Calendar No. 412

113TH CONGRESS, 2d Session — SENATE — REPORT 113–182

TRANSPORTATION AND HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 2015

JUNE 5, 2014.—Ordered to be printed

Mrs. MURRAY, from the Committee on Appropriations, submitted the following

REPORT

[To accompany S. 2438]

The Committee on Appropriations reports the bill (S. 2438) making appropriations for the Departments of Transportation and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2015, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amounts of new budget (obligational) authority for fiscal year 2015

Total of bill as reported to the Senate	$54,439,000,000
Amount of 2014 appropriations	50,856,000,000
Amount of 2015 budget estimate [1]	50,975,337,000
Bill as recommended to Senate compared to—	
2014 appropriations	+3,583,000,000
2015 budget estimate	+3,463,663,000

[1] The budget estimate proposed converting $4,287,000,000 associated with certain surface transportation programs previously treated as budget authority into obligation limits. The Committee recommendation does not reclassify the funding for these programs.

88–078 PDF

CONTENTS

OVERVIEW AND SUMMARY OF THE BILL

The Transportation and Housing and Urban Development, and Related Agencies appropriations bill provides funding for a wide array of Federal programs, mostly in the Departments of Transportation [DOT] and Housing and Urban Development [HUD]. These programs include investment in road, transit, rail, maritime, and airport infrastructure; the operation of the Nation's air traffic control system; housing assistance for those in need, including the homeless, elderly, and disabled; resources to support community planning and development; activities to improve road, rail, and pipeline safety; and a wide range of research efforts.

The bill also provides funding for the Federal Housing Administration and Government National Mortgage Association to continue their traditional roles of providing access to affordable homeownership in the United States.

The programs and activities supported by this bill include significant responsibilities entrusted to the Federal Government and its partners to protect human health and safety, support a vibrant economy, and achieve policy objectives strongly supported by the American people. The funding provided in this bill supports the investments necessary for a strong and economically competitive Nation. The ability to fulfill these responsibilities and make important investments is made challenging by pressure on available levels of discretionary spending as a consequence of the overall public debate on Federal spending, revenues, and size of the Federal debt.

This bill makes the operation of the interstate highway system possible, as well as the world's safest air transportation system. It ensures safe and sanitary housing for 5.4 million low and extremely low-income families and individuals, over half of whom are elderly and/or disabled. It provides funding that is leading to the gradual elimination of homelessness among veterans. This bill also includes funding for competitive grants to communities to support transportation infrastructure projects of national or regional importance.

In the context of overall pressures on spending and the competing priorities that the Committee faces, this bill, as reported, provides the proper amount of emphasis on transportation, housing, community development, and other programs and activities funded within it. It is consistent with the subcommittee's allocation for fiscal year 2015. All accounts in the bill have been closely examined to ensure that an appropriate level of funding is provided to carry out the programs of DOT, HUD, and related agencies. Details on each of the accounts, the funding level, and the Committee's justifications for the funding levels are included in the report.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2015, 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 appropriations) 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. For example, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration, would 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.

REPROGRAMMING GUIDELINES

The Committee includes a provision (section 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 advanced 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;
—proposes to redirect 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 should provide a table for each appropriation with columns displaying the prior year enacted level; budget request; adjustments made by Congress; adjustments for rescissions, if appropriate; and the fiscal year enacted level. The table shall delineate the appropriation and prior year enacted level both by object class and by PPA, as well as identify balances available for use under section 406 of the bill. The report must also identify items of special congressional interest.

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 the proposed changes will have on the budget request for the following fiscal year. Except in emergency situations, reprogramming requests should be submitted no later than June 30.

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. 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 the Department of Transportation's Working Capital Fund, and that no funds may be obligated from such funds 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 OMB. In fact, OMB Circular A–11, part 6 specifically states that the "agency should 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 2016 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 the 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, and detailed data on all programs and comprehensive information on any office or agency restructurings. At a minimum, each agency must also provide adequate justification for funding and staffing changes for each individual office and materials that compare programs, projects, and activities that are proposed for fiscal year 2016 to the fiscal year 2015 enacted level.

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 2016 budget request.

INCREASING EFFICIENCY

The departments, agencies, boards, and commissions funded in this bill can and should continue to reduce operating expenses by placing greater scrutiny on overhead costs. Savings can and should be achieved by reducing non-essential travel, office supply, rent, and utility costs. The Committee directs each department, agency, board, and commission funded in this bill to develop a plan to reduce such costs by at least 10 percent in fiscal year 2015. Plans to achieve these savings in fiscal year 2015 should be submitted to the Committee no later than 30 days after enactment of this act.

TITLE I

DEPARTMENT OF TRANSPORTATION

The Solvency of the Highway Trust Fund and Authorization of Transportation Program.—This year, the Committee is in the position of recommending funding levels for Federal highway, transit, and highway and truck safety programs without any assurances that sufficient balances will be available from the Highway Trust Fund to support these programs, even at the funding levels enacted for the current year. Furthermore, the Committee is conducting its work without any certainty that the necessary contract authority will be available for the whole of fiscal year 2015.

The situation of the Highway Trust Fund is especially precarious. Both the Congressional Budget Office and the Department of Transportation project that current balances of the highway and transit accounts of the Highway Trust Fund will be depleted before the end of fiscal year 2015. In fact, the Department of Transportation projects that the balances of the trust fund's highway account to reach critical levels in July of this year. At that point, the Department expects it will have to delay reimbursements to States who have spent their own funds on eligible highway projects.

When the Department of Transportation is forced to delay its reimbursements, then the Federal Government has failed to uphold its commitments to the State and local governments that rely on these transportation programs to support their communities. Because the highway program works on a reimbursable basis, States work closely with the Department of Transportation before beginning a project to ensure that it is eligible for Federal funding. As work is completed on a project, State agencies use their own money to pay contractors the full cost of the work, knowing that the Federal Government has agreed to pay its share in a timely manner. The State submits vouchers to the Department of Transportation for the Federal share of the work, which is usually reimbursed on the same day that the voucher is submitted. However, these reimbursements are paid out of the Highway Trust Fund. If we do not protect the solvency of the trust fund, then we suddenly leave State governments bearing the full cost of these transportation projects.

This partnership between Federal and State governments has been a fundamental part of building and maintaining our highways for almost 100 years. Today, however, many States are deciding that they cannot rely on the Federal Government this summer. They are bracing for a shortfall in the Highway Trust Fund by delaying construction projects that would have supported jobs and improved their transportation systems.

The funding of most surface transportation programs also relies on the availability of contract authority, which expires under current law at the end of the current fiscal year. The Administration has released its proposal for authorizing these programs over the next 4 years, and the relevant authorizing committees are putting together their legislation. Unfortunately, it is still not clear if the levels of contract authority for the next fiscal year will be enacted as part of a multi-year authorization law, a short-term extension that covers all of fiscal year 2015, or a series of short-term extensions that eventually cover the whole fiscal year. What is clear is that the use of short-term extensions has only served to exacerbate the insecurity felt by State and local governments that rely on Federal transportation programs for investing in their communities.

The Committee has spoken on these issues many times in recent years. Committee reports have repeatedly called for bringing long-term solvency to the Highway Trust Fund, and for 4 years in a row, the Committee has recommended funding levels without knowing when the necessary contract authority would be enacted.

In the meantime, the Committee must fulfill its responsibility to recommend appropriate funding levels for offices and programs at the Department of Transportation. In order to put forward realistic funding recommendations, the Committee is assuming that authorization for transportation programs will be extended through fiscal year 2015 at the levels authorized for fiscal year 2014. This assumption is consistent with recent extensions of the transportation programs. This assumption is especially relevant for those programs that rely on contract authority provided in the authorization acts, including the Federal-aid Highways program, the formula and bus transit programs, the programs of the Federal Motor Carrier Safety Administration, and most funding for the National Highway Traffic Safety Administration.

Crimea.—The Committee remains concerned about the Russian aggression in Ukraine, Russia's illegal annexation of Crimea, and Russia's illegal and unacceptable efforts to exploit stolen Crimean resources, and urges that none of the funds in this act be used to recognize, or imply recognition of, the sovereignty of the Russian Federation over Crimea, its territory, airspace, or territorial waters.

OFFICE OF THE SECRETARY

Section 3 of the Department of Transportation Act of October 15, 1966 (Public Law 89–670) provides for the establishment of the Office of the Secretary of Transportation [OST]. The Office of the Secretary is comprised of the Secretary and the Deputy Secretary immediate and support offices; the Office of the General Counsel; the Office of the Under Secretary of Transportation for Policy, including the offices of the Assistant Secretary for Aviation and International Affairs and the Assistant Secretary for Transportation Policy; four Assistant Secretarial offices for Budget and Programs, Governmental Affairs, Research and Technology, and Administration; and the Offices of Public Affairs, the Executive Secretariat, Small and Disadvantaged Business Utilization, Intelligence, Security and Emergency Response, and Chief Information Officer. The Office of the Secretary also includes the Department's Office of Civil Rights and the Department's Working Capital Fund.

SALARIES AND EXPENSES

Appropriations, 2014	$107,000,000
Budget estimate, 2015	109,916,000
Committee recommendation	108,000,000

PROGRAM DESCRIPTION

This appropriation finances the costs of policy development and central supervisory and coordinating functions necessary for the overall planning and direction of the Department. It covers the immediate secretarial offices as well as those of the assistant secretaries, and the general counsel.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $108,000,000 for salaries and expenses of the Office of the Secretary of Transportation, including $60,000 for reception and representation expenses. The recommendation is $1,916,000 less than the budget request and $1,000,000 more than the fiscal year 2014 enacted level. The accompanying bill stipulates that none of the funding provided may be used for the position of Assistant Secretary for Public Affairs.

The accompanying bill authorizes the Secretary to transfer up to 5 percent of the funds from any office within the Office of the Secretary to another. The Committee recommendation also continues language that permits up to $2,500,000 of fees to be credited to the Office of the Secretary for salaries and expenses.

The following table summarizes the Committee's recommendation in comparison to the fiscal year 2014 enacted level and the budget request:

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Office of the Secretary	$2,652,000	$2,696,000	$2,696,000
Office of the Deputy Secretary	1,000,000	1,011,000	1,011,000
Office of the General Counsel	19,900,000	20,312,000	19,980,000
Office of the Under Secretary of Transportation for Policy	10,271,000	10,417,000	10,300,000
Office of the Assistance Secretary for Budget and Programs	12,676,000	13,111,000	12,676,000
Office of the Assistant Secretary for Governmental Affairs	2,530,000	2,567,000	2,500,000
Office of the Assistant Secretary for Administration	26,378,000	27,420,000	27,131,000
Office of Public Affairs	2,020,000	2,061,000	2,000,000
Office of the Executive Secretariat	1,714,000	1,746,000	1,714,000
Office of Small and Disadvantaged Business Utilization	1,386,000	1,414,000	1,414,000
Office of Intelligence, Security, and Emergency Response	10,778,000	11,055,000	10,778,000
Office of the Chief Information Officer	15,695,000	16,106,000	15,800,000
Total	107,000,000	109,916,000	108,000,000

IMMEDIATE OFFICE OF THE SECRETARY

PROGRAM DESCRIPTION

The Secretary of Transportation provides leadership and has the primary responsibility to provide overall planning, direction, and control of the Department.

COMMITTEE RECOMMENDATION

The Committee recommends $2,696,000 for fiscal year 2015 for the Immediate Office of the Secretary. The recommendation is equal to the budget request and $44,000 more than the fiscal year 2014 enacted level.

IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

PROGRAM DESCRIPTION

The Deputy Secretary has the primary responsibility of assisting the Secretary in the overall planning and direction of the Department.

COMMITTEE RECOMMENDATION

The Committee recommends $1,011,000 for the Immediate Office of the Deputy Secretary, which is equal to the budget request and $11,000 more than the fiscal year 2014 enacted level.

OFFICE OF THE GENERAL COUNSEL

PROGRAM DESCRIPTION

The Office of the General Counsel provides legal services to the Office of the Secretary, including the conduct of aviation regulatory proceedings and aviation consumer activities, and coordinates and reviews the legal work in the chief counsels' offices of the operating administrations. The General Counsel is the chief legal officer of the Department of Transportation and the final authority within the Department on all legal questions.

COMMITTEE RECOMMENDATION

The Committee recommends $19,980,000 for expenses of the Office of the General Counsel for fiscal year 2015. The recommended funding level is $332,000 less than the budget request and $80,000 more than the fiscal year 2014 enacted level.

Mobile Wireless Devices.—On February 24, 2014, the Department published an Advance Notice of Proposed Rulemaking (Docket No. DOT–OST–2014–0002) regarding the use of mobile wireless devices for voice calls on commercial aircraft. The approval of voice communication over mobile wireless devices during commercial airline flights would be problematic for many of the two million Americans who fly each day and challenging for the airlines. The Committee directs the Department to complete its rulemaking expeditiously and put in place a clear rule that takes into account the full impact on consumers and the commercial aviation industry.

OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY

PROGRAM DESCRIPTION

The Under Secretary for Policy is the chief policy officer of the Department and is responsible to the Secretary for the analysis, development, and review of policies and plans for domestic and international transportation matters. The Office administers the economic regulatory functions regarding the airline industry and is responsible for international aviation programs, the essential air service program, airline fitness licensing, acquisitions, international route awards, computerized reservation systems, and special investigations, such as airline delays.

COMMITTEE RECOMMENDATION

The Committee recommends $10,300,000 for the Office of the Under Secretary for Policy. The recommended funding level is $117,000 less than the budget request and $29,000 more than the fiscal year 2014 enacted level.

OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

PROGRAM DESCRIPTION

The Assistant Secretary for Budget and Programs serves as the Chief Financial Officer for the Department and provides leadership on all financial management matters. The primary responsibilities of this office include ensuring the development and justification of the Department's annual budget submissions for consideration by the Office of Management and Budget and the Congress. The office is also responsible for the proper execution and accountability of these resources. In addition, the Office of the Chief Financial Officer for the Office of the Secretary is located within the Office of the Assistant Secretary for Budget and Programs.

COMMITTEE RECOMMENDATION

The Committee recommends $12,676,000 for the Office of the Assistant Secretary for Budget and Programs. The recommended level is $435,000 less than the budget request and equal to the fiscal year 2014 enacted level.

OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

PROGRAM DESCRIPTION

The Assistant Secretary for Governmental Affairs advises the Secretary on all congressional and intergovernmental activities and on all departmental legislative initiatives and other relationships with Members of Congress. The Assistant Secretary promotes effective communication with other Federal agencies and regional Department officials, and with State and local governments and national organizations for development of departmental programs; and ensures that consumer preferences, awareness, and needs are brought into the decisionmaking process.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $2,500,000 for the Office of the Assistant Secretary for Governmental Affairs. The recommended level is $67,000 less than the budget request and $30,000 less than the fiscal year 2014 enacted level.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

PROGRAM DESCRIPTION

The Assistant Secretary for Administration is responsible for establishing policies and procedures, setting guidelines, working with the operating administrations to improve the effectiveness and efficiency of the Department in human resource management, security and administrative management, real and personal property management, and acquisition and grants management.

COMMITTEE RECOMMENDATION

The Committee recommends $27,131,000 for the Office of the Assistant Secretary for Administration. The recommended funding level is $289,000 less than the budget request and $753,000 more than the fiscal year 2014 enacted level.

Response to the Government Accountability Office.—The Committee understands that although the Government Accountability Office [GAO], consistent with generally accepted Government auditing standards, provides the Secretary of Transportation with the opportunity to give substantive comments on draft GAO reports before they are issued, the Secretary's longstanding practice has been to decline to provide such comments. In particular, the Committee understands that the Secretary routinely declines to state the Department's position on whether it agrees or disagrees with GAO recommendations for agency action and the rationale for any disagreement. The Committee has therefore included a provision in title IV that requires all agencies and departments funded in the act to respond to GAO recommendations in a timely manner.

OFFICE OF PUBLIC AFFAIRS

PROGRAM DESCRIPTION

The Director of Public Affairs is the principal advisor to the Secretary and other senior departmental officials on public affairs questions. The Office is responsible for managing the Secretary's presence in the media, writing speeches and press releases, and preparing the Secretary for public appearances. The Office arranges media events and news conferences, and responds to media inquiries on the Department's programs and other transportation-related issues. It also provides information to the Secretary on the opinions and reactions of the public and news media on these programs and issues.

COMMITTEE RECOMMENDATION

The Committee recommends $2,000,000 for the Office of Public Affairs, which is $61,000 less than the budget request and $20,000 less than the fiscal year 2014 enacted level.

EXECUTIVE SECRETARIAT

PROGRAM DESCRIPTION

The Executive Secretariat assists the Secretary and the Deputy Secretary in carrying out their management functions and responsibilities by controlling and coordinating internal and external written materials.

COMMITTEE RECOMMENDATION

The Committee recommends $1,714,000 for the Executive Secretariat. The recommendation is $32,000 less than the budget request and equal to the fiscal year 2014 enacted level.

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

PROGRAM DESCRIPTION

The Office of Small and Disadvantaged Business Utilization has primary responsibility for providing policy direction for small and disadvantaged business participation in the Department's procurement and grant programs, and effective execution of the functions and duties under sections 8 and 15 of the Small Business Act, as amended.

COMMITTEE RECOMMENDATION

The Committee recommends $1,414,000, an amount that is equal to the budget request and $28,000 more than the fiscal year 2014 enacted level.

OFFICE OF INTELLIGENCE, SECURITY, AND EMERGENCY RESPONSE

PROGRAM DESCRIPTION

The Office of Intelligence, Security and Emergency Response ensures the development, coordination, and execution of plans and procedures for the Department of Transportation to balance transportation security requirements with the safety, mobility, and economic needs of the Nation. The Office keeps the Secretary and his advisors apprised of current developments and long-range trends in international issues, including terrorism, aviation, trade, transportation markets, and trade agreements. The Office also advises the Department's leaders on policy issues related to intelligence, threat information sharing, national security strategies and national preparedness and response planning.

To ensure the Department is able to respond in disasters, the Office prepares for and coordinates the Department's participation in national and regional exercises and training for emergency personnel. The Office also administers the Department's Continuity of Government and Continuity of Operations programs and initiatives. Additionally, the Office provides direct emergency response and recovery support through the National Response Framework and operates the Department's Crisis Management Center. The center monitors the Nation's transportation system 24 hours a day, 7 days a week, and is the Department's focal point during emergencies.

COMMITTEE RECOMMENDATION

The Committee recommends $10,778,000 for the Office of Intelligence, Security, and Emergency Response. The recommendation is $277,000 less than the budget request and equal to the fiscal year 2014 enacted level.

OFFICE OF THE CHIEF INFORMATION OFFICER

PROGRAM DESCRIPTION

The Office of the Chief Information Officer serves as the principal adviser to the Secretary on matters involving information technology, cybersecurity, privacy, and records management.

COMMITTEE RECOMMENDATION

The Committee recommends $15,800,000, which is $306,000 less than the budget request and $105,000 more than the fiscal year 2014 enacted level.

RESEARCH AND TECHNOLOGY

Appropriations, 2014	$14,765,000
Budget estimate, 2015	14,625,000
Committee recommendation	13,500,000

PROGRAM DESCRIPTION

The Office of the Assistant Secretary for Research and Technology has taken over the responsibilities previously held by the Research and Innovative Technology Administration. The responsibilities include coordinating, facilitating, and reviewing the Department's research and development programs and activities; coordinating and developing positioning, navigation and timing [PNT] technology; maintaining PNT policy, coordination and spectrum management; managing the Nationwide Differential Global Positioning System; and overseeing and providing direction to the Bureau of Transportation Statistics, the Intelligent Transportation Systems Joint Program Office, the University Transportation Centers program, the Volpe National Transportation Systems Center and the Transportation Safety Institute.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,500,000 for the Office of the Assistant Secretary for Research and Technology. This amount is $1,125,000 less than the budget request, and $1,265,000 less than the fiscal year 2014 enacted level. The following table summarizes the Committee's recommendation in comparison to the budget request and the fiscal year 2014 enacted level:

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Salaries and Administrative Expenses	$6,547,000	$6,407,000	$5,491,000
Research, Development and Technology Coordination	509,000	509,000	300,000
Alternative Energy Research and Development	499,000	499,000	499,000
Positioning, Navigation and Timing	1,610,000	1,610,000	1,610,000
Nationwide Differential Global Positioning System	5,600,000	5,600,000	5,600,000
Total	14,765,000	14,625,000	13,500,000

University Transportation Centers.—The Committee recommendation includes $72,500,000 for University Transportation Centers. This funding is provided through the Federal Highway

Administration, and the level is consistent with the Moving Ahead for Progress in the 21st Century Act.

Small Business Innovation Research.—The Small Business Innovation Research [SBIR] program encourages domestic small businesses to engage in Federal research or research and development activities that have the potential for commercialization. The Volpe Center directs the Department's SBIR program due to its extensive background in innovative programs such as technology transfer, cooperative research and development agreements, outreach projects involving a cross-section of the transportation community, and technical assistance to private organizations and State and local governments. The Committee recognizes the importance of the SBIR program and its success in commercialization from Federal funded research and development projects. Through its work, the SBIR program creates jobs in the smallest firms. The Committee therefore encourages the Department to place an increased focus on awarding SBIR awards to firms with fewer than 50 people. In addition, the Committee directs the Department to take steps to ensure that SBIR spending levels meet or exceed statutory requirements.

NATIONAL INFRASTRUCTURE INVESTMENTS

Appropriations, 2014	$600,000,000
Budget estimate, 2015 [1]	1,250,000,000
Committee recommendation	550,000,000

[1] The administration included these funds in its budget request, but classified them as mandatory spending.

PROGRAM DESCRIPTION

This program provides grants and credit assistance to State and local governments, transit agencies, or a collaboration of such entities for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region. Eligible projects include highways and bridges, public transportation, freight and passenger rail, and port infrastructure. The Department awards grants on a competitive basis; however, the Department must ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $550,000,000 for grants and credit assistance for investment in significant transportation projects, which is $50,000,000 less than the fiscal year 2014 enacted level. The administration assumed that this program would be funded as a part of comprehensive legislation to reauthorize surface transportation programs, and classified the funding as mandatory spending. The Committee, however, does not expect the enactment of legislation that funds this program on the mandatory side of the budget, and so provides its funding recommendation in order to continue investment in these important transportation projects.

Management Review by the Government Accountability Offices.—On May 28, the Government Accountability Office [GAO] issued a management report following its review of how the Department provided grants in fiscal year 2013 under this heading. GAO wrote in support of the grant program, saying, “In prior work, we have recommended that a merit-based competitive approach be used to direct a portion of Federal funds to transportation projects of national and regional significance.” GAO offers recommendations as a way to strengthen the program by taking measures to improve its accountability. Specifically, GAO recommends that the Department establish clear policies on how applications submitted after the deadline are treated, and on how program managers document major decisions in the application evaluation and project selection process.

In its response to GAO’s report, the Department recognized the value of GAO’s recommendations and described specific steps it has already undertaken to implement them. The Department also acknowledged that it experienced challenges during the fiscal year 2013 process, including technical difficulties with the grants.gov Web site, the loss of key members of the program’s leadership team, and a compressed schedule caused by a late appropriation and an obligation deadline of less than 18 months. The Committee appreciates that the program now has a strong leadership team that is committed to the program’s accountability, and the Committee urges the Department to implement all of the promised improvements. In addition, the Committee has lengthened the amount of time that TIGER funds are available for obligation, ensuring that the Department will have the time necessary to conduct a responsible competition and fully document its process without making compromises due to time constraints.

Planning Activities.—The Committee recommendation includes up to $35,000,000 for the planning, preparation or design of projects eligible for funding under this heading.

Protections for Rural Areas.—The Committee continues to believe that our Federal infrastructure programs must benefit communities across the country. For this reason, the Committee continues to require the Secretary to award grants and credit assistance in a manner that ensures an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

Investing in infrastructure in rural America is extremely important for growing the economy, increasing exports and expanding markets. For this reason, the Committee also set aside no less than 20 percent of the program’s funding for projects located in rural areas, and included specific provisions to match grant requirements with the needs of rural areas. Specifically, the Committee has lowered the minimum size of a grant awarded to a rural area and increased the Federal share of the total project cost.

FINANCIAL MANAGEMENT CAPITAL

Appropriations, 2014	$7,000,000
Budget estimate, 2015	5,000,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

The Financial Management Capital program is a multi-year business transformation initiative to streamline and standardize the financial systems and business processes across the Department.

The initiative includes upgrading and enhancing the commercial software used for DOT's financial systems, improving the cost and performance data provided to managers, and instituting new accounting standards and mandates.

COMMITTEE RECOMMENDATION

The Committee is recommending $5,000,000 to complete the Secretary's Financial Management Capital initiative, which is equal to the budget request and $2,000,000 less than the fiscal year 2014 enacted level.

CYBER SECURITY INITIATIVE

Appropriations, 2014	$4,455,000
Budget estimate, 2015	5,000,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

The Cyber Security Initiative is an 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 $5,000,000 to support the Secretary's Cyber Security Initiative, which is equal to the budget request and $545,000 more than the fiscal year 2014 enacted level.

OFFICE OF CIVIL RIGHTS

Appropriations, 2014	$9,551,000
Budget estimate, 2015	9,600,000
Committee recommendation	9,600,000

PROGRAM DESCRIPTION

The Office of Civil Rights is responsible for advising the Secretary on civil rights and equal employment opportunity matters, formulating civil rights policies and procedures for the operating administrations, investigating claims that small businesses were denied certification or improperly certified as disadvantaged business enterprises, and overseeing the Department's conduct of its civil rights responsibilities and making final determinations on civil rights complaints. In addition, the Civil Rights Office is responsible for enforcing laws and regulations which prohibit discrimination in federally operated and federally assisted transportation programs.

COMMITTEE RECOMMENDATION

The Committee recommends a funding level of $9,600,000 for the Office of Civil Rights. The recommendation is equal to the budget request and $49,000 more than the fiscal year 2014 enacted level.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriations, 2014	$7,000,000
Budget estimate, 2015	8,000,000
Committee recommendation	6,000,000

PROGRAM DESCRIPTION

The Office of the Secretary performs those research activities and studies which can more effectively or appropriately be conducted at the departmental level. This research effort supports the planning, research, and development activities needed to assist the Secretary in the formulation of national transportation policies. The program is carried out primarily through contracts with other Federal agencies, educational institutions, nonprofit research organizations, and private firms.

COMMITTEE RECOMMENDATION

The Committee recommends $6,000,000 for transportation planning, research, and development, which is $1,000,000 less than the budget request and $2,000,000 less than the fiscal year 2014 enacted level.

Study on Air Quality in Rail Cars and Stations.—The Committee is aware of news reports that have found poor air quality in some diesel powered commuter rail cars and stations. The Committee directs the Secretary of Transportation to conduct a study of the air quality in passenger cars of commuter or intercity trains with diesel or diesel-electric locomotives and rail stations serviced by diesel or diesel-electric locomotives, and determine cost-effective ways to reduce diesel emissions and improve air quality in these passenger cars and rail stations. The Secretary is encouraged to work with modal Administrators, commuter rail transit agencies, the public transportation industry, public health groups, the transportation research board and commuter rail worker organizations in conducting the study. The Secretary is directed to issue a report to the House and Senate Committees on Appropriations no later than one year after enactment of this act on the findings of the study.

WORKING CAPITAL FUND

Limitation, 2014	$178,000,000
Budget estimate, 2015[1]	....
Committee recommendation	182,000,000

[1] Proposed without limitation.

PROGRAM DESCRIPTION

The Working Capital Fund provides technical and administrative services to the Department's operating administrations and other Federal entities. The services are centrally performed in the interest of economy and efficiency and are funded through negotiated agreements with Department operating administrations and other Federal customers and are billed on a fee-for-service basis to the maximum extent possible.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $182,000,000 on activities financed through the Working Capital Fund. The recommended limit is $4,000,000 more than the limit enacted for fiscal year 2014. The Department requested that no limitation be included in the bill.

As in past years, the bill specifies that the limitation on the Working Capital Fund shall apply only to the Department and not to services provided for other entities. The Committee directs that services shall be provided on a competitive basis to the maximum extent possible.

The Committee notes that the "transparency paper" included in the justifications for fiscal year 2015 provides essential information on total budgetary resources for the Office of the Assistant Secretary for Administration and the Office of the Chief Information Officer, including the balance of resources provided through the Working Capital Fund and direct appropriations. Therefore, the Committee directs the Department to update this "transparency paper" and include it in the budget justifications for fiscal year 2016.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

	Appropriations	Limitation on guaranteed loans
Appropriations, 2014	$925,000	$18,367,000
Budget estimate, 2015	1,013,000	18,367,000
Committee recommendation	925,000	18,367,000

PROGRAM DESCRIPTION

The Minority Business Resource Center of the Office of Small and Disadvantaged Business Utilization provides assistance in obtaining short-term working capital for disadvantaged, minority, and women-owned businesses. The program enables qualified businesses to obtain loans at prime interest rates for transportation-related projects. As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with guaranteed loans for this program as well as administrative expenses of this program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $333,000 to cover the subsidy costs for guaranteed loans and $592,000 for administrative expenses to carry out the guaranteed loan program. These recommended levels add to a total funding level of $925,000 for the Minority Business Resource Center. This total funding level is $88,000 less than the budget estimate and equal to the fiscal year 2014 enacted level. The Committee also recommends a limitation on guaranteed loans of $18,367,000, which is equal to the budget request and the fiscal year 2014 enacted level.

The Department requested an increase in funding to cover the subsidy cost and administrative expenses of this program. However, the current funding level still gives the Department sufficient room to cover an increase in the cost of providing each loan guarantee as well as growth in the overall size of the program. Should the funding level become a constraint to the program in the future, the Committee will revisit this issue.

MINORITY BUSINESS OUTREACH

Appropriations, 2014	$3,088,000
Budget estimate, 2015	3,099,000
Committee recommendation	3,099,000

PROGRAM DESCRIPTION

This appropriation provides contractual support to assist small, women-owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts for transportation-related projects that involve Federal spending. Separate funding is provided for these activities since this program provides grants and contract assistance that serve Department-wide goals and not just OST purposes.

COMMITTEE RECOMMENDATION

The Committee recommends $3,099,000 for grants and contractual support provided under this program for fiscal year 2015. The recommendation is equal to the budget request and $11,000 more than the fiscal year 2014 enacted level.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

	Appropriations	Mandatory [1]	Total
Appropriation, 2014	$149,000,000	$120,640,000	$269,640,000
Budget estimate, 2015	155,000,000	106,000,000	261,000,000
Committee recommendation	155,000,000	106,000,000	261,000,000

[1] Mandatory funding is supported by overflight fees provided to the Federal Aviation Administration pursuant to section 41742 of title 49, United States Code.

PROGRAM DESCRIPTION

This appropriation provides funding for the Essential Air Service [EAS] program, which was created to continue air service to communities that had received federally mandated air service prior to deregulation of commercial aviation in 1978. The program currently provides subsidies to air carriers serving small communities that meet certain criteria.

The Federal Aviation Administration [FAA] collects user fees that cover the air traffic control services the agency provides to aircraft that neither take off from, nor land in, the United States. These fees are commonly referred to as "overflight fees", and the receipts from the fees are used to help finance the EAS program.

COMMITTEE RECOMMENDATION

The Committee recommends the appropriation of $155,000,000 for the EAS program. This appropriation would be in addition to an estimated $106,000,000 of overflight fees collected by the Federal Aviation Administration, allowing the Department to support a total program level for EAS of about $261,000,000. The appropriation and the level of funding from overflight fees under the

Committee's recommendation are both equal to the budget request. The total program level under the Committee's recommendation is $8,640,000 less than the total program level enacted for fiscal year 2014; the total program level enacted for that year was comprised of an appropriation of $149,000,000 plus $120,640,000 in overflight fees.

Proximity to the Nearest Hub Airport.—The Committee continues to include a provision that prohibits the Department from entering into a new contract with an EAS community located less than 40 miles from the nearest hub airport before the Secretary has negotiated with the community over a local cost share. This provision was first added in the fiscal year 2014 Consolidated Appropriations Act.

Aircraft Size Requirement.—The Committee continues to include a provision that removes the requirement for 15-passenger seat aircraft, as requested by the Administration. This requirement adds to the cost of the EAS program because the fleet of 15-passenger seat aircraft continues to age and grow more difficult for airlines to maintain. The Committee, however, expects that the Department will use this flexibility judiciously. The Department should use it for communities where historical passenger levels indicate that smaller aircraft would still accommodate the great majority of passengers, or for communities where viable proposals for service are not available. The Committee does not expect the Department to use this flexibility simply to lower costs if a community can show regular enplanement levels that would justify larger aircraft.

Passenger Levels and Subsidy Rates.—The table below reflects the points in the continental United States currently receiving EAS service, their annual subsidy rates, and their level of subsidy per passenger.

ESSENTIAL AIR SERVICE SUBSIDY PER PASSENGER

State	EAS communities	Est. miles to nearest hub (S, M, or L)	Average enplanements per day	Annual subsidy rates at 6/1/13	Passenger totals at 12/31/12	Subsidy per passenger at 6/1/13
AL	Muscle Shoals	60	6.3	$2,603,365	3,973	$655
AR	El Dorado/Camden	117	12.4	1,977,153	7,742	255
AR	Harrison	86	17.6	2,251,207	11,017	204
AR	Hot Springs	51	8.6	1,637,012	5,353	306
AR	Jonesboro	82	15.6	1,942,890	9,796	198
AZ	Kingman	121	2.7	1,635,180	1,661	984
AZ	Page	282	20.2	2,472,028	12,639	196
AZ	Prescott	102	17.2	2,094,325	10,797	194
AZ	Show Low	154	11.9	1,672,000	7,461	224
CA	Crescent City	231	40.4	1,996,959	25,279	79
CA	El Centro	101	9.5	1,943,751	5,950	327
CA	Merced	60	7.7	1,698,878	4,810	353
CA	Visalia	47	10.8	1,697,929	6,762	251
CO	Alamosa	164	22.3	2,078,676	13,941	149
CO	Cortez	255	26.1	2,240,766	16,336	137
CO	Pueblo	36	14.6	1,737,732	9,141	190
GA	Athens	72	5.9	1,630,410	3,681	443
GA	Macon	82	4.0	1,998,696	2,482	805
IA	Burlington	74	20.8	1,917,566	12,994	148
IA	Fort Dodge	91	9.4	1,798,693	5,868	307
IA	Mason City	131	11.3	1,174,468	7,096	166
IA	Sioux City	88	80.7	1,512,799	50,509	30
IA	Waterloo	63	61.5	1,541,824	38,472	40
IL	Decatur	126	20.5	2,667,922	12,803	208

ESSENTIAL AIR SERVICE SUBSIDY PER PASSENGER—Continued

State	EAS communities	Est. miles to nearest hub (S, M, or L)	Average enplanements per day	Annual subsidy rates at 6/1/13	Passenger totals at 12/31/12	Subsidy per passenger at 6/1/13
IL	Marion/Herrin	123	32.1	2,104,616	20,099	105
IL	Quincy	111	33.1	1,956,856	20,728	94
KS	Dodge City	150	18.7	1,688,598	11,712	144
KS	Garden City	202	73.4	2,919,026	45,951	64
KS	Great Bend	114	3.2	1,082,020	1,983	546
KS	Hays	166	28.9	2,164,041	18,068	120
KS	Liberal/Guymon	138	19.3	2,555,150	12,099	211
KS	Salina	97	7.5	1,490,479	4,705	317
KY	Owensboro	105	12.4	1,529,913	7,738	198
KY	Paducah	146	63.8	2,034,160	39,962	51
MD	Hagerstown	78	3.9	1,785,638	2,419	738
ME	Augusta/Waterville	58	17.9	1,362,616	11,222	121
ME	Bar Harbor	157	16.3	1,631,223	10,190	160
ME	Presque Isle/Houlton	274	34.8	3,892,174	21,800	179
ME	Rockland	76	23.5	1,420,545	14,704	97
MI	Alpena	174	51.6	3,098,472	32,300	96
MI	Escanaba	227	46.0	2,833,558	28,803	98
MI	Hancock/Houghton	321	80.0	690,976	50,103	14
MI	Iron Mountain/Kingsford	229	30.0	2,512,971	18,766	134
MI	Ironwood/Ashland	213	8.1	1,747,326	5,066	345
MI	Manistee/Ludington	233	7.7	2,055,781	4,820	427
MI	Muskegon	49	50.5	1,389,952	31,631	44
MI	Pellston	213	84.5	1,077,413	52,925	20
MI	Sault Ste. Marie	347	67.3	1,765,393	42,130	42
MN	Bemidji	128	70.6	1,118,050	44,220	25
MN	Brainerd	123	46.5	1,356,764	29,108	47
MN	Chisholm/Hibbing	199	33.6	2,517,770	21,060	120
MN	International Falls	298	44.8	1,107,900	28,039	40
MN	Thief River Falls	305	6.9	1,881,815	4,323	435
MO	Cape Girardeau/Sikeston	127	19.4	1,627,966	12,160	134
MO	Fort Leonard Wood	136	26.9	2,905,794	16,811	173
MO	Joplin	167	75.2	342,560	47,095	7
MO	Kirksville	137	18.1	1,649,248	11,357	145
MS	Greenville	124	9.3	3,522,398	5,836	604
MS	Laurel/Hattiesburg	66	18.9	2,965,667	11,830	251
MS	Meridian	84	21.6	2,417,808	13,552	178
MS	Tupelo	94	18.3	3,522,398	11,438	308
MT	Butte	75	82.9	735,956	51,920	14
MT	Glasgow	285	6.5	2,046,800	4,057	[1] n/a
MT	Glendive	223	1.9	1,944,467	1,178	[1] n/a
MT	Havre	230	3.7	2,036,254	2,338	[1] n/a
MT	Sidney	272	29.4	3,777,579	18,405	[1] n/a
MT	West Yellowstone	89	44.0	535,141	10,727	50
MT	Wolf Point	293	8.7	2,145,326	5,473	[1] n/a
ND	Devils Lake	159	8.9	2,797,467	5,583	501
ND	Jamestown	92	8.3	1,987,655	5,183	383
NE	Alliance	233	5.2	1,309,865	3,229	406
NE	Chadron	290	7.2	1,309,865	4,515	290
NE	Grand Island	138	71.5	1,837,021	44,781	41
NE	Kearney	181	42.2	1,752,904	26,389	66
NE	McCook	256	6.2	1,976,338	3,877	510
NE	North Platte	255	26.7	1,697,510	16,690	102
NE	Scottsbluff	192	30.4	1,398,351	19,032	73
NH	Lebanon/White River Jct.	74	31.3	2,347,744	19,588	120
NM	Carlsbad	149	8.6	1,397,081	5,364	260
NM	Clovis	102	5.0	1,954,490	3,143	622
NM	Silver City/Hurley/Deming	134	4.5	2,098,460	2,803	749
NY	Jamestown	76	10.1	1,940,272	6,321	307
NY	Massena	138	15.5	2,090,949	9,708	215
NY	Ogdensburg	105	17.0	1,702,697	10,647	160
NY	Plattsburgh	82	23.6	2,470,834	14,748	168
NY	Saranac Lake/Lake Placid	132	16.9	1,832,064	10,552	174
NY	Watertown	54	61.2	3,356,349	38,282	88

ESSENTIAL AIR SERVICE SUBSIDY PER PASSENGER—Continued

State	EAS communities	Est. miles to nearest hub (S, M, or L)	Average enplanements per day	Annual subsidy rates at 6/1/13	Passenger totals at 12/31/12	Subsidy per passenger at 6/1/13
OR	Pendleton	185	13.6	1,834,708	8,524	215
PA	Altoona	112	12.5	1,998,594	7,830	255
PA	Bradford	77	6.9	1,940,272	4,292	452
PA	DuBois	112	15.6	2,587,029	9,793	264
PA	Franklin/Oil City	85	5.0	1,293,515	3,134	413
PA	Johnstown	84	19.6	1,998,594	12,287	163
PA	Lancaster	28	6.3	2,504,174	3,943	635
PR	Mayaguez	105	17.3	1,198,824	10,802	111
SD	Aberdeen	176	80.2	1,043,719	50,202	21
SD	Huron	121	5.6	1,929,349	3,485	554
SD	Watertown	102	14.2	1,710,324	8,872	193
TN	Jackson	86	7.8	1,115,210	4,865	229
TX	Victoria	93	10.4	2,294,036	6,518	352
UT	Cedar City	179	37.9	2,317,439	23,716	98
UT	Moab	256	13.8	2,303,347	8,635	267
UT	Vernal	150	26.6	1,415,696	16,660	85
VA	Staunton	113	45.1	3,394,629	28,203	120
VT	Rutland	69	17.3	1,360,481	10,827	126
WI	Eau Claire	92	62.5	1,546,536	39,104	40
WI	Rhinelander	190	53.5	1,519,619	33,471	45
WV	Beckley	168	12.0	2,512,494	7,502	335
WV	Clarksburg/Fairmont	96	18.8	1,728,125	11,784	147
WV	Greenbrier/W.Sulphur Sps	162	21.9	3,484,710	13,698	254
WV	Morgantown	75	32.6	1,728,125	20,381	85
WV	Parkersburg/Marietta	110	26.1	2,587,029	16,357	158
WY	Cody	106	43.0	1,380,779	26,909	51
WY	Laramie	145	35.3	1,635,346	22,085	74
WY	Worland	161	8.9	1,987,148	5,589	356

[1] Cape Air began service at five Montana communities in December 2013, which is too recent for an accurate measurement of the subsidy per passenger.

SAFE TRANSPORT OF OIL

Appropriations, 2014	....
Budget estimate, 2015	$40,000,000
Committee recommendation	....

PROGRAM DESCRIPTION

The administration proposed a new appropriation to fund a multi-modal initiative to support prevention and response activities associated with the safe transportation of crude oil. The funds would be available for work conducted by the Federal Railroad Administration, Pipeline and Hazardous Materials Safety Administration, and Federal Motor Carrier Safety Administration. The Administrators of those operating administrations and representatives from the Office of the Secretary would serve as a board that would make decisions on the use of the funding and would oversee its implementation. Funds also could be used to support collaborative efforts with other Federal departments and agencies, such as the Department of Energy, the Department of the Interior, and the Environmental Protection Agency.

COMMITTEE RECOMMENDATION

The Committee does not recommend providing a new appropriation for initiatives to improve the safety of crude oil transportation. The Committee has instead recommended funding through the regular appropriations to the offices and agencies that conduct this work.

The dramatic increase in domestic energy production in recent years has led to a rapid change in the demands on our transportation network. The vast and growing shipments of crude oil and ethanol by rail pose new challenges to the Department as it works to ensure the safe transportation of these hazardous materials in interstate commerce. To that end, the Committee recognizes the pressing need to increase the resources available to the Department to support activities related to research, regulations, oversight and enforcement. The Committee recommendation includes additional resources in the modal administrations targeted to research activities, inspectors, and training and awareness efforts to improve emergency response and safety. This funding will assist the Secretary in providing a comprehensive prevention, mitigation, and response safety strategy for the shipment of energy products.

