

VIEWS AND ESTIMATES
OF THE
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
FOR FISCAL YEAR 2024

Overview

Section 301(d) of the *Congressional Budget Act of 1974* (the *Budget Act*) and clause 4(f)(1) of House Rule X require committees to submit views and estimates to the Committee on the Budget. The *Budget Act* also requires the completion of a budget resolution by April 15 of each year. To assist the Committee on the Budget with meeting this deadline, we respectfully submit our views and estimates for Fiscal Year (FY) 2024 programs under the jurisdiction of the Committee on Transportation and Infrastructure (Committee).

The *Infrastructure Investment and Jobs Act (IIJA)* (P.L. 117-58), enacted last Congress, provided \$1.2 trillion over five years for infrastructure programs, including \$661 billion administered by the Department of Transportation (DOT). While *IIJA* provided historic levels of funding to address America's infrastructure needs, stakeholders have raised concerns that persistently high inflation is undermining those funding increases. The Committee will conduct extensive oversight to monitor the disbursement of the *IIJA* funds to ensure the DOT complies with Congressional intent, as well as the effective and efficient use of the taxpayers' dollars.

This year the Committee will also focus on reauthorizing several key programs and will continue to conduct oversight on all programs within its jurisdiction. The Committee's bipartisan legislative activities include reauthorization of the Federal Aviation Administration (FAA), the National Transportation Safety Board (NTSB), the United States Coast Guard, the Maritime Administration (MARAD), pipeline safety, and water resources development projects.

Cost Savings

The Committee intends to identify legislative opportunities to reduce, eliminate, or otherwise modify programs within its jurisdiction that are redundant, unnecessary, or inefficient. The Committee will review and consider the work and recommendations of the various Inspectors General and the Government Accountability Office (GAO). Specifically, it will review GAO's biennial update on high-risk programs and its recurring reports on improper payments, including those made in response to the COVID-19 pandemic. The Committee will also explore ways of modernizing permitting processes to expedite project reviews, reduce delays, and cut costs, while protecting the environment and creating jobs.

At the direction of the House and Senate Budget Committee Chairmen in the 117th Congress, the Congressional Budget Office (CBO) extrapolated funding in its baseline for the *IIJA*'s emergency-designated advance appropriations. This treatment assumes in most cases that this temporary supplemental spending will continue beyond the final year of *IIJA*'s authorization, adding hundreds of billions of dollars in additional projected spending over the

next decade.¹ The Committee will thoroughly review the needs of the programs that receive this supplemental spending, many of which received significant funding in the COVID relief bills, in addition to their annual appropriations.

The President's FY 2024 Budget

The Committee will examine and evaluate the President's FY 2024 budget proposals for the agencies and programs within the Committee's jurisdiction once the President provides a budget to Congress. To ensure the efficient and responsible use of taxpayer dollars, the Committee will review agency plans for allocating funding and disbursing grants and other awards to eligible entities. The Committee will communicate its analysis and findings to the Committee on the Budget.

COVID-19 Pandemic and Federal Relief Efforts

Congress provided trillions of dollars to address the public health and economic effects of the COVID-19 pandemic. The *Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136)*, the *Consolidated Appropriations Act, 2021 (CAA, 2021; P.L. 116-260)*, the *American Rescue Plan Act (ARPA; P.L. 117-2)*, and other relief bills provided hundreds of billions of dollars in financial support and regulatory relief for agencies, industries, and stakeholders within the Committee's jurisdiction. The Committee will closely monitor the implementation of these relief programs.

Inflation Reduction Act

The *Inflation Reduction Act (IRA; P.L. 117-169)* appropriated billions of dollars for programs, and agencies under the Committee's jurisdiction. This includes funding for Environmental Protection Agency (EPA) grants to reduce air pollution at ports and greenhouse gas emissions, Federal Highway Administration (FHWA) grants for certain infrastructure projects and acquisition of low-carbon construction materials, assistance for federal buildings, and sustainable aviation fuel and aviation technology grants. The Committee will conduct oversight over *IRA's* one-time appropriations for new programs and supplemental funding and modified eligibilities for existing programs.

