000
Transformation initiative (transfer out)	---	(-2,375)	---	---	(+2,375)
Housing for Persons with Disabilities	165,000	150,000	165,000	---	+15,000
Transformation initiative (transfer out)	---	(-750)	---	---	(+750)
Housing Counseling Assistance	45,000	55,000	45,000	---	-10,000
Transformation initiative (transfer out)	---	(-275)	---	---	(+275)
Rental Housing Assistance	1,300	---	---	-1,300	---
Rent Supplement (rescission)	-231,600	---	---	+231,600	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Manufactured Housing Fees Trust Fund	6,500	8,000	4,000	-2,500	-4,000
Offsetting collections	-4,000	-4,000	-4,000	---	---
Subtotal	2,500	4,000	---	-2,500	-4,000
Total, Housing Programs	9,696,499	9,384,400	9,335,400	-361,099	-49,000
Appropriations	(9,932,099)	(9,388,400)	(9,339,400)	(-592,699)	(-49,000)
Rescissions	(-231,600)	---	---	(+231,600)	---
Offsetting collections	(-4,000)	(-4,000)	(-4,000)	---	---
Federal Housing Administration					
Mutual Mortgage Insurance Program Account:					
(Limitation on guaranteed loans)	(400,000,000)	(400,000,000)	(400,000,000)	---	---
(Limitation on direct loans)	(50,000)	(50,000)	(50,000)	---	---
Offsetting receipts	-4,427,000	-9,676,000	-9,676,000	-5,249,000	---
Proposed offsetting receipts (HECM)(Sec. 210)	-286,000	-170,000	-170,000	+116,000	---
Additional offsetting receipts (Sec. 238)	-59,000	---	---	+59,000	---
Administrative contract expenses	207,000	215,000	215,000	+8,000	---
Transformation initiative (transfer out)	---	(-1,075)	---	---	(+1,075)
Working capital fund (transfer out)	(-71,500)	(-71,500)	(-71,500)	---	---
General and Special Risk Program Account:					
(Limitation on guaranteed loans)	(25,000,000)	(25,000,000)	(25,000,000)	---	---
(Limitation on direct loans)	(20,000)	(20,000)	(20,000)	---	---
Offsetting receipts	-400,000	-588,000	-588,000	-188,000	---
Total, Federal Housing Administration	-4,965,000	-10,219,000	-10,219,000	-5,254,000	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Government National Mortgage Association					
Guarantees of Mortgage-backed Securities Loan Guarantee Program Account:					
(Limitation on guaranteed loans)	(500,000,000)	(500,000,000)	(500,000,000)	---	---
Administrative expenses (legislative proposal)	19,500	21,000	20,500	+1,000	-500
Offsetting receipts (legislative proposal)	-100,000	-100,000	-100,000	---	---
Offsetting receipts	-521,000	-647,000	-647,000	-126,000	---
Offsetting receipts (Sec. 238)	-5,000	---	---	+5,000	---
Proposed offsetting receipts (HECM) (Sec. 210)	-24,000	-23,000	-23,000	+1,000	---
Total, Gov't National Mortgage Association	-630,500	-749,000	-749,500	-119,000	-500
Policy Development and Research					
Research and Technology	46,000	52,000	52,000	+6,000	---
Fair Housing and Equal Opportunity					
Fair Housing Activities	70,847	68,000	68,000	-2,847	---
Transformation initiative (transfer out)	---	(-205)	---	---	(+205)
Office of Lead Hazard Control and Healthy Homes					
Lead Hazard Reduction	120,000	120,000	120,000	---	---
Transformation initiative (transfer out)	---	(-600)	---	---	(+600)