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER

Appropriations, 2014	....
Budget estimate, 2015	$8,000,000
Committee recommendation	....

PROGRAM DESCRIPTION

The Administration proposed a new appropriation to fund the establishment and operation of an Interagency Infrastructure Permitting Improvement Center. The goals of the center would be to develop and implement reforms for the permitting and review of major infrastructure projects, develop and deploy information technology tools to track project schedules and metrics, and improve the transparency and accountability of the permitting process.

COMMITTEE RECOMMENDATION

The Committee does not recommend providing a new appropriation for an Interagency Infrastructure Permitting Improvement Center. The Committee notes that the Department regularly undertakes activities to improve permitting and review processes, and the Committee expects the Department to continue its efforts to advance project delivery using its existing agencies and offices. The Committee has not yet seen evidence that a new center dedicated to these activities would improve the effectiveness of the Department's efforts. Under current budgetary constraints, the Committee cannot afford to dedicate funding to a new center without more proof that it would significantly improve outcomes.

ADMINISTRATIVE PROVISIONS—OFFICE OF THE SECRETARY OF TRANSPORTATION

Section 101 prohibits the Office of the Secretary of Transportation from obligating funds originally provided to a modal administration in order to approve assessments or reimbursable agreements, unless the Department follows the regular process for the reprogramming of funds, including congressional notification.

Section 102 authorizes the Secretary of Transportation or his designee to engage in activities with States and State legislatures to consider proposals related to the reduction of motorcycle fatalities.

Section 103 allows the Department of Transportation to make use of the Working Capital Fund in providing transit benefits to Federal employees.

Section 104 places simple administrative requirements on the Department of Transportation's Credit Council. These requirements include posting a schedule of meetings on the DOT Web site, posting the meeting agendas on the Web site, and recording the minutes of each meeting.

FEDERAL AVIATION ADMINISTRATION

PROGRAM DESCRIPTION

The Federal Aviation Administration is responsible for the safe movement of civil aviation and 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 agency 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 transferred to a new, independent agency named the Civil Aeronautics Authority.

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 [DOT] began its operations in 1967, the Federal Aviation Agency was renamed the Federal Aviation Administration [FAA] and became one of several modal administrations within DOT. The Civil Aeronautics Board was later phased out with enactment of the Airline Deregulation Act of 1978, and ceased to exist in 1984. Responsibility for the investigation of civil aviation accidents was given to the National Transportation Safety Board in 1967. FAA's mission expanded in 1995 with the transfer of the Office of Commercial Space Transportation from the Office of the Secretary, and decreased in December 2001 with the transfer of civil aviation security activities to the Transportation Security Administration.

COMMITTEE RECOMMENDATION

The total recommended funding level for the FAA for fiscal year 2015 amounts to $15,860,450,000 including new budget authority and a limitation on the obligation of contract authority. This funding level is $580,000,000 more than the budget request and $126,420,000 more than the fiscal year 2014 enacted level.

The following table summarizes the Committee's recommendations for fiscal year 2015 in comparison to the budget request and the fiscal year 2014 enacted level:

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Operations	$9,651,422,000	$9,750,000,000	$9,750,000,000

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Facilities and equipment	2,600,000,000	2,603,700,000	2,473,700,000
Research, engineering, and development	158,792,000	156,750,000	156,750,000
Grants-in-aid to airports (obligation limitation)	3,350,000,000	2,900,000,000	3,480,000,000
Rescissions	−26,184,000	−130,000,000	
Total	15,734,030,000	15,280,450,000	15,860,450,000

OPERATIONS

Appropriations, 2014	$9,651,422,000
Budget estimate, 2015	9,750,000,000
Committee recommendation	9,750,000,000

PROGRAM DESCRIPTION

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, commercial space, medical, research, engineering and development programs, as well as policy oversight and agency management functions. The operations appropriation includes the following major activities:

—the air traffic organization which operates, on a 24-hour daily basis, the national air traffic system, including the establishment and maintenance of a national system of aids to navigation, the development and distribution of aeronautical charts and the administration of acquisition, and research and development programs;

—the regulation and certification activities, including establishment and surveillance of civil air regulations to assure safety and development of standards, rules and regulations governing the physical fitness of airmen, as well as the administration of an aviation medical research program;

—the office of commercial space transportation; and

—headquarters and support offices.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $9,750,000,000 for FAA operations. This funding level is equal to the budget request, and $98,578,000 more than the fiscal year 2014 enacted level. The Committee recommendation derives $8,595,000,000 of the appropriation from the airport and airway trust fund. The balance of the appropriation will be drawn from the general fund of the Treasury.

As in past years, FAA is directed to report immediately to the House and Senate Committees on Appropriations in the event resources are insufficient to operate a safe and effective air traffic control system.

The following table summarizes the Committee's recommendation in comparison to the budget estimate and fiscal year 2014 enacted level:

FAA OPERATIONS

	Fiscal year— 2014 enacted	Fiscal year— 2015 estimate	Committee recommendation
Air traffic organization	$7,311,790,000	$7,396,654,000	$7,396,654,000
Aviation safety	1,204,777,000	1,215,458,000	1,215,458,000
Commercial space transportation	16,011,000	16,605,000	16,605,000
Finance and management	762,462,000	765,047,000	765,047,000
NextGen operations and planning	59,782,000	60,089,000	60,089,000
Staff offices:			
Office of the Administrator	4,017,000	4,049,000	4,049,000
Office of audit and evaluation	3,200,000	3,227,000	3,227,000
Office of civil rights	11,868,000	11,940,000	11,940,000
Government and industry affairs	1,530,000	1,541,000	1,400,000
Office of communications	6,003,000	6,056,000	6,056,000
Office of the Chief Counsel	44,190,000	44,772,000	44,772,000
Office of policy, international affairs and environment	33,630,000	33,579,000	33,720,000
Human resources management	103,490,000	101,195,000	101,195,000
Office of security and hazardous materials safety	88,672,000	89,788,000	89,788,000
Subtotal	296,600,000	296,147,000	296,147,000
Total	9,651,422,000	9,750,000,000	9,750,000,000

FAA Administrative Expenses.—The Committee continues to expect the FAA to use its Federal resources judiciously, and does not believe that providing retention bonuses to the same employee for repeated years in a row represents a responsible use of those taxpayer dollars. A retention bonus should offer a short-term enticement to stay at the FAA for employees possessing critical and hard-to-replace skills, thereby giving the agency extra time to find a suitable replacement. When given every year to a broad spectrum of employees, however, a retention bonus acts as a loophole in the Federal administrative process, allowing the FAA to give a permanent pay raise to certain employees without being held accountable to the regular administrative requirements. The Committee is still concerned about the FAA's failure to manage this authority responsibly, and retains bill language directing the Department's Assistant Secretary for Administration to be the approving official for any request for a retention bonus by the FAA during fiscal year 2015.

Contract Towers.—The Committee recommendation provides a total of $149,000,000 for the contract tower program, which includes $138,650,000 for the base program and $10,350,000 for the contract tower cost share program. This total funding level is sufficient to cover all towers that will be operating during fiscal year 2015. The Committee also retains language that limits contributions in the contract tower cost share program to 20 percent of total costs.

Critical Workforces of the FAA.—The Committee remains committed to FAA's critical workforces, including air traffic controllers and aviation safety inspectors and technicians. The Committee recommendation fully funds the Administration's request for the Air Traffic Organization and the Office of Aviation Safety, which will allow the FAA to maintain its critical workforces in fiscal year 2015.

FAA's New Process for Hiring Air Traffic Controllers.—This past December, the FAA announced that it would begin hiring additional air traffic controllers, and that it would use an entirely new process to fill those positions. Among its changes, the FAA decided that it would start a new competition, no longer using the list or "inventory" of candidates that the agency had reviewed from prior job announcements; it would open the competition to the general public, whereas the agency had traditionally targeted its announcements to veterans or graduates of schools designed by the FAA as Collegiate Training Institutes [CTI]; and it would start using a new tool called the biographical questionnaire to screen its candidates.

The Committee understands that the FAA's new hiring policies are necessary to address important shortcomings in the way the agency had been hiring air traffic controllers. The old process did not appropriately apply veterans' preference law, and it raised barriers against the FAA's ability to hire a diverse group of new air traffic controllers. The Committee agrees that the FAA, as an agency of the Federal Government, should ensure that its hiring processes are open and fair for everyone.

However, the FAA managed the change to its hiring process poorly. For many, the FAA's announcement was unexpected and came suddenly. The FAA had dedicated several years to research and development for the new hiring process, and the agency had reached out to a variety of stakeholder groups who could help inform its decisions. Even so, as valuable as this effort was, the FAA never reached out to key participants in the aviation community, including controller candidates and CTI schools. Instead, the FAA announced its decision in the middle of a school year, issued its next job announcement immediately, and caused confusion among the very people who needed to navigate the new process.

Furthermore, significant questions have been raised now that the FAA has conducted the biographical questionnaire for the first time. According to the National Air Traffic Controllers Association, who worked closely with the FAA in developing its new hiring process, the agency had expected about 30 percent of its candidates to advance beyond the biographical questionnaire. Yet, less than 8 percent have advanced beyond the questionnaire this year. Candidates who had applied for a controller position through a previous job announcement, taken the FAA's technical skills test, and been told that they were considered "well qualified," now find themselves being screened out by the biographical questionnaire. They are shaken by this experience because they feel that they had already proven their technical abilities, but they are now being screened out by a questionnaire that asks them, for example, to decide if other people would describe them as a person with great "drive" or great "persistence."

The FAA has placed great confidence in its new hiring process, arguing that it will lead to more open and fair competition. The Committee, however, is concerned that confusion about the new process and the role of the biographical questionnaire has detracted from this year's recruiting effort.

The Committee has included a new provision in its bill language to ensure that the FAA's new hiring process truly gives every applicant the ability to compete openly and fairly for a job as an air traffic controller. This year's process may have been marked by confusion, but the Committee believes that applicants should be held harmless from the FAA's inability to manage the transition to the new hiring process. The bill clarifies that any person who held a position on the FAA's "inventory" of qualified candidates from previous job announcements can apply for a position as an air traffic controller during fiscal year 2015, even if they turned 31 years old and aged out of the process during this past year.

In addition, the Committee expects that in the future FAA will consider its partnership with CTI schools more seriously, and invite their input when contemplating significant policy changes that would affect their students.

Aircraft Certification Process Review and Reform.—The Committee continues to be keenly interested in FAA's progress toward implementing section 312 of the FAA Modernization and Reform Act of 2012, which requires the FAA to develop a more streamlined certification process. An aviation rulemaking committee [ARC], with representatives from both FAA and the aviation industry, issued its recommendations on May 22, 2012. The recommendations included expanding the use of FAA's delegated authority and a risk-based, systems safety approach to its oversight. FAA must now face a far more challenging task of implementing those recommendations, and measuring the effectiveness of its efforts.

It is essential for FAA to document its progress to the Committee and other aviation stakeholders. The Committee therefore directs FAA to submit to the House and Senate Committees on Appropriations a report no later than April 3, 2015, on the measures of effectiveness that FAA is applying to its work in implementing the ARC's recommendations. The report should detail the measures of effectiveness and the extent to which they track FAA's progress, including the agency's progress in relying more fully on delegated authorities and toward a systems safety approach; how regularly the FAA will collect this data and how it will be used to improve FAA's process over time; the extent to which FAA has modified its personnel expectations and its training course content to communicate changes to field offices; and the extent to which ARC members were consulted in drafting the measures of effectiveness.

FAA's success in streamlining its certification process relies on the agency's workforce of trained inspectors, engineers and specialists. The Committee directs the FAA to include in its annual aviation safety workforce plan a section devoted to the actions undertaken and planned by the agency to further enhance aircraft certification workforce skills and training.

The Committee also expects FAA to continue its efforts to educate and coordinate with other international aviation authorities about its certification process. These efforts are consistent with the FAA's strategic plan, and they are critical to FAA's ability to streamline and enhance the validation and acceptance of FAA certifications globally.

Finally, the Committee expects the FAA to use the resources provided in its recommendation to support the completion of a final rule that advances the safety and continued development of small airplanes, as required by the Small Airplane Revitalization Act of 2013.

Consistency of Regulatory Interpretation.—Section 313 of the FAA Modernization and Reform Act of 2012 requires FAA to improve how consistently its offices and field locations enforce agency regulations. An aviation rulemaking committee developed recommendations on this issue and issued its report on November 28, 2012. As with FAA's work on certification streamlining, the agency must now face the challenge of implementing the recommendations.

The Committee is acutely interested in the FAA's progress toward improving the consistency of its regulatory interpretation, but remains concerned about the current state of affairs. Recently, for example, an airline that interacts with flight standards district offices in Seattle, Washington, as well as Juneau and Anchorage, Alaska, reported startling differences in how these offices treated the same situation. The airline had voluntarily raised a concern documentation related to its aircraft. The offices in Alaska worked closely with several airlines to fix the issue, knowing that it did not have any safety implications. In contrast, the office in Seattle issued a formal letter of investigation that threatened regulatory action against the airline, which would have resulted in grounding its fleet.

Even more startling was the reaction of managers at the Seattle office when the airline suggested that its working relationship with the Alaska offices could be a model for addressing similar issues in the future. The airline was told that each flight standards district office works independently and has no relationship with the other offices. This assertion is true only to the extent that each district office has the authority to conduct its own oversight, but completely ignores the fact that each office works on behalf of the FAA and must conduct its work accordingly.

As this incident shows, there are significant differences among field offices in their workplace culture and their understanding of how to use best practices when enforcing FAA policy and regulations, as well as a large gap between field offices and FAA headquarters. The Committee therefore directs the FAA to include a section in its annual aviation safety workforce plan devoted to the actions undertaken and planned by the agency to improve the consistency of its regulatory interpretations.

Air Traffic Control Optimum Training Solution.—To protect the safety of the national airspace, the FAA must maintain a full workforce of trained air traffic controllers. According to the FAA's current Controller Workforce Plan, the agency will hire 10,031 air traffic controllers over the next 9 years. The FAA needs an effective strategy for training all of these controllers.

In September 2008, the FAA awarded the Air Traffic Control Optimum Training Solution [ATCOTS] contract to provide up to 10 years of controller training. The FAA claimed that the ATCOTS program would modernize how the agency trained its air traffic controllers, reducing the time it took to train each controller and the total cost of controller training. The ATCOTS contract included provisions that were supposed to encourage the contractor to develop training innovations.

In reality, ATCOTS has not produced results. The program resulted in cost overruns each year over the first 4 years, racking up about $89,000,000 in additional expenses and exhausting the program's base level of funding a year ahead of time. The additional spending, however, was not buying the FAA a more efficient training program. Over the fiscal year 2009–2012 period, the amount of time needed to certify controllers increased by an average of 41 percent. That is, under the ATCOTS program, it took an average of 9 months longer to certify each air traffic controller. Running out of room under its ATCOTS budget, the FAA exercised the contract's first extension a year in advance, lengthening the contract by 3 years. FAA has improved its oversight of the contract, but according to a report issued by the Inspector General in December 2013, the agency still has not adequately defined its requirements or fully identified training costs.

Since last November, this Committee has been asking for a briefing from the FAA that would cover the status of the ATCOTS program, the program's procurement schedule, and the agency's strategy for improving the program's performance. The FAA has been unwilling or unable to provide this briefing, and the FAA's unwillingness to discuss the status of ATCOTS reflects poorly on agency's ability to manage the program.

The Committee directs the FAA to provide the requested briefing to staff members for the House and Senate Committees on Appropriations immediately. In addition, given the long history of briefing requests, the Committee turns to the Office of Inspector General [OIG] to provide further insight into the FAA's ability to estimate the cost of the ATCOTS program, and the FAA's strategy for managing this program after the current contract period. The Committee directs the OIG to submit an update to the December 2013 report on the ATCOTS program no later than 6 months after enactment of this act.

Pilot Records Database.—The Committee directs FAA to continue implementing section 203 of the Airline Safety Act of 2010, which requires the agency to create a pilot records database. This database will contain various types of pilot records that air carriers will use to perform a record check on pilots before making hiring decisions. The FAA has encountered significant obstacles in collecting and collating many years' worth of industry records and developing a software database. The Committee recognizes the difficulty of these obstacles, but remains concerned with the pace of the rulemaking. The Committee directs the FAA to provide a letter report on its progress in meeting the requirements of section 203 to the House and Senate Committees on Appropriations no later than March 2, 2015.

FAA's Telecommunications.—The executive branch has issued an order allowing commercial telecommunication carriers to test the transition from time-division multiplexed [TDM] circuit switched voice services to Internet protocol [IP] networks. This transition from TDM to IP could have a significant impact on the FAA because 92 percent of the agency's telecommunications services are TDM-based. FAA is working with its telecommunications service provider and the Federal Communications Commission to ensure that FAA operations are not disrupted by this transition. FAA also recognizes the need for a long-term plan that is consistent with its effort to modernize the air traffic control system. The Committee directs FAA to report to the House and Senate Committees on Appropriations no later than March 31, 2015, on the status of its investment analysis of the transition to IP services.

Public Comment Periods.—The Committee recognizes the critical role of public comment periods on FAA's rulemaking proceedings and the agency's non-rulemaking activities related to special use airspace. These efforts could affect a significant portion of the public, and full and fair public comment periods improve transparency and confidence among stakeholders that the FAA will take all views into account. The Committee, however, is concerned that the FAA has failed to take meaningful steps to improve transparency in its rulemaking process. To ensure the public's ability to submit comments on actions being considered by the FAA, it is important to make electronic submissions available, especially as many individuals have shifted toward providing comments to the Federal Government through the Internet. Therefore, the Committee directs the FAA to update its procedures for handling airspace matters to ensure an online venue is available for comment submission on all public comment solicitations, including solicitations on special use airspace non-rulemaking circulars.

Aeronautical Navigation Products.—The Committee remains concerned about Aeronautical Navigation Products' [AeroNav] plans to impose a per person charge and erect a digital copyright on digital products produced by the FAA for the public benefit. The FAA has previously made these products available for download from its Web site without charge. The Committee is concerned that the proposed scheme will be used to support the declining paper chart services by charging those that are moving to a digital format. In contrast to AeroNav's efforts, Executive Order 13642 was issued on May 14, 2013, to make government data available to foster entrepreneurship and innovation. This order builds on another order issued in 2012 to open up government systems with public interfaces for commercial application providers.

With these concerns in mind, the Committee continues to include bill language that prohibits AeroNav from implementing new charges on AeroNav products until the FAA provides the House and Senate Committees on Appropriations a report that describes (1) the estimated cost of producing only its digital products, on a product-by-product basis (for example, delineating costs for electronic navigation charts and vector charts separately), for use on computers, tablets, and other displays; (2) the cost of producing both digital products and paper products, on a product-by-product basis; (3) safety and operational benefits of using digital products; and (4) how AeroNav's actions conflict with the direction in Executive Order 13642 to support open data for entrepreneurship, innovation, and scientific discovery.

FAA Public Hearing.—The Committee remains concerned with the proposed modifications to the Condor 1 and Condor 2 military operating areas and encourages FAA to continue working with its partner agencies by holding a public hearing with representatives from the relevant Federal agencies in western Maine upon completion of the Air National Guard's environmental impact statement and the record of decision. The Committee recognizes that the Air National Guard, as the lead agency under the NEPA process, has sought to meet the minimum legal requirements for public participation and comment. However, the Committee remains troubled with how the authorization of low-altitude military training in the proposed airspace would affect areas that significantly contribute to the local economy and areas that are culturally and environmentally sensitive. Furthermore, the Committee notes the FAA is the only Federal agency that can modify special airspace and that the FAA may adopt the Air National Guard's EIS in whole, or in part, once the Final EIS has been issued. In addition, the Committee directs the FAA to report to the House and Senate Committees on Appropriations prior to the issuance of a record of decision regarding the modification of the Condor 1 and Condor 2 military operations areas that includes a summary of any public meeting and hearing and a list of the comments, questions, and responses presented at these meetings and hearings.

Unmanned Aerial Systems.—Section 333 of the FAA Modernization and Reform Act of 2012 authorized the FAA to approve, where appropriate and consistent with criteria specified in the law, the operation of certain unmanned aircraft systems before the completion of certain rules and planning requirements specified in the law. The Committee encourages the FAA to consider whether UAS test sites may be appropriate in assisting the Secretary in making determinations under section 333. The Committee also urges the FAA to communicate clearly with the UAS industry regarding its priorities for section 333 consideration.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2014	$2,600,000,000
Budget estimate, 2015	2,603,700,000
Committee recommendation	2,473,700,000

PROGRAM DESCRIPTION

The Facilities and Equipment appropriation provides funding for modernizing and improving air traffic control and airway facilities, equipment, and systems. 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 national airspace system [NAS]. The program aims to keep pace with the increasing demands of aeronautical activity and remain in accordance with the Federal Aviation Administration's comprehensive 5-year capital investment plan [CIP].

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,473,700,000 for the Facilities and Equipment account of the Federal Aviation Administration. The recommended level is $130,000,000 less than the budget request and $126,300,000 less than the fiscal year 2014 enacted level. In addition, the Committee recommendation increases the obligation limitation of the grants-in-aid for airports program by $130,000,000 and sets aside this funding for FAA facilities and equipment that are located on airport property, bringing the total amount of funding for facilities and equipment under the

Committee recommendation to a level equal to the President's budget request. This provision is discussed in more depth under the heading for grants-in-aid to airports.

Capital Investment Plan.—For the past 2 years, the FAA has failed to produce its annual capital investment plan in a timely manner. The appropriations laws for fiscal years 2012 and 2013 required the FAA to issue its next plan with the Administration's submission of its budget request. The fiscal year 2013 plan was not submitted to Congress until August, 6 months after the deadline, and the fiscal year 2014 plan has not yet been submitted. The Committee therefore has included a new provision in its bill language that would lower the appropriation for FAA's facilities and equipment by $100,000 for each day after the submission of the fiscal year 2016 budget request that the plan has not been submitted to Congress.

Budget Activities Format.—The Committee directs that the fiscal year 2016 budget request for the Facilities and Equipment account conform to the same organizational structure of budget activities as displayed below.

The following table shows the Committee's recommended distribution of funds for each of the budget activities funded by this appropriation and by resources provided under grants-in-aid to airports:

FACILITIES AND EQUIPMENT

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Activity 1—Engineering, Development, Test and Evaluation:			
Advanced technology development and prototyping	$32,000,000	$29,900,000	$29,900,000
NAS improvement of system support laboratory	1,000,000	1,000,000	1,000,000
William J. Hughes Technical Center facilities	11,000,000	12,049,000	12,049,000
William J. Hughes Technical Center infrastructure sustainment	5,000,000	12,200,000	12,200,000
Data communications in support of NextGen	115,450,000	....	....
NextGen—Demonstrations and infrastructure development	20,000,000	....	....
NextGen—Systems development	58,075,883	....	....
NextGen—Trajectory based operations	15,988,063	....	....
NextGen—Reduce weather impact	2,729,354	....	....
NextGen—High density/arrivals/departures	5,484,247	....	....
NextGen—Collaborative ATM	20,250,589	....	....
NextGen—Flexible terminals and airports	12,923,385	....	....
NextGen—System network facilities	5,094,032	....	....
NextGen—Future facilities	10,000,000	....	....
Performance based navigation/RNAV/RNP	32,200,000	....	....
NextGen—Separation management	....	13,000,000	13,000,000
NextGen—Improved surface/TFDM	....	38,808,000	38,808,000
NextGen—On demand NAS	....	6,000,000	6,000,000
NextGen—Environment	....	2,500,000	5,500,000
NextGen—Improved multiple runway operations	....	3,500,000	3,500,000
NextGen—NAS infrastructure	....	13,480,000	13,480,000
NextGen—Support	....	13,000,000	13,000,000
NextGen—Performance based navigation and metroplex	....	25,500,000	25,500,000
Activity 2—Air Traffic Control Facilities and Equipment:			
a. En Route Programs:			
En route automation modernization [ERAM]	66,800,000	10,500,000	10,500,000
En route automation modernization [ERAM]—system enhancements and tech refresh	35,000,000	45,200,000	45,200,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
En route communications gateway [ECG]	2,200,000	6,600,000	6,600,000
Next generation weather radar [NEXRAD]—provide	4,100,000	7,100,000	7,100,000
ARTCC building improvements/plant improvements	45,160,377	63,700,000	60,000,000
Air traffic management [ATM]	13,800,000	5,729,000	5,729,000
Air/ground communications infrastructure	5,500,000	3,900,000	3,900,000
Air traffic control en route radar facilities improvements	5,900,000	5,100,000	5,100,000
Voice switching and control system [VSCS]	19,000,000	13,800,000	13,800,000
Oceanic automation system	4,800,000	3,508,000	3,508,000
Next generation very high frequency air/ground comm [NEXCOM]	20,250,000	40,000,000	40,000,000
Systemwide information management	66,550,000	60,261,000	60,261,000
ADS–B NAS-wide implementation	282,100,400	247,200,000	257,200,000
Windshear detection service	2,000,000	4,300,000	4,300,000
Weather and radar processor [WARP]	700,000	....	....
Collaborative air traffic management technologies WP2 & WP3	28,200,000	13,491,000	13,491,000
Colorado ADS–B/WAM cost share	3,400,000	....	....
Time based flow management	10,500,000	21,000,000	21,000,000
ATC beacon interrogator [ATCBI]—sustainment	1,000,000	....	....
NextGen weather processors	11,475,000	23,320,000	23,320,000
Airborne collision avoidance system X [ACASX]	....	12,000,000	12,000,000
Data communications in support of NextGen	....	147,340,000	150,340,000
b. Terminal Programs:			
Airport Surface Detection Equipment—Model X [ASDE–X]	12,100,000	5,436,000	5,436,000
Terminal doppler weather radar [TDWR]—provide	3,600,000	1,900,000	1,900,000
Standard terminal automation replacement system [STARS] (TAMR Phase 1)	45,500,000	50,700,000	50,700,000
Terminal automation modernization/replacement program (TAMR Phase 3)	155,550,000	136,150,000	136,150,000
Terminal automation program	2,600,000	1,600,000	1,600,000
Terminal air traffic control facilities—replace [1]	69,000,000	29,800,000	58,800,000
ATCT/Terminal radar approach control [TRACON] facilities—improve [1]	48,228,833	45,040,000	45,040,000
Terminal voice switch replacement [TVSR]	5,000,000	2,000,000	2,000,000
NAS facilities OSHA and environmental standards compliance	21,000,000	43,501,000	40,000,000
Airport surveillance radar [ASR–9]	10,900,000	13,600,000	13,600,000
Terminal digital radar [ASR–11] tech refresh and mobile airport surveillance radar [MASR]	19,400,000	21,100,000	21,100,000
Runway status lights [1]	35,250,000	41,710,000	41,710,000
National airspace system voice system [NVS]	16,000,000	20,550,000	20,550,000
Integrated display system [IDS]	4,100,000	16,917,000	16,917,000
Remote monitoring and logging system [RMLS]	1,000,000	3,930,000	3,930,000
Mode S service life extension program [SLEP]	7,300,000	8,100,000	8,100,000
Surveillance interface modernization	6,000,000	4,000,000	4,000,000
Tower flight data manager [TFDM]	19,250,000	....	....
Voice recorder replacement program [VRRP]	6,200,000	1,000,000	1,000,000
Precision runway monitor [PRM]	5,000,000	1,000,000	1,000,000
Integrated terminal weather system [ITWS]	1,300,000	4,400,000	4,400,000
c. Flight Service Programs:			
Aviation surface observation system [ASOS]	10,000,000	8,000,000	8,000,000
Future flight service program	3,000,000	1,000,000	1,000,000
Alaska flight service facility modernization [AFSFM]	1,500,000	2,800,000	2,800,000
Weather camera program	1,200,000	200,000	200,000
d. Landing and Navigational Aids Program:			
VHF Omnidirectional radio range [VOR] with distance measuring equipment [DME]	8,300,000	8,300,000	8,300,000
Instrument landing system [ILS]—establish [1]	7,000,000	7,000,000	7,000,000
Wide area augmentation system [WAAS] for GPS	84,000,000	103,600,000	103,600,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year— 2014 enacted	Fiscal year— 2015 estimate	Committee recommendation
Runway visual range [RVR] and enhanced low visibility operations [ELVO] [1]	6,000,000	6,000,000	7,500,000
Approach lighting system improvement program [ALSIP] [1]	3,500,000	3,000,000	3,000,000
Distance measuring equipment [DME]	4,000,000	3,000,000	3,000,000
Visual NAVAIDS—establish/expand	2,500,000	2,000,000	2,000,000
Instrument flight procedures automation [IFPA]	4,500,000	2,400,000	2,400,000
Navigation and landing aids—service life extension program [SLEP]	3,000,000	3,000,000	3,000,000
VASI Replacement—replace with precision approach path indicator [1]	2,500,000	5,000,000	5,000,000
GPS Civil requirements	6,000,000	27,000,000	10,000,000
Runway safety areas—navigational mitigation [1]	38,000,000	35,000,000	35,000,000
e. Other ATC Facilities Programs:			
Fuel storage tank replacement and management	8,700,000	15,500,000	15,500,000
Unstaffed infrastructure sustainment	20,000,000	32,300,000	32,300,000
Aircraft related equipment program	10,400,000	9,000,000	9,000,000
Airport cable loop systems—sustained support	5,000,000	5,000,000	5,000,000
Alaskan satellite telecommunications infrastructure [ASTI]	8,500,000	11,400,000	11,400,000
Facilities decommissioning	6,500,000	5,700,000	5,700,000
Electrical power systems—sustain/support	68,075,000	102,000,000	86,701,000
FAA Employee housing and life safety shelter system service	2,500,000		
Energy management and compliance [EMC]		1,000,000	1,000,000
Activity 3—Nonair Traffic Control Facilities and Equipment:			
a. Support Equipment:			
Hazardous materials management	18,500,000	22,000,000	22,000,000
Aviation safety analysis system [ASAS]	12,700,000	11,900,000	11,900,000
Logistics support systems and facilities [LSSF]	10,000,000	8,000,000	8,000,000
National airspace [NAS] recovery communications [RCOM]	12,000,000	12,000,000	12,000,000
Facility security risk management	15,000,000	14,300,000	14,300,000
Information security	13,000,000	12,000,000	12,000,000
System approach for safety oversight [SASO]	12,500,000	22,500,000	22,500,000
Aviation safety knowledge management environment [ASKME]	12,200,000	10,200,000	10,200,000
Data center optimization	1,000,000		
Aerospace medical equipment needs [AMEN]	5,000,000		
Aviation safety information analysis and sharing [ASIAS]	15,000,000		
System safety management portfolio		18,700,000	18,700,000
National test equipment program	3,000,000	2,000,000	2,000,000
Mobile assets management program	3,000,000	4,000,000	4,000,000
Aerospace medicine safety information systems [AMSIS]	3,900,000	3,000,000	3,000,000
Tower simulation system [TSS] tech refresh		3,000,000	3,000,000
b. Training, Equipment and Facilities:			
Aeronautical center infrastructure modernization	9,000,000	13,180,000	13,180,000
Distance learning	1,000,000	1,500,000	1,500,000
Activity 4—Facilities and Equipment Mission Support:			
a. System Support and Services:			
System engineering and development support	34,314,837	34,504,000	34,504,000
Program support leases	42,100,000	43,200,000	43,200,000
Logistics support services [LSS]	11,500,000	11,500,000	11,500,000
Mike Monroney Aeronautical Center leases	17,900,000	18,350,000	18,350,000
Transition engineering support	16,500,000	16,596,000	16,596,000
Technical support services contract [TSSC]	23,000,000	23,000,000	23,000,000
Resource tracking program [RTP]	4,000,000	4,000,000	4,000,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year— 2014 enacted	Fiscal year— 2015 estimate	Committee recommendation
Center for Advanced Aviation System Development [CAASD]	60,000,000	60,000,000	60,000,000
Aeronautical information management program	9,050,000	12,650,000	12,650,000
Cross agency NextGen management	....	2,000,000	2,000,000
Activity 5—Personnel and Related Expenses	450,250,000	463,000,000	456,000,000
Reduction for programs paid out of grants-in-aid to airports	....	....	−130,000,000
Total resources provided under this appropriation	2,600,000,000	2,603,700,000	2,473,700,000

[1] These programs may include amounts from grants-in-aid to airports in fiscal year 2015.

NextGen—Environment.—The Committee recommendation includes $5,500,000 for the NextGen—Environment portfolio, an increase of $3,000,000 above the budget request. The Committee recommends this additional funding to support the Continuous Low Energy, Emissions and Noise [CLEEN] program, in which the FAA partners with the aviation industry to develop and test aircraft technologies that reduce noise, emissions and fuel burn. The Committee recommendation also includes an additional $2,000,000 above the budget request for the CLEEN program in the appropriation for FAA's research, engineering and development activities. In total, the Committee recommendation provides $21,200,000 for the CLEEN program, an increase of $5,000,000 above the budget request.

En Route Automation Modernization [ERAM].—Under the ERAM program, the FAA is replacing the computer system it uses to manage high-altitude air traffic. Modernizing this network is critical to the effective management of air traffic, and the program is essential to moving the FAA into the next generation of air traffic control. Although the FAA has improved its management of ERAM, addressing many of the concerns that led to significant cost increases and schedule delays early in its schedule, the program is still subject to risk. The Committee recommendation includes $10,500,000 for ERAM, which is equal to the budget request and $56,300,000 lower than the fiscal year 2014 enacted level. The FAA has asserted that its budget request for fiscal year 2015 represents the final installment in the program's base budget, and the Committee does not expect to see a funding request for this activity in the President's budget request for fiscal year 2016.

ADS–B NAS-Wide Implementation.—The FAA is currently replacing its radar-based air traffic control system with satellite technology under the Automatic Dependent Surveillance—Broadcast [ADS–B] program. ADS–B uses GPS signals to transmit an aircraft's location to receivers installed on the ground throughout the United States. The ground receivers transmit that information to air traffic controller screens and flight deck displays on any aircraft equipped with the appropriate avionics. Using ADS–B will improve the safety and efficiency of the national airspace, and it is a foundational program of the FAA's NextGen effort to modernize our air traffic control system. The Committee recommendation therefore includes $257,200,000 for the implementation of ADS–B across the national airspace, which is $10,000,000 more than the budget request and $24,900,400 less than the fiscal year 2014 enacted level.

However, replacing radar technology with ADS–B throughout our national airspace requires the use of ground receivers, and so the FAA's current program will not improve surveillance of the airspace over oceans or in remote areas that lack radar coverage. A system of satellite communications has become available that would extend the use of ADS–B over oceanic airspace and other remote areas. Because the FAA manages a large portion of oceanic airspace, the Committee believes that satellite-based ADS–B represents an important opportunity for the agency. This project would allow the FAA to improve the flow of air traffic across oceanic airspace, reducing fuel consumption and emissions. FAA's involvement would also protect the agency's leadership position in aviation across the globe.

The FAA has considered this opportunity, but has not yet made an investment decision. For this reason, the Committee directs the FAA to make an investment decision regarding satellite-based ADS–B no later than 30 days after enactment of this act in order to address the Committee's concern that the agency's absence from the program is undermining its status as a global safety and technology leader, and limiting its ability to fully promote NextGen.

Terminal Automation Modernization/Replacement Program [TAMR Phase 3].—Under the TAMR program, the FAA is replacing the computer system used in facilities that manage air traffic coming into and leaving airports. Like ERAM, the TAMR program is essential for the FAA to move forward with its effort to modernize the air traffic control system.

Unfortunately, also like ERAM, TAMR has a history of cost overruns and schedule delays. The Committee provided additional funding for fiscal year 2014 to help TAMR recover from disruptions caused by the temporary furlough of FAA employees after the fiscal year 2013 sequestration. Most of the program's difficulties, however, stem from more significant problems. Last May, the Inspector General issued a report on TAMR that questioned whether the FAA had developed a reliable schedule and budget for the program. He asserted that the FAA did not complete all of the risk assessments required by its own acquisition management system before approving the program schedule, and that the FAA ignored important elements of the program when it approved the program's cost baseline.

The TAMR program has recently kept within the current baseline for its budget and schedule, but too often the Committee has been reassured that a program is making good progress not long before the FAA significantly increases the budget or lengthens the schedule. Addressing such adjustments to the TAMR baseline would be increasingly difficult in today's fiscal environment.

The Committee recommendation includes $136,150,000 for TAMR, which is equal to the budget request and $19,400,000 less than the fiscal year 2014 enacted level. Because this funding level is consistent with the budget request, and does not include a funding increase for TAMR, the Committee recommendation can also accommodate many of the other funding levels in the budget request for the FAA's facilities and equipment. Facing tight budget constraints, the Committee cannot expect to provide funding increases for one program without making offsetting cuts to other activities within the FAA budget.

Terminal Air Traffic Control Facilities—Replace.—The Committee recommends $58,800,000 for the replacement of air traffic control facilities that manage terminal airspace, including air traffic control towers and terminal radar approach control facilities [TRACONs]. This funding level is $29,000,000 above the budget request and $10,200,000 below the fiscal year 2014 enacted level. The Committee recommendation includes this additional funding to ensure that budgetary constraints for fiscal year 2015 do not cause any of the projects to experience construction delays, which could add significantly to a project's total cost over the long term.

Enhanced Low Visibility Operations.—The Committee recommendation includes $7,500,000 for runway visual range and enhanced low visibility operations, an increase of $1,500,000 above the budget request and the fiscal year 2014 enacted level. The Committee recommends this funding increase to support enhanced low visibility operations, and directs the FAA to use the funding for advanced aircraft and airport navigation safety equipment for airports serving remote communities that rely on aviation for basic transportation needs and cannot afford to allow weather conditions to interrupt air operations.

FAA Management Training and Conference Center.—The Committee continues to recommend that the FAA continue to pursue new leased space for its Management Training and Conference Center. A significant amount of both private and public resources have been committed to this procurement process. The Committee recognizes that a best value acquisition will result in continuing the preceding procurement process as the FAA's long-term need for such a facility remains. The Committee, in understanding both the FAA's long-term needs and costs of remaining in the current, temporary facility, recognizes that it is appropriate to not only continue with the procurement, but that doing so is consistent with the recently enacted FAA Modernization and Reform Act of 2012.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2014	$158,792,000
Budget estimate, 2015	156,750,000
Committee recommendation	156,750,000

PROGRAM DESCRIPTION

The Research, Engineering and Development appropriation provides funding for long-term research, engineering, and development programs to improve the air traffic control system by increasing its safety and capacity, as well as reducing the environmental impacts of air traffic, as authorized by the Airport and Airway Improvement Act and the Federal Aviation Act, as amended. The programs are designed to meet the expected air traffic demands of the future and to promote flight safety through improvements in facilities, equipment, techniques, and procedures to ensure that the system will safely and efficiently handle future volumes of aircraft traffic.

COMMITTEE RECOMMENDATION

The Committee recommends $156,750,000 for the FAA's research, engineering, and development activities. The recommended level of funding is equal to the budget request and $2,042,000 less than the fiscal year 2014 enacted level.

A table showing the fiscal year 2014 enacted level, the fiscal year 2015 budget estimate and the Committee recommendation follows:

RESEARCH, ENGINEERING, AND DEVELOPMENT

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Safety:			
Fire research and safety	$8,000,000	$6,929,000	$6,000,000
Propulsion and fuel systems	1,800,000	2,413,000	2,000,000
Advanced materials/structural safety	2,600,000	2,909,000	2,909,000
Aircraft icing /digital system safety	7,500,000	5,889,000	5,500,000
Continued airworthiness	8,000,000	9,619,000	9,619,000
Aircraft catastrophic failure prevention research	1,500,000	1,567,000	1,500,000
Flightdeck/maintenance/system integration human factors	5,000,000	9,897,000	8,500,000
System safety management	11,000,000	7,970,000	7,970,000
Air traffic control/technical operations human factors	5,000,000	5,898,000	5,400,000
Aeromedical research	7,000,000	8,919,000	8,300,000
Weather program	14,200,000	17,800,000	15,847,000
Unmanned aircraft systems research	8,644,000	8,974,000	12,974,000
NextGen—Alternative fuels for general aviation	6,000,000	5,700,000	6,000,000
NextGen—Advanced system and software validation	1,000,000	....	....
Economic competitiveness:			
NextGen—Wake turbulence	9,000,000	8,541,000	8,541,000
NextGen—Air ground integration human factors	11,329,000	9,697,000	9,697,000
NextGen—Weather technology in the cockpit	4,000,000	4,048,000	4,048,000
Environmental sustainability:			
Environment and energy	14,600,000	14,921,000	14,921,000
NextGen—Environmental research aircraft technologies, fuels, and metrics	26,979,000	19,514,000	21,514,000
Mission support:			
System planning and resource management	2,200,000	2,135,000	2,100,000
William J. Hughes Technical Center	3,440,000	3,410,000	3,410,000
Total	158,792,000	156,750,000	156,750,000

Unmanned Aerial Systems Research—Center of Excellence.—The Committee recommendation includes $12,974,000 for unmanned aircraft systems research, an increase of $4,000,000 above the budget request and $4,330,000 above the fiscal year 2014 enacted level. The administration's request includes $1,000,000 for a new center of excellence on unmanned aircraft systems [UAS], but given its importance, the Committee directs the FAA to dedicate the full funding increase to the center, which would receive a total of $5,000,000 under the Committee recommendation.

The Committee is pleased with the Department's progress in establishing a UAS center of excellence to address a host of research challenges associated with integration of UAS into the national airspace. The formation of a UAS center of excellence is essential to meet the requirements enacted as part of the FAA Modernization and Reform Act of 2012. The Committee directs that when the FAA selects candidates for the center, the agency shall consider a geographically and climatically diverse team of academic institutions with proven track records in unmanned aircraft systems engineering and certification, airspace integration, aviation modeling and simulation, UAS policy, UAS training and pilot certification, and collaboration with partners in the UAS industry. As cyber security is of paramount importance to safe UAS operations, the FAA should pay particular attention to teams with National Security Administration and Department of Homeland Security cyber education, research and operations certifications. Candidates should be well integrated with the FAA UAS test sites, with emphasis on teams that have the capacity to research beyond line of sight small UAS operations. Candidates should have close relations with disaster response agencies, the Department of Homeland Security and the Department of Agriculture in order to facilitate research into key UAS mission areas, such as environmental monitoring, weather and hydrologic prediction, precision agriculture, law enforcement, disaster response and oil transportation systems monitoring.

Unmanned Aerial Systems Research—Strategic Plan for Research.—In order to support the integration of UAS into the national airspace, the FAA Modernization and Reform Act of 2012 required the FAA to work with other Federal agencies and representatives from the aviation industry on a comprehensive plan that would include a timeline for the necessary research and regulations. The law also required the FAA to write its own roadmap for integrating UAS into the national airspace, to update this roadmap each year, and to designate six test sites that will collect data and conduct research.