Aviation

The Committee will consider a bipartisan, long-term reauthorization of the FAA and certain aviation programs. The current authorization, the *FAA Reauthorization Act of 2018 (P.L. 115-254)*, expires at the end of FY 2023. The Committee is currently engaging with Member offices, stakeholders, and interested parties to solicit priorities, policies, and recommendations for inclusion in the upcoming bill. The Committee recognizes the need for modernizing the outdated National Airspace System (NAS) and airport infrastructure, and supports additional funding for FAA programs, including the Airport Improvement Program (AIP). Contract authority for AIP has remained flat at \$3.35 billion for more than a decade. Inflation and rising

¹ CONGRESSIONAL BUDGET OFFICE, THE BUDGET AND ECONOMIC OUTLOOK: 2023 TO 2033, (2023) at 74, available at <https://www.cbo.gov/system/files/2023-02/58848-Outlook.pdf>.

construction costs continue to undermine the ability for entities to complete cost-effective projects and threaten the benefits these projects provide to our infrastructure system.

The Committee requests a reserve fund to accommodate the budgetary effects of legislation that includes provisions making significant and historic investments in our Nation's airports. The Committee intends to propose various funding offsets to responsibly pay for increases for AIP. These critical investments will contribute to macroeconomic growth and help build a 21st century aviation system.

The Committee will also continue to oversee implementation of the *Aircraft Certification, Safety, and Accountability Act* (P.L. 116-260; Division V), which overhauled the FAA's aircraft certification process and continues to ensure transparency, accountability, and integrity in the FAA's regulation of United States aircraft manufacturers.

IJA provided \$25 billion in supplemental multiyear funding for United States aviation infrastructure with \$20 billion of this funding going to airport infrastructure and \$5 billion in supplements to the FAA's capital budget, also known as the Facilities and Equipment (F&E) budget, which funds air traffic control facilities and other essential NAS infrastructure. Even including this supplemental funding, however, the F&E budget has received \$841 million less in appropriations compared to amounts authorized by the Committee over the last five fiscal years.²

Of particular importance to the Committee is the state of the FAA's primary surveillance radar infrastructure. FAA owns, operates, and maintains most of the long-range radar infrastructure used by the Department of Defense (DOD) for air defense and sovereignty purposes. The 44 air route surveillance radars (ARSR-4) that form the backbone of this radar infrastructure were largely installed between 1992 and 1995 and are nearing the end of their service lives. More capable radars, including those able to readily detect unmanned aircraft systems, high-altitude balloons, and hypersonic vehicles, are needed for both air traffic safety and national security purposes, as evidenced by the recent NAS incursion by a Chinese high-altitude surveillance balloon.

The Committee requests a reserve fund to accommodate the budgetary effects of legislation that would provide greater stability and certainty to the FAA's F&E budget and enable investment necessary to modernize the NAS, reduce FAA's multi-billion-dollar sustainment backlog, and recapitalize long-range radar infrastructure necessary for national defense.

The *CARES Act* appropriated \$56 million for the Essential Air Service program and \$10 billion for the Grants-in-Aid for Airports program. In addition, it provided \$32 billion in payroll support for aviation workers and \$46 billion in credit assistance to air carriers and businesses

² Compare 49 U.S. Code § 48101 to *Infrastructure Investment and Jobs Act*, Pub. L. No. 117-58, 135 Stat. 429; *Consolidated Appropriations Act, 2023*, Pub. L. No. 117-328; *Consolidated Appropriations Act, 2022*, Pub. L. No. 117-103, 136 Stat. 49; *Consolidated Appropriations Act, 2021*, Pub. L. No. 116-260, 134 Stat. 1182; *Further Consolidated Appropriations Act, 2020*, Pub. L. No. 116-94, 133 Stat. 2534; and *Consolidated Appropriations Act, 2019*, Pub. L. No. 116-6, 133 Stat. 402 (showing statutorily authorized levels of funding compared to actual appropriations over the previous five fiscal years).

critical to national security. The *CAA, 2021* appropriated an additional \$2 billion to the Grants-in-Aid for Airports program and provided a second round of funding of \$18 billion in payroll support for air carriers. The *ARPA* appropriated \$8 billion for a new emergency FAA employee leave fund, \$8 billion for grants for airports, \$3 billion in payroll support for aviation manufacturing jobs, and a third round of \$15 billion in payroll support for air carriers. The Committee will continue conducting oversight over the pandemic-related funding and will closely review the aviation industry's use of financial relief, as well as awardees' compliance with any conditions included in these relief bills.

