

FISCAL UPDATE Article

Fiscal Services Division July 31, 2017



U.S. SENATE COMMITTEE APPROVES TRANSPORTATION BILL

The Senate Committee on Appropriations has unanimously approved a <u>bill</u> that increases U.S. Department of Transportation (USDOT) funding by \$978.0 million.

The Senate spending bill apportions \$44.973 billion from the Highway Trust Fund for the <u>Federal-aid</u> <u>Highway Program</u> (FAHP). Iowa will receive an estimated \$519.8 million in federal aid under the <u>FAST</u> <u>Act</u> from the FAHP in FY 2018. The bill increases by \$50.0 million funding to the <u>Transportation</u> <u>Investment Generating Economic Recovery</u> (TIGER) Grant Program. On July 17, a House subcommittee approved a bill that eliminates the TIGER Grant Program. For more information on the House bill and TIGER Grant Program funding in Iowa, please see the Fiscal Update Article <u>US House Approves</u> <u>Reductions to Transportation Funding</u>.

The Senate bill increases by \$5.0 million funding for <u>Essential Air Service</u> (EAS). EAS helps subsidize air service for rural communities. Communities eligible in Iowa include: Burlington, Fort Dodge, and Mason City. Sioux City is eligible but is not currently subsidized. The Senate bill also increases the <u>Passenger</u> <u>Facility Charge</u> (PFC) by \$4.00. The PFC is utilized by airports to fund FAA-approved projects that enhance safety, security, capacity, and noise reduction, and increase air carrier competition.

See the following table for comparisons of the current House and Senate spending bills on select programs.

Select Programs Under FFY 2018 Transportation Appropriation Bills		
	Senate	House
FAHP	\$45.0 billion (A \$968.0 million increase from FFY 2017)	\$45.0 billion (A \$968.0 million increase from FFY 2017)
TIGER	\$550.0 million (A \$50.0 million increase from FFY 2017)	\$0.0 (Elimination of the Program)
EAS	\$155.0 million (A \$5.0 million increase from FFY 2017)	\$150.0 million (No change from FFY 2017)
PFC Source: U.S. Congress	\$8.50 (A \$4.00 increase from FFY 2017) ; Appropriations for Fiscal Year 2018	\$4.50 (No change from FFY 2017)

As of July 28, 2017, both bills have yet to be considered by their full chambers.

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