Although the FAA has completed each of these requirements, the Committee remains concerned that the FAA has not yet shown details on how its research will directly lead to better UAS integration. The first edition of FAA's roadmap, entitled the "Integration of Civil Unmanned Aircraft Systems [UAS] in the National Airspace System [NAS] Roadmap," contains no discussion on what specific questions need to be answered before integrating UAS into the national airspace, what research projects would answer those questions, or which data are necessary to support that research. Importantly, the roadmap does not provide a strategy on how the test sites will participate in these efforts.

The Committee understands that the new UAS center of excellence can perform a vital role in coordinating with each of the test sites and filling research gaps for the FAA. However, the Committee believes that the FAA must direct the strategy itself.

The Committee therefore directs the FAA to include a strategic plan on research efforts as part of its next edition of the roadmap. The roadmap shall include a section that discusses the specific research needs to safely integrate UAS into the NAS, including an examination of the research goals that the FAA must reach in order to successfully and safety advance NAS integration; FAA's strategy to obtain the identified research through partnerships with other Federal agencies, the UAS center of excellence, participants in the UAS and aviation industry, and the UAS test sites; and an evaluation of the ability of the UAS test sites to coordinate with the FAA and its center of excellence, and participate in the

FAA's strategy, and help achieve the research goals identified in the roadmap.

Unmanned Aerial Systems Research—Coordination with Other Agencies.—Both the U.S. Customs and Border Protection [CBP] and the National Aeronautics and Space Administration [NASA] research and develop UAS technologies. The Committee therefore encourages the FAA to leverage these research and development efforts as it integrates UAS into the national airspace. The Committee expects the FAA to use the resources provided for UAS research under the Committee recommendation to collect and evaluate data and information from CBP and NASA UAS projects, and to collaborate with these partners on research efforts necessary to integrate UAS into the national airspace. The Committee also encourages the FAA to study how the Air Force conducts routine UAS operations, including the safe takeoff and landing of multiple platforms in a short period of time, as part of its airspace integration efforts.

Alternative Fuels for General Aviation.—The Committee recommendation includes $6,000,000 for research that supports alternative fuels for general aviation. This funding level is $300,000 above the budget request and equal to the fiscal year 2014 enacted level.

NextGen—Environmental Research—Aircraft Technologies, Fuels, and Metrics.—The Committee recommendation includes $21,514,000 for NextGen environmental research. This funding level is $2,000,000 above the budget request and $5,465,000 below the fiscal year 2014 enacted level. The Committee recommendation provides funding above the budget request to support the Continuous Low Energy, Emissions and Noise [CLEEN] program. Under the CLEEN program, the FAA partners with the aviation industry to develop and test aircraft technologies that reduce noise, emissions and fuel burn. The Committee recommendation also includes an additional $3,000,000 above the budget request for the CLEEN program in the appropriation for FAA's facilities and equipment. In total, the Committee recommendation provides $21,200,000 for the CLEEN program, an increase of $5,000,000 above the budget request.

National Center for Advanced Materials Performance.—The FAA has effectively partnered with the National Center for Advanced Materials Performance [NCAMP] on mutually beneficial initiatives that reduce Federal spending and improve FAA standardization for aviation oversight. The Committee believes that NCAMP will similarly contribute to future initiatives within the National Network for Manufacturing Innovation [NNMI] enterprise, and as such, the Committee encourages the FAA to recommend adding NCAMP to the NNMI framework.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

(INCLUDING RESCISSION)

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Resources from the Airport and Airway Trust Fund:			
Limitation on obligations	$3,350,000,000	$2,900,000,000	$3,480,000,000
Liquidation of contract authorization	3,200,000,000	3,200,000,000	3,200,000,000

PROGRAM DESCRIPTION

Funding for grants-in-aid to airports pays for capital improvements at the Nation's airports, including those investments that emphasize capacity development, safety improvements, and security needs. Other priority areas for funding under this program include improvements to runway safety areas that do not conform to FAA standards, investments that are designed to reduce runway incursions, and aircraft noise compatibility planning and programs.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations of $3,480,000,000 for grants-in-aid to airports for fiscal year 2015. The recommended limitation on obligations is $130,000,000 more than the enacted level for fiscal year 2014, and $580,000,000 more than the budget estimate. Under the administration's request, large commercial airports no longer receive formula grants from the program, but they would be allowed to raise their passenger facility charges to finance capital improvements. The Committee notes that an increase to passenger facility charges was considered as part of the debate over the bill to reauthorize the FAA. That increase, however, was not included in the final legislation. The Committee therefore recommends a funding level that would fund capital improvements at all airports that support our Nation's air transportation system.

In addition, the Committee recommends a liquidating cash appropriation of $3,200,000,000 for grants-in-aid to airports. The recommended level is equal to the budget estimate and the fiscal year 2014 enacted level. This appropriation is sufficient to cover the liquidation of all obligations incurred pursuant to the limitation on obligations set forward in the bill.

Protecting Infrastructure at Our Nation's Airports.—The administration's budget request would rescind $130,000,000 in additional contract authority that was provided in fiscal year 2014 under section 48112 of title 49, United States Code. This section of the code provides new contract authority when the amount appropriated for the FAA's facilities and equipment is less than the amount authorized. The 2014 Consolidated Appropriations Act provided

$130,000,000 less for the FAA's facilities and equipment than the authorized level, which created $130,000,000 of additional contract authority for grants-in-aid to airports. Because the 2014 obligation limitation did not provide sufficient room to spend the additional contract authority, it remains available today.

The Committee recommendation does not include the Administration's proposed rescission because it would put future airport investments at risk. The rescission would artificially lower the total program level for grants-in-aid to airports when the Congressional Budget Office constructs its next baseline. By lowering the total program level for 2015, the last year of the authorization period, this lower program level would be carried through each of the following years. As a result, the rescission would require the authorizing committees to find an offset in order to return the program to its $3,350,000,000 funding level in the next authorization period.

The Committee recommendation instead uses the additional contract authority to support an additional $130,000,000 in obligation limitation for grants-in-aid to airports. The Committee recommendation also sets aside this funding for investments in FAA's facilities and equipment, and lowers the funding provided in the Facilities and Equipment account by an equal amount, since the contract authority itself was created when those needs received less investment. Recognizing that the funding is provided through the grants-in-aid to airports program, however, the Committee recommendation requires that the funding support facilities and equipment that are located on airport property. Such investments include runway safety areas, runway status lights, landing and navigational lighting systems, and air traffic control tower improvements and replacements.

Finally, the Committee recommendation includes a rescission of any contract authority that would be created under section 48112 in fiscal year 2015. This rescission would not affect the baseline.

Airport Privatization.—Congress created the Airport Privatization Pilot Program in 1996 to attract private companies to lease or buy public airports. The Committee is aware there are some public airports interested in being sold or leased through the pilot program. The Department of Transportation has the discretionary authority to waive existing Federal funding repayment requirements. The Committee expects the Department to use its discretionary authority to waive repayment of past Federal funds at privatized airports judiciously. Last year, the Committee directed the Government Accountability Office [GAO] to evaluate the benefits, costs, and trade-offs of airport public-private partnerships; how public officials have identified and acted to protect the public interest in these arrangements; and the Federal role in such public-private partnerships and potential changes in this role. The Committee looks forward to examining GAO's report when it is issued.

Administrative Expenses.—The Committee recommends $107,100,000 to cover administrative expenses. This funding level is equal to the budget request, and $500,000 more than the fiscal year 2014 enacted level.

Airport Cooperative Research.—The Committee recommends $15,000,000 for the airport cooperative research program. This funding level is equal to the budget estimate and the fiscal year 2014 enacted level.

Airport Technology.—The Committee recommends $29,750,000 for airport technology research. This funding level is equal to the budget request, and $250,000 more than the fiscal year 2014 level.

The Committee recommends that the FAA study whether it is appropriate to expand the installation of foreign object debris detection technology at hub airports in order to increase safety.

Small Community Air Service Development Program [SCASDP].—The Committee recommends $8,000,000 for the Small Community Air Service Development Program. This funding level is $2,000,000 more than the fiscal year 2014 enacted level. The administration requested no funds for this program for fiscal year 2015.

The Small Community Air Service Development Program [SCASDP] was initially established to help small communities throughout the country enhance air service and address airfare issues. In doing so, the program has played an instrumental role in the economic growth and transformation of many communities. The Committee directs the Department to submit a report to the House and Senate Committees on Appropriations no later than 1 year after enactment of this act on how communities have benefitted from the program, how SCADSP grants have achieved the program's goals, and what airports are doing to respond to air transportation needs, particularly in rural areas.

ADMINISTRATIVE PROVISIONS—FEDERAL AVIATION ADMINISTRATION

Section 110 limits the number of technical staff years at the Center for Advanced Aviation Systems Development to no more than 600 in fiscal year 2015.

Section 111 prohibits funds in this act from being used to adopt guidelines or regulations requiring airport sponsors to provide the FAA "without cost" buildings, maintenance, or space for FAA services. The prohibition does not apply to negotiations between the FAA and airport sponsors concerning "below market" rates for such services or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

Section 112 permits the Administrator to reimburse FAA appropriations for amounts made available for 49 U.S.C. 41742(a)(1) as fees are collected and credited under 49 U.S.C. 45303.

Section 113 allows funds received to reimburse the FAA for providing technical assistance to foreign aviation authorities to be credited to the Operations account.

Section 114 prohibits the FAA from paying Sunday premium pay except in those cases where the individual actually worked on a Sunday.

Section 115 prohibits the FAA from using funds provided in the bill to purchase store gift cards or gift certificates through a Government-issued credit card.

Section 116 allows all 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 117 requires approval from the Assistant Secretary for Administration of the Department of Transportation for retention bonuses for any FAA employee.

Section 118 limits to 20 percent the cost-share required under the contract tower cost-share program.

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

Section 119A prohibits funds in this act for salaries and expenses of more than nine political and Presidential appointees in the Federal Aviation Administration.

Section 119B requires the FAA to conduct public outreach and provide justification to the Committee before increasing fees under section 44721 of title 49, United States Code.

Section 119C prohibits funds from being used to change weight restrictions or prior permission rules at Teterboro Airport in New Jersey.

Section 119D requires the FAA to notify the House and Senate Committees on Appropriations at least 90 days before closing a regional operations center or reducing the services it provides. In addition, the Committee directs the FAA to provide to the House and Senate Committees on Appropriations no later than 120 days after enactment of this act a strategic plan for staffing and operating its regional operations centers.

Section 119E clarifies the name of the FAA center of excellence on advanced materials.

Section 119F provides an average Federal share for any airport project located in a public lands State and no more than 15 miles from the border of another public lands State with a higher Federal share.

Federal Highway Administration

PROGRAM DESCRIPTION

The principal mission of the Federal Highway Administration [FHWA] is, in partnership with State and local governments, to foster the development of a safe, efficient, and effective highway and intermodal system nationwide including access to and within national forests, national parks, Indian lands, and other public lands.

COMMITTEE RECOMMENDATION

Under the Committee recommendations, a total program level of $40,995,000,000 would be provided for the activities of the Federal Highway Administration in fiscal year 2015. The recommendation is $7,567,248,000 less than the budget request and equal to the fiscal year 2014 enacted level. The following table summarizes the Committee's recommendations:

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Federal-aid highways program obligation limitation	$40,256,000,000	$47,323,248,000	$40,256,000,000
Contract authority exempt from the obligation limitation	739,000,000	739,000,000	739,000,000

	Fiscal year— 2014 enacted	Fiscal year— 2015 estimate	Committee recommendation
Fixing and accelerating surface transportation		500,000,000	
Total	40,995,000,000	48,562,248,000	40,995,000,000

LIMITATION ON ADMINISTRATIVE EXPENSES

(HIGHWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

Limitation, 2014	$416,100,000
Budget estimate, 2015	439,000,000
Committee recommendation	426,100,000

PROGRAM DESCRIPTION

This limitation on obligations provides for the salaries and expenses of the Federal Highway Administration for program management, direction, and coordination; engineering guidance to Federal and State agencies; and advisory and support services in field offices.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations of $426,100,000 for administrative expenses of the agency. This limitation is $12,900,000 less than the budget request and $10,000,000 more than the fiscal year 2014 enacted level.

In addition, $3,248,000 in contract authority above this limitation is made available for the administrative expenses of the Appalachian Regional Commission in accordance with section 104 of title 23, United States Code.

The Committee recommendation includes bill language that would make of sufficient contract authority available for FHWA's administrative expenses to meet its needs in fiscal year 2015. However, the Committee recognizes that budgetary constraints will continue to pose a challenge for meeting FHWA's administrative needs for years to come. For this reason, the Committee directs FHWA to submit to the House and Senate Committees on Appropriations a strategic plan for funding its administrative expenses for the next 6 years at an annual level of contract authority that equals the funding authorized under Public Law 112–141 for fiscal year 2014. The Committee expects this plan to include details on the activities and services that FHWA currently conducts at its headquarters and division offices, the activities and services that could be accommodated over the next 6 years, and any impact of this plan on operations of State departments of transportation. The Committee also expects this plan to address staffing levels at both FHWA headquarters and division offices under current funding levels and funding levels projected for the next 6 years. FHWA should submit this plan no later than 120 days after enactment.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2014	$40,256,000,000
Budget estimate, 2015	47,323,248,000
Committee recommendation	40,256,000,000

PROGRAM DESCRIPTION

The Federal-aid highway program provides financial support to States and localities for development, construction, and repair of highways and bridges through grants. The program is financed from the Highway Trust Fund and most of the funds are distributed through apportionments and allocations to States. Title 23 of the United States Code and other supporting legislation provide authority for the various activities of the FHWA. Funding is provided by contract authority, with program levels established by annual limitations on obligations set in appropriations acts.

COMMITTEE RECOMMENDATION

The Committee recommends limiting fiscal year 2015 Federal-aid highways obligations to $40,256,000,000, which is $7,567,248,000 less than the budget request and equal to the fiscal year 2014 enacted level for the Federal-aid highway program. This funding level is consistent with the most recent authorization law, the Moving Ahead for Progress in the 21st Century Act [MAP–21].

In addition, the bill includes a provision that allows the FHWA to collect and spend fees in order to pay for the services of expert firms in the field of municipal and project finance to assist the agency in the provision of TIFIA credit instruments.

Recent Emergencies.—Recent emergencies—including the mudslide in the State of Washington, flooding in Alabama and Florida, and damage to the I–813 bridge in Delaware—call attention to the importance of the Federal Highway Administration's Emergency Relief [ER] program. This program provides essential funding to help communities repair or rebuild their roads and bridges after a declared emergency. The Committee urges FHWA to continue providing States with allocations from the ER program in a timely manner so that communities do not have to shoulder the financial burden of these emergencies longer than necessary.

Benefit Cost Analysis.—The Federal-aid Highways program represents an important partnership between the Federal Government and each State department of transportation. The Federal role has primarily been to set standards, ensure compatibility among State systems, provide capital assistance, and oversee highway construction. State governments operate the highway system and set local priorities for constructing and repairing roads and bridges.

While remaining sensitive to the role of State governments in setting priorities among highway projects, the Committee believes that the Department of Transportation plays an important role in ensuring that Federal resources are not spent on wasteful projects. Benefit cost analysis is an important economic tool that can help State and local governments target their transportation funding to the most effective investments. Using benefit cost analysis, a State or local government would compare the monetary value of all benefits and costs that accrue during the life of a project. This process forces the government to evaluate the value of all of the project's benefits, recognize the full cost of the project, and acknowledge whether or not the benefits outweigh the costs.

The Committee is aware of FHWA's efforts to support State and local governments in their use of benefit cost analysis. FHWA offers technical assistance to State and local governments that are already engaged in benefit cost analysis, and looks for ways to improve the estimates and models used in the analysis.

The Committee urges the Department to take a more active role in advancing the use of benefit cost analysis. The Committee recommends the Department encourage State and local governments to evaluate project costs and benefits using an appropriate analytical framework, either through strict benefit cost analysis or through a less formal structure if a project size does not warrant a more rigorous approach. The Department should ensure that FHWA division offices reach out to State departments of transportation in order to determine if the State could more effectively utilize benefit cost analysis as it sets its priorities.

The Committee also directs the Department to evaluate the use of benefit cost analysis by State departments of transportation, and to issue a report to the House and Senate Committees on Appropriations no later than 180 days after enactment on the extent to which State departments of transportation use benefit cost analysis when making decisions and setting priorities, the quality of such analysis, challenges that State departments of transportation face when trying to use benefit cost analysis, and strategies for addressing those challenges.

Innovative Project Implementation.—The Committee recognizes that State and local governments have benefited from a regional approach to developing public private partnerships. Resource programs can accelerate the delivery of essential transportation projects and help meet the increasing backlog of infrastructure needs by connecting public agencies with private capital and by offering technical assistance. The Committee therefore encourages the Department to use funds authorized under section 503(c) of title 23, United States Code, for the demonstration and evaluation of regional approaches to innovative finance. In conducting its work, the Department should take into account geographic diversity, recognize multi-State or multi-jurisdictional partnerships, and give priority consideration to approaches that ensure public interests are protected by including measures such as accounting for life cycle costs of building and maintaining infrastructure. The Department also should coordinate its efforts with the Environmental Protection Agency, the Department of Energy, and the Army Corps of Engineers to identify ways in which State and local governments require additional capacity to access private capital.

Infrastructure Planning.—Severe weather and other natural disasters can have serious impacts on transportation systems and the communities that rely on them, disrupting highways and public transportation systems, and slowing local economies to a crawl. Rebuilding and resuming normal operations in the wake of these events can be difficult and costly. To address this issue, at the local level, many communities are beginning to incorporate the impact of these events into the planning, design, and construction of transportation services. Washington State, for example, has used the results of a statewide infrastructure vulnerability assessment in its corridor plans and project-level environmental studies.

The Committee recognizes that taking into account severe weather and other natural disasters in infrastructure planning and building is a cost-effective and important step in ensuring the longevity of our transportation system. It helps to protect the critical corridors that businesses, workers, and families rely on every day. But as standards continue to develop, some states lack the technical expertise to incorporate vulnerability assessments into their planning efforts. Therefore, the Committee urges FHWA to define, and make available to States, best practices for resiliency planning. The Committee further urges FHWA to provide technical assistance to states and planning organizations to help them incorporate such considerations into the planning process. The Committee provides this direction also to FTA, and encourages both modal administrations to coordinate their efforts with FRA.

Safety Performance Measures and Reporting Requirements.—On March 11, 2014, FHWA proposed a new regulation to establish safety performance measures for the Highway Safety Improvement Program [HSIP], as required by section 1203 of the Moving Ahead for Progress in the 21st Century Act [MAP–21]. FHWA's proposal would establish measures for the number of fatalities, fatality rate, number of serious injuries, and serious injury rate, as required by MAP–21. However, recognizing the increase in pedestrian and bicycle fatalities, the Secretary of Transportation should establish separate safety performance measures related to non-motorized traffic for the purpose of carrying out HSIP requirements. FHWA should define these performance measures specifically to evaluate the number of fatalities and serious injuries for pedestrian and bicycle crashes. The Committee notes that NHTSA already uses performance measures for pedestrian fatalities in administering its highway traffic safety grant program, and the Committee also understands that NHTSA intends to establish performance measures for bicycle fatalities when it administers its fiscal year 2015 traffic safety grants. Finally, the statutory deadline for completing the HSIP regulation has come and gone, and the Committee directs FHWA to publish its final rule on safety performance measures in a timely manner.

Statewide Planning in Alaska.—The Committee is concerned that the State of Alaska has not adequately addressed the needs and concerns of boroughs and local communities as part of the statewide transportation planning process, and seeks to ensure that FHWA meets the intent of the statewide improvement program pursuant to 23 U.S.C. 135. Therefore FHWA shall work with the State of Alaska to ensure all necessary coordination and consultation occurs with areas outside of a metropolitan area to address infrastructure development needs.

Advanced Composite Bridge Technologies.—The Committee supports the Technology and Innovation Deployment Program's efforts to improve the safety, efficiency, reliability, and performance of our

Nation's transportation infrastructure. It also notes the growing need to accelerate the adoption of proven, high-payoff, and innovative practices, technologies, and materials that lead to faster construction and cost-effective rehabilitation of efficient and safe bridges. The Committee encourages the Department to use funds authorized under 503(c) of title 23, United States Code, for the demonstration and deployment of advanced composite materials in bridge replacement and rehabilitation.

Environmental Reviews.—The Committee recognizes the department's efforts to implement the administratively related streamlining provisions included in the most recently passed authorization law for surface transportation. The Committee encourages the Department to continue its efforts to implement these changes nationally, and recognizes the efforts made by the administration to work cooperatively with other Federal agencies and with State governments, including its work with the State of Utah on its Mountain Accord approach for a regional transportation, land use, natural resource and economic solution.

State Apportionments.—The following table shows the expected obligation limitation provided to each State under the Committee's recommended funding level:

FEDERAL-AID HIGHWAY PROGRAM OBLIGATION LIMITATION

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
Formula Programs			
Alabama	$666,523,393	$780,571,005	$666,523,393
Alaska	431,280,533	503,737,124	431,280,533
Arizona	658,807,679	763,580,755	658,807,679
Arkansas	444,300,322	521,265,359	444,300,322
California	3,241,833,216	3,736,277,886	3,241,833,216
Colorado	481,581,822	557,458,050	481,581,822
Connecticut	442,788,723	513,222,354	442,788,723
Delaware	149,010,187	173,122,046	149,010,187
District of Columbia	143,658,866	166,602,143	143,658,866
Florida	1,704,023,915	1,990,332,185	1,704,023,915
Georgia	1,162,185,252	1,350,474,482	1,162,185,252
Hawaii	145,600,898	169,780,194	145,600,898
Idaho	251,629,382	293,466,533	251,629,382
Illinois	1,280,430,045	1,482,096,858	1,280,430,045
Indiana	838,444,365	977,267,890	838,444,365
Iowa	442,085,658	504,986,976	442,085,658
Kansas	339,953,410	396,449,166	339,953,410
Kentucky	597,649,211	697,488,318	597,649,211
Louisiana	602,089,506	706,852,415	602,089,506
Maine	162,507,557	189,146,434	162,507,557
Maryland	529,861,416	612,146,732	529,861,416
Massachusetts	547,286,674	631,090,267	547,286,674
Michigan	948,056,298	1,098,666,593	948,056,298
Minnesota	573,824,109	668,705,616	573,824,109
Mississippi	425,041,105	497,266,513	425,041,105
Missouri	832,108,062	973,038,925	832,108,062
Montana	360,802,930	421,335,582	360,802,930
Nebraska	260,074,708	302,874,327	260,074,708
Nevada	327,084,874	378,148,323	327,084,874
New Hampshire	148,752,581	172,557,220	148,752,581
New Jersey	899,681,983	1,037,768,218	899,681,983
New Mexico	322,855,350	377,281,166	322,855,350
New York	1,512,702,959	1,743,270,125	1,512,702,959
North Carolina	938,667,262	1,089,261,829	938,667,262

FEDERAL-AID HIGHWAY PROGRAM OBLIGATION LIMITATION—Continued

	Fiscal year—		Committee recommendation
	2014 enacted	2015 estimate	
North Dakota	218,401,631	254,759,902	218,401,631
Ohio	1,180,794,980	1,371,742,972	1,180,794,980
Oklahoma	570,449,410	665,898,629	570,449,410
Oregon	439,640,806	513,039,905	439,640,806
Pennsylvania	1,477,160,518	1,713,669,874	1,477,160,518
Rhode Island	192,449,224	224,279,268	192,449,224
South Carolina	602,320,145	687,944,588	602,320,145
South Dakota	242,397,515	283,500,910	242,397,515
Tennessee	726,319,740	849,508,126	726,319,740
Texas	3,106,663,529	3,534,634,864	3,106,663,529
Utah	305,432,396	348,794,060	305,432,396
Vermont	178,694,706	207,906,478	178,694,706
Virginia	895,690,252	1,043,107,631	895,690,252
Washington	596,788,979	694,660,799	596,788,979
West Virginia	384,231,972	448,931,875	384,231,972
Wisconsin	677,036,603	788,339,246	677,036,603
Wyoming	220,152,132	257,587,195	220,152,132
Subtotal	34,827,808,789	40,365,895,931	34,827,808,789
Allocated programs	4,995,844,093	6,512,162,577	4,995,844,093
Penalties under sections 154 and 164 of title 23, United States Code	432,347,118	445,189,492	432,347,118
Total	40,256,000,000	47,323,248,000	40,256,000,000

Program Descriptions.—The roads and bridges that make up our Nation's highway infrastructure are built, operated, and maintained through the joint efforts of Federal, State, and local governments. States have much flexibility to use Federal-aid Highway funds to best meet their individual needs and priorities, with FHWA's assistance and oversight.

MAP–21, the current highway, highway safety, and transit authorization law, made funding for Federal-aid Highways available in the following categories of spending:

—*National Highway Performance Program [NHPP].*—This program provides support for the condition and performance of the national highway system [NHS], and for the construction of new facilities on the NHS. Projects funded through the NHPP must support progress toward the achievement of national performance goals for improving infrastructure condition, safety, mobility, or freight movement on the national highway system. Such projects must also support progress toward the achievement of performance targets established in a State's asset management plan, and must be consistent with requirements for metropolitan and statewide planning. Funding for this program also supports the Transportation Alternatives program, and State planning and research.

—*Surface Transportation Program.*—The Surface Transportation Program provides flexible funding that may be used by States and localities for projects that preserve and improve the conditions and performance on any Federal-aid highway; bridge and tunnel projects on any public road; pedestrian and bicycle infrastructure; and transit capital projects, including intercity bus terminals. Funding for this program also supports the

Transportation Alternatives program, and State planning and research. A portion of the program's funding is set aside for improvements to off-system bridges.

—*Highway Safety Improvement Program*.—This program is designed to achieve a significant reduction in traffic fatalities and serious injuries on all public roads, including roads on tribal lands and other public roads that are not owned by a State government. An eligible highway safety improvement project is any strategy, activity or project on a public road that corrects or improves a hazardous road location or feature, or addresses a highway safety problem. Such projects must be consistent with the State's strategic highway safety plan, which must be based on analysis of crash data. Funding for this program also supports the Transportation Alternatives program, and State planning and research. In addition, a set-aside from the STP program funds the Railway-Highway Crossings Program, which supports safety improvements to reduce the number of fatalities, injuries, and crashes at public grade crossings.

—*Congestion Mitigation and Air Quality Improvement Program [CMAQ]*.—The CMAQ program provides a flexible funding source to State and local governments for transportation projects and programs that help meet the requirements of the Clean Air Act. Funding is available to reduce congestion and improve air quality for areas that do not meet the national ambient air quality standards for ozone, carbon monoxide, or particulate matter. Funding for this program also supports the Transportation Alternatives program, and State planning and research.

—*Metropolitan Planning*.—The metropolitan planning process establishes a cooperative, continuous, and comprehensive framework for making transportation investment decisions in metropolitan areas. Program oversight is a joint responsibility of the Federal Highway Administration and the Federal Transit Administration.

—*Transportation Infrastructure Finance and Innovation Act Program [TIFIA]*.—This program provides Federal credit assistance to eligible surface transportation projects, including highway, transit, intercity passenger rail, some types of freight rail, and intermodal freight transfer facilities. TIFIA is designed to fill market gaps and leverage substantial private co-investment by providing projects with supplemental or subordinate debt. The program may provide credit to States, localities, or other public authorities, as well as private entities undertaking projects sponsored by public authorities. TIFIA offers direct loans, loan guarantees and lines of credit.

—*Construction of Ferry Boats and Ferry Terminal Facilities*.—The ferry program provides funding for the construction of ferry boats and ferry terminal facilities. Funds are distributed according to statutory formula.

—*Tribal Transportation Program*.—The Tribal Transportation Program is designed to provide access to basic community services and to enhance the quality of life in Indian country. Funding is distributed among tribes based on a statutory formula.

—*Federal Lands Transportation Program*.—This program funds projects that improve access within federally owned lands, including national forests, national parks, national wildlife refuges, and national recreation areas. Each year, funds are provided to the National Park Service and the U.S. Fish and Wildlife Service, and funds are distributed on a competitive basis to the U.S. Forest Service, the Bureau of Land Management, and the U.S. Corps of Engineers.

—*Federal Lands Access Program*.—This program provides funds for projects on transportation facilities that are located on or adjacent to federally owned lands, or that provide access to those areas. Funds are distributed by formula among States that have Federal lands managed by the National Park Service, the U.S. Forest Service, the U.S. Fish and Wildlife Service, the Bureau of Land Management, and the U.S. Army Corps of Engineers.

—*State Planning and Research*.—This program provides funding for States to conduct planning and research activities. The funds are used to establish a cooperative, continuous, and comprehensive framework for making transportation investment decisions, and to carry out transportation research activities through each of the States. The program is funded with resources from the National Highway Performance Program, the Surface Transportation Program, and the Highway Safety Improvement Program, and the Congestion Mitigation and Air Quality Program.

—*Transportation Alternatives*.—This program provides funding for a variety of alternative transportation projects, including trails for pedestrians and bicyclists; transportation systems that provide safe routes for non-drivers, including children, older adults, and people with disabilities; and environmental mitigation projects.

—*Territorial and Puerto Rico Highway Program*.—This program supports a highway program in the Commonwealth of Puerto Rico, and it provides funding to assist the governments of the U.S. territories with highway investments and necessary inter-island connectors.

—*Emergency Relief*.—The Emergency Relief program provides funds for emergency repairs and permanent repairs on Federal-aid highways and roads on Federal lands that the Secretary finds have suffered serious damage as a result of natural disasters or catastrophic failure from an external cause. This program receives an appropriation of $100,000,000 in contract authority each year from the Highway Trust Fund, and this funding is exempt from the obligation limitation imposed on the Federal-aid Highway Program. In addition to this contract authority, the program receives such sums as may be necessary from the general fund of the Treasury to meet emergency needs.

—*Research, Technology and Education*.—The Federal Highway Administration manages the following programs that support research, technology development, and education activities:

—The Highway Research and Development Program funds strategic investments in research activities that address current and emerging highway transportation needs.
—The Technology and Innovation Deployment Program funds efforts to accelerate the implementation and delivery of new innovations and technologies that result from highway research and development to benefit all aspects of highway transportation.
—The Training and Education Program supports FHWA's efforts to train the current and future transportation workforce, share knowledge with transportation professionals, and provide training that addresses the full lifecycle of the highway transportation system.

In addition to these programs, funding provided under the Federal-aid Highways Program supports the Intelligent Transportation Systems Program, University Transportation Centers and the Bureau of Transportation Statistics. These programs are administered by the Office of the Assistant Secretary for Research and Technology. The Committee recommendation would elevate RITA's responsibilities to the Office of the Secretary, as requested by the administration.

LIQUIDATION OF CONTRACT AUTHORIZATION

(HIGHWAY TRUST FUND)

Appropriations, 2014	$40,995,000,000
Budget estimate, 2015	48,062,248,000
Committee recommendation	40,995,000,000

PROGRAM DESCRIPTION

The Federal-aid Highway program is funded through contract authority paid out of the Highway Trust Fund. Most forms of budget authority provide the authority to enter into obligations and then to liquidate those obligations. Put another way, it allows a Federal agency to commit to spending money on specified activities and then to actually spend that money. In contrast, contract authority provides only the authority to enter into obligations, but not the authority to liquidate those obligations. The authority to liquidate obligations—to actually spend the money committed with the contract authority—must be provided separately. The authority to liquidate obligations under the Federal-aid highways program is provided under this heading. This liquidating authority allows FHWA to follow through on commitments already allowed under current law; it does not provide the authority to enter into new commitments for Federal spending.

COMMITTEE RECOMMENDATION

The Committee recommends a liquidating cash appropriation of $40,995,000,000. The recommended level is $7,067,248,000 less than the budget request and equal to the fiscal year 2014 enacted level. This level of liquidating authority is necessary to pay outstanding obligations from various highway accounts pursuant to this and prior appropriations acts.

ADMINISTRATIVE PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

Section 120 distributes obligation authority among Federal-aid Highway programs.

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

Section 122 provides requirements for any waiver of Buy America requirements.

Section 123 requires congressional notification before the Department provides credit assistance under the TIFIA program.

Section 124 makes contract authority available for FHWA's administrative expenses.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

PROGRAM DESCRIPTION

The Federal Motor Carrier Safety Administration [FMCSA] was established within the Department of Transportation by the Motor Carrier Safety Improvement Act [MCSIA] (Public Law 106–159) in December 1999. Prior to this legislation, motor carrier safety responsibilities were under the jurisdiction of the Federal Highway Administration.

MCSIA, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users [SAFETEA–LU], and the Moving Ahead for Progress in the 21st Century Act [MAP–21] provide funding authorization for FMCSA's Motor Carrier Safety Operations and Programs and Motor Carrier Safety Grants.

FMCSA's mission is to promote safe commercial motor vehicle and motor coach operations, as well as reduce the number and severity of accidents. Agency resources and activities prevent and mitigate commercial motor vehicle and motor coach accidents through education, regulation, enforcement, stakeholder training, technological innovation, and improved information systems. FMCSA is also responsible for ensuring that all commercial vehicles entering the United States along its southern and northern borders comply with all Federal motor carrier safety and hazardous materials regulations. To accomplish these activities, FMCSA works with Federal, State, and local enforcement agencies, the motor carrier industry, highway safety organizations, and the public.

COMMITTEE RECOMMENDATION

The Committee recommends a total level of $592,300,000 for obligations and liquidations from the Highway Trust Fund. This level is $76,223,000 less than the request and $7,300,000 more than the fiscal year 2014 enacted level.

MOTOR CARRIER SAFETY OPERATIONS AND PROGRAMS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2014	$259,000,000
Budget estimate, 2015 (limitation)	315,770,000
Committee recommendation	271,000,000

PROGRAM DESCRIPTION

This account provides the necessary resources to support motor carrier safety program activities and maintain the agency's administrative infrastructure. Funding supports nationwide motor carrier safety and consumer enforcement efforts, including Federal safety enforcement activities at the United States/Mexico border to ensure that Mexican carriers entering the United States are in compliance with FMCSA regulations. Resources are also provided to fund motor carrier regulatory development and implementation, information management, research and technology, safety education and outreach, and the 24-hour safety and consumer telephone hotline.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations and authority to liquidate an equal amount of contract authorization of $271,000,000 for FMCSA's Operations and Programs. The recommendation is $12,000,000 more than the fiscal year 2014 enacted level and $44,770,000 less than the budget request. Of the total limitation on obligations, $9,000,000 is for research and technology, $2,300,000 is for commercial motor vehicle operator grants, and $34,545,000 is for information management.

Compliance, Safety and Accountability Program [CSA].—In 1999, NTSB concluded that FMCSA's oversight of motor carrier operators was ineffective because its safety fitness rating methodology was insufficient. Furthermore, the agency relied on a labor-intensive, comprehensive audit process that was only capable of reaching 3 percent of the industry annually. The NTSB recommended that FMCSA develop a more efficient method of evaluating operator and driver performance into its oversight and enforcement regime.

In response, FMCSA began to implement its Compliance, Safety and Accountability Program [CSA] in 2004. The CSA program represents a complete overhaul of FMCSA's systems and investigation practices, and is designed to better target the agency's resources at the riskiest carriers. The goal of CSA is to use performance data to target interventions and help carriers to come into compliance. The CSA program uses the new Safety Measurement System [SMS] to identify motor carriers that are at risk of causing a crash or pose a significant safety hazard.

The Safety Fitness Determination [SFD] rulemaking is the cornerstone of CSA. This rule will allow FMCSA to use a combination of performance data, on-road safety information, and investigations to determine whether a motor carrier is fit to operate. It was initially proposed to be completed in 2009, but the notice of proposed rulemaking is now targeted for publication at the end of the calendar year, almost a year later than the Department's plans called for a year ago. The delays in moving forward on this rule are excessive. The Committee has included bill language requiring the Secretary to initiate a rulemaking no later than December 2014. This rulemaking will be subject to great scrutiny, which is likely to require a significant amount of time. Until the SFD rulemaking is complete, FMCSA continues to rely on a rating and enforcement system that fails to place sufficient emphasis on both driver and vehicle qualifications, thereby compromising safety on our Nation's highways.

The Committee strongly supports the agency's efforts to improve its programs and remains focused on ensuring CSA delivers the promised results. The Committee is troubled by FMCSA's failure to meet critical milestones for implementing this new system. Therefore, the Committee requests that GAO continue to monitor the implementation of CSA and evaluate FMCSA's ability to meet its designated milestones.

Electronic Logging Devices.—In 1977, NTSB issued its first recommendation on the use of on-board data recording devices, or electronic logging devices [ELDs], to provide an efficient and reliable means of tracking the number of hours a commercial motor vehicle operator drives. To this day, this recommendation (H–07–41) remains open, and NTSB considers FMCSA's actions to address this safety issue unacceptable.

MAP–21 (section 32301(b) of Public Law 112–141; 49 U.S.C. 31137) mandated that FMCSA issue a rule by October 2013 requiring all interstate motor carriers to be equipped with ELDs to improve compliance and enforcement with hours of service regulations. The agency was delayed in implementing the rule by a legal challenge to an earlier regulatory action on the limited use of ELD's for operators with persistent hours of service violations. In March 2014, FMCSA finally issued a proposed rule to comply with the mandates of MAP–21. The proposed rule is expected to significantly reduce the paperwork burden to comply with hours-of-service recordkeeping, reduce crashes by fatigued drivers, and prevent approximately 20 fatalities and 434 injuries each year, according to FMCSA. The comment period was recently extended through June 26, 2014. The Committee supports the expanded use of ELDs and encourages FMCSA to work aggressively to implement the ELD mandate. To that end, the bill includes language to reinforce the importance of addressing this regulatory action in a timely manner and requires the rule to be finalized no later than January 30, 2015.

High-Risk Carriers.—Since fiscal year 2008, the Committee has required reports on the agency's ability to meet the requirement to conduct compliance reviews on all motor carriers identified as high-risk. Since the agency first began reporting its performance to the Committee, compliance with this requirement has improved significantly, from completing reviews of 69 percent of high-risk carriers in fiscal year 2008 to 93 percent in the 2013 calendar year.

In December 2010, FMCSA deployed the new Carrier Safety Measurement System [CSMS] as part of its CSA program. CSMS more precisely identifies motor carriers that pose the highest safety risk by quantifying the on-road safety performance of carriers in seven Behavior Analysis and Safety Improvement Categories [BASICs] when a serious violation has been discovered. Under CSA, and consistent with section 4138 of SAFETEA–LU, any motor carrier with certain BASIC alerts for 2 consecutive months is now labeled “mandatory” under CSMS. Mandatory motor carriers are prioritized for an onsite investigation if they have not undergone an investigation in the last 24 months. Under FMCSA regulations, carriers identified as mandatory must have a compliance review conducted within 1 year.

FMCSA contends that the tracking and monitoring of high-risk carriers under CSMS is a manually intensive process involving a variety of data systems. Further, the monitoring of high-risk carriers operating under consent decrees is even more complex. Consent decrees allow high-risk motor carriers to continue to provide service when they receive an unsatisfactory rating by setting conditions and performance requirements on their operations. Currently, the monitoring of consent decrees is a completely manual process. Automating these systems as much as possible would save time and resources, and would provide a higher level of safety compliance review. The Committee recommendation includes additional resources to automate these investigation and compliance processes. The Committee believes this will improve the agency’s ability to monitor those carriers that pose the most significant safety risk to the public. The Committee directs FMCSA to provide a plan to the House and Senate Committees on Appropriations within 60 days of enactment of this act on the information technology [IT] investments required for automation. The IT plan must define the total lifecycle and operating costs, identify a timeline for deployment, including relevant benchmarks to determine progress, and define performance metrics the agency will use to determine the time and resource savings resulting from automation.

The Committee is concerned that the FMCSA’s failure to investigate mandatory carriers in a timely fashion could lead to unsafe carriers operating on our roadways. For example, DND International, based in Naperville, Illinois, ranked in the bottom 10 percent of carriers for unsafe driving and bottom 5 percent for hours-of-service violations, which finally led the FMCSA in August of last year to assign an investigator to conduct a “focused investigation.” FMCSA failed to conduct this investigation in a timely fashion, and on January 27, 2014, a driver for DND International struck an Illinois State Police cruiser and an Illinois Toll Authority vehicle, both with activated emergency/warning lights, resulting in the death of the Toll Authority worker and life-threatening injuries to the police officer.

FMCSA found that at the time of the crash, the driver had been on duty for more than 26 hours, with an opportunity for no more than a 5½-hour break. After the accident occurred, the Secretary and FMCSA found the company had an entirely ineffective disciplinary process and showed reckless disregard for hours-of-service rules. The investigators stated that the company’s failure to monitor its drivers’ time on duty was “a key contributing factor” in the wreck. FMCSA’s CSA program identified this carrier as high-risk, but its failure to conduct an investigation in a timely manner allowed this chronically unsafe operator to continue to provide services on the Nation's highways, placing the public at risk.

The Committee directs the DOT Office of Inspector General to conduct an audit of FMCSA's mandatory compliance review process to ensure motor carriers flagged for investigation are being investigated in a timely manner. The OIG should review whether or not the type of investigations FMCSA conducts is adequate enough to catch violations. The Committee is aware that the DOT is conducting an inter-agency review of these issues and the OIG is directed to review these findings during its audit.

The Committee expects FMCSA to continue to prioritize these carriers for inspection and directs the agency to provide the House and Senate Committees on Appropriations with an updated report on its ability to meet its requirements to evaluate mandatory carriers by April 2015 for the preceding fiscal year.

Specially Constructed Rail Service Vehicles.—The Committee is concerned that FMCSA's Federal hours of service regulations, found in 49 CFR subsection 395.3, may not take into account the unique operating environment of specially trained drivers of commercial motor vehicles specifically constructed to service, inspect, maintain, and repair railroad track to support railroad safety and operations. The Committee encourages the FMCSA to collaborate with the rail service stakeholder community to consider an exemption for these rail service providers such that on-duty time could not include waiting time at a rail site. Instead, waiting time could be recorded as "off duty" for purposes of subsection 395.8 and 395.15, and waiting time could not be included in calculating the 14-hour period in section 395.3(a)(2), the 60-hour period in section 395.3(b)(1), or the 70-hour period in section 395.3(b)(2). This collaboration shall include providing technical assistance to the rail service stakeholder community as it considers an application for exemption from these specifics hours of service regulations.