IRA appropriated \$297 million for a new Alternative Fuel and Low-Emission Aviation Technology Program. The Committee will ensure this grant program is implemented consistent with the statutory requirements.

Certain Federal aviation programs are user-fee financed through Federal excise taxes levied on passenger travel, aviation fuel, and use of international air facilities. Revenues from these user fees are deposited into the Airport and Airway Trust Fund (AATF) and are used for designated FAA grants and activities. The Committee will continue to monitor the status and solvency of the AATF, which CBO projects will carry a healthy balance over the next decade. The Committee will also consider the long-term solvency of the AATF when drafting an FAA reauthorization.

National Transportation Safety Board (NTSB)

The NTSB is an independent agency tasked with investigating civil aviation accidents in the United States and major accidents in other modes of transportation. The *FAA Reauthorization Act of 2018* authorized NTSB programs through FY 2022 and included provisions to improve transparency of the NTSB's investigations and enhance the public's understanding of the Board's safety recommendations. The Committee will conduct oversight of NTSB's implementation of the 2018 law and evaluate whether the intended objectives are achieved. The Committee intends to reauthorize NTSB as part of the FAA reauthorization.

Coast Guard and Maritime Transportation

The Committee intends to reauthorize appropriations for the United States Coast Guard (Coast Guard or Service), one of the Nation's six armed services, and the non-defense programs in the Maritime Administration.

The *Don Young Coast Guard Authorization Act of 2022* (P.L. 117-263; Division K) authorized \$14.2 billion for the Coast Guard in FY 2023. Title XXXV of the *James M. Inhofe National Defense Authorization Act for FY 2023* (NDAA; P.L. 117-263) authorized funding in FY 2023 for several non-defense MARAD programs, including the Port Infrastructure and Development Program, Small Shipyard Grant Program, Maritime Environmental and Technical Assistance Program, and Marine Highway Program.

Last year, Congress also passed the *Ocean Shipping Reform Act of 2022* (P.L. 117-146), which strengthened the supply chain, addressed prohibited shipping practices, and authorized

funding for the Federal Maritime Commission (FMC) for FY 2023 through FY 2025. The Committee will oversee FMC's implementation of the law and ensure improvements are made to international shipping practices and the overseas supply chain.

IJA included supplemental appropriations of \$433 million for the Coast Guard and nearly \$2.3 billion for MARAD. The Committee will conduct oversight over these funds and ensure the programs are operating effectively and are consistent with statute.

Surface Transportation

IJA represented the largest Federal investment in domestic infrastructure and included a five-year surface transportation reauthorization that provides funding for roads, bridges, transit, motor carriers, railroads, and safety, among other infrastructure programs. Specifically, *IJA* authorized \$303.5 billion for programs from the highway account of the Highway Trust Fund (HTF) and \$69.9 billion for programs from the mass transit account of the HTF over the authorization period. Division J of *IJA* also provided \$66.3 billion in advance supplemental appropriations from the General Fund for various highway and multimodal programs and \$21.3 billion in advance supplemental appropriations from the General Fund for transit programs.

The Committee intends to oversee the implementation of *IJA* to ensure that this substantial investment in the Nation's surface transportation network is done in a way that adds capacity and improves mobility, including access to jobs and essential services in both urban and rural areas; promotes innovation; enhances safety; and continues the longstanding partnership between the Federal Government, states, and local governments with respect to surface transportation programs. Implementation of *IJA* should be consistent with the law and Congressional intent.

Stakeholders have raised concerns about the supply chain crisis and the negative effects inflation has in eroding *IJA*'s funding increases. Therefore, the Committee will continue to hold hearings on supply chain challenges, high inflation levels, and other challenges to our Nation's transportation network. The Committee intends to offer legislation that will reduce regulatory burdens, invest in supply chain infrastructure, and create good-paying jobs in the transportation workforce.

