



National Conference of State Legislatures Office of State-Federal Relations

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House and Senate Conferees Agree on Long-Term Transportation Bill

On Dec. 1, U.S. House and U.S. Senate conferees finalized the [Fixing America's Surface Transportation Act](#), a five-year, \$305 billion reauthorization of federal surface transportation programs. As a compromise between the House and Senate bills passed earlier this year, the agreement provides a 5 percent increase in highway funding and an 8 percent increase in transit funding in the first year as compared to current spending, with annual increases rising to 15 percent for highways and 18 percent for transit by 2020, the final year of the reauthorization.

To provide for these increases, the bill transfers \$70 billion from the General Fund to the Highway Trust Fund. The cost of this transfer is offset by, among other things, cutting the dividend rate paid by the Federal Reserve to its stock holders, drawing down funds in the Federal Reserve's Capital Surplus Fund and selling a portion of the Strategic Petroleum Reserve. The bill does not make any changes to the federal gas tax.

The bill makes a number of changes to transportation policy including the creation of a pilot program that provides funding to states to explore surface transportation funding alternatives. Additionally, the bill creates a national freight program that provides nearly \$11 billion to states via both formula and competitive grants. Speeding up the federal permitting process for large infrastructure projects was addressed with the creation of a new inter-agency body that brings together high-ranking officials from multiple federal agencies outside of the U.S. Department of Transportation including the Department of Energy, the Federal Energy Regulatory Commission, Department of Interior and the Environmental Protection Agency. The group is charged with creating a timeline and a set of best practices to reduce the length of infrastructure project reviews.

The bill also includes a rail title that provides authorization and funding to Amtrak through FY 2020. Additionally, the title includes increased funding for rail safety as well as grants to increase compliance with Positive Train Control, a technology that aims to increase rail safety by using technology to help trains "talk" to each other.

Going forward, the House and Senate are each aiming to approve the bill before the end of the week, with approval likely by Monday, Dec. 6, at the latest. Earlier today, NCSL, along with the National Governors Association [urged Congress to pass the bipartisan agreement](#).

NCSL will provide further analysis of the final bill later this month, including an in-depth review on Dec. 9 at [NCSL's Capitol Forum](#). In the meantime, if you have any questions or concerns please contact [Ben Husch](#) (202-624-7779) or [Melanie Condon](#) (202-624-3597).