NATIONAL MOTOR CARRIER SAFETY

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION OF OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2014	$13,000,000
Budget estimate, 2015	....
Committee recommendation	8,300,000

PROGRAM DESCRIPTION

The National Motor Carrier Safety program was established to promote motor carrier safety and help States develop motor carrier data systems.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations and authority to liquidate an equal amount of contract authorizations from existing unobligated balances of $8,300,000 for border and field facility improvements that are part of FMCSA's Capital Investment Plan.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriations, 2014	$313,000,000	$313,000,000
Budget estimate, 2015	352,753,000	352,753,000
Committee recommendation	313,000,000	313,000,000

PROGRAM DESCRIPTION

This account provides the necessary resources for Federal grants to support State compliance, enforcement, and other programs. Grants are also provided to States for enforcement efforts at both the southern and northern borders to ensure that all points of entry into the United States are fortified with comprehensive safety measures; improvement of State commercial driver's license [CDL] oversight activities to prevent unqualified drivers from being issued CDLs; and the Performance Registration Information Systems and Management [PRISM] program, which links State motor vehicle registration systems with carrier safety data in order to identify unsafe commercial motor carriers.

MOTOR CARRIER SAFETY GRANTS

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations and authority to liquidate an equal amount of contract authorization of $313,000,000 for motor carrier safety grants. The recommended limitation is equal to the fiscal year 2014 enacted level and $39,753,000 less than the budget request. The Committee recommends a separate limitation on obligations for each grant program funded under this account with the funding allocation identified below. The obligation limitation listed below for the Motor Carrier Safety Assistance Program [MCSAP] includes $218,000,000 for High Priority grants, of which $32,000,000 is for New Entrant grants.

	Amount
Motor carrier safety assistance program [MCSAP]	$218,000,000
Commercial driver's license program improvement grants	30,000,000
Border enforcement grants	32,000,000
Performance and registration information system management grant program	5,000,000
Commercial vehicle information systems and networks deployment program	25,000,000
Safety data improvement grants	1,000,000

ADMINISTRATIVE PROVISION—FEDERAL MOTOR CARRIER SAFETY ADMNINSTRATION

Section 130 subjects the funds in this act to section 350 of Public Law 107–87 in order to ensure the safety of all cross-border long haul operations conducted by Mexican-domiciled commercial carriers.

Section 131 limits funding from being used to deny the renewal of a hazardous material safety permit under certain conditions.

Section 132 This provision allows States that issued Commercial License Permits [CLPs] to individuals under age 18 prior to the May 9, 2011, rulemaking to continue to do so. FMCSA established a minimum age of 18 for issuance of a CLP without awareness of existing State rules and regulations at that time. In many States, commercial truck driving programs are offered through vocational training programs and the Job Corps targeted at students between the ages of 16 and 18. These programs help students prepare to drive commercial vehicles at age 18 and on the interstates after age 21, which are the minimum ages for Commercial Driver Licenses [CDLs] in all States.

Section 133 temporarily suspends enforcement of the hours of service regulation related to the restart provisions that went into effect on July 1, 2013 and directs the Secretary to conduct a study of the operational, safety, health and fatigue aspects of the restart before and after July 1, 2013.

National Highway Traffic Safety Administration

PROGRAM DESCRIPTION

The Federal Government's regulatory role in motor vehicle and highway safety began in September of 1966 with the enactment of the National Traffic and Motor Vehicle Safety Act of 1966 and the Highway Safety Act of 1966. In October 1966, these activities, originally under the jurisdiction of the Department of Commerce, were transferred to the Department of Transportation to be carried out through the National Traffic Safety Bureau within the Federal Highway Administration. In March 1970, the National Highway Traffic Safety Administration [NHTSA] was established as a separate organizational entity in the Department of Transportation.

NHTSA is responsible for motor vehicle safety, highway safety behavioral programs, motor vehicle information, and automobile fuel economy programs. NHTSA's current programs are authorized in five major 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.); the Transportation Recall Enhancement, Accountability and Documentation [TREAD] Act; (5) the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users [SAFETEA–LU]; and (6) Moving Ahead for Progress in the 21st Century Act [MAP–21].

The National Traffic and Motor Vehicle Safety Act of 1966 provides for the establishment and enforcement of safety standards for vehicles and related equipment and the conduct of supporting research.

The Highway Safety Act of 1966 established NHTSA's responsibility for providing States with financial assistance to support coordinated national highway safety programs (section 402 of title 23, U.S.C.), as well its role in highway safety research, development, and demonstration programs (section 403 of title 23, U.S.C.). The Anti-Drug Abuse Act of 1988 (Public Law 100–690) authorized

NHTSA to make grants to States to implement and enforce drunk driving prevention programs.

The MVICSA established NHTSA's responsibilities for developing low-speed collision bumper standards and odometer regulations, as well its consumer information activities. Subsequent amendments to this law established the agency's responsibility for administering mandatory automotive fuel economy standards, theft prevention standards for high theft lines of passenger motor vehicles, and automobile content labeling requirements.

In 2000, the TREAD Act expanded NHTSA's responsibilities further, requiring the agency to promulgate regulations for the stability of light duty vehicles, tire safety and labeling standards, improving the safety of child restraints, and establishing a child restraint safety rating consumer information program.

SAFETEA–LU, which was enacted on August 10, 2005, established support for NHTSA's high-visibility enforcement efforts, motorcycle safety grants, and child safety and child booster safety incentive grant programs. Finally, SAFETEA–LU adopted new motor vehicle safety and information provisions, including rulemaking directions to reduce vehicle rollover crashes and vehicle passenger ejections, and improve passenger safety in side impact crashes.

The most recent surface reauthorization, MAP–21, consolidated NHTSA's grant programs into a new National Priority Safety Program and set target spending rates for grants to States for occupant protection, State traffic safety information systems, impaired driving countermeasures, distracted driving, motorcycle safety, State graduated driver licensing, and in-vehicle alcohol detection device research. The bill also mandates State performance-based highway safety plans, and creates a new teenage traffic safety program, and Council for Vehicle Electronics, Software, and Engineering Expertise.

COMMITTEE RECOMMENDATION

Between 2005 and 2011, the Nation experienced a 26 percent decrease in overall traffic fatalities, with 2011 marking the lowest number of fatalities since 1949. With the recovery of the economy and the return of more discretionary travel, the number of fatalities rose to 33,561 in 2012, a 3.6 percent increase over 2011. As the volume of freight and passenger vehicles on our highways continues to grow, NHTSA and its State partners must remain diligent to prevent further increases in the number of fatalities. The Committee recommends $834,500,000 for NHTSA to maintain current programs and continue its mission to save lives, prevent injuries, and reduce vehicle-related crashes. This level includes both budget authority and limitations on the obligation of contract authority. This funding is $16,500,000 less than the President's request and $15,500,000 more than the fiscal year 2014 enacted level.

The following table summarizes Committee recommendations:

	General fund	Highway trust fund	Total
Appropriation 2014	$134,000,000	$685,000,000	$819,000,000
Budget estimate, 2015		851,000,000	851,000,000
Committee recommendation	134,500,000	700,000,000	834,500,000

OPERATIONS AND RESEARCH

	General fund	Highway trust fund	Total
Appropriation, fiscal year 2014	$134,000,000	$123,500,000	$257,500,000
Budget estimate, 2015		274,000,000	274,000,000
Committee recommendation	134,500,000	138,500,000	273,000,000

PROGRAM DESCRIPTION

These programs support traffic safety programs and related research, demonstrations, technical assistance, and national leadership for highway safety programs conducted by State and local governments, the private sector, universities, research units, and various safety associations and organizations. These highway safety programs emphasize alcohol and drug countermeasures, vehicle occupant protection, traffic law enforcement, emergency medical and trauma care systems, traffic records and licensing, State and community traffic safety evaluations, protection of motorcycle riders, pedestrian and bicyclist safety, pupil transportation, distracted driving prevention, young and older driver safety, and improved accident investigation procedures.

COMMITTEE RECOMMENDATION

The Committee provides $273,000,000 for Operations and Research, which includes funding for the National Driver Register. This level of funding is $1,000,000 less than the President's budget request and $15,500,000 more than the fiscal year 2014 enacted level. Of the total amount recommended for Operations and Research, $134,500,000 is derived from the General Fund and $138,500,000 is derived from the Highway Trust Fund, of which $5,000,000 is for the National Driver Register.

Additional resources are provided to improve the Office of Defects Investigation's [ODI's] ability to identify vehicle safety defects, expand vehicle crash worthiness testing, conclude equipment compliance testing, conduct research and testing for motorcoach safety regulatory activities, and continue testing of emerging alternative fuel systems.

Office of Defects Investigation [ODI].—The Safety Defects Investigation program investigates possible defect trends, and where appropriate, seeks recalls of vehicles and vehicle equipment that pose an unreasonable safety risk. To perform this mission, NHTSA maintains the collection of early warning reporting data submitted by manufacturers to the Advanced Retrieval Tire, Equipment, Motor Vehicle Information System [ARTEMIS], as well as complaints from vehicle owners, recalls, and crash investigations. The agency then analyzes the early warning data to determine whether anomalies or trends exist that potentially indicate the presence of a safety-related problem.

As a result of the General Motors recall of 2.5 million vehicles for faulty ignition switches that have been linked to at least 13 deaths, concerns have been raised about NHTSA's ability to identify vehicle safety-related problems. NHTSA contends that General Motors withheld critical information that would have helped identify the defect and likely changed the agency's approach to the issue. ODI's ability to find these safety defects is heavily dependent upon automakers acting in good faith to share defect information in a timely basis. Equally important is the ability for the agency to aggressively screen defect trends within the voluminous amounts of early warning data it receives. The Committee recommendation includes $10,200,000 to support the implementation and maintenance of the Electronic Document and Records Management System [EDRMS] Corporate Information Factory [CIF]. The CIF is an advanced data mining and analytical tool that will allow ODI to provide more transparency to its data and enable faster, more reliable results for defect screeners and investigators.

New Car Assessment Program [NCAP].—The New Car Assessment Program [NCAP] is an important component of NHTSA's continuing effort to reduce fatalities and injuries. NHTSA tests vehicle crash worthiness by evaluating passenger car crash performance data on frontal impact, side impact and rollover resistance tests to inform consumers about the relative safety of cars on the market using a five star safety rating system. Manufacturers respond to these tests by making more safety improvements to their vehicles for customers and earn top safety ratings. The Committee recommendation includes $14,000,000 for the NCAP program, consistent with the budget request. This level of funding will enable NHTSA to test 85 percent of the new model year fleet.

Vehicle Safety Compliance.—Vehicles and vehicle equipment sold in the United States are required to meet Federal Motor Vehicle Safety Standards [FMVSS]. The Office of Vehicle Safety Compliance conducts testing, inspection, analysis and investigations to identify defective equipment and ensure that the manufacturer issues a recall or provides a remedy for noncompliance. The Committee recommendation includes $9,140,000 for FMVSS support consistent with the budget request. This level of funding will enable NHTSA to complete equipment compliance testing for child seats, initiate compliance testing for motor coach occupant protection related to MAP–21 motor coach safety mandates, and continue testing of emerging alternative fuel systems.

Motorcoach Safety.—The Secretary is required to issue a number of occupant protection regulations to improve motorcoach roof strength and structural integrity, prevent ejections through windows, require technology that will reduce the chance of a rollover, and equip motor coaches with direct tire pressure monitoring systems. These issues are included in the Secretary's Motorcoach Safety Action Plan and MAP–21 requires final rules to be issued in each of these areas by October 1, 2014. To date, the DOT has not issued proposed rules on any of these important safety initiatives. The Committee directs the Secretary to report to the House and Senate Committees on Appropriations within 30 days of the date of enactment of this act on the status of the regulations mandated under section 32703(b) and (c) of MAP–21.

Fire Safety.—Fire safety is a recurrent problem on passenger-carrying vehicles of all kinds with 160 fires, on average, reported each year. Section 32704 of MAP–21 requires the Secretary to conduct research and testing on methods to prevent and mitigate fires on motorcoaches and, based on that research, determine what regulations are needed. The Committee directs the Secretary to report to the House and Senate Committees on Appropriations within 30 days of the date of enactment of this act on the progress of this research.

Corporate Average Fuel Economy Standard [CAFE].—NHTSA is responsible for setting fuel economy standards for cars and trucks sold in the United States to reduce energy consumption. In addition, the Environmental Protection Agency [EPA] is responsible for calculating the average fuel economy for each manufacturer. The President has directed both agencies to align their research, performance requirements, and regulatory framework to develop a coordinated national program that achieves the requirements of the Energy Independence and Security Act of 2007 [EISA] and the Clean Air Act.

The Committee recommends $7,900,000 for fiscal year 2015 for the CAFE program, as requested. Funding will be used to support rulemakings for medium- and heavy-duty commercial vehicles; propose fuel economy standards for heavy-duty truck trailers; continue a retrospective analysis of past fuel efficiency rulemakings to assess the accuracy of projects as directed by GAO; and conduct research on fuel efficiency improving technologies that will support the development of fuel economy standards for model years 2022–2025.

The Committee recognizes the importance that plastics and polymer-based composite materials play in reducing vehicle weight. They provide vehicle manufacturers with innovative tools to reduce fuel consumption and, by association, vehicle emissions, including air toxics and greenhouse gasses. As manufacturers plan for future fleets, composite materials offer benefits for meeting new targets established under NHTSA's recent vehicle fuel efficiency rules. At the same time, the Committee recognizes that composite manufacturing is a new and growing industry, providing highly skilled jobs in the automotive industry. The Committee directs NHTSA to continue advancing the state of the art of predictive engineering for plastics and composites, while validating the safety performance of plastics and polymer-based composites for the automotive industry in fiscal year 2015. The program will help facilitate a foundation of cooperation between DOT, the Department of Energy, and industry stakeholders for the development of safety-centered approaches for future light-weight automotive design.

Emergency Communication Centers.—The Committee believes that improved pre-hospital emergency response is vital to reducing mortality on America's highways and interstates, particularly in rural States where deaths per capita are highest. Providing high-quality emergency response, including the deployment of technology platforms that improve communications and speed transmission of data, photo images and real-time video to a remote trauma center may improve outcomes and save lives. As such, the Committee directs NHTSA to consult with the Department of Homeland

Security and the Department of Health and Human Services to provide a report within 180 days of enactment to the House and Senate Committees on Appropriations that identifies models of regional and statewide medical communications centers, the mechanisms by which these models could be integrated into existing emergency medical services and trauma systems, and the potential ability of medical communications centers to use evolving and innovative digital technology to reduce traffic fatalities.

Child Hyperthermia Prevention.—The Committee commends NHTSA for increasing public awareness of the risks of death and serious injury to children from hyperthermia when left unattended in vehicles. The Committee supports the agency's plan to continue a broad, coordinated national campaign along the lines of the successful efforts more than a decade ago that convinced more parents and caregivers to place children 12 years of age and younger in safer rear seats. A similar effort to prevent hyperthermia deaths is justified as there have been more than 600 of these deaths in vehicles since 1998, an average of 38 per year and rising. The Committee also encourages the agency to work with State highway offices to use their resources to heighten awareness.

National Roadside Survey.—NHTSA recently sponsored the fifth National Roadside Survey [NRS] conducted since the original survey in 1973. This national field survey of nighttime weekend drivers seeks to estimate the prevalence of alcohol and drugs in drivers on our Nation's roadways. The survey involves stopping drivers at approximately 300 randomly selected locations across the continental United States. While participation in the survey is random, voluntary, and compensated, civil libertarians have raised concerns about the presence of uniformed officers at the survey sites as the driving public may confuse survey sites with mandatory law enforcement checkpoints. In addition, passive and active collection of blood and saliva as part of the testing process has raised privacy concerns. The Committee directs NHTSA to provide a report to the House and Senate Committees on Appropriations within 90 days of enactment that details the survey methodology of the most recent NRS including what characteristics distinguish NRS sites from mandatory law enforcement checkpoints and what steps are taken to make clear that either pulling over or participating in the survey are both completely voluntary. The report should also describe what steps are taken to protect the privacy of both participants and drivers that come upon NRS sites. The report should further contain metrics describing the percentage of drivers that are pulled over that elect to continue with the survey. The report should describe the number of States in which the survey was conducted, and the process by which it notified members of Congress prior to the survey that a survey would be conducted in their State. Finally, the report should describe any incidents where participation in the survey led to arrest of the occupant(s) of the automobile. The Committee also directs the Government Accountability Office to review and report on the overall value of the NRS to researchers and other public safety stakeholders, the differences between an NRS site and typical law enforcement checkpoints, and the effectiveness of the NRS survey methodology at protecting the privacy of the driving public.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriations, 2014	$561,500,000	$561,500,000
Budget estimate, 2015	577,000,000	577,000,000
Committee recommendation	561,500,000	561,500,000

PROGRAM DESCRIPTION

The most recent surface authorization, MAP–21, reauthorized occupant protection grants, State traffic safety information grants, impaired driving countermeasures grants, motorcycle safety grants, and consolidated them under a new National Priority Safety Program (23 U.S.C. 405). The bill also created three new grant programs within the National Priority Safety Program: State graduated driver license grants, distracted driving grants, and in-vehicle alcohol detection devise research.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations and authority to liquidate an equal amount of contract authorization of $561,500,000 for the highway traffic safety grant programs funded under this heading. The recommended limitation is $15,500,000 less than the budget estimate and equal to the fiscal year 2014 enacted level. The Committee has also provided the authority to liquidate an equal amount of contract authorization.

The Committee continues to recommend prohibiting the use of section 402 funds for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures.

The authorized funding for administrative expenses and for each grant program is as follows:

	Amount
Highway Safety Programs (section 402)	$235,000,000
National Priority Safety Programs (section 405)	272,000,000
High Visibility Enforcement Program	29,000,000
Administrative Expenses	25,500,000

Drunk Driving Prevention.—Since 2008, NHTSA has partnered with leading automobile manufacturers in the Automotive Coalition for Traffic Safety [ACTS] on an ambitious research program to develop in-vehicle technology to prevent alcohol-impaired driving that is publicly acceptable, unobtrusive for drivers below the legal limit of .08 BAC, reliable, and relatively inexpensive. The goal is to make such technologies available for voluntary installation in production vehicles within the next 5 years. ACTS is now operating under a second 5-year cooperative agreement. To date, progress has been significant, including the identification of two competing technological approaches. During fiscal year 2015, these technologies will be installed in research vehicles for pilot field testing. The Committee continues to strongly support this promising research partnership, which has the potential to prevent thousands of drunk driving deaths annually. The Committee recommends $5,574,000 for ACTS to continue this research, which is consistent with the budget request and $134,000 more than the fiscal year 2014 enacted level. The Committee expects work will be accelerated during the coming fiscal year on consumer acceptance and public policy issues that are essential elements of the project and must be addressed in concert with technology development and testing.

ADMINISTRATIVE PROVISIONS—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Section 140 makes available $130,000 of obligation authority for section 402 of title 23 U.S.C. to pay for travel and expenses for State management reviews and highway safety staff core competency development training.

Section 141 exempts obligation authority, made available in previous Public Laws from limitations on obligations for the current year.

Section 142 prohibits the use of funds to implement section 404 of title 23, United States Code.

FEDERAL RAILROAD ADMINISTRATION

The Federal Railroad Administration [FRA] became an operating Administration within the Department of Transportation on April 1, 1967. It incorporated the Bureau of Railroad Safety from the Interstate Commerce Commission, the Office of High Speed Ground Transportation from the Department of Commerce, and the Alaska Railroad from the Department of the Interior. FRA is responsible for planning, developing, and administering programs to achieve safe operating and mechanical practices in the railroad industry. Grants to the National Railroad Passenger Corporation (Amtrak) and other financial assistance programs to rehabilitate and improve the railroad industry's physical infrastructure are also administered by the Federal Railroad Administration.

SAFETY AND OPERATIONS

Appropriations, 2014	$184,500,000
Budget estimate, 2015	185,250,000
Committee recommendation	191,250,000

PROGRAM DESCRIPTION

The Safety and Operations account provides support for FRA rail safety activities and all other administrative and operating activities related to staff and programs.

COMMITTEE RECOMMENDATION

The Committee recommends $191,250,000 for Safety and Operations for fiscal year 2015, which is $6,000,000 more than the budget request and $6,750,000 more than the fiscal year 2014 enacted level. The bill specifies that $15,400,000 shall remain available until expended to cover the cost of the Automated Track Inspection Program, the Railroad Safety Information System, the Southeastern Transportation Study, research and development activities, contract support, and Alaska Railroad liabilities.

The Committee recommendation includes $3,750,000 to annualize the safety and inspector staffing increases provided in fiscal year 2014, and for 10 additional safety inspectors in fiscal year 2015.

Automated Track Inspection Program.—The Automated Track Inspection Program [ATIP] provides track geometry information, as well as other track-related performance data, to assess compliance with Federal Track Safety Standards. The data collected under ATIP is used by FRA's railroad inspectors and by railroads to ensure proper track maintenance and to assess track safety trends within the industry. FRA is currently operating only one ATIP car for inspections. The Committee recommendation includes an increase of $3,000,000 to fund the use of a second car to support the inspection of crude oil routes—covering more than 14,000 miles nationwide. Funding will also be used to expedite implementation of a remote automated track inspection capability using unmanned systems to increase inspection mileage while reducing costs.

Training and Outreach.—Class I railroads recently committed to spending $5,000,000 to develop a specialized crude by rail training program for local emergency responders at the Transportation Technology Center [TTC] in Pueblo, Colorado. This initiative will train an estimated 1,500 first responders. While a helpful and well-intentioned program, many communities and tribes lack the resources to meet the match requirements and pay the overtime for staff engaged in training, as well as the costs of the supplemental staff to cover their regular duties in their absence. The Committee recommendation for the Pipeline and Hazardous Materials Safety Administration [PHMSA] includes $1,000,000 for hazardous materials emergency response training to be made available in a Web-based or electronic format. The Committee directs FRA to collaborate with PHMSA on the development of this training curriculum and to incorporate the training regime from TTC. This will ensure that communities and tribes on or near rail lines transporting energy products have access to this valuable emergency response training.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriations, 2014	$35,250,000
Budget estimate, 2015	35,100,000
Committee recommendation	40,730,000

PROGRAM DESCRIPTION

The Railroad Research and Development program provides science and technology support for FRA's rail safety rulemaking and enforcement efforts. It also supports technological advances in conventional and high-speed railroads, as well as evaluations of the role of railroads in the Nation's transportation system.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $40,730,000 for railroad research and development, which is $5,630,000 more than the budget request and $5,480,000 more than the fiscal year 2014 enacted level.

Short Line Railroad Safety Institute.—Short Line railroads operate more than 50,000 miles of track, which is one-third of the national railroad network. They are an important feeder system for the larger Class I railroads, helping connect local communities to the national railroad network. There are 550 short line railroads operating in the United States, 73 of which currently handle some volume of crude oil. The safety management system of short lines is extremely varied and many companies lack the resources to conduct hazardous materials safety training and other operational safety assessments. The Committee supports FRA's efforts to create a Short Line Railroad Safety Institute in partnership with short line and regional railroads to build a stronger, sustainable safety culture in this segment of the rail industry. The Committee recommendation includes $2,000,000 for this initiative, which will be used to perform safety compliance assessments and training on short lines that transport crude oil. The Committee believes this will be an important part of the larger safety strategy to improve the safe transportation of crude oil and other hazardous materials by rail.

Accident Analysis and Mitigation.—The Committee recommendation includes $1,000,000 for FRA to conduct accident risk analysis and mitigation research to examine how the safety risks of transporting energy products changes from source to destination. FRA will assess the likelihood and consequences of accidents during pretreatment, classification, loading, transit, and unloading. The agency will also evaluate mitigation strategies to reduce identified risks throughout the supply chain, such as regulation and enforcement, more accurate classification methods, alternative routing, reduced line speeds, improved braking, improved tank car crashworthiness, and better informed emergency responders. The research will provide a clear understanding of the most cost-effective ways of improving overall energy transportation safety.

Research and Development Activities.—The Committee recommendation includes $2,480,000 for research and development activities related to the safe transportation of energy products. Specifically, FRA will supplement PHMSA's research on the development of a Liquefied Natural Gas [LNG] bulk tank car and locomotive tender designs by conducting full-scale impact tests to assess performance, puncture resistance, and validate computer simulations. FRA will also evaluate technologies suitable for retrofitting tank cars to improve safety, conduct an analysis of the costs and benefits of retrofits compared to new tank cars, develop recommended practices for tank car retrofitting, and, if warranted, identify inspection and maintenances procedures for tank car retrofit options.

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 2015. The Committee directs FRA to continue to provide a summary of loan activity for the preceding fiscal years in its fiscal year 2016 budget justification. At a minimum, FRA should detail the number of loans pending and issued, and the processing time for these loans.

THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

PROGRAM DESCRIPTION

The National Railroad Passenger Corporation (Amtrak) operates intercity passenger rail services in 46 States and the District of Columbia, in addition to serving as a contractor in various capacities for several commuter rail agencies. Congress created Amtrak in the Rail Passenger Service Act of 1970 (Public Law 91–518) in response to private carriers' inability to profitably operate intercity passenger rail service. Thereafter, Amtrak assumed the common carrier obligations of the private railroads in exchange for the right to priority access to their tracks for incremental cost.

COMMITTEE RECOMMENDATION

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Appropriations, 2014	$1,390,000,000
Budget estimate, 2015[1]	....
Committee recommendation	1,390,000,000

[1] The President's budget would establish two new trust fund accounts for Current Passenger Rail Service and the Rail Service Improvement Program totaling $4,775,000,000, of which $2,450,000,000 would be available to Amtrak under the new Current Passenger Rail Service Account for both capital and operating expenses.

The Committee recommends $1,390,000,000 for the FRA to make grants to Amtrak. This amount is equal to the fiscal year 2014 enacted level. The administration's budget request would shift funding for Amtrak into a new $2,450,000,000 Current Passenger Rail Service program that would be supported by a new dedicated Rail Account of the Transportation Trust Fund.

Of the total amount recommended by the Committee, up to $350,000,000 may be used for operating grants, up to $149,000,000 may be used for debt service payments, and not less than $50,000,000 shall be used to bring stations into compliance with the Americans with Disabilities Act. Of the amounts available for capital, not less than $40,000,000 shall be used for the Gateway Program. Furthermore, up to one-half of 1 percent of the total funding level is available for FRA to conduct oversight of Amtrak's operating and capital expenditures, and up to one-half of 1 percent of the total funding level is available for the Northeast Corridor Infrastructure and Operations Advisory Commission.

For operating grants, the Committee directs FRA to make a timely disbursement of funds no more frequently than once per quarter to maximize the Corporation's ability to efficiently manage its cash flow. For capital grants, the Committee recommends the continuation of an initial allocation of $200,000,000 for a working capital fund, with the remaining amounts to be made available on a reimbursable basis.

The Committee maintains requirements for Amtrak to submit a business plan and 5-year Financial Plan for fiscal year 2015. The Corporation shall continue to submit a budget request for fiscal year 2016 to the House and Senate Committees on Appropriations in similar format and substance to those submitted by executive agencies of the Federal Government.

ADA Compliance.—The Committee continues to believe that compliance with the requirements of the Americans with Disabilities Act [ADA] is essential to ensuring that all people have equal access to transportation services. In February 2009, Amtrak presented its plan for achieving compliance with the ADA over a 5-year period. Since then, the corporation has found it challenging to define the scope of projects to comply with ADA and complete work agreements with its partners at each station. In September 2011, DOT issued a final rule amending its ADA regulations for level boarding at passenger rail stations. The rule requires Amtrak to provide level entry boarding at stations where the tracks are not shared with freight rail, but allows Amtrak to provide alternative boarding mechanisms at tracks shared with freight rail. Amtrak had to reevaluate and revise all plans, design specifications, engineering requirements, and construction estimates and submit a new ADA compliance plan.

Amtrak reports that the Corporation has some degree of ADA responsibility at 390 stations. Amtrak has provided mobile lifts at the 110 stations that have less than 7,500 riders annually. The remaining 280 stations that have more than 7,500 passengers annually will need some type of set-back level boarding solution. Many of the platforms in these stations are owned by freight railroads and reconciling the requirements of existing freight traffic with the needs of passengers is a complex challenge. The Committee encourages Amtrak to use its funds to address compliance requirements that are the responsibility of other parties at the stations it serves where the work involved is not more than 10 percent of the cost of all ADA compliance work at that station, and where doing so would expedite completion of its compliance efforts and be a more efficient use of resources than compelling those parties to act.

With the level of funding recommended by the Committee, Amtrak intends to advance construction at 15 stations and to finalize planning and design requirements for another 95 stations. By the end of the fiscal year 2015, Amtrak expects to complete work in a total of 52 stations.

State Supported Routes.—The Committee notes that States with intercity passenger rail service under 750 miles in length have taken over the full cost of the service as required by section 209 of the Passenger Rail Improvement and Investment Act of 2008 [PRIIA]. That service has reached record ridership levels and generates nearly half of all Amtrak ridership, and 30 percent of its revenue. The Committee directs Amtrak to provide the required transparent, accurate cost information to States, as well as the 5-year capital equipment investment program agreed to in the PRIIA section 209 Cost Methodology Policy. The cost information should be detailed and verifiable. States must have confidence the costs they are being asked to pay are commensurate with the State-supported routes for which they are responsible.

Amtrak's Rolling Stock Acquisitions.—Acela service provides nationally important mobility services in the Nation's most densely traveled intercity corridor and accounts for over 70 percent of the net operating surplus of Amtrak's Northeast Corridor operations. The equipment presently used to provide Acela service is capacity constrained and past its mid-life use for equipment in premium service. The Committee is aware of Amtrak's interest in securing new high-speed trainsets that will initially supplement and eventually replace the equipment presently used to provide Acela service. The timely acquisition of this equipment is a critical element of improving Amtrak's financial performance and an important element of the future of intercity passenger rail service. The Committee encourages Amtrak to apply for a RRIF loan to finance this acquisition, as it will offer more favorable financing terms and permit the cost to be spread over the life of the equipment. The Committee notes that the RRIF program has been underutilized up to now, with the Department having the ability to make approximately $34,000,000,000 in loans without further action by Congress. Thus this particular loan would not limit in any significant way the Secretary's ability to make other meritorious loans.

Food and Beverage Service.—Last year, Amtrak announced its intent to eliminate food and beverage losses over 5 years. The Committee is encouraged by this announcement and commends Amtrak for addressing this aspect of its business. The Committee notes that food and beverage service is important to Amtrak passengers, especially those who use long distance trains regularly. Not only do Amtrak's customers require the service, but eliminating food and beverages from Amtrak's operations would actually increase its operating losses due to reduced ridership and ticket revenue.

While last year's announcement is encouraging, Amtrak has yet to provide a specific plan to make its food and beverage service profitable. Therefore, the Committee directs Amtrak to report to the House and Senate Committees on Appropriations and the FRA within 180 days of enactment of this act a detailed explanation of the reforms Amtrak has already implemented to reduce food and beverage losses since the corporation first announced this initiative on October 3, 2013, and a comprehensive plan outlining how it will meet its goal by October 2018.

ADMINISTRATIVE PROVISIONS

Section 150 permanently prohibits funds for the National Railroad Passenger Corporation from being available if the Corporation contracts for services, at or from any location outside of the United

States, which were, as of July 1, 2006, performed by a full-time or part-time Amtrak employee within the United States.

Section 151 allows the Secretary to receive and use cash or spare parts to repair and replace damaged track inspection cars.

Section 152 continues the conditions under which the Secretary may approve operating grants to Amtrak.

Section 153 limits overtime payments to employees at Amtrak to $35,000 per employee. However, Amtrak's president may waive this restriction for specific employees for safety or operational efficiency reasons. If the cap is waived, Amtrak must notify the House and Senate Committees on Appropriations within 30 days and specify the reason for such waiver.

FEDERAL TRANSIT ADMINISTRATION

PROGRAM DESCRIPTION

The Federal Transit Administration was established as a component of the Department of Transportation by Reorganization Plan No. 2 of 1968, effective July 1, 1968, which transferred most of the functions and programs under the Federal Transit Act of 1964, as amended (78 Stat. 302; 49 U.S.C. 1601 et seq.), from the Department of Housing and Urban Development. The missions of the Federal Transit Administration [FTA] are: to help develop improved mass transportation systems and practices; to support the inclusion of public transportation in community and regional planning to support economic development; to provide mobility for Americans who depend on transit for transportation in both metropolitan and rural areas; to maximize the productivity and efficiency of transportation systems; and to provide assistance to State and local governments and agencies in financing such services and systems.

A growing number of Americans depend on public transit to get to work, school, medical appointments, and elsewhere. In 2013, they took 10.7 billion trips on public transportation, the highest annual ridership level since 1956. While the recession led to a decline in transit use in 2009 and 2010, ridership has since recovered with an improving economy. Growth is also driven by investments that communities and the Federal Government have made to expand transit options. This is especially true of rail transit, where ridership grew by more than a third in the last decade as new rail lines opened in almost two dozen cities, including Sacramento, Phoenix, Dallas and Salt Lake City.

The most recent authorization for transit programs was contained in the Moving Ahead for Progress in the 21st Century [MAP–21], which will expire on September 30, 2014. MAP–21 expanded FTA's responsibilities for ensuring the safety of public transit; providing financial support to transit systems during emergencies, including natural disasters such as floods and hurricanes; and supporting core capacity improvements in existing fixed guideway systems. The Committee's recommendations assume they will be further extended under their current structure until the enactment of a full reauthorization package.

COMMITTEE RECOMMENDATION

Under the Committee recommendations, a total program level of $11,055,000,000 is provided for FTA programs in fiscal year 2015. The recommendation is $6,594,400,000 less than the budget request and $309,357,000 above the fiscal year 2014 enacted level.

ADMINISTRATIVE EXPENSES

Appropriations, 2014	$105,933,000
Budget estimate, 2015	114,400,000
Committee recommendation	110,500,000

PROGRAM DESCRIPTION

Administrative expenses fund personnel, contract resources, information technology, space management, travel, training, and other administrative expenses necessary to carry out FTA's mission to support, improve, and help ensure the safety of public transportation systems.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $110,500,000 from the General Fund for the agency's salaries and administrative expenses. The recommended level of funding is $3,900,000 less than the budget request and $4,567,000 above the fiscal year 2014 enacted level. This funding level will support new responsibilities for safety oversight assigned to FTA in the most recent authorization act, MAP–21, as well as cover the costs of salaries and inflation.

The Committee has recognized for several years now that FTA's staffing has not kept up with its increasing responsibilities. Successive evaluations have concluded that FTA requires additional staff to support a steadily growing workload and improve its ability to perform project oversight, contract administration, and technical assistance. The Committee acknowledges MAP–21 added significant new burdens, including standing up a new safety office. The recommendation supports full staffing for the Office of Transit Safety and Oversight, but due to funding constraints, does not include additional resources to address staff shortfalls in other core operations.

The Committee again notes the lack of information about the additional resources requested in the Administrative Expenses section of the congressional justification. Although FTA provides this information upon request, the cost, location, composition and other details that support the budget should be included in the justification. The Committee directs FTA to provide this information in its justification for any staff increases it requests in future years. In addition, the Committee directs FTA to provide information on the staffing and funding requirements of each individual FTA office in its fiscal year 2016 submission.

Transit Safety.—While public transit remains a remarkably safe mode of transportation, accidents do still happen, such as the derailment of a New York subway train in Queens last month, injuring 19. Six weeks earlier, a Chicago Blue Line train crashed at O'Hare Airport, injuring the operator and 32 passengers. To reduce the risk of such incidents, MAP–21 tasked FTA with significant new responsibilities for ensuring the safety of public transit, including establishing common-sense standards for transit agencies and the State Safety Oversight programs that oversee them, as well as transit vehicles. These changes represent a new mission for the agency, one that requires FTA to stand up and staff an entirely new office while simultaneously producing the full range of regulations needed to comprehensively address transit safety under the auspices of the National Safety Program authorized in 49 U.S.C. 5329.

FTA has proceeded expeditiously since MAP–21's passage in mid-2012. It recently published interim safety certification training provisions, as well as a comprehensive advance notice of public rulemaking [ANPRM] covering the required National Safety Plan, Agency Safety Plan, and Safety Certification Training Plan. The ANPRM also included Transit Asset Management, a particular focus of the Committee since it directed FTA to assess the condition of the Nation's rail transit systems in 2008, and then in 2010, to assume a leadership role in improving asset management in transit agencies. NTSB has identified a probable relationship in some transit accidents to equipment in poor or marginal condition, demonstrating a link between the condition of equipment and safety risks, not to mention reliability, maintenance costs, and the quality of transit service.

In the coming year, FTA will continue to work closely with State Safety Oversight organizations to support their efforts to achieve compliance and certification. It expects to publish the Notice of Proposed Rulemaking for the safety plans and asset management, as well as its proposed adoption of the Safety Management System [SMS] approach to developing the National Safety Program. SMS takes a proactive approach to managing safety that has been adopted by other agencies with transportation safety missions, including the Federal Aviation Administration and International Civil Aviation Organization. To support these efforts, the Committee recommendation includes funding for 21 additional FTE for the Safety Office, making it possible to achieve the total planned complement of 49 staff.

Infrastructure Planning.—Severe weather and other natural disasters can have serious impacts on transportation systems and the communities that rely on them, disrupting highways and public transportation systems, and slowing local economies to a crawl. Rebuilding and resuming normal operations in the wake of these events can be difficult and costly. To address this issue, at the local level, many communities are beginning to incorporate the impact of these events into the planning, design, and construction of transportation services. Washington State, for example, has used the results of a statewide infrastructure vulnerability assessment in its corridor plans and project-level environmental studies.

The Committee recognizes that taking into account severe weather and other natural disasters in infrastructure planning and building is a cost-effective and important step in ensuring the longevity of our transportation system. It helps to protect the critical corridors that businesses, workers, and families rely on every day. But as standards continue to develop, some States lack the technical expertise to incorporate vulnerability assessments into their planning efforts. Therefore, the Committee urges FTA to define, and make available to States, best practices for resiliency planning. The Committee further urges FTA to provide technical assistance to States and planning organizations to help them incorporate such considerations into the planning process. The Committee provides this direction also to FHWA, and encourages both modal administrations to coordinate their efforts with FRA.

Project Management Oversight [PMO] Activities.—The Committee directs FTA to continue to submit to the House and Senate Committees on Appropriations the quarterly PMO reports for each project with a full funding grant agreement.

Full Funding Grant Agreements [FFGAs].—MAP–21 requires that 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, 30 days before executing a full funding grant agreement. In its notification to the House and Senate Committees on Appropriations, the Committee directs FTA to submit the following information: (1) a copy of the proposed full funding grant agreement; (2) the total and annual Federal appropriations required for the project; (3) the yearly and total Federal appropriations that can be planned or anticipated for future FFGAs for each fiscal year through 2019; (4) a detailed analysis of annual commitments for current and anticipated FFGAs against the program authorization, by individual project; (5) an evaluation of whether the alternatives analysis made by the applicant fully assessed all the 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 finance plan; (7) the source and security of all public and private sector financing; (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 also directs FTA to inform the House and Senate Committees on Appropriations in writing 30 days before approving schedule, scope, or budget changes to any full funding grant agreement. Correspondence relating to all changes shall include any budget revisions or program changes that materially alter the project as originally stipulated in the FFGA, including any proposed change in rail car procurement.

The Committee directs FTA to continue to provide a monthly new starts project update to the House and Senate Committees on Appropriations, detailing the status of each project. This update should include FTA's plans and specific milestone schedules for advancing projects, especially those within 2 years of a proposed full funding grant agreement. It should also highlight and explain any potential cost and schedule changes affecting projects. In addition, FTA should notify the Committees 10 days before any project in the new starts process is given approval by FTA to advance to preliminary engineering or final design.

FORMULA GRANTS

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

	Obligation limitation (trust fund)
Appropriations, 2014	$8,595,000,000
Budget estimate, 2015	13,800,000,000
Committee recommendation	8,595,000,000

PROGRAM DESCRIPTION

Communities use Formula Grants funds for bus and railcar purchases, facility repair and construction, maintenance, and where eligible, planning and operating expenses. The Formula Grants account includes funding for the following programs: transit-oriented development; planning programs; urbanized area formula grants; enhanced mobility for seniors and individuals with disabilities; formula grants for rural areas; a bus testing facility; a national transit institute; the national transit database; state of good repairs grants; bus and bus facilities formulas grants; and growing States and high-density States formula grants. Set-asides from formula funds are directed to a grant program for each State with rail systems not regulated by the Federal Railroad Administration to meet the requirements for a State Safety Oversight program. The account also provides funding to support passenger ferry services and public transportation on Indian reservations.

COMMITTEE RECOMMENDATION

The Committee recommends limiting obligations in the transit formula and bus grants account in fiscal year 2015 to $8,595,000,000. The recommendation is the same as the authorized level for fiscal year 2014 and a placeholder for a level that will ultimately be authorized in the successor to MAP–21.

The Committee recommends $9,500,000,000 in authority to liquidate contract authorizations. This amount is sufficient to cover outstanding obligations from this account.

The following table displays the distribution of obligation limitation among the program categories of formula grants:

DISTRIBUTION OF OBLIGATION LIMITATION AMONG MAJOR CATEGORIES OF FORMULA GRANTS

Formula grants (obligation limitation)	Section number	Fiscal year 2014	Fiscal year 2015	
			Administration proposal	Committee assumption
Transit Oriented Development	20005(b)	$10,000,000	$10,234,449	$10,000,000
Planning Programs	5305	128,800,000	131,819,706	128,800,000
Urbanized Area Formula Grants	5307	4,458,650,000	4,563,182,692	4,458,650,000
Enhanced Mobility of Seniors and Individuals with Disabilities.	5310	258,300,000	264,355,823	258,300,000
Formula Grants for Rural Areas	5311	607,800,000	622,049,823	607,800,000
Bus Testing Facility	5318	3,000,000	3,070,335	3,000,000
National Transit Institute	5322(d)	5,000,000	5,117,225	5,000,000
National Transit Database	5335	3,850,000	3,940,263	3,850,000
State of Good Repair Grants	5337	2,165,900,000	5,719,000,000	2,165,900,000
Bus and Bus Facilities Formula Grants	5339	427,800,000	1,939,000,000	427,800,000

DISTRIBUTION OF OBLIGATION LIMITATION AMONG MAJOR CATEGORIES OF FORMULA GRANTS—Continued

Formula grants (obligation limitation)	Section number	Fiscal year 2014	Fiscal year 2015	
			Administration proposal	Committee assumption
Growing States and High Density States Formula Grants.	5340	525,900,000	538,229,684	525,900,000
Total		8,595,000,000	13,800,000,000	8,595,000,000

TRANSIT RESEARCH

	General fund
Appropriations, 2014	$43,000,000
Budget estimate, 2015	33,000,000
Committee recommendation	33,000,000

PROGRAM DESCRIPTION

This appropriation supports activities that are designed to develop solutions that improve public transportation. As the Federal agency responsible for transit, FTA assumes a leadership role in supporting research intended to identify innovative technologies and successful strategies to increase ridership, improve personal mobility and access, increase efficiency and safety, and demonstrate new technologies that promote clean energy and improve air quality.