To ensure the efficient and effective use of taxpayer dollars, the Committee will also conduct extensive oversight to monitor the distribution of *IJA* funds to ensure DOT complies with the statutory requirements during its grant processes and through its competitive programs.

The *CARES Act* provided \$25 billion for Transit Infrastructure Grants, and the *CAA, 2021* appropriated an additional \$14 billion for Transit Infrastructure Grants and \$10 billion for the Highway Infrastructure Program. *ARPA* provided a one-time \$30.5 billion appropriation for Federal Transit Administration (FTA) grants.

The *IRA* provided a one-time \$3 billion appropriation for the Neighborhood Access and Equity Grant Program. It also provided a one-time \$2 billion mandatory appropriation to the FHWA to offer grants for low-carbon construction materials in highway projects. The

Committee will review these one-time infusions of funding into grant programs to assess the benefits that taxpayers receive from this spending.

The Federal highway, highway safety, and mass transit programs are user-fee financed through Federal excise taxes levied on motor fuels and on various highway-related products such as tires and heavy trucks. Revenues from these user fees are deposited into the HTF and are used for designated highway and mass transit projects. The Committee will continue to monitor the status and solvency of the highway and transit accounts of the HTF, which CBO projects will both exhaust in FY 2028.

Pipeline Safety Programs

The *Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020* (P.L. 116-260) reauthorized the Pipeline and Hazardous Materials Safety Administration's (PHMSA's) pipeline safety program through FY 2023. This program, which is funded primarily from fees levied on pipelines and underground natural gas storage facilities and a contribution from the Oil Spill Liability Trust Fund, supports efforts to ensure the safety and reliability of pipelines in the United States. The Committee will monitor the implementation of the *PIPES Act of 2020*, including tracking updates on the completion of outstanding mandates. The Committee will continue to review PHMSA and assess its authorization and funding structure.

In addition to the program's annual appropriations, *IJA* appropriated \$1 billion over five years to PHMSA for Natural Gas Distribution Infrastructure Safety and Modernization Grants, which the Committee will closely monitor.

Rail

IJA authorized more than \$36 billion for Amtrak and rail infrastructure and safety programs through FY 2026. It also appropriated \$66 billion over five years for similar programs. This funding is in addition to the combined \$2.7 billion in Northeast Corridor and National Network grants provided to Amtrak in the *CAA, 2021* and *ARPA*.

The Committee plans to conduct oversight and review of actions taken by the Federal Railroad Administration (FRA), freight railroads, Amtrak, and the Surface Transportation Board (STB). Specifically, the Committee will closely monitor implementation of the programs, policies, and funding authorized in *IJA*, as well as other regulatory actions to ensure that funds are used responsibly.

United States Army Corps of Engineers, Civil Works

Congress passed the *Water Resources Development Act of 2022 (WRDA 2022; P.L. 117-263)* as part of the FY 2023 NDAA. The Committee supports funding the levels authorized in *WRDA 2022*. The Committee will carefully review the Army Corps of Engineers (Corps) implementation of provisions of the *WRDA 2022*, including those that were intended to improve the efficiency of the project planning and project delivery process.

The Committee will also continue to monitor implementation of bipartisan language included in *WRDA 2020* (P.L. 116-260; Division AA), which provided Congress with a new budget tool to increase federal investment in U.S. ports and harbors by allowing allocation of Harbor Maintenance Trust Fund (HMTF) dollars for maintenance dredging activities outside discretionary budget limitations. The Committee is concerned that this new budget tool remains underutilized by Congress and the administration to address the backlog of harbor maintenance needs at ports throughout the United States, which would enhance the ability of U.S. ports to efficiently utilize its maritime transportation capabilities. The Committee strongly believes the additional funds made available by the new budget mechanism should be provided in addition to regular appropriations and that the additional funds for maintenance activities should not be shifted among different Corps accounts.

Environmental Protection Agency

IJJA reauthorized the Clean Water State Revolving Fund (CWSRF) through FY 2026. The Committee will oversee the implementation of these funds to ensure that all communities have access to clean, affordable wastewater infrastructure. Division J of *IJJA* also provided a supplemental \$1.5 billion appropriation for the Brownfields program and \$3.5 billion for the Superfund program.