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AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Management and Administration					
Working Capital Fund	199,035	170,000	175,000	-24,035	+5,000
(By transfer)	(71,500)	(71,500)	(71,500)	---	---
Office of Inspector General	124,000	125,600	125,600	+1,600	---
Transformation Initiative	50,000	---	50,000	---	+50,000
(By transfer)	---	(119,870)	---	---	(-119,870)
Total, Management and Administration	373,035	295,600	350,600	-22,435	+55,000
(Grand total, Management and Administration)	(1,704,535)	(1,645,000)	(1,677,214)	(-27,321)	(+32,214)
General Provisions					
Rescission of prior-year advance	-650,000	---	---	+650,000	---
Total, title II, Department of Housing and Urban Development	37,433,718	33,554,773	33,583,397	-3,850,321	+28,624
Appropriations	(39,841,318)	(40,362,773)	(40,391,397)	(+550,079)	(+28,624)
Rescissions	(-431,600)	---	---	(+431,600)	---
Disaster relief category	(100,000)	---	---	(-100,000)	---
Advance appropriations	(4,400,000)	(4,400,000)	(4,400,000)	---	---
Rescissions of prior year advances	(-650,000)	---	---	(+650,000)	---
Offsetting receipts	(-5,822,000)	(-11,204,000)	(-11,204,000)	(-5,382,000)	---
Offsetting collections	(-4,000)	(-4,000)	(-4,000)	---	---
(by transfer)	71,500	191,370	71,500	---	-119,870
(transfer out)	-71,500	-191,370	-71,500	---	+119,870
(Limitation on direct loans)	(70,000)	(70,000)	(70,000)	---	---
(Limitation on guaranteed loans)	(925,641,504)	(926,507,000)	(925,000,000)	(-641,504)	(-1,507,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2012
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2013
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE III - OTHER INDEPENDENT AGENCIES					
Access Board	7,400	7,400	7,400	---	---
Federal Maritime Commission	24,100	26,000	25,000	+900	-1,000
Amtrak Office of Inspector General	20,500	22,000	25,000	+4,500	+3,000
National Transportation Safety Board	102,400	102,400	102,400	---	---
Neighborhood Reinvestment Corporation	215,300	213,000	225,300	+10,000	+12,300
United States Interagency Council on Homelessness	3,300	3,600	3,300	---	-300
Total, title III, Other Independent Agencies	373,000	374,400	388,400	+15,400	+14,000
Grand total (net)	57,312,000	53,479,199	51,606,000	-5,706,000	-1,873,199
Appropriations	(58,156,334)	(60,422,666)	(58,549,467)	(+393,133)	(-1,873,199)
Rescissions	(-529,334)	(-62,971)	(-62,971)	(+466,363)	---
Disaster relief category	(1,762,000)	---	---	(-1,762,000)	---
Rescissions of contract authority	(-1,000)	(-72,496)	(-72,496)	(-71,496)	---
Advance appropriations	(4,400,000)	(4,400,000)	(4,400,000)	---	---
Rescissions of prior year advances	(-650,000)	---	---	(+650,000)	---
Offsetting receipts	(-5,822,000)	(-11,204,000)	(-11,204,000)	(-5,382,000)	---
Offsetting collections	(-4,000)	(-4,000)	(-4,000)	---	---
(Limitation on obligations)	(52,068,700)	(53,805,557)	(52,029,480)	(-39,220)	(-1,776,077)
(by transfer)	71,500	191,370	71,500	---	-119,870
(transfer out)	-71,500	-191,370	-71,500	---	+119,870
Total budgetary resources	(109,380,700)	(107,284,756)	(103,635,480)	(-5,745,220)	(-3,649,276)
Discretionary total	(55,550,000)	(53,479,199)	(51,606,000)	(-3,944,000)	(-1,873,199)

MINORITY VIEWS

Despite an inadequate allocation and a broken authorization process, Chairman Latham and Chairman Rogers have made a respectable effort to draft a bill that acknowledges the transportation and housing needs facing our nation.

The agreement obtained in last year's Budget Control Act was hard fought but fair. Unfortunately, the House Republicans have walked away from the bipartisan, bicameral discretionary spending levels that were established for fiscal year 2013. The Committee's overall discretionary allocation for fiscal year 2013 falls $19 billion below the $1.047 trillion level that was agreed to by a majority of the House Republican conference less than a year ago. By reneging on the agreement, House Republicans put themselves at odds with House Democrats, the White House, Senate Democrats, and Senate Republicans. This has created uncertainty about the discretionary allocation, and about whether the House majority will threaten to shut down the government. This uncertainty will slow down the appropriations process and the austere House allocation, if it stands, will stall economic growth and impede job creation.

With a looming June 30th expiration date on the surface transportation reauthorization bill, the Congress will likely be forced to pass the tenth short-term extension or shut down the highway and transit programs during the height of construction season. The stalled authorization process has compelled the Chairman to freeze funding for roads, bridges and public transportation systems at last year's levels at a time when unemployment in the construction sector stands at 14.2 percent and our infrastructure is in desperate need of repair and expansion.