FTA may make grants, contracts, cooperative agreements, and other agreements for research, development, demonstration, and deployment projects, and evaluation of technology of national significance to public transportation. FTA provides transit agencies with research results to help them be better equipped to improve services and meet local transportation needs at the lowest reasonable cost. FTA helps transit agencies employ new service methods and technologies that improve their operations and capital efficiencies, as well as improve transit safety and emergency preparedness.

The current authorization, MAP–21, continues these activities, while increasing the importance of FTA's role in promoting the development and deployment of successful low or no emission buses, technology the agency played an important role in helping to develop and promote in recent years.

COMMITTEE RECOMMENDATION

The Committee recommends $33,000,000 for the transit research. The recommendation is $10,000,000 below the fiscal year 2014 enacted level, and equal to the request. Of the total, $30,000,000 is for activities authorized under section 5312 of MAP–21. The Committee recommendation allocates the balance of funds to the Transit Cooperative Research Program authorized by 49 U.S.C. 5313.

FTA's research efforts have a long, distinguished record of success, having helped pioneer and test compressed natural gas [CNG] buses in the 1970s and hybrid diesel bus prototypes in the 1980s, leading to the widespread adoption of these technologies today.

More recently, FTA helped lead efforts to develop the first practical fuel cell buses in the world.

There is a compelling case that the need for Federal support to help develop, test, and promote new transit-focused technologies remains as great as ever. These efforts can potentially help transit agencies reduce costs, and assist communities in their efforts to ease congestion and improve air quality. They also support U.S. economic competitiveness. To support these goals, the Committee directed the Office of the Inspector General [OIG] to provide a report recommending additional steps the FTA could take to promote the deployment of cost-effective low- and zero-emission buses. The report will also identify promising technologies that could benefit the industry by significantly reducing costs, curbing emissions, or improving safety. The Committee looks forward to examining the OIG's report when it is issued this summer.

Improving Rural Transit Access.—The Committee recognizes the importance of ensuring safe, private transportation is made available for seniors, especially in small and rural communities where distance and low population density make traditional mass transportation difficult. The efficiencies of information management can bring together underutilized private transportation capacity by combining ride share, car share, volunteer transport, and private community transport. The Committee encourages FTA to consider the use of suites of software programs that leverage many kinds of unused private transportation capacity to promote transportation for seniors in small and rural communities.

Safety and Emergency Response Grants— Following the passage of MAP–21, in October 2013, FTA devoted $29,000,000 in research funding to a grant competition for innovative safety, resiliency, and all-hazards emergency response and recovery research demonstration projects of national significance. FTA received 72 proposals seeking $161,000,000 for projects to demonstrate such innovations as advanced communication systems, advanced train control and crash avoidance technologies, and rail track worker safety and information systems. The agency expects to announce its selections in July.

TECHNICAL ASSISTANCE AND TRAINING

Appropriations, 2014	$5,000,000
Budget estimate, 2015	27,000,000
Committee recommendation	5,500,000

PROGRAM DESCRIPTION

MAP–21 authorizes FTA to provide technical assistance to the public transportation industry and to develop standards for transit services, with an emphasis on improving access for all individuals and transportation equity. It also authorizes FTA to support public transportation workforce development, training, and recruitment.

COMMITTEE RECOMMENDATION

The Committee recommends $5,500,000 for technical assistance and training. The recommendation is $500,000 above the fiscal year 2014 level, and $22,000,000 below the request. Of the total, $5,000,000 is for activities authorized under section 5314 of MAP–

21. The Committee recommendation allocates the balance of funds, $500,000, to the Human Resources and Training activities authorized under 49 U.S.C. 5322. The Committee is sympathetic to the Department's proposal to fund a substantial workforce development program within FTA, but is not in the position to make such a commitment while discretionary spending remains constrained and the Capital Investment Grants program continues to grow.

CAPITAL INVESTMENT GRANTS

Appropriations, 2014	$1,942,938,000
Budget estimate, 2015	2,500,000,000
Committee recommendation	2,161,000,000

PROGRAM DESCRIPTION

Under the Capital Investment Grants program, FTA provides grants to fund the building of new fixed guideway systems or extensions and improvements to existing fixed guideway systems. Eligible services include light rail, rapid rail (heavy rail), commuter rail, and bus rapid transit. The program has long included funding for two categories of eligible projects authorized under section 5309 of title 49 of the United States Code: New Starts and Small Starts. New Starts are projects with a Federal share of at least $75,000,000 and a total capital cost of $250,000,000 or more. By comparison, Small Starts are projects with a Federal match and total capital cost below these thresholds. The most recent reauthorization, MAP–21, added a third category of eligible projects: Core Capacity. The latter are defined as projects that will increase capacity in an existing fixed guideway corridor by at least 10 percent.

COMMITTEE RECOMMENDATION

For more than a decade, there has been renewed interest in many parts of the country in rail transit, especially in areas seeking to find solutions to road congestion, support economic development, manage population growth, and reduce air pollution. The Committee supports these investments, which it believes are essential to maintaining the Nation's economic competitiveness.

The Committee recommends a level of $2,161,000,000 for capital investment grants. This level fully funds all of the projects included in Department's request that are currently under construction or expected to be so during fiscal year 2015.

RECOMMENDED FISCAL YEAR 2015 FUNDING FOR CAPITAL INVESTMENT GRANTS

Project	Fiscal year 2015 recommendations
Totals by Project Type:	
Existing New Starts Full Funding Grant Agreements	$1,510,137,944
Recommended New Starts Projects	413,221,561
Recommended Core Capacity Funding	120,000,000
Recommended Small Starts Projects	151,702,662
Oversight Activities	30,937,833
Less existing unallocated balances	(65,000,000)
Grand total	2,161,000,000
Existing New Starts Full Funding Grant Agreements With Remaining Funding Needs:	
CA Los Angeles, Regional Connector Transit Corridor	100,000,000

RECOMMENDED FISCAL YEAR 2015 FUNDING FOR CAPITAL INVESTMENT GRANTS—Continued

Project	Fiscal year 2015 recommendations
CA San Francisco—Third Street Light Rail-Central Subway Project	150,000,000
CA San Jose—Silicon Valley Berryessa Extension	150,000,000
CA Los Angeles, Westside Subway Extension—Section 1	100,000,000
CO Denver—RTD Eagle, Denver	150,000,000
CT New BritainHartford Busway [1]	61,938,873
HI Honolulu—High Capacity Transit Corridor	250,000,000
MN St. Paul-Min., Central Corridor Light Rail Transit Project [1]	109,147,017
NC Charlotte, Blue Line Extension-Northeast Corridor	100,000,000
NY New York—East Side Access [1]	47,222,960
OR Portland-Milwaukie LRT	100,000,000
VA Northern Virginia-Dulles Wiehle Ave [1]	102,155,131
WA Seattle-University Link LRT Extension [1]	89,673,963
Total Existing New Starts Full Funding Grant Agreements	1,510,137,944
Recommended New Starts Projects:	
FL Orlando, SunRail Phase II South [2]	63,221,561
MA Cambridge to Medford, Green Line Extension [2]	100,000,000
MD Baltimore, Red Line [2]	100,000,000
MD Maryland National Capital Purple Line [2]	100,000,000
TX Fort Worth, TEX Rail [2]	50,000,000
Total Recommended New Starts Projects	413,221,561
Core Capacity Projects:	
IL Chicago, Red and Purple Line Modernization Project	120,000,000
Recommended Small Starts Projects:	
Total Small Starts	151,702,662

[1] Indicates completion of FTA commitment to the project.
[2] Indicates first time included as a funding recommendation in the President's budget.

PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM

Appropriations, 2014	....
Budget estimate, 2015	$25,000,000
Committee recommendation	....

PROGRAM DESCRIPTION

The Public Transportation Emergency Relief Program is a new program established in MAP–21 to help States and public transit systems cover the costs of protecting, repairing, and replacing equipment and facilities that may suffer or have suffered serious damage as a result of an emergency.

COMMITTEE RECOMMENDATION

Due to funding constraints, the Committee is unable to include funding for the emergency relief program in fiscal year 2015.

GRANTS TO THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Appropriations, 2014	$150,000,000
Budget estimate, 2015	150,000,000
Committee recommendation	150,000,000

PROGRAM DESCRIPTION

This appropriation provides assistance to the Washington Metropolitan Area Transit Authority [WMATA]. The Federal Rail Safety Improvements Act of 2008 (Public Law 110–432, title VI, section 601) authorized DOT to make up to $150,000,000 available to WMATA annually for capital and preventive maintenance for a 10-year period.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $150,000,000 for grants to WMATA for capital and preventive maintenance expenses, including pressing safety-related investments. These grants are in addition to the funding local jurisdictions have committed to providing to WMATA. The Committee remains committed to supporting the refurbishment and modernization of WMATA's infrastructure, and is encouraged by the initial investment to replace many of the older, 1000-series rail cars with domestically built 7000-series cars, with delivery starting in 2015. WMATA expects to retire the last of the 1000-series cars by early 2017. The Committee also notes increased efforts to make the system safer, including: fixing the track signal system and communications equipment, installing guarded turnouts, buying equipment for wayside worker protection, and installing rollback protection on cars not already outfitted with this feature.

Metro's Financial Management.—In March 2014, an FTA audit reported material weaknesses and significant deficiencies in WMATA's internal controls. The audit found that WMATA did not have adequate controls in place to ensure Federal expenditures were properly incurred and charged to grants, or accurately reported. It also concluded that WMATA did not have adequate controls in place to ensure that goods and services were procured in accordance with Federal regulations. In response to these serious findings, FTA suspended WMATA's ability to automatically draw down its Federal grants; until these weaknesses are corrected, FTA will review and approve each WMATA request for reimbursement.

The Committee is deeply troubled by the auditors' findings, and expects WMATA to quickly eliminate the material weaknesses, significant deficiencies, and minor control deficiencies before it begins work on the fiscal year 2016 appropriations.

The Committee directs WMATA to provide the House and Senate Committees on Appropriations a report each quarter detailing its progress in completing each of the auditors' 45 recommendations. The bill requires the Secretary to approve grants provided under this heading to WMATA only after certifying that significant progress has been made.

The bill also directs FTA to provide these grants to WMATA only after receiving and reviewing a request for each specific project to be funded under this heading. The bill requires FTA to determine that WMATA has placed the highest priority on funding projects that will improve the safety of its public transit system before approving these grants, using the National Transportation Safety Board's recommendations as a guide.

ADMINISTRATIVE PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

Section 160 exempts authority previously made available for programs of the FTA under section 5338 of title 49, United States Code, from the obligation limitations in this act.

Section 161 requires that funds appropriated or limited by this act for specific projects not obligated by September 30, 2019, and other recoveries, be directed to projects eligible to use the funds for the purposes for which they were originally provided.

Section 162 allows funds appropriated before October 1, 2014 that remain available for expenditure to be transferred to the most recent appropriation heading.

Section 163 provides an exemption from the charter bus regulations for portions of the State of Washington.

Section 164 permits the Secretary to consider significant private contributions when calculating the non-Federal share of capital costs for New Starts projects.

Section 165 requires the Secretary to consider Small Starts projects eligible when developing guidance implementing the Program of Interrelated Projects.

Section 166 makes $20,000,000 in prior year bus and bus facilities funds available for bus rapid transit projects proposed in the Capital Investment Grants program.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

PROGRAM DESCRIPTION

The Saint Lawrence Seaway Development Corporation [SLSDC] is a wholly owned Government corporation established by the Saint Lawrence Seaway Act of May 13, 1954 (33 U.S.C. 981). SLSDC is a vital transportation corridor for the international movement of bulk commodities such as steel, iron, grain, and coal, serving the North American region that makes up one-quarter of the United States population and nearly one-half of the Canadian population. The SLSDC is responsible for the operation, maintenance, and development of the United States portion of the Saint Lawrence Seaway between Montreal and Lake Erie.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

Appropriations, 2014	$31,000,000
Budget estimate, 2015	31,500,000
Committee recommendation	31,500,000

PROGRAM DESCRIPTION

The Harbor Maintenance Trust Fund [HMTF] was established by the Water Resources Development Act of 1986 (Public Law 99–662). Since 1987, the HMTF has supported the operations and maintenance of commercial harbor projects maintained by the Federal Government. Appropriations from the Harbor Maintenance Trust Fund and revenues from non-Federal sources finance the operation and maintenance of the Seaway, for which SLSDC is responsible.

COMMITTEE RECOMMENDATION

The Committee recommends $31,500,000 for the operations, maintenance, and asset renewal of the Saint Lawrence Seaway. This amount is equal to the budget request and $500,000 more than the fiscal year 2014 enacted level. The recommended level includes $14,300,000 to continue the agency's Asset Renewal Program [ARP].

The Seaway is entering its 56th year of operation, which means that its infrastructure components are reaching the end of their design life. The ARP is a significant 10-year, multi-project strategy to address the long-term asset renewal needs of the U.S. portions of the Saint Lawrence Seaway, with attention to the two locks operated and maintained by the United States (Snell and Eisenhower), the U.S. segment of the Seaway International Bridge, maintenance dredging, operational systems, facilities, and equipment.

SLSDC has made significant progress in executing the projects identified in the ARP under limited construction capacity since receiving initial appropriations in fiscal year 2009. The Committee encourages SLSDC to move ahead with major ARP projects in fiscal year 2015, including the installation of a new hands-free vessel vacuum mooring system, continued upgrade of miter gate machinery at the Seaway locks, structural rehabilitation of the miter gates, and the start of a 4-year project to replace SLSDC's tugboats, Robinson Bay and Performance. The Committee directs SLSDC to continue to submit an annual report to the Senate and House Appropriations Committees, not later than April 30 of each year, summarizing the activities of the ARP during the immediate preceding fiscal year.

MARITIME ADMINISTRATION

PROGRAM DESCRIPTION

The Maritime Administration [MARAD] is responsible for programs authorized by the Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1101 et seq.). MARAD is also responsible for programs that strengthen the U.S. maritime industry in support of the Nation's security and economic needs. MARAD prioritizes the Department of Defense's [DOD] use of ports and intermodal facilities during DOD mobilizations to guarantee the smooth flow of military cargo through commercial ports. MARAD manages the Maritime Security Program, the Voluntary Intermodal Sealift Agreement Program, and the Ready Reserve Force, which assure DOD access to commercial and strategic sealift and associated intermodal capacity. MARAD also continues to address the disposal of obsolete ships in the National Defense Reserve Fleet that are deemed a potential environmental risk. Further, MARAD administers education and training programs through the U.S. Merchant Marine Academy and six State maritime schools that assist in providing skilled merchant marine officers who are capable of serving defense and commercial transportation needs. The Committee continues to fund MARAD in its support of the United States as a maritime Nation.

MARITIME SECURITY PROGRAM

Appropriations, 2014	$186,000,000
Budget estimate, 2015	211,000,000
Committee recommendation	186,000,000

PROGRAM DESCRIPTION

The Maritime Security Program [MSP] provides resources to maintain a U.S.-flag merchant fleet crewed by U.S. citizens to serve both the commercial and national security needs of the United States. The program provides direct payments to U.S.-flag ship operators engaged in U.S. foreign trade. Participating operators are required to keep the vessels in active commercial service and provide intermodal sealift support to DOD in times of war or national emergency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $186,000,000 for the MSP. This amount is $25,000,000 less than the budget request and equal to the fiscal year 2014 enacted level. The recommended appropriation provides sufficient funds to satisfy the fully authorized payment level for fiscal year 2015.

The MSP is a successful and critical partnership with the Department of Defense and the U.S.-flag commercial maritime industry that supports military operations overseas. The MSP provides a sealift fleet capacity that would cost the Government $13,000,000,000 in capital to reproduce. Furthermore, according to the United States Transportation Command, it would cost the Government an additional $52,000,000,000 to replicate the global intermodal system that is made available to the Department of Defense by MSP participants who are continuously developing, maintaining, and upgrading their logistical support systems. The Committee strongly encourages the Department of Transportation to continue to support this proven and cost effective program in its fiscal year 2016 budget request.

OPERATIONS AND TRAINING

Appropriations, 2014	$148,003,000
Budget estimate, 2015	148,400,000
Committee recommendation	149,900,000

PROGRAM DESCRIPTION

The Operations and Training appropriation primarily funds the salaries and expenses for MARAD headquarters and regional staff in the administration and direction for all MARAD programs. The account includes funding for the U.S. Merchant Marine Academy, six State maritime schools, port and intermodal development, cargo preference, international trade relations, deep-water port licensing and administrative support costs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $149,900,000 for Operations and Training at MARAD for fiscal year 2015 to be distributed between agency operations, the United States Merchant

Marine Academy, and State maritime academies as outlined in the chart below. This amount is $1,897,000 more than the fiscal year 2014 enacted level and $1,500,000 more than the budget request.

MARITIME ADMINISTRATION

	Fiscal year 2015 Senate
U.S. Merchant Marine Academy	$80,090,000
Academy Operations	64,136,000
Capital Improvements	12,000,000
Facilities Maintenance, Repair and Equipment	3,954,000
State Maritime Academies	19,100,000
SMA Direct Payments	4,200,000
Student Incentive Payments	2,400,000
Schoolship Maintenance and Repair	11,300,000
Fuel Assistance Payments	1,200,000
MARAD Operations	50,710,000
TOTAL	149,900,000

Sexual Assault and Sexual Harassment at the United States Merchant Marine Academy.—The United States Merchant Marine Academy [USMMA] provides educational programs for men and women to become shipboard officers and leaders in the maritime industry. The Committee is committed to ensuring the Academy's midshipmen receive the highest quality education to prepare them for a commission with the U.S. Naval Reserve or other uniformed service upon graduation.

To that end, the Committee is very concerned about the increasing rate of incidents of sexual assault and sexual harassment at the Academy. The fiscal year 2009 Department of Defense Authorization Act set specific requirements in statue to address incidents of sexual harassment and sexual assault. MARAD is required to conduct an annual assessment of the effectiveness of the USMMA policies, training and procedures. Every other year, MARAD is required to conduct a survey of staff and midshipmen.

The USMMA survey of sexual harassment and sexual assault from the 2009–2010 academic year revealed disturbing results about conditions at the Academy. In response, the Secretary announced a nine point action plan in November 2011, aimed at fostering a climate that is intolerant of abuse, and focused on improving student and faculty trust and confidence in senior leadership.

Unfortunately, the succeeding survey for the 2011–2012 academic year revealed significant increases in the number of incidents, with the estimated rate of sexual assault more than doubling, and the estimated rate of sexual harassment increasing by more than 500 percent. Almost as disturbing is the fact that that none of these incidents were reported to USMMA officials.

While the Committee recognizes that changes in the methodology between the 2009–2010 and 2011–2012 surveys may have affected the results, a dramatic increase in the number of incidents is indisputable, even when taking into consideration the potential margin of error and non-response bias. According to survey analysts, the level of non-response bias stemming from changing the survey from compulsory to voluntary participation "seems more likely to understate the rate of unwanted sexual contact that overstate it."

MARAD contends that many of Secretary's reforms were not implemented prior to the second survey being conducted, and as a result the impact of these reforms is not reflected. Based on information the Department recently provided the Committee, this appears to be the case, yet it is totally unacceptable.

According to the Department, many of the Secretary's proposed corrective actions were not slated for implementation until the second and third quarters of fiscal year 2012, 4 to 10 months after the Secretary's plan was announced, and well into the next survey period. The Committee is deeply troubled by the inexcusably slow implementation of reforms after the deeply disturbing first survey.

The Committee's confidence in the Department's commitment to confront abuse at the Academy has also been damaged by what appears to be the delayed release of survey findings. The survey results for the 2009–2010 academic year were not submitted to Congress until November 2011—more than a year after the survey was completed. Similarly, the survey results for the 2011–2012 academic year were not submitted to Congress until March 27, 2014—almost a year after that survey was completed, and again well into the current survey year now underway. Without a timely assessment of the survey results, the Academy cannot effectively determine if any of the changes to its policies or education and training programs are having a positive effect.

It is imperative that senior leadership throughout the Department make improving conditions at the Academy a top priority. The survey for the 2013–2014 school year is now being administered and should be finalized by November 2014. The Committee directs the Secretary to provide the survey report to the House and Senate Committees on Appropriations no later than January 12, 2015.

The DOT inspector general is currently auditing of the implementation of the Secretary's nine point corrective action plan. The Committee expects to have preliminary findings of the audit this summer. This will provide useful information for Committee oversight. It should also aid the new DOT Secretary, who is equally committed to preventing these crimes from occurring and fostering a climate of trust and confidence to encourage the Academy's students to report them when they do.

An annual report and biannual survey will be issued by MARAD in fiscal year 2015. The Committee directs the OIG to assess this new information and evaluate the progress the Academy has made to address corrective actions at the Academy. The OIG shall report its findings and recommendations to the House and Senate Committees on Appropriations no later than May 2015.

United States Merchant Marine Academy Board of Visitors.—The recommended level of funding includes sufficient resources to support to the annual USMMA Board of Visitors meeting required in 46 U.S.C. 51312. The Committee directs MARAD to assign a designated Federal officer to assist the Board of Visitors in the performance of its functions. The Committee urges MARAD to seek additional support from the Department of the Navy since the USMMA is the second leading commissioning source for Naval Officers.

Evaluation of the Statutory Authorities of the United States Merchant Marine Academy.—The Committee directs MARAD to conduct a legal review of existing statutory authorities of the USMMA and identify limitations that impede its ability to operate effectively and efficiently. In conducting this review, MARAD shall compare the statutory authorities of other service academies and public universities where suitable, including the acceptance of gifts and bequests, the legal and operational relationship with alumni foundations, and the use of non-appropriated fund instrumentalities. The Committee directs MARAD to make recommendations where inconsistencies exist that would improve Academy operations and financial controls, as well as any other issues that the Superintendent or Administrator find appropriate. MARAD shall report its findings, conclusions and recommendations to the House and Senate Committees on Appropriations, the Senate Committee on Commerce, Science and Transportation and the House Committee on Transportation and Infrastructure no later than April 3, 2015.

United States Merchant Marine Academy Capital Improvements Plan [CIP].—The Committee once again directs the Administrator to provide an annual report by March 31, 2015, on the current status of the CIP. The report should include a list of all projects that have received funding and all proposed projects that the Academy intends to initiate within the next 5 years; cost overruns and cost savings for each active project; specific target dates for project completion; delays and the cause of delays; schedule changes; up-to-date cost projections for each project; and any other deviations from the previous year's CIP.

Environment and Compliance.—The Committee commends MARAD's initiative to support the domestic maritime industry's efforts to comply with emerging international and domestic environmental regulatory requirements. Funds provided in fiscal year 2015 should be used to continue independent testing of ballast water technologies to meet domestic and international regulatory requirements, assist in the testing and deployment of vessel air emissions reduction technology, and facilitate the liquefied natural gas [LNG] propulsion systems for increased energy efficiency at sea.

SHIP DISPOSAL

Appropriations, 2014	$4,800,000
Budget estimate, 2015	4,800,000
Committee Recommendation	4,800,000

PROGRAM DESCRIPTION

The Ship Disposal account provides resources to dispose of obsolete merchant-type vessels of 150,000 gross tons or more in the National Defense Reserve Fleet [NDRF]. MARAD contracts with domestic shipbreaking companies to dismantle these vessels in accordance with guidelines established by the Environmental Protection Agency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,800,000 for MARAD's Ship Disposal program. This level of funding is equal to the fiscal year 2014 enacted level and the budget request. This level of funding, in addition to the anticipated carryover from previous appropriations, is sufficient to meet the terms and conditions of the Suisun Bay Reserve Fleet settlement and continued activities related to *NS Savannah*. The total number of obsolete ships not yet under contract and awaiting disposal is down to 25. This is a historic low for the program.

The Committee directs MARAD to take all actions practicable and reasonable to align the scope of vessels listed for inspection in the notice of vessel visitation to the subsequent notice of vessels available for sale. Further, MARAD shall make best value determinations and award ship recycling contracts no later than 90 days from the close of the ship specific solicitation period for sales offers and/or price revisions for vessel dismantlement/recycling services.

MARITIME GUARANTEED LOAN PROGRAM [TITLE XI]

Appropriations, 2014	$38,500,000
Budget estimate, 2015	3,100,000
Committee recommendation	7,100,000

PROGRAM DESCRIPTION

The Maritime Guaranteed Loan program was established pursuant to title XI of the Merchant Marine Act of 1936, as amended. The program provides for a full faith and credit guarantee by the U.S. Government of debt obligations issued by: (1) U.S. or foreign ship-owners for the purposes of financing or refinancing either U.S.-flag vessels or eligible export vessels constructed, reconstructed, or reconditioned in U.S. shipyards; and (2) U.S. shipyards, for the purpose of financing advanced shipbuilding technology of privately owned general shipyard facilities located in the United States. Under the Federal Credit Reform Act of 1990, appropriations to cover the estimated costs of a project must be obtained prior to the issuance of any approvals for title XI financing.

COMMITTEE RECOMMENDATION

The Committee provides an appropriation of $7,100,000 for the loan guarantee program, of which $3,100,000 shall be used for administrative expenses of the maritime loan guarantee program. This level of funding is $4,000,000 more than the President's budget request and $31,400,000 less than the fiscal year 2014 enacted level. The Committee recognizes the importance that the title XI program provides for the advancement of shipbuilding, aiding the U.S.-flag fleet, and sustainment of jobs for this critical sector of our national defense.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Section 170 authorizes the Maritime Administration to furnish utilities and to service and make repairs to any lease, contract, or occupancy involving Government property under the control of MARAD. Rental payments received pursuant to this provision shall be credited to the Treasury as miscellaneous receipts.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

The Pipeline and Hazardous Material Safety Administration [PHMSA] was established in the Department of Transportation on November 30, 2004, pursuant to the Norman Y. Mineta Research and Special Programs Improvement Act (Public Law 108–246). PHMSA is responsible for the Department's pipeline safety program as well as oversight of hazardous materials transportation safety operations. The administration is dedicated to safety, including the elimination of transportation-related deaths and injuries associated with hazardous materials and pipeline transportation, and to promoting transportation solutions that enhance communities and protect the environment.

OPERATIONAL EXPENSES

(PIPELINE SAFETY FUND)

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$21,654,000
Budget estimate, 2015	22,225,000
Committee recommendation	22,225,000

PROGRAM DESCRIPTION

This account funds program support costs for PHMSA, including policy development, civil rights, management, administration, and agency-wide expenses.

COMMITTEE RECOMMENDATION

The Committee recommends $22,225,000 for this account of which $1,500,000 may be transferred to the Office of Pipeline Safety for Information Grants to Communities. This level of funding is equal to the budget request and $571,000 more than the fiscal year 2014 enacted level.

HAZARDOUS MATERIALS SAFETY

Appropriations, 2014	$45,000,000
Budget estimate, 2015 [1]	46,000,000
Committee recommendation	52,000,000

[1] The budget request included a new user fee as offsetting collections in the amount of $12,000,000, bringing the total request to $52,000,000. CBO's re-estimate of the fee was $6,000,000, bringing the request level down to $46,000,000.

PROGRAM DESCRIPTION

PHMSA oversees the safety of more than 6.1 million tons of hazardous materials shipments daily in the United States, using risk management principles and security threat assessments to fully assess and reduce the risks inherent in hazardous materials transportation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $52,000,000 for hazardous materials safety, of which $7,000,000 shall remain available until September 30, 2017. The amount provided is equal to the administration's budget request and $7,000,000 more than the fiscal year 2014 enacted level. The increase in funding is provided to accommodate classification research, develop tank car design standards for liquefied natural gas, and conduct emergency response training and outreach. The Committee recommendation also includes $1,365,000 for additional regulatory, acquisitions, and hazardous materials safety inspection and enforcement staff.

Classification Research, Testing and Standard Operating Procedures for Sample Collection.—The classification of flammable liquids establishes the requirements for packaging, hazard communications, operational controls, and safety and security planning for the rest of the supply chain. Proper classification ensures that emergency responders understand the hazards of the product being shipped and how to respond should there be an accident. The Committee recommendation includes $2,400,000 for research activities related to the testing of crude oil to determine the most appropriate test criteria, sampling methods, and testing procedures for energy products. This will help to identify any existing regulatory safety gaps with respect to classification and the correct selection of packing group.

Tank Car Design.—There is indisputable evidence that the existing DOT–111 tank car design is an inadequate standard for the transportation of hazardous flammable liquids like crude oil and ethanol. The rail industry has taken meaningful, voluntary steps to improve tank car design specifications for the transportation of these commodities with the introduction of new standards in October 2011. Additional safety measures have been discussed to supplement these improvements after recent incidents at Lac Megantic, Quebec; Casselton, North Dakota; Aliceville, Alabama; and, Lynchburg, Virginia. PHMSA began regulatory action on this issue in September 2013. It is critical to establish a higher Federal regulatory standard for the transportation of these energy commodities to ensure the safety of communities and the environment. The Committee directs the Secretary to finalize the tank car design regulations no later than October 1, 2014. This is a long overdue safety standard that demands immediate action.

Transportation of Liquefied Natural Gas.—Liquefied Natural Gas [LNG] is another energy commodity experiencing increased use as a fuel source for manufacturing and multiple modes of transportation. Current regulations for the handling and shipment of LNG are outdated and need to be reassessed. The Committee recommendation includes $1,400,000 to research, identify and establish a baseline bulk tank car and locomotive tender design standard for LNG, consistent with the budget request. PHMSA is directed to collaborate with FRA and the American Association of Railroads Tank Car Committee on this engineering analysis to inform future regulatory activity.

Comprehensive Oil Spill Response Plans.—An oil spill response plan is intended to help the carrier identify and deploy a response organization to contain and remediate an oil release. The plans require carriers to identify a qualified individual with full authority to implement removal actions; ensure by contract or other means the availability of private personnel and equipment to remove a worst-case discharge; and describe training, equipment testing, drills and exercises.

The NTSB has found that PHMSA regulations for oil spill response plans for the railroad industry are outdated and do not take into consideration the risks posed by the shipment of millions of barrels of oil per day in 120 tank car unit trains. Current regulations for comprehensive oil spill response plans are based on a single bulk packing unit of crude oil that exceeds 42,000 gallons, well above the quantity of crude oil that a single tank car can carry. This difference effectively exempts the rail industry from common sense safety requirements that other large shippers of crude oil—the maritime and pipeline industries—must meet. The Committee agrees with NTSB's concerns and directs PHMSA to re-evaluate whether the bulk packaging threshold for crude oil shipments by rail that would warrant the development of comprehensive oil spill response plans by rail carriers.

User Fee Proposal.—In the fiscal year 2013–2015 budget proposals, PHMSA proposed the creation of a user fee to reduce the burden on the Federal taxpayer for financing special permit and approvals activities. The Committee finds that the program provides benefits to identifiable users above and beyond what is provided normally to the public, and the establishment of a user fee is fully justified under GAO guidelines and authorities granted by 31 U.S.C. 9701. However, the Committee believes that such a fee should be established through the regulatory process or should be addressed through the authorization process.

Small-Scale Natural Gas Liquefaction Facilities.—Concerns have been raised about PHMSA's regulation of the siting of small-scale liquefaction facilities that generate and package LNG for use as a transportation fuel. These facilities are regulated by title 49 Code of Federal Regulations part 193, which was developed to address safety standards for LNG facilities used in the transportation of gas by pipeline and subject to the pipeline safety laws. The Committee believes these regulations are outdated, excessively challenging, and do not take into account the reduction in scale of these smaller facilities that provide fuel to vehicles and vessels. To address these concerns, PHMSA is directed to initiate a rulemaking or alternative risk-based compliance regime that incorporates more recent industry standards while preserving appropriate protections for public safety.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

(PIPELINE SAFETY DESIGN REVIEW FUND)

Appropriations, 2014	$119,087,000
Budget estimate, 2015	158,000,000
Committee recommendation	158,000,000

PROGRAM DESCRIPTION

The Office of Pipeline Safety [OPS] is designed to promote the safe, reliable, and sound transportation of natural gas and hazardous liquids through the Nation's 2.6 million miles of privately owned and operated pipelines.

COMMITTEE RECOMMENDATION

The Pipeline Safety Office has the important responsibility of ensuring the safety and integrity of the pipelines that run through every community in our Nation. Efforts by Congress and the OPS to invest in promising safety technologies, increase civil penalties, and educate communities about the potential risks of pipelines have resulted in a reduction in serious pipeline incidents. It is essential that the agency continue to make strides in protecting communities from pipeline failures and incidents. To that end, the Committee recommends an appropriation of $158,000,000 for the Office of Pipeline Safety. The amount is $38,913,000 more than the fiscal year 2014 enacted level and equal to the budget request. Of the funding provided, $19,500,000 shall be derived from the Oil Spill Liability Trust Fund, $136,500,000 shall be derived from the Pipeline Safety Fund, and $2,000,000 shall be derived from the Pipeline Safety Design Review Fund.

This level of funding provides resources to hire additional safety training instructors, State safety grant specialists, and pipeline safety inspectors, as requested. The recommendation includes an increase of $10,000,000 for the State Pipeline Safety Grant Program and $12,310,000 for research and development activities, consistent with the budget request. Of the funds recommended for research and development, a minimum of $1,500,000 shall be used to continue efforts to develop inline inspection devices, known as smart pigs, that are capable of inspecting older pipelines that currently cannot be pigged, and up to $2,000,000 shall be used for the Pipeline Safety Research Competitive Academic Agreement Program [CAAP] to focus on near-term solutions to improve the safety and reliability of the Nation's pipeline transportation system.

Integrity Management.—On August 25, 2011, nearly 3 years ago, the Pipeline and Hazardous Materials Safety Administration [PHMSA] within the Department of Transportation [DOT] put forward an advanced notice of proposed rulemaking [ANPRM] to determine if changes were needed to the regulations governing the safety of gas transmission pipelines. Within title 49 Code of Federal Regulations part 192, PHMSA was seeking information to determine if integrity management [IM] standards should be revised and strengthened to bring more pipeline mileage under IM requirements to better assure the safety of pipeline segments within high consequence areas [HCAs]. PHMSA was also attempting to determine if non-IM requirements should be strengthened or expanded to address other issues associated with pipeline safety integrity. To date, the rule has never been sent to the Office of Management and Budget [OMB] for review and not been proposed. Whereas we understand the importance of the rule, the Committee believes that PHMSA should have received sufficient input in the past 33 months to develop and propose a rule.

Maintaining and improving the safety of our Nation's pipeline system and energy infrastructure are critically important issues for our Nation's citizens. In addition to improving safety, it is essential that policies are put in place that enable investments which upgrade and modernize the Nation's energy infrastructure. This is important to providing our economy with abundant, low-cost, reliable supplies of energy required to stimulate economic growth while achieving energy and environmental objectives. In particular, the Nation requires additional pipelines and related systems to meet increased demand for natural gas, which is playing an increasingly important role in meeting national energy requirements.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

Appropriations, 2014	$28,318,000
Budget estimate, 2015	28,318,000
Committee recommendation	28,318,000

PROGRAM DESCRIPTION

The Hazardous Materials Transportation Uniform Safety Act of 1990 [HMTUSA] 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 periodically update a mandatory training curriculum for emergency responders.

COMMITTEE RECOMMENDATION

The Committee recommends $28,318,000 and an equal obligation limitation for the emergency preparedness grant program. The recommendation provides PHMSA the authority to use $4,974,000 in prior year carryover and recaptures to develop a Web-based hazardous materials response training curriculum for emergency responders, including response activities for crude oil, ethanol and other flammable liquids by rail. The training curriculum shall be developed in coordination with the FRA and be consistent with National Fire Protection Association standards. Of the total amounts available from prior years carry over, a minimum of $3,500,000 shall be used to train public sector emergency response personnel in communities on or near rail lines that transport a significant volume of high-risk energy commodities or toxic inhalation hazards.

ADMINISTRATIVE PROVISIONS—PIPELINE AND HAZARDOUS MATERIALS SAFETYADMINISTRATION

Section 180. This section would increase the administrative costs for management of the Emergency Preparedness Grant program from 2 percent to 4 percent. This authority will assist PHMSA in addressing oversight, outreach and efficiency gaps identified by the DOT Inspector General.

Section 181. The Pipeline Safety, Regulatory Certainty, and Job Creation Act 2011 (Public Law 112–90) established a new fee for companies engaged in the design, permitting and construction of new pipeline projects. This section clarifies the use of the fee collections as an offset to discretionary spending rather than as a mandatory receipt.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2014	$85,605,000
Budget estimate, 2015	86,223,000
Committee recommendation	86,223,000

PROGRAM DESCRIPTION

The Inspector General Act of 1978 established the Office of Inspector General [OIG] as an independent and objective organization, with a mission to:

—conduct and supervise audits and investigations relating to the programs and operations of the Department;

—provide leadership and recommend policies designed to promote economy, efficiency, and effectiveness in the administration of programs and operations;

—prevent and detect fraud, waste, and abuse; and

—keep the Secretary and Congress currently informed regarding problems and deficiencies.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $86,223,000 for activities of the Office of the Inspector General, which is equal to the President's budget request and $618,000 more than the fiscal year 2014 enacted level.

Audit Reports.—The Committee requests the Inspector General continue to forward 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.

Sole-Source Contracts.—The Committee has included a provision in section 408 that requires all departments and agencies in this act to report to the House and Senate Committees on Appropriations on all sole-source contracts, including the contractor, the amount of the contract, and the rationale for a sole-source procurement as opposed to a market-based procurement. The Committee directs the Inspector General to assess any conflicts of interest with regard to these contracts and DOT.

Unfair Business Practices.—The bill maintains language 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.

Surface Transportation Board

SALARIES AND EXPENSES

	Appropriation	Crediting offsetting collections
Appropriations, 2014	$31,000,000	$1,250,000
Budget estimate, 2015[1]	31,500,000	1,250,000
Committee recommendation	31,500,000	1,250,000

[1] STB submitted a budget request independently proposing a total appropriation of $34,441,000.

PROGRAM DESCRIPTION

The Surface Transportation Board [STB] was created on January 1, 1996, by the Interstate Commerce Commission Termination Act of 1995 [ICCTA] (Public Law 104–88). The Board is a three-member, bipartisan, decisionally independent adjudicatory body organizationally housed within DOT, and is responsible for the regulation of the rail and pipeline industries and certain nonlicensing regulation of motor carriers and water carriers.

STB's rail oversight activities include rate reasonableness, car service and interchange, mergers, line acquisitions, line constructions, and abandonments. STB's jurisdiction also includes certain oversight of the intercity bus industry, pipeline carriers, intercity passenger train service, rate regulation involving noncontiguous domestic water transportation, household goods carriers, and collectively determined motor carrier rates.

COMMITTEE RECOMMENDATION

The Committee recommends a total appropriation of $31,500,000. This funding level is equal to the budget request and $500,000 more than the fiscal year 2014 enacted level. Included in the recommendation is $1,250,000 in fees, which will offset the appropriated funding.

General Provisions—Department of Transportation

Section 190 allows funds for maintenance and operation of aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 191 limits appropriations for services authorized by 5 U.S.C. 3109 not to exceed the rate for an Executive Level IV.

Section 192 prohibits funds in this act for salaries and expenses of more than 110 political and Presidential appointees in the Department of Transportation.

Section 193 prohibits recipients of funds made available in the act from releasing personal information, including Social Security numbers, medical and disability information, and photographs, from a driver's license or motor vehicle record without the express consent of the person to whom such information pertains; and prohibits the Secretary of Transportation from withholding funds provided in this act from any grantee in noncompliance with this provision.

Section 194 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 for expenses incurred for training may be credited to each agency's respective accounts.

Section 195 prohibits the use of funds in this act to make a grant or announce the intention to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations at least 3 full business days before making the grant or the announcement.

Section 196 allows rebates, refunds, incentive payments, minor fees, and other funds received by the Department of Transportation from travel management center, charge card programs, subleasing of building space and miscellaneous sources to be credited to appropriations of the Department of Transportation.

Section 197 requires 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 198 establishes requirements for reprogramming actions by the House and Senate Committees on Appropriations.

Section 199 prohibits the Surface Transportation Board from charging filing fees for rate or practice complaints that are greater than the fees authorized for district court civil suits.

Section 199A prohibits funds appropriated in this act to the modal administrations from being obligated for the Office of the Secretary for costs related to assessments or reimbursable agreements unless the obligations are for services that provide a direct benefit to the applicable modal administration.

Section 199B authorizes the Secretary to carry out a program that establishes uniform standards for developing and supporting agency transit pass and transit benefits authorized under section 7905 of title 5, United States Code.

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89–174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation's housing needs, fair housing opportunities, and improving and developing the Nation's communities.

In carrying out the mission of serving the needs and interests of the Nation's communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunities; programs aimed at ensuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation, community development, and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace, and fosters programs and research that stimulate and guide the housing industry to provide not only housing, but better communities and living environments.

As HUD works to fulfill its mission, the Committee urges the Secretary to enhance efforts to provide decent, affordable housing and to promote economic development for rural Americans. When designing programs and making funding decisions, the Secretary shall take into consideration the unique conditions, challenges, and scale of rural areas.

The Committee notes that poverty is far too prevalent in the United States. HUD should work with Congress and other partners to implement policies and support proven anti-poverty programs that reduce the existence of poverty and the suffering associated with it. The Committee also encourages HUD to increase interagency collaboration to ensure Federal resources are strategically deployed in order to achieve the most effective outcomes, while also reducing overlap and duplication.

Reprogramming and Congressional Notification.—The Committee reiterates that the Department must limit the reprogramming of funds between the programs, 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, with any deviation from such approved allocation subject to the normal reprogramming requirements. Except as specifically provided otherwise, it is the intent of the Committee that all carryover funds in the various accounts, including recaptures and de-obligations, are subject to the normal reprogramming requirements outlined above. No change may be made to any program, project, or activity if it is construed to be new policy or a change in policy, without prior approval of the Committees on Appropriations. The Committee also directs HUD to include a separate delineation of any reprogramming of funds requiring approval be included in the operating plan required by section 405 of this act. Finally, the Committee expects to be notified regarding reorganizations of offices, programs or activities prior to the implementation of such reorganizations, as well as be notified, 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.

MANAGEMENT AND ADMINISTRATION

EXECUTIVE OFFICES

Appropriations, 2014	$14,500,000
Budget estimate, 2015	15,234,000
Committee recommendation	14,700,000

PROGRAM DESCRIPTION

The Executive Offices account provides the salaries and expenses funding to support the Department's senior leadership and other key functions, including the immediate offices of the Secretary, Deputy Secretary, Congressional and Intergovernmental Relations, Public Affairs, Adjudicatory Services, the Center for Faith-Based and Community Initiatives, and the Office of Small and Disadvantaged Business Utilization.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $14,700,000 for this account, which is $200,000 more than the fiscal year 2014 enacted level and $534,000 less than the budget request. The Secretary is directed to submit a spending plan to the House and Senate Committees on Appropriations that outlines how budgetary resources will be distributed among the seven offices funded under this heading.