The Committee supports investments in critical EPA programs like the CWSRF and the Brownfields program. Both activities are important for sustainable long-term economic growth and provide considerable returns on investment.

Federal Emergency Management Agency

The Federal Emergency Management Agency (FEMA) supports state, local, tribal, and territorial governments and manages and coordinates the Federal response to, and recovery from, major domestic disasters and emergencies of all types, in accordance with the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (*Stafford Act*; P.L. 93-288, as amended). FEMA is tasked with preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or manmade.

FEMA draws from the Disaster Relief Fund (DRF) to fund response and recovery efforts, which has recently and notably been used during the COVID-19 pandemic. The *CARES Act*, the *CAA, 2021*, and the *ARPA* appropriated a combined \$97 billion to the DRF for purposes related to the pandemic. The Committee is concerned about the balance of the DRF, and the Committee will conduct oversight over these funds and evaluate the needs and authorities of FEMA. It will also review and analyze the rising costs of disasters and work to identify opportunities to reduce future losses and increase efficiencies. However, the Committee is also very concerned about CBO's scoring of legislative items intended to reduce regulatory burdens and ensure disaster victims receive the help they need and will continue working with the Budget Committee on this issue.

The Committee will continue to offer assistance and guidance to Members whose districts have been impacted by disasters.

General Services Administration

The GAO's "High Risk" list has included Federal real property management for the last two decades. One major issue is an overreliance on leasing to meet long-term space needs and underused or vacant space. COVID-19 has had deep implications that affect the needs of the Federal workforce and the amount and type of space General Services Administration (GSA) tenants require. However, even prior to COVID-19, excess space existed across government, adding to the cost to the taxpayer. GSA faces significant challenges due to an aging inventory, insufficient funding from the Federal Buildings Fund (FBF), increased maintenance costs, and difficulties disposing of excess property. The Committee recognizes these challenges and will continue to examine GSA's management of its maintenance portfolio and whether GSA is sufficiently prioritizing maintenance requests.

The Committee will also examine current space utilization and work to reduce real estate costs, thereby saving taxpayer dollars. Additionally, the Committee will continue oversight of the Public Buildings Reform Board created by the *Federal Assets Sale and Transfer Act of 2016* (P.L. 114-287), which is charged with developing recommendations for the sale or redevelopment of high value real estate assets.

The Committee will also evaluate alternative solutions to leverage private investment in capital projects, including public private partnerships, to reduce the costs to the American taxpayer, ensure buildings are properly maintained, and address problems with deferred maintenance.

The *CARES Act* appropriated \$275 million to the FBF to respond to the pandemic. The *IRA* appropriated nearly \$3.4 billion to the FBF for converting GSA facilities into green buildings, acquisition of low-carbon materials in the construction or alteration of GSA buildings, and sustainability and environmental programs. The Committee will exercise oversight over these programs and ensure GSA expends the funds consistent with statutory and programmatic requirements.

Economic Development

The Committee will work to ensure economic development programs leverage private dollars through infrastructure improvements to attract new jobs to distressed communities. In addition, the Committee intends to assess the existing regional commissions, including the Denali Commission, the Delta Regional Authority, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, and the Southwest Border Regional Commission

The *CARES Act* appropriated \$1.5 billion for economic development assistance programs. The *ARPA* provided a one-time appropriation of \$3 billion to the Economic Development Administration (EDA) for economic adjustment assistance. The *Research and Development, Competition, and Innovation Act* (P.L. 117-167; Division B) authorized appropriations of \$10 billion for a new Regional Technology and Innovation Hubs program and \$1 billion for a new Recompete pilot program for economically distressed areas. The Committee

will continue its oversight new EDA authorities and of funds appropriated to the EDA programs to assist communities impacted by natural disasters and the COVID-19 pandemic.

Conclusion

This report was circulated to all Members of the Committee for their review and comment and was approved in a Full Committee meeting on February XX, 2023. While the report reflects a bipartisan effort, the Committee wishes to emphasize that not all Members of the Committee necessarily agree with every aspect of the report. Accordingly, the Committee reserves its flexibility to determine program needs, and recognizes the potential for funding changes as the Committee and Congress work their will through the legislative process. The Committee looks forward to working with the Committee on the Budget in its preparation of the FY 2024 budget.