On the housing side of this bill, the situation isn't much better. Many programs in this area have been unauthorized for more than a decade. Of note, the authorizing committee has considered reform proposals to the Section Eight program since the 108th Congress. This bill assumes savings contained in the most current version of that proposal. We urge the authorizing committee to report a bipartisan reform bill this Session. If the authorizing committee fails to act, many programs contained in this bill will be short funded. We will continue to monitor the progress of this legislation and will work with the Chairman to develop alternatives if this legislation fails to materialize.

The funding levels in this bill keep some key programs moving ahead but miss many opportunities to boost the economy by investing in our deteriorating infrastructure. DOT's most recent Conditions and Performance Report quantified the annual investment gap to maintain our current system of highways and bridges in a state of good repair at $27 billion and an annual gap of $96 billion to expand the system to meet the needs of a population that grows 10 percent each decade. The state of transit isn't much better,

where the estimated state of good repair backlog is nearly $78 billion.

As our metropolitan areas continue to grow, we must build public transportation alternatives that allow people to get from home to work seamlessly and efficiently. While the bill provides adequate funding to advance major transit projects currently under construction, it effectively shuts downs the planning and development pipeline for new subway, light rail and fixed guideway transit systems. We will work to improve the funding levels for the Federal Transit Administration's capital investment grant program as the bill moves through the process.

The funding level for Project-Based Rental Assistance (PBRA) is a clear example of the consequences of the lower spending cap. The Administration requested $8.7 billion to renew PBRA contracts. Fully funding these contracts would require an additional $1.2 billion. The Administration's proposal would fund one third of the contracts for a full year and two thirds for less than a year. The bill endorses this shortsighted approach; we do not.

Partial year contracts for PBRA merely shift costs from one fiscal year to the next—a larger amount is due next year. When Congress adopted this policy in the past, it resulted in a $2 billion hole; funds included in the Recovery Act made this account whole. Partial year contracts create uncertainty for the businesses that own these properties and their employees. Uncertainty commands a high cost in the market. It makes little sense for Congress to endorse a policy that increases costs and threatens our nation's economic recovery. We look forward to working with the Chairman to correct this error as we move forward.

We are also disappointed that the bill provides zero funding for the Sustainable Communities Initiative. This program provides resources to perform regional planning activities that are not eligible under other existing HUD programs such as Community Development Block Grants (CDBG). The first two years of this program have demonstrated its versatility. Communities that overlap local and state governmental boundaries have partnered and utilized the flexibility of the Sustainable Communities planning grants to determine what the right mix of housing, transportation and infrastructure investments are within their region. This approach fosters job growth and meets the demands of a growing population.

The Chairman should be commended for some noteworthy bright spots in a number of transportation and housing programs. First, the bill makes important investments in the operating, capital and research activities of the Federal Aviation Administration. Our air traffic control system is operating with equipment and facilities that are, in many instances, more than forty years old. The bill provides adequate resources to advance key programs within the FAA's NextGen program to ensure that the United States remains a global leader in aviation. In addition, the bill includes critical funding to expand the research on engines, airframes and fuels to improve the efficiency of aircraft.

We strongly support the funding levels in the bill for Amtrak. The Chairman has established an innovative new $500 million grant program to make state of good repair investments on rail lines that serve both intercity and commuter rail passengers. These

funds will help put construction workers on the job, repair aging bridge and tunnel infrastructure, and ultimately improve the service and reliability for those Americans that rely on rail travel.

The bill fully funds the next round of the successful Veterans Affairs Supportive Housing program at $75 million and moves America forward in our goal of ending veterans' homelessness. The $3.3 billion for Community Development Block Grants and $1.2 billion for the HOME program will provide needed funds to rebuild and strengthen our communities. Robust allocations for the Housing for the Elderly and Disabled programs will provide needed new units.

Finally, we are pleased that the Committee adopted an amendment offered by Mr. Price which would reallocate $83.5 million in unspent magnetic levitation deployment funds to eliminate hazards at railway-highway grade crossings on high speed rail corridors. Last year, there were 236 crashes at railway-highway grade crossings which resulted in more than 260 fatalities. These funds will help improve safety at grade crossings and increase rail speeds on high speed rail corridors.

We thank Chairman Latham for his work on this bill. The Chairman has encouraged an open and collaborative process to include views from all members of the subcommittee and we commend him for that. We look forward to perfecting this bill as the process moves forward.

NORMAN D. DICKS.
JOHN W. OLVER.

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