ADMINISTRATIVE SUPPORT OFFICES

Appropriations, 2014	$506,000,000
Budget estimate, 2015	530,783,000
Committee recommendation	519,867,000

PROGRAM DESCRIPTION

The Administrative Support Offices account is the backbone of HUD's operations, and consists of several offices that are supposed to work seamlessly to provide the leadership and support services to ensure the Department performs its core mission and is compliant with all legal, operational, and financial guidelines. This account funds the salaries and expenses of the Office of General Counsel, the Office of the Chief Financial Officer, the Office of the Chief Procurement Officer, the Office of Departmental Equal Employment Opportunity, the Office of Field Policy and Management, the Office of Strategic Planning and Management, the Office of the Chief Human Capital Officer, the Office of Administration, and the Office of the Chief Information Officer.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $519,867,000 for this account, which is $13,867,000 more than the fiscal year 2014 enacted level and $10,916,000 less than the budget request.

The President's fiscal year 2015 budget proposes one amount of funding for all offices under the heading of administrative support offices, eliminating budget line items for each office. The Committee created the existing funding structure to increase the transparency of HUD's personnel funding. Over the years, the Committee has modified the structure to make it more effective. For example, in fiscal year 2012, the Committee consolidated funding provided separately for personnel and non-personnel funding into one allocation for each office, and in fiscal year 2014 it created the Executive Offices account for management offices with smaller funding needs. Moreover, the Committee has worked with HUD to respond to reprogramming requests necessary to address funding challenges that have arisen during the fiscal year. Therefore, the Committee recommendation rejects this latest proposal to modify the structure. The Committee expects HUD to manage its resources as provided and will continue to work with it to address challenges that come up during the year.

Funds are made available as follows:

	Amount
Office of Chief Human Capital Officer	$58,000,000
Office of Administration	198,800,000
Office of Chief Financial Officer	48,000,000
Office of Chief Procurement Officer	16,330,000
Office of Field Policy and Management	51,135,000
Office of Departmental Equal Employment Opportunity	3,202,000
Office of General Counsel	94,640,000
Office of Strategic Planning and Management	4,560,000
Office of the Chief Information Officer	45,200,000

Office of the Chief Information Officer.—The Committee recommendation includes $45,200,000 for this office, which is $9,415,000 more than the fiscal year 2014 enacted level. This increase is associated with a budget realignment that is moving funding for contractor support to this account from the "Information Technology Fund" account, since these costs are more appropriately categorized as salaries and expenses than IT funding.

Office of the Chief Financial Officer.—The recommendation for the OCFO reflects reduced staffing as a result of the shared services agreement with the Bureau of the Fiscal Service's Administrative Resource Center. When accounting for this change, funding is available to maintain the rest of its workforce. The Committee remains focused on the staffing levels in the Office of Budget, and directs HUD to move expeditiously to address staffing needs there.

The Committee commends the work of the Appropriations Law Division in the OCFO and encourages the Department to maximize its use of this valuable resource. The Committee reminds the Department of its intent that all appropriations law issues be referred to and addressed by such division.

Procurement.—The Committee directs HUD to continue to provide semi-annual updates to the House and Senate Committees on Appropriations on how system and process changes made in the Office of the Chief Procurement Officer [CPO] have impacted its ability to execute contracts. These should include quantifiable measures of progress, such as the time it takes to execute a contract or reduced overtime, in comparison to previous fiscal years and government standards. The Committee notes that CPO has not submitted these reports in a timely manner and expects it to be more responsive in the future.

Program Offices Salaries and Expenses

PUBLIC AND INDIAN HOUSING

Appropriations, 2014	$205,000,000
Budget estimate, 2015	213,664,000
Committee recommendation	205,525,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support staff in headquarters and in 46 field offices in the Office of Public and Indian Housing [PIH]. PIH is charged with ensuring the availability of safe, decent, and affordable housing, creating opportunities for residents' self-sufficiency and economic independence, and assuring the fiscal integrity of all public housing agencies. The Office ensures that safe, decent and affordable housing is available to Native American families, creates economic opportunities for tribes and Indian housing residents, assists tribes in the formulation of plans and strategies for community development, and assures fiscal integrity in the operation of its programs. The Office also administers programs authorized in the Native American Housing Assistance and Self Determination Act of 1996 [NAHASDA], which provides housing assistance to Native Americans and Native Hawaiians. PIH also manages the Housing Choice Voucher program, in which tenant-based vouchers increase affordable housing choices for low-income families. Tenant-based vouchers enable families to lease safe, decent, and affordable privately owned rental housing.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $205,525,000 for this account, which is $8,139,000 less than the budget request and $525,000 more than the fiscal year 2014 enacted level. The Committee recommendation supports existing personnel, and will allow the agency to make critical hires as a result of a reduction of $3,700,000 in non-personnel services that was provided in fiscal year 2014 for a one-time contract. The Committee directs HUD to continue to focus these resources on strengthening its oversight functions, including oversight of Moving-to-Work agencies. Within the funds provided, HUD is directed to dedicate one FTE to the Office of Native American Programs to work on coordinating and streamlining environmental reviews required by various Federal departments for Native American housing projects. In addition, the

Committee directs HUD to provide at least one additional FTE to work on the Family Self-Sufficiency and ROSS programs. Finally, the funding level includes additional resources requested for travel associated with grantee oversight.

The Committee also urges HUD to look for ways to better integrate offices within PIH. The Committee notes that various offices within PIH share responsibility for overseeing public housing agencies and the programs that they run. It is imperative that these different facets of PIH improve coordination to reduce the amount of information they request from PHAs, look for ways to create efficiencies, and ensure policies align across programs.

The Committee recommendation includes $5,000,000 to continue inspection efforts funded in fiscal year 2014. This includes efforts to move to a consistent inspection standard across housing assistance programs, as well as oversight of section 8 units.

COMMUNITY PLANNING AND DEVELOPMENT

Appropriations, 2014	$102,000,000
Budget estimate, 2015	110,535,000
Committee recommendation	103,300,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding for Community Planning and Development [CPD] staff in headquarters and in 43 field offices. CPD's mission is to support successful urban, suburban and rural communities by promoting integrated approaches to community and economic development. CPD programs also assist in the expansion of opportunities for low- and moderate-income individuals and families in moving towards home ownership. The Assistant Secretary for CPD administers formula and competitive grant programs, as well as guaranteed loan programs, that help communities plan and finance their growth and development. These programs also help communities increase their capacity to govern and provide shelter and services for homeless persons and other persons with special needs, including person with HIV/AIDS.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $103,300,000 for the staffing within this office, which is $7,235,000 less than the budget request and $1,300,000 more than the fiscal year 2014 enacted level. The recommendation also includes funding for the Office of Economic Resilience. The recommended level of funding, which reflects savings in fiscal year 2015 due to the completion of a contract, will support additional FTE focused on grant oversight and monitoring, as well as additional support for the Section 108 loan program.

HOUSING

Appropriations, 2014	$381,500,000
Budget estimate, 2015	386,677,000
Committee recommendation	386,677,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support staff in headquarters and in 52 field locations in the Office of Housing. The Office of Housing is responsible for implementing programs to assist projects for occupancy by very low- and moderate-income households, to provide capital grants to nonprofit sponsors for the development of housing for the elderly and handicapped, and to conduct several regulatory functions. The Office also administers Federal Housing Administration [FHA] programs. FHA administers HUD's mortgage and loan insurance programs, which facilitate the financing of new construction, rehabilitation or the purchase of existing dwelling units. The Office also provides services to maintain and preserve homeownership, especially for underserved populations. This assistance allows lenders to make lower cost financing available to more borrowers for home and home improvement loans, and apartment, hospital, and nursing home loans. FHA provides a vital link in addressing America's homeownership and affordable housing needs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $386,677,000 for staffing in the Office of Housing, which is equal to the budget request and $5,177,000 more than the fiscal year 2014 enacted level. The Committee has also directed that at least $9,000,000 be dedicated to the Office of Risk and Regulatory Affairs.

At the end of April 2013, HUD proposed to reorganize the Office of Multifamily Housing. The plan is designed to streamline operations, improve program delivery, and save taxpayer funding. After examination of the proposal, the Committee approved a modified plan that reorganizes offices at headquarters and consolidates the production functions into 12 field offices. However, the plan maintains asset management functions and associated staff in existing field offices. This adjustment was made to ensure that HUD would maintain a presence in communities near Federal assets. The Committee recognizes that HUD still intends to continue to pursue a broader consolidation. However, the Committee directs HUD not to make any changes to the approved plan in fiscal year 2015. Instead, HUD should monitor the implementation of the staff changes in the field, as well as the process changes occurring in all offices. Further, HUD is directed to report to the House and Senate Committees on Appropriations within 180 days of enactment of this act on how the reorganization is proceeding, any issues identified with the initial waves of the transition, how such changes are affecting program oversight and delivery, and any adjustments that HUD plans to make based on lessons learned.

POLICY DEVELOPMENT AND RESEARCH

Appropriations, 2014	$22,000,000
Budget estimate, 2015	23,248,000
Committee recommendation	22,300,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support staff in headquarters and in 16 field locations in the Office of Policy Development and Research [PD&R]. PD&R supports the Department's efforts to help create cohesive, economically healthy communities. PD&R is responsible for maintaining current information on housing needs, market conditions, and existing programs, as well as conducting research on priority housing and community development issues. The office provides reliable and objective data and analysis to help inform policy decisions.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $22,300,000 for this account, which is $948,000 less than the budget request and $300,000 more than the fiscal year 2014 enacted level.

PD&R collects and distributes data on HUD programs, the people HUD serves, and housing needs across the country. The information it makes available and the analysis it provides to the Department are essential to moving HUD to outcomes based performance measures. The Committee also relies on the data and research provided by PD&R to inform its work. The recommended amount will ensure that PD&R can continue to play this important role.

FAIR HOUSING AND EQUAL OPPORTUNITY

Appropriations, 2014	$69,000,000
Budget estimate, 2015	77,629,000
Committee recommendation	69,700,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support staff in headquarters and in 42 field locations in the Office of Fair Housing and Equal Opportunity [FHEO]. FHEO is responsible for investigating, resolving, and prosecuting complaints of housing discrimination, as well as conducting education and outreach activities to increase awareness of the requirements of the Fair Housing Act. The Office also develops and interprets fair housing policy, processes complaints, performs compliance reviews, and provides oversight and technical assistance to local housing authorities and community development agencies regarding section 3 of the Housing and Urban Development Act of 1968.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $69,700,000, which is $7,929,000 less than the budget request and $700,000 more than the fiscal year 2014 enacted level.

OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

Appropriations, 2014	$7,000,000
Budget estimate, 2015	7,879,000
Committee recommendation	7,075,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support the Office of Lead Hazard Control and Healthy Homes [OLHCHH] headquarters staff. OLHCHH administers and manages the lead-based paint and healthy homes activities of the Department, and is directly responsible for the administration of the Lead-Based Paint Hazard Reduction program. The office also develops lead-based paint regulations, guidelines, and policies applicable to HUD programs, designs lead-based paint and healthy homes training programs, administers lead-hazard control and healthy homes grant programs, and implements the lead and healthy homes research program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $7,075,000 for this account, which is $804,000 less than the budget request and $75,000 more than the fiscal year 2014 enacted level.

PUBLIC AND INDIAN HOUSING

RENTAL ASSISTANCE DEMONSTRATION

Appropriations, 2014	....
Budget estimate, 2015	$10,000,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

The Rental Assistance Demonstration [RAD] is testing a potentially promising model to preserve public housing. Participation in the program by public housing agencies is voluntary and involves the conversion of existing public housing units to an improved form of property-based rental assistance. This form of rental assistance would enable public housing agencies to leverage private sector resources in order to recapitalize this housing stock and maintain these units of affordable housing.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $10,000,000 for the Rental Assistance Demonstration, equal to the President's budget request. No funding was provided for RAD in fiscal year 2014. In fiscal year 2012, the Committee began a demonstration to test the success of converting public housing and other assisted housing to section 8 vouchers or project-based section 8 contracts as a means of recapitalizing and preserving the long-term viability of affordable housing.

The recommended funding level will allow HUD to convert 3,000 units of public housing in high-poverty neighborhoods that would be unable to address their capital needs without an increased subsidy. The Committee has included this funding because it is committed to preserving desperately needed affordable housing and believes RAD is a critical part of accomplishing that goal.

In fiscal year 2012, the Committee set a cap of 60,000 on the number of units that could participate in the demonstration. At the time, it seemed sufficient to accommodate PHA demand for the program. However, the interest has far exceeded this level; at the end of December 2013, there were applications covering over 175,000 units. While the administration has requested lifting the cap entirely, the Committee understands the interest in learning more about the outcomes of the program before doing so. Therefore, the Committee has included language that raises the cap to 185,000 units, which will provide all PHAs that applied before the cap was reached an opportunity to participate in the program.

In addition to the conversion of public housing, the Committee recommendation also includes language that will allow single room occupancy [SRO], rent supplemental and rental housing assistance payment projects to convert to section 8. While no new projects are funded through these rental assistance programs, HUD continues to administer existing projects, all of which have different rules and requirements. The Committee hopes that the gradual consolidation of these projects into HUD's existing mainstream rental assistance programs will create efficiencies and address GAO's concerns about the number of rental assistance programs. In addition, the Committee expects that by putting these projects on a more modern and familiar housing platform, it will secure their long-term affordability.

The Committee encourages housing authorities that participate in the Rental Assistance Demonstration program to grant current workers whose employment positions are eliminated during conversion the right of first refusal for new employment openings for which they are qualified.

TENANT-BASED RENTAL ASSISTANCE

Appropriations, 2014 [1]	$19,177,218,000
Budget estimate, 2015 [1]	20,045,000,000
Committee recommendation [1]	19,562,160,000

[1] Includes an advance appropriation of $4,000,000,000.

PROGRAM DESCRIPTION

This account provides funding for the section 8 tenant-based (voucher) program. Section 8 tenant-based housing assistance is one of the principle appropriations for Federal housing assistance, serving approximately 2.2 million families. The program also funds incremental vouchers for tenants who live in properties where the owner has decided to leave the section 8 program. The program also provides for the replacement of units lost from the assisted housing inventory through its tenant protection vouchers. Under these programs, eligible low-income individuals families pay 30 percent of their adjusted income for rent, and the Federal Government is responsible for the remainder of the rent, up to the fair market rent or some other payment standard. This account also provides funding for administrative fees for public housing authorities, mainstream vouchers, and Housing and Urban Development Veterans Supportive Housing [HUD–VASH] programs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $19,562,160,000 for fiscal year 2015, including $4,000,000,000 as an advance appropriation to be made available on October 1, 2014. This amount is

$482,840,000 less than the budget request and $384,942,000 more than the fiscal year 2014 enacted level.

The Committee recommends $17,719,000,000 for the renewal costs of section 8 vouchers, which is $287,550,000 less than the budget request and $353,473,000 more than the fiscal year 2014 enacted level.

The section 8 rental assistance program is a critical tool that enables more than 2 million low-income individuals and families to access safe, stable and affordable housing in the private market.

In recognition of the section 8 program's central role in ensuring housing for vulnerable Americans, the Committee recommendation includes sufficient resources to ensure that no current voucher holders are put at risk of losing their housing. The recommended funding level reflects an inflation adjustment that reduces voucher costs from the original budget request. It also supports the first-time renewal of incremental vouchers that were funded in prior years, including HUD–VASH vouchers. The Committee will continue to monitor leasing data to make sure residents are protected.

Last year, the Committee included several reform provisions designed to reduce program costs or create efficiencies in program delivery. While this is an important step in improving the program, the Committee hopes that a broader section 8 reform bill will be enacted. A full reform bill is expected to modernize other aspects of the program and expand the Moving to Work [MTW] program, while increasing reporting by MTW agencies.

In the absence of a reform bill, the Committee expects HUD to update regulations that don't require congressional action. In recent years, PHAs have faced serious funding constraints, and the Committee voiced concerns at HUD's budget hearing on the burdensome requirements they must continue to meet. It is therefore imperative that HUD work to ensure scarce administrative dollars are directed toward requirements that will ensure housing safety standards, protect residents, and save taxpayer dollars. It is clear that some existing regulations are creating burdens for PHAs with little benefit to the oversight of the program. At the same time, HUD should be requiring different information that would provide better insight into its programs and improve its oversight. In fiscal year 2014, the Committee required HUD to report on regulations that need to be updated or new regulations that should be promulgated. The report is expected in July, and the Committee expects that this will be a comprehensive and thoughtful report with recommendations upon which HUD and Congress can act.

Cash Management.—The Committee notes that the Office of Inspector General's audit of HUD's fiscal year 2013 financial statements identified a material weakness in PIH's cash management process. Specifically, it found that the process departs from GAAP and Treasury requirements. The Committee has voiced concern with PIH's cash management practices before this finding, particularly since it limits understanding of the true funding needs in the voucher program.

The Committee notes that tenant-based assistance is not fundamentally different from public housing or project-based assistance, yet it is the only rental assistance program at the Department that disburses funds without the housing authority or project owner submitting a request for reimbursement.

The Committee stresses the importance of resolving this audit finding swiftly and implementing a cash management process that complies with GAAP and Treasury requirements, and also provides greater transparency into voucher renewal needs. Therefore, HUD is directed to submit a plan to the House and Senate Committees on Appropriations within 30 days of enactment of this act, identifying how the Department will implement new cash management policies during fiscal year 2015 and require housing authorities to draw down funds; a practice most housing authorities already do through the public housing programs.

Finance and Governance.—PHAs are local entities managed by housing boards and commissioners that provide oversight at the local level. In examining the circumstances that result in public housing authorities becoming troubled, problems with finance and governance are often the root cause. The Committee notes that PIH launched the PHA Recovery and Sustainability model to focus resources and attention on improving troubled or near-troubled PHAs, and specifically governance and financial management. While the vast majority of housing authorities operate their programs effectively, the Committee believes that HUD should be providing this type of information and training to all PHAs, not just those that are troubled or near troubled.

In fiscal year 2014, the Committee directed HUD to work with its OIG to determine the critical skills that PHA boards should have to effectively oversee PHA operations, as well as the actions HUD will take to ensure that PHAs possess them. The Committee understands this work is beginning in fiscal year 2014, and looks forward to the report HUD must submit in July on its findings and how it will ensure PHA Boards have the necessary skills to adequately perform their duties.

Set-Asides for Special Circumstances.—The Committee has provided a set-aside of $75,000,000 to allow the Secretary to adjust allocations to PHAs under certain circumstances. Qualifying factors include: (1) a significant increase, as determined by the Secretary, in renewal costs of tenant-based rental assistance resulting from unforeseen circumstances and voucher utilization or the impact from portability under section 8(r) of the act; (2) 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) of the act; (3) adjustments or costs associated with HUD–VASH vouchers; and (4) possible termination of families as a result of insufficient funding. A PHA should not receive an adjustment to its allocation from the funding provided under this section if the Secretary determines that such PHA, through negligence or intentional actions, would exceed its authorized level of vouchers.

Pilot for Homeless Native Americans.—Since 2008, the Committee has been providing funding for the joint HUD–Veterans Affairs Supportive Housing Program [HUD–VASH] aimed at ending veteran homelessness. The success of this effort can be seen in the results of HUD's most recent Point-in-Time count in 2013, which showed that homelessness among veterans has been reduced by over 24 percent since 2010.

However, as a result of program rules, these vouchers are not available to serve Native American veterans living on tribal lands that are homeless or at-risk of homelessness. While limited data has made assessing need difficult, in fiscal year 2012, the VA conducted an analysis on the number of at-risk veterans living in Indian Country. Its limited analysis found that at least 2,047 veterans served by VA homeless programs were likely living in these areas, which demonstrates the need for supportive housing assistance. Moreover, tribes are seeking access to HUD–VASH vouchers to assist their veterans. While differences in programs and the limited availability of housing in Indian Country makes adoption of the existing HUD–VASH model challenging, the Committee wants to understand how to effectively meet this need.

While the administration requested the flexibility to provide vouchers to tribally designated housing entities for use on reservations, the Committee is instead requiring HUD to set aside a portion of HUD–VASH funding for a pilot designed to provide housing and supportive services to veterans who are homeless or at-risk of homelessness living on tribal reservations or in Indian areas. The Committee directs HUD to set aside a sufficient amount of funding to evaluate this model and test it on reservations and Indian areas in different locations.

The rental assistance and administrative costs associated with this pilot will be run through the Indian Housing Block Grant program to ensure funding is provided to appropriate housing providers and that there is consistency in the implementation of rental assistance and program rules for selected providers. The Office of Native American Programs [ONAP] should work with PIH's Voucher Office on effective ways to apply the HUD–VASH model on tribal lands. The Voucher Office and ONAP should work together with the Department of Veterans Affairs on referrals to the program and to ensure services are appropriately provided to participating veterans. Given the unique housing challenges on reservations that will require modifications to the existing HUD–VASH model, HUD should consider using vouchers to facilitate the creation of new housing. The Committee has also included funding to provide culturally appropriate technical assistance to tribes administering the housing-plus services model.

HUD–VASH Move-in Costs.—The Committee notes that move-in costs can present a problem for homeless veterans trying to secure housing as part of the HUD–VASH program. The Committee recognizes this challenge and urges HUD to work with the VA, as well as local and national organizations to identify resources that can be used to assist homeless veterans with these expenses.

Administrative Fees.—The Committee recommends $1,555,000,000 for administrative fees, which is $150,000,000 less than the budget request and $55,000,000 more than the fiscal year 2014 enacted level.

In fiscal year 2008, the Committee provided HUD with funding to begin a study on the amount of administrative fees necessary for PHAs to effectively manage their section 8 programs. The Committee received HUD's preliminary assessment, and looks forward to the comprehensive study, which should provide more reliable information on which to base policy decisions.

Tenant Protection Vouchers.—The Committee recommendation includes $130,000,000 for tenant protection vouchers. These vouchers are provided to public housing residents whose buildings have health or safety issues, or whose projects are being demolished. However, the largest share of these vouchers is provided to tenants living in properties with expiring HUD assistance that may face rent increases if their owners opt out of HUD programs. In these instances, the vouchers ensure continued affordability of tenants' housing.

The Committee has included a new provision, as requested, that will limit reissuance of tenant protection vouchers that are provided to families temporarily displaced by demolition or rehabilitation of affordable housing. The Committee wants to ensure the protection of tenants and the preservation of affordable housing, and these vouchers help meet that goal. At the same time, these vouchers are not designed to increase the amount of affordable housing. Therefore, in a case where a voucher is substituting for a unit that is temporarily unavailable, but will be replaced, the voucher should end when the tenant using it either returns to the new or rehabilitated unit, or, if they choose not to occupy it, when he or she exits the program.

Section 811 Mainstream Vouchers.—The Committee recommends $83,160,000 to continue the rental assistance and administrative costs of this program. While this amount is $25,290,000 below the President's request, it is sufficient to maintain all existing vouchers. Due to the transition of the program from the project-based rental assistance account to the tenant-based rental assistance account, balances have accumulated that have been carried forward from year to year. The level of funding for fiscal year 2015 reflects the drawdown of these carryover balances to sustain the program.

HOUSING CERTIFICATE FUND

(INCLUDES RESCISSIONS)

PROGRAM DESCRIPTION

Until fiscal year 2005, the Housing Certificate Fund 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

The Committee has not included a rescission from the Housing Certificate Fund in fiscal year 2015, consistent with the President's request. The Committee has included language that will allow unobligated balances from specific accounts to be used to renew or amend Project-Based Rental Assistance contracts.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$1,875,000,000
Budget estimate, 2015	1,925,000,000
Committee recommendation	1,900,000,000

PROGRAM DESCRIPTION

This account provides funding for modernization and capital needs of public housing authorities (except Indian housing authorities), including management improvements, resident relocation, and homeownership activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,900,000,000 for the Public Housing Capital Fund, which is $25,000,000 less than the budget request and $25,000,000 more than the fiscal year 2014 enacted level.

Of the amount made available under this account, $45,000,000 is for supportive services for residents of public housing under the Resident Opportunity and Self-Sufficiency [ROSS] program. The Committee also recommends up to $5,000,000 to support the ongoing financial and physical assessment activities performed by the Real Estate Assessment Center [REAC] and $3,000,000 for the cost of administrative and judicial receiverships.

Flexibility To Meet Pressing Needs.—The Committee notes that the President's budget proposed providing public housing authorities with full flexibility to move funds between their operating and capital funds. The Committee shares the goal of providing PHAs with the flexibility to meet their highest priority needs, and giving PHAs the tools to manage their portfolios more effectively. At the same time, the Committee is concerned that the administration's proposal lacks sufficient transparency into how Federal funds will be spent.

In an effort to achieve an appropriate balance between flexibility and accountability, the Committee has included alternative provisions designed to provide PHAs with mechanisms to better meet their capital and operations needs. The first provision provides PHAs with the authority to transfer up to 20 percent of their operating funds to their capital fund. This provides PHAs with not only the ability to reinvest operational savings in their properties, but also creates an incentive for them to do so. In addition, language is included for fiscal year 2015 that allows PHAs to transfer up to 30 percent of their capital funds to their operating fund.

A second provision permits housing authorities to establish and maintain replacement reserves. Establishing and maintaining replacement or capital reserves is common practice in real estate, and in fact, they are required for projects in HUD multifamily programs. However, the existing obligation deadlines for public housing capital funds prevent the establishment of such reserves. This limits the ability of PHAs to save for planned capital projects necessary to maintain housing in good condition.

The Committee expects the Department to move quickly to set up the rules and requirements around the capital reserves so that

PHAs can utilize this new tool to address the significant backlog of capital needs and better plan for future capital requirements. This should include how HUD will ensure that funds are being saved for and spent on needed capital projects.

Safety and Security in Public Housing.—In October 2013, HUD published a new capital fund rule, which included more detail on eligible uses of funding, and stated that certain ongoing safety and security costs are an ineligible use of capital funds. This change was not included in the proposed rule, and as a result, there was no opportunity for public comment on it. The Committee is concerned that the rule change will leave some public housing authorities unable to continue existing security functions that are necessary to protect public housing and ensure the safety of residents. The Committee has provided additional flexibility to PHAs by increasing the amount they can transfer from their public housing capital to operating fund to help address this concern, but has also provided HUD with the authority to waive the transfer limit in order to ensure that these important safety activities can continue. In addition, the Committee directs HUD to do an analysis of the impact of this change on the ability of housing authorities to ensure safety in their housing. Further, the Committee directs HUD to submit a letter report to the House and Senate Committees on Appropriations on these findings within 120 days of enactment of this act, including any recommendations to address problems it identifies.

In addition, the Committee directs at least $6,000,000 of the $23,000,000 recommended for emergency capital needs be for safety and security measures necessary to address crime and drug-related activity in public housing. The Committee has included this specific set-aside because there are PHAs facing safety and security issues that rely on these funds to protect their tenants. The Committee notes that the demand for these funds continues to grow while the amount that HUD is awarding to PHAs is decreasing. The recommended level of funding represents an increase of $3,000,000 over the fiscal year 2014 level to ensure that funding for needs associated with natural disasters as well as safety and security can be met within the appropriated level of funding, and urges HUD to award funds to PHAs as quickly as possible.

Physical Needs Assessment.—The Committee notes the importance of being able to assess the physical quality of the public housing stock and to plan for regular maintenance, upkeep, and replacement. This information is critical to ensuring that limited Federal funding is targeted to effectively meet those needs, and every PHA should be able to identify the physical needs of their inventory. In an attempt to apply a degree of uniformity across PHAs, the department has developed a Physical Need Assessment [PNA] tool and issued a proposed rule governing its use. The Committee appreciates this well-intentioned effort. However, numerous concerns have been raised surrounding the metrics it seeks to measure and how, or if, all the collected data will be used to provide effective program oversight. Additional concerns have been raised that multiple offices within HUD are seeking to collect overlapping data using different collection methods, failing to coordinate their efforts within the department and adding unnecessarily to PHAs' administrative burdens. Concerns have also been raised about the ability of PHAs to easily convert their existing PNAs into the format directed by the department. Many public housing agencies already conduct physical needs assessments, yet some will incur additional costs to input this information into HUD's new system. In its report to the Committee, HUD acknowledged that the costs associated with the PNA could be a burden for PHAs that lack the flexibility to absorb this initiative, and that small PHAs in particular will have a greater burden because they were not previously required to perform a PNA.

Given the multiple concerns, the Committee directs the department to continue to evaluate the PNA proposed rule and to expand on its 2014 report to the Committees, which shall be transmitted to the House and Senate Committees on Appropriations by March 2, 2015. This report should at a minimum: assess how the specific aspects of the PNA tool compare to PNAs utilized by HUD's Office of Multi-Family Housing, and by unassisted housing managed by PHAs; review if all data sought by the proposed PNA are necessary or if simplification of the tool makes sense from an oversight and management perspective; reflect a department-wide effort to identify similar data collection requirements on PHAs to ensure no duplication or overlapping of requirements; and determine if the objectives of the PNA can be achieved by alternative means such as, but not limited to, collection as part of HUD's Line of Credit Control System, or the acceptance of multiple formats.

ROSS Program Oversight.—In August 2013, GAO issued a report on a variety of HUD self-sufficiency programs, including the ROSS program. The report recommended that HUD develop and implement a strategy to analyze ROSS participation and outcome data. HUD disagreed with the recommendation, citing various challenges to doing such analysis, including the variety of services that are funded through the program. The Committee agrees with GAO that analysis of program outcomes is critical to assessing the effectiveness of programs, and directs HUD to develop a strategy for collecting and analyzing such data in a way that is appropriate for the design of the program. The Committee directs HUD to report to the House and Senate Committees on Appropriations on how HUD is responding to GAO's recommendations on oversight of the Family Self-Sufficiency program within 90 days of enactment of this act. This report should include a strategy for how it will improve its analysis of ROSS program outcomes.

Jobs-Plus.—The Committee has included up to $15,000,000 to continue the Jobs-Plus Initiative. Like last year, the Secretary also has authority to set aside a portion of ROSS funding for the services component of this initiative. Jobs-Plus is based on a demonstration the Department began in 1998 that combined employment-related services and activities, financial incentives to work, and community support. The data showed that, on average, compared to other public housing residents, those in the program earned an additional $1,300 per year from 2000–2006. The Committee supports HUD's efforts to assist public housing residents in finding employment and achieving greater economic self-sufficiency.

The Committee understands that HUD is working with other Federal and local partners to design a program that reflects changes in public housing since the time of the demonstration, and incorporates lessons learned from similar initiatives undertaken by housing authorities in recent years. The Committee encourages HUD to continue to collaborate with partners, but also expects that HUD will complete the program design this fall and be able to award funding to PHAs quickly in fiscal year 2015.

Literacy Programs.—The Committee notes the importance of education and financial literacy in helping families improve life skills and increase their economic opportunities. An evaluation of the Family Self-Sufficiency [FSS] Program conducted by HUD found that families that exited the program before graduation had less education than program graduates. Increasing educational and financial literacy services for public housing residents offers an opportunity to increase the success of participants in FSS and other employment programs. The Committee encourages HUD to work with national community-based literacy organizations to identify models that successfully incorporate adult literacy programs into HUD sponsored housing initiatives. Successful models should link these programs to job readiness and post secondary transition initiatives, which will help adults with low literacy skills become more financially literate and gain the skills necessary to make informed decisions about the use and management of money. HUD should develop and share best practices with PHAs and other housing providers to expand services to adult learners.

PUBLIC HOUSING OPERATING FUND

Appropriations, 2014	$4,400,000,000
Budget estimate, 2015	4,600,000,000
Committee recommendation	4,475,000,000

PROGRAM DESCRIPTION

This account provides funding for the payment of operating subsidies to approximately 3,100 public housing authorities (except Indian housing authorities) with a total of approximately 1.2 million units under management in order to augment rent payments by residents in order to provide sufficient revenues to meet reasonable operating costs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,475,000,000 for the public housing operating fund, which is $125,000,000 less than the budget request and $75,000,000 more than the fiscal year 2014 enacted level.

The Committee has included provisions providing PHAs with increased flexibility to move funds between their capital and operating funds, as well as giving them the ability to establish capital reserves. The Committee notes that many PHAs have taken steps to achieve operational savings by improving energy efficiency or otherwise reducing expenses. The Committee wants to reward such efforts by providing PHAs with the ability to reinvest such savings in their properties.

In addition to providing flexibility with its funding, the Committee also recognizes that PHAs face administrative and regulatory burdens. As part of the fiscal year 2014 appropriations bill, the Department was directed to report to the Committee on regulations that need to be updated and streamlined. While the Committee anticipates the report's delivery later this year, it reiterates support for regulatory and administrative relief that result in cost savings, while still maintaining effective and meaningful oversight.

CHOICE NEIGHBORHOODS

Appropriations, 2014	$90,000,000
Budget estimate, 2015	120,000,000
Committee recommendation	90,000,000

PROGRAM DESCRIPTION

The Choice Neighborhoods Initiative provides competitive grants to transform impoverished neighborhoods into functioning, sustainable, mixed-income neighborhoods with co-location of appropriate services, schools, public assets, transportation options, and access to jobs or job training. The goal of the program is to demonstrate that concentrated and coordinated neighborhood investments from multiple sources can transform a distressed neighborhood and improve the quality of life of residents.

Choice Neighborhoods grants fund the preservation, rehabilitation, and transformation of public and HUD-assisted housing as well as their neighborhoods. The program builds on the successes of public housing transformation under HOPE VI with a broader approach to concentrated poverty. Grantees include public housing authorities, tribes, local governments, and nonprofit organizations. For-profit developers may also apply in partnership with another eligible grantee. Grant funds can be used for resident and community services, community development and affordable housing activities in surrounding communities. Grantees undertake comprehensive local planning with input from residents and the community. A strong emphasis is placed on local community planning for school and educational improvements, including early childhood initiatives.

The Department also places a strong emphasis on coordination with other Federal agencies, notably the Departments of Education, Labor, Transportation, Health and Human Services, and Justice, to leverage additional resources. Where possible, the program is coordinated with the Department of Education's Promise Neighborhoods Initiative.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $90,000,000 for the Choice Neighborhoods Initiative. This amount is equal to the fiscal year 2014 enacted level and $30,000,000 less than the budget request. Choice Neighborhoods seeks to build on the HOPE VI program by expanding the types of eligible grantees and allowing funding to be used on HUD-owned or assisted housing, as well as the surrounding community. However, the Committee notes that the work to replace distressed public housing is far from complete. Therefore, the Committee has included language that stipulates that not less than $55,000,000 of the funding provided shall be awarded to projects where public housing authorities are the lead applicant. The Committee has also included the authority to recapture funding remaining from completed projects. As a result, there will be an estimated $5,300,000 in additional resources available for the program.

Choice Neighborhoods is part of a broader Administration initiative, Promise Zones, which is focused on investing in designated high poverty neighborhoods. Under the proposal, HUD investments will be coordinated with resources from other agencies, such as the Departments of Education and Justice, and targeted to select neighborhoods to increase their impact. The Committee supports this initiative and its focus on distressed neighborhoods. At the same time, the goal of Choice Neighborhoods is to replace distressed housing as a way to improve communities and the lives of residents. Therefore, HUD should not limit applicants to a narrowly defined set of neighborhoods since it may prevent the replacement of eligible and worthy public or assisted housing projects that are outside such designated neighborhoods from competing for funding.

Inherent in the Choice Neighborhoods Initiative is the understanding that community transformation requires more than replacing housing. The creation of vibrant, sustainable communities also requires greater access to transportation, jobs and services that will increase opportunities for community residents. However, HUD funding cannot support all of these activities. The Committee has been encouraged by the ability of Choice Neighborhood grantees to leverage significant resources with their grant awards. Grantees have leveraged over $2,000,000,000 in other public and private resources with the $231,000,000 in Choice Neighborhoods funding they have received to date. Grantees have begun replacing affordable housing and making other community improvements, and when projects are complete, needed affordable housing units will be created or preserved.

The Committee continues to emphasize the importance of integrating services for residents into Choice Neighborhood projects, which will help to ensure that the goal of improving the lives of residents can be met. In addition, the Committee urges HUD to identify successful partnership strategies that can not only be utilized by future Choice Neighborhood grantees, but can also serve as models for traditional public housing and HUD-assisted housing program providers that want to improve services for their residents.

FAMILY SELF-SUFFICIENCY

Appropriations, 2014	$75,000,000
Budget estimate, 2015	75,000,000
Committee recommendation	75,000,000

PROGRAM DESCRIPTION

The Family Self-Sufficiency [FSS] program provides funding to help Housing Choice Voucher, project-based section 8, and Public Housing residents achieve self-sufficiency and economic independence. The FSS program is designed to provide service coordination through community partnerships that link residents with employment assistance, job training, child care, transportation, financial literacy, and other supportive services. The funding will be allocated through one competition to eligible Public Housing Authorities [PHAs] to support service coordinators who will serve both public housing and vouchers residents.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $75,000,000 for the Family Self-Sufficiency program in fiscal year 2015, an amount equal to both the fiscal year 2014 enacted level and the President's request.

The Committee strongly supports the FSS program, which helps provide public housing and section 8 residents with the tools to improve their lives and achieve self-sufficiency. The Committee also supports the idea of expanding FSS to residents receiving project-based rental assistance. At the same time, the Committee recognizes that expanding the number of entities eligible for service coordinator funding without increasing the resources available for the program could jeopardize existing FSS programs. Therefore, the Committee is allowing PBRA residents to participate in the program and save increased earnings in an escrow account, but it is not allowing PBRA project owners to compete for service coordinator funding. The Committee is aware of organizations that may be willing to partner with project owners to provide or coordinate services for PBRA residents, and hopes that HUD will work to identify and facilitate such partnership opportunities.

As HUD works to streamline and expand the program, the Committee also expects HUD to identify best practices in the field that are successfully improving outcomes for residents. The Committee encourages HUD to consider best practices for how to increase participation, improve alignment between eligible uses of funding and milestones, and incorporate financial education into the program design.

FSS and Youth.—The Family Self-Sufficiency [FSS] program provides participants with case management, as well as the ability to save increased earnings, so that residents can increase self-sufficiency. The Committee wants to test the effectiveness of pairing the FSS program with existing Family Unification Program [FUP] vouchers for youth. FUP vouchers are available to families in the child welfare system, including youth aging out of foster care that are at risk of homelessness. The vouchers provide homeless youth with the housing stability they need to improve their lives through education or job training; goals that align with those of the FSS program.

Unfortunately, current program rules make the FUP and FSS programs incompatible; for example the programs have different time requirements. By providing the Secretary with the flexibility to modify the FUP program for youth, the Committee hopes that it will increase opportunities to offer youth the support they need to achieve self-sufficiency. The Committee permits all PHAs with both FUP and FSS programs to participate, so long as PHAs can demonstrate partnerships with public child welfare agencies, the capacity to serve youth, success with serving existing FSS participants, and partnerships with other youth-serving organizations. The Secretary is directed to monitor the program and report on lessons learned from it.

Program Data Collection and Analysis.—In August 2013, GAO released a report titled, Rental Housing Assistance: HUD Data on Self-Sufficiency Programs Should Be Improved. While the report noted positive outcomes identified with the FSS program, it also found that HUD lacked quality data with which to monitor and analyze the program. The Committee agrees with GAO's recommendations that HUD needs to provide clear guidance to FSS grantees on what data should be reported, which HUD should monitor to ensure that it is accurate and complete. Accurate data are critical to evaluate the program's effectiveness and recommend best practices to improve outcomes for participants. The Committee directs HUD to report on how it is satisfying the recommendations of GAO's report within 90 days of enactment of this act. This report should include timelines for issuing guidance and the processes it will put in place to monitor data.

NATIVE AMERICAN HOUSING BLOCK GRANT

Appropriations, 2014	$650,000,000
Budget estimate, 2015	650,000,000
Committee recommendation	650,000,000

PROGRAM DESCRIPTION

This account funds the Native American Housing Block Grant Program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 [NAHASDA]. This program provides a funding allocation on a formula basis to Indian tribes and their tribally designated housing entities to help address the housing needs within their communities. Under this block grant, Indian tribes use performance measures and benchmarks that are consistent with the national goals of the program, but can base these measures on the needs and priorities established in their own Indian housing plan.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $650,000,000 for the Native American Housing Block Grant Program, of which $2,000,000 is set aside for a credit subsidy to support a loan level not to exceed $16,530,000 for the Title VI Loan Guarantee Program. The recommended level of funding is equal to the amount provided in fiscal year 2014 and consistent with the budget request.

The Native American Housing Block Grant Program is a vital resource for tribal governments to address the dire housing conditions in Indian Country. Access to affordable housing remains in a critical state for many tribes across the country. Native Americans are twice as likely to live in poverty compared to the rest of the Nation. As a result, the housing challenges on tribal lands are daunting. According to the U.S. Census American Community Survey for 2006–2010, 8.1 percent of homes on American Indian reservations and off-reservation trust land are overcrowded, compared to 3.1 percent of households nationwide. The number of households on reservation lands with severe housing costs that spend more than 50 percent of their income on housing has risen 46 percent over the past decade.

The subcommittee staff have conducted site visits to several tribes to better understand the challenges to developing and maintaining affordable housing in Indian Country. The conditions found there were disturbing and the magnitude of the need overwhelming. Many tribally designated housing entities lack access to financing and credit to develop new housing due to the difficulty of financing when trust lands are involved. Most development projects take 3 years or longer to complete due to a lack of financial resources, issues related to land and permitting approvals, and the lack of infrastructure in many of these sparse, remote locations.

In 2012, the Committee directed GAO to conduct an analysis of these and other challenges associated with the development of affordable housing in Indian Country. GAO found that tribes face multiple internal and external challenges in carrying out affordable housing activities. Remote locations and a lack of basic infrastructure significantly increase the cost of development. Tribes also face challenges with differing environmental review requirements when scare resources are leveraged from a variety of Federal agencies. The Committee agrees with GAO that substantial efficiencies and cost-savings can be achieved to facilitate infrastructure development by creating a coordinated project environmental review process. Therefore, the Committee directs HUD to collaborate with the Council on Environmental Quality and affected Federal agencies, including the Department of the Interior, Agriculture, Commerce, Energy, Health and Human Services, Treasury and the Environmental Protection Agency, to develop a coordinated environmental review process to simplify tribal housing development and its related infrastructure needs. The agencies shall conduct consultation with tribes and tribally designated housing entities and report their conclusions, recommendations and any statutory changes that may be necessary to facilitate this process to the House and Senate Committees on Appropriations by May 1, 2015.

Technical Assistance.—Limited capacity hinders the ability of many tribes to effectively address their housing needs. The Committee recommends $4,000,000 for technical assistance through a national organization representing Native American housing interests as authorized under NAHASDA (25 U.S.C. 4212), and up to $2,000,000 for inspections of Indian housing units, contract expertise, training, technical assistance, oversight, and management.

The Committee expects HUD to use the technical assistance funding provided to a national tribal organization to aid tribes with capacity challenges, especially tribes receiving small grant awards. The funding should be used for training, contract expertise, and other services necessary to improve data collection, increase leveraging, and address other needs identified by tribes. The Committee expects that any assistance provided will reflect the unique needs and culture of Native Americans.

NATIVE HAWAIIAN HOUSING BLOCK GRANT

Appropriations, 2014	$10,000,000
Budget estimate, 2015	13,000,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

The Hawaiian Homelands Homeownership Act of 2000 created the Native Hawaiian Housing Block Grant program to provide grants to the State of Hawaii Department of Hawaiian Home Lands for housing and housing-related assistance, in order to develop, maintain, and operate affordable housing for eligible low-income Native Hawaiian families.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,000,000 for the Native Hawaiian Housing Block Grant Program, which is equal to the fiscal year 2014 enacted level and $3,000,000 less than the budget request. Of the amount provided, $300,000 may be for training and technical assistance activities, including up to $100,000 for related travel for Hawaii-based HUD employees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

	Program account	Limitation on guaranteed loans
Appropriations, 2014	$6,000,000	$1,818,000,000
Budget estimate, 2015	8,000,000	1,200,000,000
Committee recommendation	6,000,000	714,290,000

PROGRAM DESCRIPTION

This program provides access to private financing for Indian families, Indian tribes, and their tribally designated housing entities that otherwise could not acquire housing financing because of the unique status of Indian trust land. HUD continues to be the largest single source of financing for housing in tribal communities. This program makes it possible to promote sustainable reservation communities by providing access to financing for higher income Native Americans to achieve homeownership within their Native communities. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $6,000,000 in program subsidies to support a loan level of $714,290,000. This subsidy amount is equal to the fiscal year 2014 enacted subsidy level and $2,000,000 less than the budget request.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Limitation on guaranteed loans
Appropriations, 2014	$100,000	$16,130,000
Budget estimate, 2015	....	....
Committee recommendation	100,000	16,130,000

PROGRAM DESCRIPTION

This program provides access to private financing for Native Hawaiians who otherwise could not acquire housing finance because of the unique status of the Hawaiian Home Lands as trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $100,000 in program subsidies to support a loan level of $16,130,000 which is equal to the subsidy and loan levels provided in fiscal year 2014.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS [HOPWA]

Appropriations, 2014	$330,000,000
Budget estimate, 2015	332,000,000
Committee recommendation	330,000,000

PROGRAM DESCRIPTION

The Housing Opportunities for Persons with AIDS [HOPWA] program provides States and localities with resources and incentives to devise long-term, comprehensive strategies for meeting the housing and supportive service needs of persons living with HIV/AIDS and their families.

Since 1990, by statute, 90 percent of formula-appropriated funds are distributed to qualifying States and metropolitan areas on the basis of the number of AIDS cases and incidence of AIDS reported to the Centers for Disease Control and Prevention by March 31 of the year preceding the fiscal year. The remaining 10 percent of funds are awarded through a national competition, with priority given to the renewal of funding for expiring agreements consistent with appropriations act requirements.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $330,000,000 for the Housing Opportunities for Persons with AIDS [HOPWA] program. This level of funding is $2,000,000 less than the President's budget request and equal to the fiscal year 2014 enacted level. The Committee continues to include language requiring HUD to allocate these funds in a manner that preserves existing HOPWA programs, to the extent that those programs are determined to be meeting the needs of persons with HIV/AIDS.

Legislative Reauthorization Proposal.—The Committee recognizes that the HOPWA statute requires an update to the formula funding to target limited resources to communities most impacted by HIV. The proposal to expand short-term homeless prevention services could provide valuable flexibility to grantees to stabilize vulnerable, extremely low-income individuals and households. The Committee encourages HUD to engage with stakeholders on the benefits of a new reauthorization proposal that updates the program. HUD should work with the respective House and Senate authorization committees to enact these and other much needed reforms to the program.

COMMUNITY DEVELOPMENT FUND

Appropriations, 2014	$3,100,000,000
Budget estimate, 2015	2,870,000,000
Committee recommendation	3,090,000,000

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Of the funds appropriated, 70 percent are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting designated amounts for set-asides for insular areas and Indian CDBG.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,090,000,000 for the Community Development Fund in fiscal year 2015. This level is $220,000,000 more than the budget request and $10,000,000 less than the fiscal year 2014 enacted level.

The Committee has provided $3,020,000,000 for Community Development Block Grants. The recommended amount is $220,000,000 more than the budget request and $10,000,000 less than the fiscal year 2014 enacted level. CDBG funding provides States and entitlement communities with resources that allow them to undertake a wide range of community development activities, including public infrastructure improvements, housing rehabilitation and construction, job creation and retention, and public services that primarily benefit low and moderate income persons.

The flexibility associated with CDBG enables State and local governments to tailor solutions to effectively meet the unique needs of their communities. The investments made through CDBG help support infrastructure, small businesses, housing and services important to strong communities. The impact of these investments reverberates through communities, leveraging additional sources of funding and creating thousands of jobs.

To ensure the program remains flexible, but also accountable and transparent, the Committee continues a provision in bill language first added in fiscal year 2014 that prohibits any community from selling its CDBG award to another community. In addition, the Committee has added a new requirement that any funding provided to a for-profit entity for an economic development project funded under this bill undergo appropriate underwriting. The Committee has included these provisions to address concerns raised about how program dollars have been used and mitigate risks associated with it.

The Committee includes $70,000,000 for grants to Indian tribes for essential economic and community development activities which is equal to the budget request and the fiscal year 2014 enacted level.

Mold Remediation and Prevention.—The Committee includes $10,000,000 to fund grants for mold remediation and prevention in Native American housing. This level is equal to the fiscal year 2014 enacted level. The funding will be awarded to grantees through a single national competition to ensure that grants are awarded to tribes with greatest need.

In administering this funding and working to address mold in Native American housing, the Committee expects the Office of Native American Programs to work with the Office of Lead Hazard Control and Healthy Homes to ensure Native American communities have the information and assistance they need to effectively address this serious issue.

The Committee wants to monitor the success of these funds in addressing the mold problem. Therefore, the Committee directs HUD to report on the number of units remediated and any other pertinent information. This information should be provided to the Committee as part of annual congressional justifications or upon request.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

	Program account	Limitation on guaranteed loans
Appropriations, 2014	$3,000,000	$150,000,000
Budget estimate, 2015	....	500,000,000
Committee recommendation	....	500,000,000

PROGRAM DESCRIPTION

Section 108 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to issue Federal loan guarantees of private market loans used by entitlement and non-entitlement communities to cover the costs of acquiring real property, rehabilitation of publicly owned real property, housing rehabilitation, and other economic development activities.

COMMITTEE RECOMMENDATION

The Committee recommendation includes the President's proposal to make this a fee-based program, and provides no appropriation. However, the fee-based structure recommended by the Committee will support a loan level guarantee of $500,000,000 for the section 108 loan guarantees account for fiscal year 2015. This guaranteed loan level is $350,000,000 more than the fiscal year 2014 level and equal to the President's request.

This program enables CDBG recipients to use their CDBG dollars to leverage financing for economic development projects, community facilities, and housing rehabilitation programs. Communities are allowed to borrow up to five times their most recent CDBG allocation.

For several years, the administration has been proposing to make this a fee-based program. In fiscal year 2014, the Committee accepted this proposal, but since HUD had not begun the rulemaking process, it provided both a subsidy and the authority to raise fees so that HUD could transition the program to the new funding structure without disrupting it. The Committee expected HUD to move quickly to commence the rulemaking process and clearly communicate program costs and requirements to communities, yet more than halfway through the fiscal year, the rulemaking process has not begun and communities are left wondering how the program will operate. The Committee expects HUD to ensure that a financing structure is in place by the beginning of the fiscal year to ensure that this important program remains available to communities. In addition, HUD must provide communities with information and any technical assistance they may need to successfully utilize the program.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Appropriations, 2014	$1,000,000,000
Budget estimate, 2015	950,000,000
Committee recommendation	950,000,000

PROGRAM DESCRIPTION

Title II of the National Affordable Housing Act, as amended, authorizes the HOME Investment Partnerships Program. This program provides assistance to States and local governments for the purpose of expanding the supply and affordability of housing to low-income and very low-income people. Eligible activities include tenant-based rental assistance, acquisition and rehabilitation of affordable rental and ownership housing, and housing construction. To participate in the HOME program, State and local governments must develop a comprehensive housing affordability strategy. There is a 25 percent matching requirement for participating jurisdictions, which can be reduced or eliminated if they are experiencing fiscal distress.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $950,000,000 for the HOME Investment Partnerships Program. This amount is $50,000,000 less than the fiscal year 2014 enacted level. The amount is the same as the budget request, but the budget also proposes to fund a $10,000,000 Self-Help and Assisted Homeownership Program [SHOP] program out of this account, which the Committee has rejected.

The bill includes several provisions to improve the program that were requested in the budget, including allowing statewide nonprofits to be designated as Community Housing Development Organizations. This is expected to help States that are less populous, and as a result, have more organizations that serve the entire State. The Committee recommendation also includes a provision that will create an exception to the 30-day eviction notice in instances where a tenant poses a threat. Similar exceptions are included in other housing assistance programs.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

Appropriations, 2014	$50,000,000
Budget estimate, 2015 [1]	
Committee recommendation	50,000,000

[1] The budget request shifts funding for SHOP activities to the HOME program and creates a new $20,000,000 Capacity Building program for the section 4 activities.

PROGRAM DESCRIPTION

The Self-Help and Assisted Homeownership Opportunity Program is comprised of the Self-Help Homeownership Program [SHOP], which assists low-income homebuyers willing to contribute "sweat equity" toward the construction of their houses. These funds increase nonprofit organizations' ability to leverage funds from other sources. This account also includes funding for the Capacity Building for Community Development and Affordable Housing Program, as well as assistance to rural communities as authorized under sections 6301 through 6305 of Public Law 110–246. These programs help to develop the capacity of nonprofit community development organizations to carry out community development and affordable housing projects.

COMMITTEE RECOMMENDATION

The Committee recommends $50,000,000 for the Self-Help and Assisted Homeownership Program, which is equal to the fiscal year 2014 enacted level. The budget request would shift a portion of the funding for these activities to the HOME program, and transition the section 4 program into a new Capacity Building program. The Committee recommendation includes $10,000,000 for SHOP, as authorized under section 11 of the Housing Opportunity Extension Act of 1996; $35,000,000 for capacity building as authorized by section 4 of the HUD Demonstration Act of 1993; and $5,000,000 to carry out capacity building activities in rural communities. The Committee notes that funding for technical assistance is being provided under the Transformation Initiative and directs funds available for section 4 to be used solely for capacity building activities.

Energy Star.—The Committee is concerned that the Energy Star requirements in the SHOP Notice of Funding Availability [NOFA] while well-intentioned may increase costs in a time that limited resources should be targeted to producing homes that comply with local building and safety codes. The Department is directed to submit a report to the House and Senate Committees on Appropriations within 120 days of enactment of this act that evaluates: (1) if the Energy Star requirement in this program's NOFA are consistent with Energy Star requirements across HUD programs; and (2) if this requirement is a barrier to participation, especially in rural areas, considering factors such as the cost of certifications, access to Home Energy Raters or certified HVAC contractors, or the mortgage now exceeding USDA's Area Loan Limits.

HOMELESS ASSISTANCE GRANTS

Appropriations, 2014	$2,105,000,000
Budget estimate, 2015	2,406,400,000
Committee recommendation	2,145,000,000

PROGRAM DESCRIPTION

The Homeless Assistance Grants Program provides funding to break the cycle of homelessness and to move homeless persons and families to permanent housing. This is done by providing rental assistance, emergency shelter, transitional and permanent housing, prevention, rapid re-housing, and supportive services to homeless persons and families or those at risk of homelessness. The emergency solutions grant program is a formula grant program, while the Continuum of Care and Rural Housing Stability Programs are competitive grants. Homeless assistance grants provide Federal support to one of the Nation's most vulnerable populations. These grants assist localities in addressing the housing and service needs of a wide variety of homeless populations while developing coordinated Continuum of Care [CoC] systems that ensure the support necessary to help those who are homeless to attain housing and move toward self-sufficiency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,145,000,000 for Homeless Assistance Grants in fiscal year 2015. This amount is $261,400,000 less than the President's request, and $40,000,000 more than the fiscal year 2014 enacted level.

As part of the Committee recommendation, at least $1,848,000,000 will support the Continuum of Care Program, including the renewal of existing projects, and the Rural Housing Stability Assistance Program. Based on the renewal burden, HUD may also support planning and other activities authorized by the HEARTH Act. The recommendation also includes at least $250,000,000 for the emergency solutions grants program [ESG].

Given the current fiscal constraints, the Committee is not able to provide the funding requested for new permanent supportive housing. However, the Committee remains committed to supporting the goals outlined in the Federal Strategic Plan to Prevent and End Homelessness, including the goal to end chronic homelessness. The Committee supports HUD's efforts to leverage existing housing resources, such as section 8 vouchers, to serve the homeless. The Committee also supports replacing existing, underperforming projects with new permanent supportive housing projects. Therefore, if funds remain available in this account after meeting renewal demands and funding ESG, HUD may use it for new projects, provided that such projects are targeted to areas with the greatest need, as measured by homeless data.

Youth Homelessness.—The Committee is concerned about the number of youth experiencing homelessness. HUD has provided guidance to communities about how to better count homeless youth as part of the point-in-time count, and stressed the importance of serving youth as part of the annual Continuum of Care competition. There is still more to be done. The Committee expects HUD to ensure that communities have youth-appropriate housing, through technical assistance and dissemination of best practices. In addition, HUD should do more to emphasize the importance of youth-appropriate housing as part of the annual Continuum of Care competition.

Housing for Domestic Violence Survivors.—The Committee knows that many individuals experiencing homelessness are also survivors of domestic violence. Ensuring that they have a safe place to live is a critical role of the homeless system. The Committee is aware that as continuums eliminate or replace underperforming homeless projects, housing serving those impacted by domestic violence may be lost. The Committee supports the efforts of communities to ensure homeless projects being funded demonstrate positive housing outcomes for those they serve. At the same time, it is critical to ensure that the unique housing needs of survivors of domestic violence are met. The Committee urges HUD to work with communities to help ensure they have appropriate housing available for domestic violence survivors. This may include replacing an underperforming project specific to survivors of domestic violence with a project that serves the same purpose, but with better results.

Annual Homeless Assessment Report.—AHAR stems from congressional directives begun in 2001 that charged the Department with collecting homeless data through the implementation of a new Homeless Management Information System [HMIS]. AHAR includes HMIS data, information provided by Continuums of Care, and a count of sheltered and unsheltered persons from one night in January of each year. The Committee is encouraged that Federal agencies are sharing homeless data and working towards using HMIS as a platform for gathering information in other Federal programs. Having consistent national data will allow the Federal Government to better understand the needs of the homeless and better align Federal services to meet these needs. To support continued data collection and AHAR, the Committee has included $7,000,000 for data analysis and technical assistance.

The Committee requests that HUD submit the AHAR report by August 29, 2015. The Committee further hopes that HUD's efforts to increase participation in the HMIS effort will lead to improved information about and understanding of the Nation's homeless.

Renewal Costs.—The Committee directs HUD to continue to include 5-year projections of the costs of renewing existing projects as part of the fiscal year 2016 budget justification. This should include estimated costs of renewing permanent supportive housing.

HOUSING PROGRAMS

PROJECT-BASED RENTAL ASSISTANCE

Appropriations, 2014 [1]	$9,916,628,000
Budget estimate, 2015 [1]	9,746,000,000
Committee recommendation [1]	9,746,000,000

[1] Includes an advance appropriation.

PROJECT DESCRIPTION

Section 8 project-based rental assistance provides a rental subsidy to a private landlord that is tied to a specific housing unit, as opposed to a voucher, which allows a recipient to seek a unit, subject primarily to certain rent caps. Amounts in this account include funding for the renewal of and amendments to expiring section 8 project-based contracts, including section 8, moderate rehabilitation, and single room occupancy [SRO] housing. This account also provides funds for contract administrators.

COMMITTEE RECOMMENDATION

The section 8 project-based rental assistance [PBRA] program supports an estimated 17,400 contracts with private owners of multifamily housing. Through this program, HUD and private sector partners support the preservation of safe, stable and sanitary housing for more than 1.2 million low-income Americans. Without PBRA, many affordable housing projects would convert to market rates with large rent increases that current tenants would be unable to afford.

The Committee recommends a total appropriation of $9,746,000,000 for the annual renewal of project-based contracts, of which up to $210,000,000 is for the cost of contract administrators. The recommended level of funding is $170,628,000 less than the amount provided in fiscal year 2014 and is equal to the budget request.

The Committee reluctantly concurs with the administration's proposal to shift the payment of contracts to a calendar year basis. This funding cycle is consistent with the practices for the tenant-based rental assistance and public housing programs. However, it is a departure from the long-standing practice that all project-based contracts should receive a full 12 months of financing from the contract renewal date to maintain investor confidence and support for the program. The Committee recognizes that this strategy temporarily defers the need for large budgetary increases to fiscal year 2016. Unfortunately, due to the budget constraints for fiscal year 2015, the Committee accepts this approach as the best option for preserving HUD's housing assistance programs. While the Office of Multifamily Housing is implementing many cost-savings measures, the revenue that such steps are expected to generate in the next fiscal year will be minimal compared to PBRA's funding requirements. The Committee urges the Department to explore other opportunities to reduce program costs, while encouraging the

Department to manage the funding provided to ensure an uninterrupted flow of funds to support this critical housing resource.

Performance-Based Contract Administrators.—Performance-based contract administrators [PBCAs] are typically public housing authorities or State housing finance agencies. They are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; and reviewing, processing, and paying monthly vouchers submitted by owners. The Committee notes that PBCAs are integral to the Department's efforts to be more effective and efficient in the oversight and monitoring of this program. The Committee is also aware of ongoing litigation that will affect the future of these entities and will continue to monitor developments. The Committee believes that fair and open competition is the best way to ensure that the taxpayer receives the greatest benefit for the costs incurred. The Department is directed to ensure that the PBCA selection process be, to the greatest extent legally permissible, full, open, and fair.

Oversight of Property Owners.—The Committee places a priority on providing access to safe, sanitary, and affordable housing to those most in need. If owners fail to maintain their properties in accordance with HUD standards, they should be held accountable. While there is a tension between holding property owners responsible and ensuring tenants don't lose their housing, HUD has tools at its disposal to hold owners accountable without putting tenants at risk.

HUD has recently taken important steps to increase its oversight of multifamily properties. It launched the Sustaining Our Investments Initiative, which is designed to ensure consistent guidance to all project owners and to provide clarity on how non-compliance will be addressed. To date, HUD has completed a risk rating assessment for all PBRA properties and is assigning Project Managers to address performance problems at troubled assets. HUD also uses inspections by the Real Estate Assessment Center [REAC] to identify physical and financial issues. Properties with physical inspection scores below 30 are referred to the Departmental Enforcement Center [DEC] for further intervention. DEC may pursue civil penalties or other enforcement measures. Since fiscal year 2009, there has been a 15 percent decrease in the number of properties receiving REAC scores lower than 30. This indicates that HUD's oversight initiatives are reducing the number of troubled properties in this important affordable housing program.

To ensure continued attention to this issue, the Committee recommendation includes a general provision that requires HUD to take specific steps to ensure that physical deficiencies in properties are quickly addressed, and requires the Secretary to take explicit actions if the owner fails to maintain them. These actions include imposing civil money penalties, working to secure a different owner for the property, or transferring the section 8 contract to another the property. The Committee wants to preserve critical project-based section 8 contracts, and believes this goal can be achieved while holding property owners accountable for their actions.

The Committee expects HUD to continue to move quickly to identify problem properties and owners and find an appropriate remedy. The Committee directs HUD to provide semi-annual reports to the House and Senate Committees on Appropriations on the number of projects that receive multiple exigent health and safety violations or physical inspection scores below 30. HUD shall also identify the actions taken to address safety concerns, including the frequency with which civil money penalties are imposed, contracts are transferred to another property, or ownership is transferred. The Committee expects that with increased enforcement the number of troubled properties will continue to be reduced.

HOUSING FOR THE ELDERLY

Appropriations, 2014	$383,500,000
Budget estimate, 2015	440,000,000
Committee recommendation	420,000,000

PROGRAM DESCRIPTION

This account funds housing for the elderly under section 202 of the Housing Act of 1959. Under this program, the Department provides capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing for seniors, and provides project-based rental assistance contracts [PRAC] to support operational costs for such units. Tenants living in section 202 supportive housing units can access a variety of community-based services to keep living independently in the community and age in place.

COMMITTEE RECOMMENDATION

The section 202 program provides nearly 400,000 federally assisted, privately owned affordable housing units for the elderly. The Committee recommends an appropriation of $420,000,000 for the section 202 program. This level is $36,500,000 more than the level provided in fiscal year 2014 and $20,000,000 less than the budget request. The Committee recommendation includes $350,000,000 to fully fund all annual project-rental assistance contract renewals and amendments, and $70,000,000 for service coordinators and the continuation of existing congregate service grants. Due to very tight budget constraints, no funds are provided to supplement the fiscal year 2014 investment in an elderly project rental assistance demonstration. The combination of resources from fiscal year 2014 appropriations, residual receipts, collections, and other unobligated balances are sufficient to administer a long-term demonstration of how housing plus supportive services can delay the need for more costly assisted living or nursing home care.

HOUSING FOR PERSONS WITH DISABILITIES

Appropriations, 2014	$126,000,000
Budget estimate, 2015	160,000,000
Committee recommendation	135,000,000

PROGRAM DESCRIPTION

This account provides funding for housing for the persons with disabilities under section 811 of the Cranston-Gonzales National Affordable Housing Act of 1990. Traditionally, the section 811 program provided capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing for persons with disabilities, as well as rental assistance to support operational costs.

Since fiscal year 2012, HUD has transitioned to expanding capacity by providing project rental assistance to State housing financing agencies or other appropriate entities that act in partnership with State health and human service agencies to provide supportive services as authorized by the Frank Melville Supportive Housing Investment Act of 2010 (Public Law 111–374).

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $135,000,000 for the section 811 program. This level is $25,000,000 less than the budget request and is $9,000,000 more than the fiscal year 2014 enacted level. This level of funding supports all PRAC renewals and amendments. Should HUD identify any residual receipts, or recaptures of other unobligated balances in the account, the Secretary shall direct such resources to supplement the recent demonstration competition for project rental assistance to State housing finance agencies.

HOUSING COUNSELING ASSISTANCE

Appropriations, 2014	$45,000,000
Budget estimate, 2015	60,000,000
Committee recommendation	49,000,000

PROGRAM DESCRIPTION

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants to nonprofit intermediaries, State government entities, and other local and national agencies. Eligible counseling activities include pre- and post-purchase education, personal financial management, reverse mortgage product education, foreclosure prevention, mitigation, and rental counseling.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $49,000,000 for the Housing Counseling Assistance program, which is $11,000,000 less than the budget request and $4,000,000 more than the fiscal year 2014 enacted level. The funds provided will help individuals and families across the country make better-informed housing decisions. Specifically, it will support additional competitive counseling grants and training activities. In addition, the administrative contract support funding includes increased resources for financial audits and technical assistance, as well as support for the Homeowners Armed With Knowledge program.

The Committee has included language requiring HUD to obligate counseling grants within 180 days of enactment of this act. The Committee has extended the award deadline from 120 to 180 days to provide sufficient time for counseling agencies to respond to HUD's funding notice, while also ensuring grantees receive funding in a timely manner. The bill also includes language permitting HUD to publish multiyear NOFAs, contingent on annual appropriations, which should result in administrative savings for HUD and grantees. Other HUD programs, such as the Fair Housing Initiatives Program and Housing for the Elderly, have similar multiyear authority.

RENTAL HOUSING ASSISTANCE

Appropriations, 2014	$21,000,000
Budget estimate, 2015	28,000,000
Committee recommendation	28,000,000

PROGRAM DESCRIPTION

This account provides amendment funding for housing assisted under a variety of HUD housing programs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $28,000,000 for HUD-assisted, State-aided, noninsured rental housing projects, consistent with the budget request. This amount is $7,000,000 more than the fiscal year 2014 enacted level and equal to the budget request. The Committee notes that language is included in the bill that will allow the conversion of these projects to section 8, at no additional cost. The Committee hopes that the conversion of these projects, through the Rental Assistance Demonstration, will lead to the eventual elimination of these outdated programs.

PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

Appropriations, 2014	$7,530,000
Budget estimate, 2015	10,000,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes 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 $10,000,000 to support the manufactured housing standards programs, of which the full amount of $10,000,000 is expected to be derived from fees collected and deposited in the Manufactured Housing Fees Trust Fund account. No direct appropriation is provided. The total amount recommended is equal to the budget request and $2,470,000 more than the fiscal year 2014 enacted level.

The Committee continues language allowing the Department to collect fees from program participants for the dispute resolution and installment programs mandated by the Manufactured Housing Improvement Act of 2000. These fees are to be deposited into the Trust Fund and may be used to support the manufactured housing standards programs subject to the overall cap placed on the account. The Committee expects the Department to move forward with this authority.

The Committee notes that carryover in the program, along with HUD's proposed rule to raise label fees, will allow HUD to continue its current activities. However, the Committee recognizes that manufactured housing production has declined substantially since peak industry production in 1998, and continues to decline due to a variety of factors. Expenditures supporting the programs should reflect and correspond with this decline, which has specifically reduced the number of inspections and inspection hours required for new units.

It is the Committee's understanding that HUD is defining some recreational vehicles [RVs] as "manufactured homes." RVs play an important role in providing transportation and temporary living quarters for travel, recreation and camping. The RV industry supports more than 12,000 businesses with combined annual revenues of more than $37,500,000,000. The Committee is concerned that advances in RV technology may require HUD to update its definition of what constitutes a recreational vehicle. The Committee encourages HUD to review its definition of what constitutes a recreational vehicle and consider updating the definition through an open, transparent and inclusive process. Manufactured housing plays an important role in providing housing to low- and moderate-income families. The Committee believes that any RV definition update should be construed in such a way that it does not negatively impact the manufactured housing industry.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

	Limitation on direct loans	Limitation on guaranteed loans	Administrative contract expenses
Appropriations, 2014	$20,000,000	$400,000,000,000	$127,000,000
Budget estimate, 2015	20,000,000	400,000,000,000	170,000,000
Committee recommendation	20,000,000	400,000,000,000	145,000,000

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

	Limitation on direct loans	Limitation on guaranteed loans
Appropriations, 2014	$20,000,000	$30,000,000,000
Budget estimate, 2015	20,000,000	30,000,000,000
Committee recommendation	20,000,000	30,000,000,000

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of HUD mortgage/loan insurance programs. These include the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance [GI] fund, and the special risk insurance [SRI] fund. For presentation and accounting control purposes, these are divided into two sets of accounts based on shared characteristics. The unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund constitute one set; and the general risk insurance and special risk insurance funds make up the other.

COMMITTEE RECOMMENDATION

The Committee has included the following amounts for the Mutual Mortgage Insurance Program account: a limitation on guaranteed loans of $400,000,000,000, a limitation on direct loans of $20,000,000, and $145,000,000 for administrative contract expenses.

For the GI/SRI account, the Committee recommends $30,000,000,000 as a limitation on guaranteed loans and a limitation on direct loans of $20,000,000.

The bill also includes a rescission of $10,000,000 previously provided to support programs with positive credit subsidies; those programs are no longer issuing new commitments, so the funding is not needed.

Following the housing crisis, FHA's role in the housing market expanded considerably, as it played the countercyclical role for which it was designed. While FHA played a critical role in ensuring a functioning housing finance market during the crisis, its expanded role came with additional risk. As a result of its increased role in the market, as well as poor quality loans in its portfolio that were insured under laxer requirements, FHA suffered significant losses. This ultimately resulted in FHA seeking $1,700,000,000 from Treasury at the end of fiscal year 2013 to cover expected losses—the first time FHA needed to draw on taxpayer funding in its history.

Beginning in 2009, this administration implemented policies to tighten lending standards and increase premiums. These changes have improved the quality of its loans and increased the solvency of the MMI Fund. As a result of the increased fees and improvements in its loss mitigation strategies, the MMI Fund is not expected to require any additional funding from Treasury, and it is projected to reach the 2 percent capital requirement in 2016, a year earlier than projected in the 2012 actuarial review. While the Committee is pleased that the condition of the fund is improving, it expects HUD to remain focused on the fund's financial health.

Administrative Fee.—The Committee has provided the authority for HUD to charge a fee, as requested, to help offset FHA's administrative costs, for which the Committee has provided $145,000,000. The increased resources will allow HUD to enhance its oversight and further mitigate risk to the MMI Fund. Of the amount provided, the Committee has included $8,000,000, as requested, for improvements to risk modeling and analytics. In addition, funding is included to increase quality control reviews, consistent with recommendations from HUD's Office of Inspector General. Since the level recommended is lower than the request, the Committee directs HUD to submit a detailed plan for how it will allocate the funding provided within 30 days of enactment of this act.

The Committee supports the goal of improving FHA's quality control efforts and has included resources to do so; however, it also recognizes that FHA needs to provide clear and consistent guidance to lenders so that they can better assess risk associated with the mortgages they originate. In May, HUD issued a "Blueprint for Access", which includes several steps intended to provide industry with additional clarity, as well as target completion dates for each item. The Committee stresses the importance of meeting the stated deadlines and working with industry to ensure that its guidance and oversight are fair and transparent.

HAWK.—The President's budget included a new initiative called Homeowners Armed With Knowledge [HAWK]. The goal of the program is to increase access to credit for borrowers, especially first-time homeowners, who are currently locked out of the market due to tight lending standards. By providing incentives for homebuyers to obtain housing counseling, which has a track record of reducing the risk of default, FHA expects lenders will be more willing to make loans to these borrowers. In May, HUD announced further details of the proposal and asked for public comments on how the program and its incentives should be structured. The Committee is hopeful that HAWK can provide a way to responsibly expand homeownership opportunities. While the Committee supports the initiative, a separate appropriation is not included for it. Instead, HUD should use existing resources to implement the program.

HECM.—During the fiscal year 2014 budget process, problems with the design of the HECM program were cited as a significant source of losses to the MMI Fund. In response to concerns about the program's cost, Congress passed the Reverse Mortgage Stabilization Act of 2013. With the authority provided in the law, HUD has moved to improve the program by requiring borrowers taking high draws to use those funds to pay off debt obligations and requiring a financial assessment of all HECM mortgagors before the loan closes. The Committee expects that these changes will help ensure that the program remains available for seniors, while reducing the risks associated with it.

Eminent Domain.—The Committee is aware of several local governments exploring the idea of partnering with private investors and using eminent domain authority to take title to certain mortgages—not the underlying real property—and pay the mortgage holders "fair market value." The Government and investors would then write down the loan principal so that distressed homeowners could lower their monthly payments and begin to rebuild equity in their homes. With the principal reduced the borrower would likely then be able to refinance into an FHA loan, which could then be securitized by Government National Mortgage Association. Although this concept is still in its infancy and no jurisdiction has yet implemented such a proposal, the Committee will continue to monitor developments in this area, and expects FHA to keep the Committee informed of any policies it will propose if such a program is implemented.

REO Properties.—The Committee directs the Department to submit a report within 180 days of enactment of this act to the House and Senate Committees on Appropriations on the costs and timeframes involved when the Secretary takes title to real property following a foreclosure. This report should identify actions that the FHA is taking to reduce such costs or timeframes, and how the availability of title insurance coverage for satisfied liens which are not released in the public record would affect those costs and timeframes.

Multifamily Housing.—The Committee notes that in April 2013, HUD began the Multifamily Housing Transformation Initiative. In addition to modifying its field structure, the initiative focuses on process improvements by expanding its "Breaking Ground" and "Sustaining our Investments" initiatives to all offices. These programs are designed to streamline the application process and quantify portfolio risk, which should improve efficiency and allow HUD to better target its resources on risky assets. The Committee understands that implementing significant staffing and process changes may impact program delivery, as staff adjust to new roles and a new way of doing their work. HUD must minimize any disruptions in processing and oversight of loans by clearly communicating to both staff and industry the changes that will occur and adjustments that will be necessary as a result of them.

Government National Mortgage Association

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

	Limitation on guaranteed loans	Limitation on personnel, compensation and administrative expenses
Appropriations, 2014	$500,000,000,000	$19,500,000
Budget estimate, 2015	500,000,000,000	28,000,000
Committee recommendation	500,000,000,000	24,000,000

PROGRAM DESCRIPTION

The Government National Mortgage Association [Ginnie Mae], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of Government-guaranteed mortgages. Ginnie Mae is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. Ginnie Mae is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust, or pool, composed of mortgages that are guaranteed and insured by the FHA, the Rural Housing Service, or the Department of Veterans Affairs. Ginnie Mae's guarantee of mortgage-backed securities is backed by the full faith and credit of the United States. This account also funds all salaries and benefits funding to support Ginnie Mae.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on new commitments on mortgage-backed securities of $500,000,000,000. This level is the same as the budget request and the fiscal year 2014 enacted level. The bill allows Ginnie Mae to use $24,000,000 for salaries and expenses. This is $4,500,000 more than the fiscal year 2014 enacted level and $4,000,000 less than the President's request.

Since the near collapse of the private mortgage market, homeowners have relied on Federal programs, such as FHA, to purchase or refinance homes. Given that Ginnie Mae serves as a secondary market for FHA, its market share has also grown. For Ginnie Mae, a more important barometer of its workload than volume is the number of issuers participating in the program, which has increased by 30 percent since 2008. While all new issuers require scrutiny, even more staff time is required for non-depository entities, such as private equity and hedge fund participants, which are increasing in number. To respond to the greater workload and risk associated with the growing number of issuers, the Committee has increased funding for Ginnie Mae salaries and expenses. The recommended level of funding will support additional FTE in the Office of Issuer and Portfolio Management and the Office of Enterprise Data and Technology. These resources will increase Ginnie Mae's capacity to effectively oversee its issuers, including the more complex non-depository ones.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

Appropriations, 2014	$46,000,000
Budget estimate, 2015	50,000,000
Committee recommendation	46,000,000

PROGRAM DESCRIPTION

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 an appropriation of $46,000,000 for research, technology, and community development activities in fiscal year 2015. This level is equal to the fiscal year 2014 enacted level and $4,000,000 less than the budget request.

The Committee recommendation will continue to support market surveys, such as the American Housing Survey, that are integral to HUD's ability to understand its own programs and also help enhance public and private entities' knowledge of housing conditions in the U.S.

The Committee also continues language that allows HUD to enter into cooperative agreements, which allows the Office of Policy Development and Research to partner with other Federal agencies, researchers, or foundations on research that will inform HUD's understanding of its programs and the people who rely on them. This structure reduces duplicative research by leveraging existing projects to meet the needs of different stakeholders. The Committee encourages HUD to continue to maximize this authority.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

Appropriations, 2014[1]	$66,000,000
Budget estimate, 2015	71,000,000
Committee recommendation	66,000,000

[1] Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The fair housing activities appropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987, as amended, and by section 905 of the Housing and Community Development Act of 1992. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $66,000,000 for the Office of Fair Housing and Equal Opportunity [OFHEO]. This amount is $5,000,000 less than the budget request and equal to the 2014 enacted level. Of the amounts provided, $23,300,000 is for FHAP; $1,800,000 is for the National Fair Housing Training Academy; and $40,600,000 is for FHIP. The bill also includes $300,000 for the creation, promotion, and dissemination of translated materials that support the assistance of persons with limited English proficiency.

The Committee supports the efforts of HUD and its local partners to prevent and combat housing discrimination. It is clear from HUD's fiscal year 2010 Annual Report on Fair Housing that Americans continue to experience housing discrimination, most often based on disability and race. The funding provided through the FHAP and FHIP programs helps HUD and local agencies investigate and work to resolve potential fair housing violations.

Of the recommended amount, at least $29,775,000 is provided to maintain the current level of private enforcement initiative grants. The level of funding provided for FHAP is consistent with the President's budget and reflects a reduction in compliant processing due to fewer FHAP grantees, as well as the elimination of funding for the Biennial Policy Conference.

Section 3 Compliance.—The Committee supports HUD's effort to ensure that recipients of HUD funding are fulfilling their obligations under section 3 of the 1968 Housing Act to provide training, contract, and employment opportunities to low- and moderate-income people living in the area. The Committee is aware that some HUD grantees are finding it difficult to quickly resolve compliance issues, despite the fact that the core requirements of section 3 are being met. The Committee is also concerned that OFHEO does not have clearly stated guidance on all issues of noncompliance with section 3, and as a result, how to resolve such findings. In resolving issues of noncompliance with grantees, specifically grantees that meet numeric goals requirements, the Committee expects the Department to consider resolutions that will achieve the national objective, and are consistent with section 3 objectives.

Housing for Individuals with Disabilities.—The Committee is concerned about the lack of accessible housing options available for individuals with physical disabilities. This issue affects both low income individuals with disabilities who want to live in the community with their peers rather than in congregate housing, and middle class individuals with disabilities who wish to either rent or purchase a home. The Committee directs HUD to work with the United States Access Board and interested disability advocates to consider financial, regulatory, and legislative options to help ensure that individuals with disabilities have a fair opportunity to rent or own accessible housing in their communities. HUD, in consultation with the Access Board, shall report to the House and Senate Committee on Appropriations on recommended options or areas for further study within 180 days of enactment of this act.

OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

Appropriations, 2014	$110,000,000
Budget estimate, 2015	120,000,000
Committee recommendation	110,000,000

PROGRAM DESCRIPTION

Title X of the Housing and Community Development Act of 1992 established the Residential Lead-Based Paint Hazard Reduction Act, under which HUD is authorized to make grants to States, localities, and Native American tribes to conduct lead-based paint hazard reduction and abatement activities in private, low-income housing. Lead poisoning is a significant environmental health hazard, particularly for young children and pregnant women, and can result in neurological damage, learning disabilities, and impaired growth. The Healthy Homes Program, authorized under sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 and 1701z–2), provides grants to remediate housing hazards that have been scientifically shown to negatively impact occupant health and safety.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $110,000,000 for lead-based paint hazard reduction and abatement activities for fiscal year 2015, of which $15,000,000 is for the Healthy Homes Initiative. Of this amount, the Committee recommends an appropriation of $45,000,000 for the Lead Hazard Reduction Program, which was established in fiscal year 2003 to focus on major urban areas where children are disproportionately at risk for lead poisoning.

This amount is $10,000,000 less than the President's budget request and equal to the amount available in fiscal year 2014.

INFORMATION TECHNOLOGY FUND

Appropriations, 2014	$250,000,000
Budget estimate, 2015	272,000,000
Committee recommendation	250,000,000

PROGRAM DESCRIPTION

The Information Technology Fund finances the information technology [IT] systems that support departmental programs and operations, including FHA Mortgage Insurance, housing assistance and grant programs, as well as core financial and general operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $250,000,000 for the Information Technology Fund for fiscal year 2015, which is $22,000,000 less than the budget request and equal to the fiscal year 2014 enacted level.

The Committee has been very supportive of HUD's efforts to modernize its IT systems, which are critical to effectively overseeing its programs. For years, HUD has been hampered by outdated IT systems that aren't integrated, which limit its ability to manage and oversee grantees. In addition, HUD's efforts to work around system limitations to collect information for oversight purposes often results in increased work for grantees who have to input information into multiple systems. The Committee recognizes HUD's effort to better integrate systems, but there is still more work to be done, and IT system integration should remain a top priority for the Department.

The Committee recognizes that development of more sophisticated systems may come with higher costs associated with the additional capabilities HUD is getting. At the same time, HUD must also achieve savings by eliminating legacy systems and old servers. The Committee directs HUD to be more diligent in identifying and achieving savings by retiring old systems and shutting off redundant and inefficient servers. To that end, the Committee directs HUD to submit a plan within 120 days of enactment of this act that identifies savings it will achieve by retiring legacy systems and shutting off old servers. This should include target dates for taking such actions and expected savings from doing so. In addition, the Committee urges HUD to continue to look for savings when it renews contracts to reduce the ongoing costs of operating and maintaining its IT systems.

The Committee is also concerned about the development of IT systems outside of the Information Technology Fund. The Committee understands that limited resources may prompt HUD offices to develop solutions with their own resources. The Committee expects that, at a minimum, OCIO will monitor and oversee the development of any such solutions. Of particular concern is the Real Estate Assessment Center, which continuously develops new "tools" with limited, if any, coordination with the OCIO. If systems continue to be developed outside of the normal process, integration with larger systems will likely be more difficult and costly in the future. The Committee directs the OCIO to monitor the development of new system solutions by every office in HUD to make sure they conform to HUD's enterprise architecture, and will be compatible with systems under development.

GAO Oversight.—Since 2010, the Committee has required HUD to submit an expenditure plan outlining its IT modernization projects before it could spend a portion of its IT funding. The plans were reviewed by GAO to determine if they satisfied the statutory requirements. Based on reports and briefings from GAO over the past few years, the Committee recognizes the progress HUD has made in its IT modernization planning efforts, and the focus must now be on its implementation of the plans and execution of the projects. Therefore, the Committee has modified the contents of the plan HUD is required to submit to the Committee and GAO to provide: (1) details regarding HUD's portfolio of IT investments; and (2) the status of the Department's efforts in applying IT management controls. This plan may also include additional information regarding the extent to which IT management controls have been applied to the projects associated with each IT investment in the Department's portfolio. The Committee emphasizes the importance of pursuing a strategic approach as HUD continues to improve its IT management. To this end, in order to monitor the Department's progress, the Committee instructed GAO in 2012 to conduct several reviews. In 2013, GAO completed a review of the Department's IT project management practices. The Committee reaffirms its direction to GAO to also evaluate HUD's institutionalization of governance and cost estimating practices. In particular, the Committee remains interested in any cost savings or operational efficiencies that have resulted (or may result) from the Department's improvement efforts.

CORE Financial Systems.—The Committee notes that following challenges with HUD's Integrated Financial Management Improvement Project [HIFMIP], HUD has undertaken an initiative to enter into a shared services contract with the Bureau of Public Debt's Administrative Resource Center for its financial systems. The Committee is closely following this project because it is focused on ensuring that HUD has a sound financial system. The Committee expects HUD to provide the House and Senate Committees on Appropriations with quarterly updates on this project. The Committee also urges HUD to continue to consult with the OIG as this project moves forward.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2014	$125,000,000
Budget estimate, 2015	129,000,000
Committee recommendation	129,000,000

PROGRAM DESCRIPTION

This appropriation will finance all salaries and related expenses associated with the operation of the Office of the Inspector General [OIG].

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of $129,000,000 for the Office of Inspector General [OIG]. The amount of funding is $4,000,000 more than the fiscal year 2014 enacted level and equal to the President's request.

The Committee notes that the congressional justification lacked sufficient details around proposed increases, and expects the fiscal year 2016 congressional justification to clearly justify any proposed increases or decreases.

The Committee directs HUD's Office of Inspector General to report to the House and Senate Committees on Appropriations on ways in which HUD could improve its oversight of public housing authorities. This report should include: a summary of areas of risk the OIG has encountered in previous reviews of PHAs; if reforms the Department is implementing will address those areas of risk; if the Department is appropriately targeting its technical assistance funding; and the effectiveness of its finance and governance training.

The Committee supports the OIG's efforts to improve its information technology capacity, but the congressional justification does not provide sufficient detail on how these resources will be used and what additional capacity they will provide to the OIG. Therefore, the Committee directs the OIG to submit to the House and Senate Committees on Appropriations, within 30 days of enactment of this act, a spending plan detailing its intended information technology acquisitions in fiscal year 2015. The Committee further directs the OIG to submit a report to the House and Senate Committees on Appropriations within 90 days of enactment of this act identifying the OIG's current information technology structure, systems and baseline costs, as well as its information technology strategy for fiscal year 2015 and future fiscal years. The report should identify planned acquisition of software and systems, associated costs, and the additional capacity the systems will provide.

TRANSFORMATION INITIATIVE

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2014	$40,000,000
Budget estimate, 2015[1]	80,000,000
Committee recommendation[1]	40,000,000

[1] This amount is by transfer.

PROGRAM DESCRIPTION

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; and (3) technical assistance and capacity building. Funding to support these activities is provided by transfer from other HUD programs.

COMMITTEE RECOMMENDATION

The Committee includes up to $40,000,000 for the Transformation Initiative [TI], which will be funded through transfers of up to 0.5 percent from HUD programs, as requested. The budget proposed $80,000,000 for this activity. In fiscal year 2014, $40,000,000 was provided as a direct appropriation.

In fiscal year 2010, the administration launched TI to improve the operations and capacity of HUD. TI funds research and demonstrations to better equip HUD to address the Nation's housing needs. In addition to improving HUD's own operations, TI also includes funding to improve the capacity and performance of its grantees through technical assistance [TA]. The Committee believes that the funding provided will help HUD develop evidence-based policies and improve program outcomes.

Within the amount requested, at least $25,000,000 is for technical assistance [TA] across HUD programs. Of the amount for TA, at least $3,000,000 is to support training for public housing agencies on finance and governance. At least $500,000 is also included for culturally appropriate technical assistance to support implementation of the housing plus services model on reservations in Indian areas as part of the HUD–VASH pilot.

TI also includes funding for research and demonstrations to help improve program understanding and service delivery. Of the amount provided, the recommendation supports $2,000,000 to continue the pre-purchase counseling demonstration; $650,000 to continue the rent reform demonstration; and $1,000,000 to continue the Small Area Market Rent Demonstration. In addition, the Committee supports adding funding for the following new projects: HUD–HHS data matching, accelerated post-disaster community recovery; an evaluation of the HUD–VASH pilot on Native American reservations; building technology research; and outreach and technical assistance around new Violence Against Women Act requirements. HUD can determine how to allocate the remaining funding between TA and the other research and demonstration projects it requested, and should include this information in its operating plan.

The recommendation does not include funding for the Natural Experiments Grant Program or Demonstration and Related Small Grants.

Fulfilling New VAWA Requirements.—In March 2013, the Violence Against Women Act of 2013 [VAWA] was enacted. Among the important housing related provisions included in the law are the expansion of core VAWA protections to additional Federal housing programs and the requirement that Federal housing assistance providers develop emergency transfer plans for survivors of domestic violence. These plans will help prepare housing providers to effectively assist tenants that are facing safety threats and need to move quickly. The Committee understands that HUD expects to issue a proposed rule on how to meet this requirement this summer.

As a result of the circumstances facing those impacted by domestic violence, it is important that housing providers have an understanding of their particular needs so they can develop appropriate policies and responses to their situations. Coordination between service providers for survivors of domestic violence and housing systems is essential to developing sound policies and effectively meeting the housing needs of those men and women trying to escape abusive environments and for domestic violence survivors.

To help support HUD's work to ensure that housing providers are fulfilling their responsibilities under VAWA, and to improve coordination between domestic violence support and housing systems, the Committee is providing $1,000,000 for activities related to VAWA implementation. Funding is provided to help identify and evaluate effective emergency transfer plans, in order to develop and disseminate best practices to providers. Funding is also available to facilitate coordination between housing and domestic violence service providers and systems. In addition, resources are available to educate housing providers on how to assist those impacted by domestic violence. The Committee directs HUD to work with the Department of Justice's Office of Violence Against Women, as well as the Department of Health and Human Service's Administration for Children and Families to improve Federal coordination. HUD should also coordinate with these Federal partners on the formulation of best practices and education of housing providers.

Accelerated Post-Disaster Community Recovery.—The Community Development Block Grant is an important resource for communities trying to rebuild after disasters. While the Committee recognizes the benefit of CDBG in disaster recovery, it is also aware that many communities experience delays in deploying the funding they receive because they must develop new programs, or significantly increase the scale of existing ones, to meet disaster related needs. In addition to designing programs, communities must also put systems in place to ensure funding is appropriately used and does not duplicate other Federal programs.

Since Hurricane Katrina, HUD has learned a great deal about how to successfully address needs arising from disasters, including programs that communities commonly use to facilitate long-term recovery, as well as how to effectively partner with other Federal agencies. HUD can use its experience to not only help communities think about programs that are well-suited to their recovery needs, but also how to set up these programs more quickly.

The Committee is including $2,000,000 for HUD to do a demonstration on accelerated post-disaster community recovery. Under the demonstration, HUD will do research into best practices based on the experience of previous CDBG disaster grant recipients. Based on this research, it will develop model programs and forms for communities to use in establishing their own programs. The demonstration should also include the development of IT infrastructure that would allow for data sharing across HUD programs and with other agencies. To maximize the effectiveness of the demonstration, the Committee directs HUD to work with those Federal agencies that are often involved in disaster recovery, such as the Federal Emergency Management Agency and Small Business Administration. The Committee expects that with a menu of programs ready to implement, communities will be better equipped for disaster recovery and able to provide relief to those impacted by disasters more quickly.

GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Committee recommends administrative provisions. A brief description follows.

SEC. 201. This section promotes the refinancing of certain housing bonds.

SEC. 202. This section clarifies a limitation on the use of funds under the Fair Housing Act.

SEC. 203. This section extends sections 203 and 209 of the Fiscal Year 2012 Appropriations Act that clarifies the allocation of HOPWA funding for fiscal year 2006 and beyond.

SEC. 204. This section requires HUD to award funds on a competitive basis unless otherwise provided.

SEC. 205. This section allows funds to be used to reimburse GSEs and other Federal entities for various administrative expenses.

SEC. 206. This section limits HUD spending to amounts set out in the budget justification.

SEC. 207. This section clarifies expenditure authority for entities subject to the Government Corporation Control Act.

SEC. 208. This section requires quarterly reports on all uncommitted, unobligated and excess funds associated with HUD programs.

SEC. 209. This section requires HUD to submit the congressional justification in the same account and subaccount structure.

SEC. 210. This section exempts Los Angeles County, Alaska, Iowa, and Mississippi from the requirement of having a PHA resident on the board of directors for fiscal year 2015. Instead, the public housing agencies in these States are required to establish advisory boards that include public housing tenants and section 8 recipients.

SEC. 211. This section exempts GNMA from certain requirements of the Federal Credit Reform Act of 1990.

SEC. 212. This section allows HUD to authorize the transfer of existing project-based subsidies and liabilities from obsolete housing to housing that better meets the needs of the assisted tenants.

SEC. 213. This section reforms certain section 8 rent calculations as related to athletic scholarships.

SEC. 214. This section provides allocation requirements for Native Alaskans under the Native American Indian Housing Block Grant program.

SEC. 215. This section eliminates a cap on Home Equity Conversion Mortgages for fiscal year 2015.

SEC. 216. This section requires HUD to maintain section 8 assistance on HUD-held or owned multifamily housing.

SEC. 217. This section clarifies the use of the 108 loan guaranteed program for nonentitlement communities.

SEC. 218. This section allows public housing authorities with less than 400 units to be exempt from management requirements in the operating fund rule.

SEC. 219. This section 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 QWHRA.

SEC. 220. This section requires allotment holders to meet certain criteria of the CFO.

SEC. 221. This section requires the Secretary to report annually on the status of all project-based section 8 housing.

SEC. 222. The section modifies the NOFA process to include the Internet.

SEC. 223. This section limits attorney fees.

SEC. 224. This section establishes reprogramming and reallocation requirements within HUD's salaries and expenses accounts.

SEC. 225. This section allows the Disaster Housing Assistance Programs to be considered HUD programs for the purpose of income verification and matching.

SEC. 226. This section requires HUD to take certain actions against owners receiving rental subsidies that do not maintain safe properties.

SEC. 227. This section places limits on PHA compensation.

SEC. 228. This section extends the HOPE VI program until September 30, 2015.

SEC. 229. This section allows the Secretary to transfer funding from salaries and expenses accounts to the "Information Technology Fund" to support technology improvements.

SEC. 230. This section prohibits funds from being used for the doctoral dissertation research grant program.

SEC. 231. This section modifies the Rental Assistance Demonstration included in the fiscal year 2012 bill.

SEC. 232. This section requires the Secretary to provide the Committee with advance notification before discretionary awards are made.

SEC. 233. This section extends section 579 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 through October 1, 2018.

SEC. 234. This section allows PHAs to establish replacement reserves to address capital needs.

SEC. 235. This section increases the flexibility of public housing authorities to transfer funds between their capital and operating funds.

SEC. 236. This section makes changes to the HOME Investment Partnerships program.

SEC. 237. This section allows the Secretary to conduct a demonstration to test a performance-based model program that facilitates financing of energy and water conservation improvements in assisted multifamily housing to reduce utility costs.

SEC. 238. This section makes modifications to SHOP to reflect current uses of the funding and limit the amount that can be used for administrative expenses.

SEC. 239. This section requires lenders that provide loans under the Native American Loan program to consider loan modifications and meet standards for servicing loans in default before the payment of a claim by HUD.

SEC. 240. This section permits HUD to charge a fee on FHA mortgages to be used to cover administrative costs.

SEC. 241. This section permits HUD to publish Fair Market Rents online.

SEC. 242. This section rescinds balances from various HUD programs that are no longer funded.

SEC. 243. This section clarifies that the HAWK program shall be funded within amounts appropriated.

SEC. 244. This section allows for multi-year housing counseling grants, subject to appropriations.

SEC. 245. This section amends section 526 of the National Housing Act to permits exceptions for alternative water systems that meet requirements of State and local building codes that ensure health and safety standards.

SEC. 246. This section allows the Secretary to make assistance available from the CDBG Sanctions Fund to States for use by a non-entitlement area that had a major disaster declared in 2014.

TITLE III

INDEPENDENT AGENCIES

Access Board

SALARIES AND EXPENSES

Appropriations, 2014	$7,448,000
Budget estimate, 2015	7,548,000
Committee recommendation	7,548,000

PROGRAM DESCRIPTION

The Access Board (formerly known as the Architectural and Transportation Barriers Compliance Board) was established by section 502 of the Rehabilitation Act of 1973. The Access Board is responsible for developing guidelines under the Americans with Disabilities Act, the Architectural Barriers Act, and the Telecommunications Act. These guidelines ensure that buildings and facilities, transportation vehicles, and telecommunications equipment covered by these laws are readily accessible to and usable by people with disabilities. The Board is also responsible for developing standards under section 508 of the Rehabilitation Act for accessible electronic and information technology used by Federal agencies, and for medical diagnostic equipment under section 510 of the Rehabilitation Act. The Access Board also enforces the Architectural Barriers Act, ensuring accessibility to a wide range of Federal agencies, including national parks, post offices, social security offices, and prisons. In addition, the Board provides training and technical assistance on the guidelines and standards it develops to Government agencies, public and private organizations, individuals and businesses on the removal of accessibility barriers.

In 2002, the Access Board was given additional responsibilities under the Help America Vote Act. The Board serves on the Board of Advisors and the Technical Guidelines Development Committee, which helps the Election Assistance Commission develop voluntary guidelines and guidance for voting systems, including accessibility for people with disabilities.

COMMITTEE RECOMMENDATION

The Committee recommends $7,548,000 for the operations of the Access Board. This level of funding is $100,000 more than the 2014 enacted level and equal to the President's fiscal year 2015 request.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

Appropriations, 2014	$24,669,000
Budget estimate, 2015	25,660,000
Committee recommendation	25,660,000

PROGRAM DESCRIPTION

The Federal Maritime Commission [FMC] is an independent regulatory agency which administers the Shipping Act of 1984 (Public Law 98–237), as amended by the Ocean Shipping Reform Act of 1998 (Public Law 105–258); section 19 of the Merchant Marine Act of 1920 (41 Stat. 998); the Foreign Shipping Practices Act of 1988 (Public Law 100–418); and Public Law 89–777.

FMC's mission is to foster a fair, efficient, and reliable international ocean transportation system and to protect the public from unfair and deceptive practices. To accomplish this mission, FMC regulates the international waterborne commerce of the United States. In addition, FMC has responsibility for licensing and bonding ocean transportation intermediaries and assuring that vessel owners or operators establish financial responsibility to pay judgments for death or injury to passengers, or nonperformance of a cruise, on voyages from U.S. ports.

COMMITTEE RECOMMENDATION

The Committee recommends $25,660,000 for the salaries and expenses of the FMC for fiscal year 2015. This amount is equal to the President's fiscal year 2015 budget request and $991,000 more than the fiscal year 2014 enacted level. The request for additional funding and collection of user fees up to $300,000 for necessary and authorized agency expenses to support an additional four full-time equivalent employees and to invest in mission-critical technologies is approved. Any user fees collected should be directed towards updating outdated information technology infrastructure, specifically hardware and software needs.

The Committee commends FMC's efforts to promote access to foreign markets for American exports and efficient supply chains for the importation of goods for domestic production and consumption, pursuits that support economic growth and job creation. The Committee also supports FMC's continued efforts to protect consumers from potentially unlawful, unfair, or deceptive ocean transportation practices related to the movement of household goods or personal property in international oceanborne trade.

NATIONAL RAILROAD PASSENGER CORPORATION

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2014	$23,449,000
Budget estimate, 2015	24,449,000
Committee recommendation	23,449,000

PROGRAM DESCRIPTION

The Office of Inspector General for Amtrak was created by the Inspector General Act Amendment of 1988. The act recognized Amtrak as a "designated Federal entity" and required the railroad to establish an independent and objective unit to conduct and supervise audits and investigations relating to the programs and operations of Amtrak; recommend policies designed to promote economy, efficiency, and effectiveness in Amtrak, and prevent and detect fraud and abuse; and to provide a means for keeping the Amtrak leadership and the Congress fully informed about problems in Amtrak operations and the corporation's progress in making corrective action.

COMMITTEE RECOMMENDATION

The Committee recommends $23,449,000 for the Amtrak Office of Inspector General [OIG]. This funding level is $1,000,000 less than the budget request and equal to the fiscal year 2014 enacted level. The Committee retains language that requires the Amtrak OIG to submit a budget request in similar format and substance to those submitted by other executive agencies in the Federal Government.

The Committee commends the progress the OIG has made to implement an appropriate separation of duties, financial systems and hiring practices since fiscal year 2010. At that time, the Committee raised concerns with the lack of a fully independent and effective Amtrak OIG. The Committee changed the way the agency was funded to a direct appropriation. The Committee also required the Council of Inspectors General on Integrity and Efficiency [CIGIE] to review the OIG's policies and practices that were developed to achieve operational independence from Amtrak. The 2011 CIGIE study made 41 recommendations to improve management, communications, investigative practices and operations. A subsequent fiscal year 2013 CIGIE peer review determined that the system of audit quality controls conformed to applicable professional standards and made no further recommendations. CIGIE also concluded that the OIG's system of internal safeguards and management procedures for investigations met CIGIE quality standards and Attorneys General Guidelines. Therefore, the OIG is no longer required to report semi-annually on its progress in addressing CIGIE recommendations since they have all been fully satisfied and implemented.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

Appropriations, 2014	$103,027,000
Budget estimate, 2015	103,000,000
Committee recommendation	103,981,000

PROGRAM DESCRIPTION

Initially established along with the Department of Transportation, the National Transportation Safety Board [NTSB] commenced operations on April 1, 1967, as an independent Federal agency. The Board is charged by Congress with investigating every civil aviation accident in the United States as well as significant accidents in the other modes of transportation—railroad, highway, marine, and pipeline—and issuing safety recommendations aimed at preventing future accidents. Although it has always operated independently, NTSB relied on 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 starting in 1975.

In addition to its investigatory duties, NTSB is responsible for maintaining the Government's database of civil aviation accidents and also conducts special studies of transportation safety issues of national significance. Furthermore, in accordance with the provisions of international treaties, 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. NTSB also serves as the "court of appeals" for any airman, mechanic, or mariner whenever certificate action is taken by the Federal Aviation Administration or the U.S. Coast Guard Commandant, or when civil penalties are assessed by FAA.

COMMITTEE RECOMMENDATION

The Committee recommends $103,981,000 for the National Transportation Safety Board, which is $981,000 more than the budget request and $954,000 more than the fiscal year 2014 enacted level. The Committee has also continued to include language that allows NTSB to make payments on its lease for the NTSB training facility with funding provided in the bill.

These additional resources are necessary to protect the NTSB's workforce. Under the administration's budget request, the NTSB would lose a total of five FTE—one from its railroad, pipeline and hazardous materials investigations office; one from its research and engineering office, and three from its aviation safety office. NTSB, however, must maintain a highly skilled workforce to investigate accidents, determine their probable causes, and extract important lessons so that future accidents may be prevented. No other agency or organization in the United States does the work of the NTSB, acting as an honest broker and offering unbiased analysis and safety recommendations.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 2014	$204,100,000
Budget estimate, 2015	182,000,000
Committee recommendation	186,600,000

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95–557, October 31, 1978). Neighborhood Reinvestment Corporation now operates under the trade name, "NeighborWorks America." NeighborWorks America helps local communities establish efficient and effective partnerships between residents and representatives of the public and private sectors. These partnership-based organizations are independent, tax-exempt, nonprofit entities and are frequently known as Neighborhood Housing Services or mutual housing associations.

Collectively, these organizations are known as the NeighborWorks network. Nationally, 235 NeighborWorks organizations serve nearly 3,000 urban, suburban, and rural communities in 49 States, the District of Columbia, and Puerto Rico.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $186,600,000 for NeighborWorks for fiscal year 2015. This amount is $4,600,000 more than the budget request and $17,500,000 less than the fiscal year 2014 enacted level. The Committee has included $136,600,000 to support NeighborWorks core programs, and continues to support the set-aside of $5,000,000 for the multifamily rental housing initiative, which has been successful in developing innovative approaches to producing mixed-income affordable housing throughout the Nation. The Committee directs NeighborWorks to provide a status report on this initiative in its fiscal year 2016 budget justification.

Housing Counseling Assistance.—The Committee has included $50,000,000, as requested, to continue the National Foreclosure Mitigation Counseling Program [NFMC] initiated by Congress in fiscal year 2008. NFMC is not a permanent program, and the reduced funding level reflects improvements in the housing market. According to Black Knight Mortgage Monitor's report on the mortgage market from March 2014, delinquencies are at the lowest level since 2007 and foreclosures are at the lowest level since 2008. While the overall market is improving, certain markets are still experiencing high rates of foreclosure and delinquency, justifying continued funding of this program. Since NFMC funds are allocated based on loan performance data, the fiscal year 2015 awards should be targeted to areas that continue to face high levels of foreclosure.

Mortgage Rescue Scams.—Since 2009, NeighborWorks has been working to raise awareness of mortgage rescue scams and help vulnerable homeowners access legitimate forms of assistance. This campaign targets at-risk communities and populations through public service announcements, public media, and the Internet. NeighborWorks is working with other partners, such as the Department of Justice and Federal Trade Commission to stop rescue scams. The Committee expects NeighborWorks to continue working with its partners to address this important issue.

Rural Areas.—The Committee continues to support Neighborworks' efforts to build capacity in rural areas. The Committee urges the Corporation to continue these efforts.

UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

OPERATING EXPENSES

Appropriations, 2014	$3,500,000
Budget estimate, 2015	3,530,000
Committee recommendation	3,530,000

PROGRAM DESCRIPTION

The United States Interagency Council on Homelessness is an independent agency created by the McKinney-Vento Homeless Assistance Act of 1987 to coordinate and direct the multiple efforts of Federal agencies and other designated groups. The Council was authorized to review Federal programs that assist homeless persons and to take necessary actions to reduce duplication. The Council can recommend improvements in programs and activities conducted by Federal, State, and local government, as well as local volunteer organizations. The Council consists of the heads of 19 Federal agencies, including the Departments of Housing and Urban Development, Health and Human Services, Veterans Affairs, Agriculture, Commerce, Defense, Education, Labor, and Transportation; and other entities as deemed appropriate.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,530,000 for the United States Interagency Council on Homelessness [USICH]. This amount is equal to the budget request and $30,000 more than the fiscal year 2014 enacted level.

USICH supports Federal collaboration and implementation of the Federal strategic plan to prevent and end homelessness. The Council's work on such issues as establishing common definitions of homelessness across programs and consolidating Federal data is helping to breakdown silos and increase Federal collaboration. Its work was recognized by GAO in its February 2012 report on ways to reduce duplication, overlap, and fragmentation in the Federal Government. The Committee recommendation extends USICH's authorization so it can continue its important work.

The Committee is aware that individuals who are homeless or in unstable housing situations are often living with multiple chronic conditions. The link between homelessness and long-term physical and behavioral health conditions is well documented. The Committee has recognized the cost-savings that can be achieved by using evidence-based practices, and has been supportive of such efforts, including through the HUD–VASH program and other permanent supportive housing through HUD's homeless assistance grants program. However, the Committee believes that more can be done to emphasize evidence-based practices in serving other populations. The Committee directs the USICH to continue to work to improve coordination between HUD, HHS and other Federal agencies, and to help communities use the Homeless Management Information System and other data to target affordable housing and homeless resources to high-need, high-cost families and individuals. The Committee further encourages HUD to work with HHS and other Federal agencies to identify homeless individuals who have high utilization rates for emergency and other public services, and share strategies for combining affordable housing with health and social support services to improve both housing and health outcomes for these individuals.

Homeless Youth.—One of the goals of the Federal Strategic Plan is to prevent and end homelessness among youth by 2020. The plan identifies four core targeted outcomes for youth experiencing homelessness—stable housing, permanent connections, education and employment, and social/emotional well-being. These outcomes appropriately identify the multiple needs of youth experiencing homelessness and underscore the importance of comprehensive solutions. To be successful, it will be critical to coordinate Federal services and programs and ensure that they are focused on these outcomes.

The Committee notes that USICH has a working group on ending youth homelessness and has made improving data on youth homelessness and building capacity for service delivery priorities. The Committee supports these efforts and urges USICH to continue to facilitate data coordination and ensure the homeless services are youth appropriate.

The Committee also directs USICH to undertake a review of Federal programs that can help prevent and end youth homelessness. This review should identify barriers to effective coordination, as well as ways to ensure that Federal programs serving homeless youth are designed to achieve the outcomes identified in the Federal strategic plan. The Committee requests that USICH deliver this report to the House and Senate Committees on Appropriations within 120 days of enactment of this act.

TITLE IV

GENERAL PROVISIONS—THIS ACT

Section 401 prohibits pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this act.

Section 402 prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided herein.

Section 403 limits expenditures for consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Section 404 prohibits the use of funds for employee training unless such training bears directly upon the performance of official duties.

Section 405 authorizes the reprogramming of funds and specifies the reprogramming procedures for agencies funded by this act.

Section 406 ensures that 50 percent of unobligated balances may remain available for certain purposes.

Section 407 prohibits the use of funds for eminent domain unless such taking is employed for public use.

Section 408 requires departments and agencies under this act to report information regarding all sole-source contracts.

Section 409 prohibits funds in this act to be transferred without express authority.

Section 410 protects employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 411 prohibits the use of funds for activities not in compliance with the Buy American Act.

Section 412 prohibits funding for any person or entity convicted of violating the Buy American Act.

Section 413 prohibits funds for first-class airline accommodation in contravention of section 301–10.122 and 301–10.123 of title 41 CFR.

Section 414 prohibits providing funds in this act or any prior act to the group ACORN or any of its affiliates, subsidiaries, or allied organizations.

Section 415 restricts funds in this act from being used to enter into contracts with corporations that have recently been convicted of a felony criminal violation.

Section 416 restricts funds in this act from being used to enter into contracts with corporations that have outstanding unpaid Federal tax liabilities for which all judicial or administrative remedies have been exhausted.

Section 417 is a sense of Congress that Congress should not authorize spending cuts that would increase domestic poverty.

Section 418 requires all agencies and departments funded in this act to report their vehicle fleet inventory and associated costs to Congress at the end of fiscal year 2015.

Section 419 prohibits the use of any funds provided in this act for the painting of portraits of officers or employees of the Federal Government, including heads of Executive branch agencies, the military, independent agencies, and wholly owned Government corporations.

Section 420 requires agencies funded in this act to report to their inspector general on the costs and other details of conferences held during fiscal year 2015.

Section 421 restricts the number of employees agencies funded in this act may send to international conferences.

Section 422 requires reports submitted by agencies funded in this act to be posted on the public agency Web site 30 days after its receipt by the Committee.

Section 423 requires a detailed, annual report on any advertising expenditure made by any agency funded in this act.

Section 424 prohibits using funds provided in this act to award bonuses to contractors on certain projects.

Section 425 prohibits funds provided in this act from being used for premium travel by an agency that has not reported to GSA on premium travel during fiscal year 2014.

Section 426 requires a report detailing efforts to address duplication identified by GAO's annual report on duplication.

Section 427 prohibits funds from being used to purchase light bulbs for an office building unless, to the extent practicable, the light bulb has an Energy Star or Federal Energy Management Program designation.

Section 428 requires agencies and departments funded in this act to respond to GAO recommendations in a timely manner.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The Committee is filing an original bill, which is not covered under this rule, but reports this information in the spirit of full disclosure.

The Committee recommends funding for the following programs or activities which currently lack authorization for fiscal year 2015:

TITLE I—DEPARTMENT OF TRANSPORTATION

National Infrastructure Investments
Federal Highway Administration
Federal Motor Carrier Safety Administration
National Highway Traffic Safety Administration
Federal Railroad Administration
Federal Transit Administration
National Railroad Passenger Corporation

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- Rental Assistance:
  - Rental Assistance Demonstration
  - Section 8 Contract Renewals and Administrative Expenses
  - Section 441 Contracts
  - Section 8 Preservation, Protection, and Family Unification
  - Contract Administrators
  - Public Housing Capital Fund
  - Public Housing Operating Fund
  - Choice Neighborhoods
- Native American Housing Block Grant
- Native Hawaiian Housing Block Grant
- Indian Housing Loan Guarantee Fund
- Native Hawaiian Housing Loan Guarantee Fund
- Housing Opportunities for Persons with Aids
- Community Development Fund:
  - Community Development Block Grants
  - Integrated Planning and Investment Grants
- HOME Program:
  - HOME Investment Partnership
- Self Help and Assisted Homeownership Opportunity:
  - Capacity Building
  - Self-Help Homeownership Opportunity Program

National Housing Development Corporation
FHA General and Special Risk Program Account:
Limitation on Guaranteed Loans
Limitation on Direct Loans
Credit Subsidy
Administrative Expenses
GNMA Mortgage Backed Securities Loan Guarantee Program Account:
Limitation on Guaranteed Loans
Administrative Expenses
Policy Development and Research
Fair Housing Activities, Fair Housing Program
Lead Hazards Reduction Program
Healthy Homes Program
Salaries and Expenses

TITLE III—RELATED AGENCIES

National Transportation Safety Board
Amtrak Office of Inspector General

COMPLIANCE WITH PARAGRAPH 7(c), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on June 5, 2014, the Committee ordered favorably reported an original bill making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2015, and for other purposes, provided, that the bill be subject to amendment and that the bill be consistent with the subcommittee allocation, by a recorded vote of 29–1, a quorum being present. The vote was as follows:

Yeas	Nays
Chairwoman Mikulski	Mr. Johanns
Mr. Leahy	
Mr. Harkin	
Mrs. Murray	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Ms. Landrieu	
Mr. Reed	
Mr. Pryor	
Mr. Tester	
Mr. Udall	
Mrs. Shaheen	
Mr. Merkley	
Mr. Begich	
Mr. Coons	
Mr. Shelby	
Mr. Cochran	
Mr. McConnell	
Mr. Alexander	
Ms. Collins	
Ms. Murkowski	

Mr. Graham
Mr. Kirk
Mr. Coats
Mr. Blunt
Mr. Moran
Mr. Hoeven
Mr. Boozman

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

TITLE 12—BANKS AND BANKING

CHAPTER 13—NATIONAL HOUSING

SUBCHAPTER II—MORTGAGE INSURANCE

§ 1701x. Assistance with respect to housing for low- and moderate-income families

(a) Authorization to provide information, advice, and technical assistance; scope of assistance; authorization of appropriations

* * * * * * *

(i) Accountability for recipients of covered assistance

(1) Tracking of funds

* * * * * * *

(3) Covered assistance

For purposes of this subsection, the term "covered assistance" means any grant or other financial assistance provided under this section.

(j) FINANCIAL ASSISTANCE.—For purposes of this section, the Secretary may enter into multiyear agreements as is appropriate, subject to the availability of annual appropriations.

* * * * * * *

§ 1708. Federal Housing Administration operations

(a) Mutual Mortgage Insurance Fund

* * * * * * *

(h) Use of name

The Secretary shall, by regulation, require each mortgagee approved by the Secretary for participation in the FHA mortgage insurance programs of the Secretary—

(1) to use the business name of the mortgagee that is registered with the Secretary in connection with such approval in all advertisements and promotional materials, as such terms are defined by the Secretary, relating to the business of such mortgagee in such mortgage insurance programs; and

(2) to maintain copies of all such advertisements and promotional materials, in such form and for such period as the Secretary requires.

(i) ADMINISTRATION.—Notwithstanding any provision of law, and in addition to any other fees charged in connection with the provision of insurance under this title, in each fiscal year the Secretary may charge and collect a fee not to exceed 4 basis points of the original principal balance of mortgages originated by the mortgagee that were insured under this title during the previous fiscal year. Such fee collected from each mortgagee shall be used as offsetting collections for part of the administrative contract expenses funding and any necessary salaries and expenses funding provided under the Mutual Mortgage Insurance Program Account under this title. The Secretary may establish the amount of such fee through regulations, notice, Mortgagee Letter, or other administrative issuance.

* * * * * * *

§ 1715z–13a. Loan guarantees for Indian housing

(a) Authority

* * * * * * *

(h) Payment under guarantee

(1) Lender options

(A) In general

* * * * * * *

(B) Requirements

Before any payment under a guarantee is made under subparagraph (A), the holder of the guarantee shall exhaust all reasonable possibilities of collection. *Exhausting all reasonable possibilities of collection by the holder of the guarantee shall include a good faith consideration of loan modification as well as meeting standards for servicing loans in default, as determined by the Secretary.* Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States. The Secretary shall then take such action to collect as the Secretary determines appropriate.

* * * * * * *

SUBCHAPTER V—MISCELLANEOUS

§ 1735f–4. Minimum property standards

(a) * * *

(b) The Secretary may require that each property, other than a manufactured home, subject to a mortgage insured under this chapter shall, with respect to health and safety, comply with one of the nationally recognized model building codes, or with a State or local building code based on one of the nationally recognized model building codes or their equivalent. The Secretary shall be responsible for determining the comparability of the State and local codes to such model codes and for selecting for compliance purposes an appropriate nationally recognized model building code where no such model code has been duly adopted or where the Secretary determines the adopted code is not comparable.

(c) The Secretary may establish an exception to any minimum property standard established under this section in order to address alternative water systems, including cisterns, which meet requirements of State and local building codes that ensure health and safety standards.

TITLE 42—THE PUBLIC HEALTH AND WELFARE

CHAPTER 8—LOW-INCOME HOUSING

SUBCHAPTER I—GENERAL PROGRAM OF ASSISTED HOUSING

§ 1437f. Low-income housing assistance

(a) Authorization for assistance payments

* * * * * * *

(c) Contents and purposes of contracts for assistance payments; amount and scope of monthly assistance payments

(1)*(A)* An assistance contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) which the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 per centum the fair market rental established by the Secretary periodically but not less than annually for existing or newly constructed rental dwelling units of various sizes and types in the market area suitable for occupancy by persons assisted under this section, except that the maximum monthly rent may exceed the fair market rental (A) by more than 10 but not more than 20 per centum where the Secretary determines that special circumstances warrant such higher maximum rent or that such higher rent is necessary to the implementation of a housing strategy as defined in section 12705 of this title, or (B) by such higher amount as may be requested by a tenant and approved by the public housing agency in accordance with paragraph (3)(B). In the case of newly constructed and substantially rehabilitated units, the exception in the preceding sentence shall not apply to more than 20 per centum of the total amount of authority to enter into annual contributions contracts for such units which is allocated to an area and obligated with respect to any fiscal year beginning on or after October 1, 1980. ⟦Proposed fair market rentals for an area shall be published in the Federal Register with reasonable time for public comment, and shall become effective upon the date of publication in final form in the Federal Register.⟧ Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section. Notwithstanding any other provision of this section, after October 12, 1977, the Secretary shall prohibit high-rise elevator projects for families with children unless there is no practical alternative. ⟦The Secretary shall establish separate fair market rentals under this paragraph for Westchester County in the State of New York. The Secretary shall also establish separate fair market rentals under this paragraph for Monroe County in the Commonwealth of Pennsylvania. In establishing fair market rentals for the remaining portion of the market area in which Monroe County is located, the Secretary shall establish the fair market rentals as if such portion included Monroe County.⟧ If units assisted under this section are exempt from local rent control while they are so assisted or otherwise, the maximum monthly rent for such units shall be reasonable in comparison with other units in the market area that are exempt from local rent control.

(B) PUBLICATION OF FAIR MARKET RENTALS.—Not less than annually:

(i) The Secretary shall publish a notice in the Federal Register that proposed fair market rentals for an area have been published on the site of the Department on the Internet and in any other manner specified by the Secretary. Such notice shall describe proposed material changes in the methodology for estimating fair market rentals and shall provide reasonable time for public comment.

(ii) The Secretary shall publish a notice in the Federal Register that final fair market rentals have been published on the site of the Department on the internet and in any other manner specified by the Secretary. Such notice shall include the final decisions regarding proposed substantial methodological changes for estimating fair market rentals and responses to public comments.

* * * * * * *

"[SECS. 571 to 578. Repealed. Pub. L. 105–65, title V, § 579(a)(2), as added by Pub. L. 107–116, title VI, § 621(1), Jan. 10, 2002, 115 Stat. 2226.]

"SEC. 579. TERMINATION.

"(a) REPEALS.—

"(1) MARK-TO-MARKET PROGRAM.—Subtitle A (except for section 524) is repealed effective [October 1, 2015] *October 1, 2018*.

"(2) OMHAR.—Subtitle D (except for this section) is repealed effective October 1, 2004.

"(b) EXCEPTION.—Notwithstanding the repeal under subsection (a), the provisions of subtitle A (as in effect immediately before such repeal) shall apply with respect to projects and programs for which binding commitments have been entered into under this Act before [October 1, 2015] *October 1, 2018*.

* * * * * * *

§ 1437g. Public housing Capital and Operating Funds

(a) Merger into Capital Fund

* * * * * * *

(g) Limitations on use of funds

(1)*(A)* Flexibility for Capital Fund amounts

Of any amounts appropriated for fiscal year 2000 or any fiscal year thereafter that are allocated for fiscal year 2000 or any fiscal year thereafter from the Capital Fund for any public housing agency, the agency may use not more than 20 percent for activities that are eligible under subsection (e) of this section for assistance with amounts from the Operating Fund, but only if the public housing agency plan for the agency provides for such use*; and*

(B) FLEXIBILITY FOR OPERATING FUND AMOUNTS.—Of any amounts appropriated for fiscal year 2015 or any fiscal year thereafter that are allocated for fiscal year 2015 or any fiscal year thereafter from the Operating Fund for any public housing agency, the agency may use not more than 20 percent for activities that are eligible under subsection (d) for assistance with amounts from the Capital Fund, but only if the public housing plan for the agency provides for such use.

* * * * * * *

(j) Penalty for slow expenditure of capital funds

(1) Obligation of amounts

* * * * * * *

(6) Right of recapture

Any obligation entered into by a public housing agency shall be subject to the right of the Secretary to recapture the obligated amounts for violation by the public housing agency of the requirements of this subsection.

(7) TREATMENT OF REPLACEMENT RESERVE.—The requirements of this subsection shall not apply to funds held in replacement reserves established in subsection (9)(n).

* * * * * * *

(m) Treatment of public housing

(1) * * *

* * * * * * *

(4) Effective date

This subsection shall apply to fiscal year 1999 and each fiscal year thereafter.

(n) ESTABLISHMENT OF REPLACEMENT RESERVES.—

(1) IN GENERAL.—Public Housing authorities shall be permitted to establish a Replacement Reserve to fund any of the capital activities listed in subparagraph (d)(1).

(2) SOURCE AND AMOUNT OF FUNDS FOR REPLACEMENT RESERVE.—At any time, a public housing authority may deposit funds from that agency's Capital Fund into a Replacement Reserve subject to the following:

(A) At the discretion of the Secretary, PHAs may be allowed to transfer and hold in a Replacement Reserve, funds originating from additional sources.

(B) No minimum transfer of funds to a Replacement Reserve shall be required.

(C) At any time, a public housing authority may not hold in a Replacement Reserve more than the amount the public housing authority has determined necessary to satisfy the anticipated capital needs of properties in its portfolio assisted under 42 U.S.C. 1437g as outlined in its Capital Fund 5 Year Action Plan, or a comparable plan, as determined by the Secretary.

(D) The Secretary may establish by regulation a maximum replacement reserve level or levels that are below amounts determined under subparagraph (C), which may be based upon the size of the portfolio assisted under 42 U.S.C. 1437g or other factors.

(3) In first establishing a replacement reserve, the Secretary may allow public housing agencies to transfer more than 20 percent of its operating funds into its replacement reserve.

(4) EXPENDITURE.—Funds in a Replacement Reserve may be used for purposes authorized by subparagraph (d)(1) and contained in its Capital Fund 5 Year Action Plan.

(5) MANAGEMENT AND REPORT.—The Secretary shall establish appropriate accounting and reporting requirements to ensure that public housing agencies are spending funding on eligible projects and that funding in the reserve is connected to capital needs.

* * * * * * *

§ 1437v. Demolition, site revitalization, replacement housing, and tenant-based assistance grants for projects

(a) Purposes

* * * * * * *

(m) Funding

(1) Authorization of appropriations

There are authorized to be appropriated for grants under this section $574,000,000 for [fiscal year 2014.] *fiscal year 2015.*

* * * * * * *

(o) Sunset

No assistance may be provided under this section after ❲September 30, 2014.❳ *September 30, 2015*.

* * * * * * *

CHAPTER 69—COMMUNITY DEVELOPMENT

§ 5308. Guarantee and commitment to guarantee loans for acquisition of property

(a) Authority of Secretary; issuance of obligations by eligible public entities or designated public agencies; form, denomination, maturity, and conditions of notes or other obligations; percentage allocation requirements

The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to guarantee and make commitments to guarantee, only to such extent or in such amounts as provided in appropriation Acts, the notes or other obligations issued by eligible public entities, *States on behalf of non-entitlement communities,* or by public agencies designated by such eligible public entities, for the purposes of financing (1) acquisition of real property or the rehabilitation of real property owned by the eligible public entity (including such related expenses as the Secretary may permit by regulation); (2) housing rehabilitation; (3) economic development activities permitted under paragraphs (14), (15), and (17) of section 5305(a) of this title; (4) construction of housing by nonprofit organizations for homeownership under section 1437*o*(d)[1] of this title or title VI of the Housing and Community Development Act of 1987; (5) the acquisition, construction, reconstruction, or installation of public facilities (except for buildings for the general conduct of government); or (6) in the case of colonias (as such term is defined in section 916 of the Cranston-Gonzalez National Affordable Housing Act), public works and site or other improvements. A guarantee under this section may be used to assist a grantee in obtaining financing only if the grantee has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee. Notes or other obligations guaranteed pursuant to this section shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this section on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk. Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this section, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of $2,000,000,000 for fiscal year 1993 and $2,000,000,000 for fiscal year 1994. Of the amount approved in any appropriation Act for guarantees under this section in any fiscal year, the Secretary shall allocate 70 percent for guarantees for metropolitan cities, urban counties, and Indian tribes and 30 percent for guarantees for units of general local government in nonentitlement areas. The Secretary may waive the percentage requirements of the preceding sentence in any fiscal year only to the extent that there is an absence of qualified applicants or proposed activities from metropolitan cities, urban counties, and Indian tribes or units of general local government in nonentitlement areas.

* * * * * * *

[(k) Outstanding obligations; limitation; monitoring use of guarantees under this section

[(1) The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to subsection (a) of this section shall not at any time exceed $4,500,000,000 or such higher amount as may be authorized to be appropriated for sections 5306 and 5307 of this title for any fiscal year.

[(2) The Secretary shall monitor the use of guarantees under this section by eligible public entities. If the Secretary finds that 50 percent of the aggregate guarantee authority has been committed, the Secretary may—

[(A) impose limitations on the amount of guarantees any one entity may receive in any fiscal year of $35,000,000 for units of general local government receiving grants under section 5306(b) of this title and $7,000,000 for units of general local government receiving grants under section 5306(d) of this title; or

[(B) request the enactment of legislation increasing the aggregate limitation on guarantees under this section.]

(k) The Secretary shall monitor the use by eligible public entities and States of commitment amounts authorized in appropriation Acts for any fiscal year. If the Secretary finds that 50 percent of the annual commitment amount has been committed, the Secretary may impose a limitation on the amount of guarantees any one entity may receive in any fiscal year of $35,000,000 for units of general local government receiving grants under section 106(b) or States receiving grants under section 106(d) and $7,000,000 for units of general local government receiving grants under section 106(d); or request the enactment of legislation increasing the annual commitment authority for guarantees under this section.

* * * * * * *

[(m) Limitation on imposition of fee or charge

No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this section after February 5, 1988.]

(m) DISTRIBUTION OF FUNDS TO LOCAL GOVERNMENTS IN NON-ENTITLEMENT AREAS.—Any State receiving a guarantee or commitment on behalf of non-entitlement areas shall distribute all funds that are subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment.

* * * * * * *

CHAPTER 119—HOMELESS ASSISTANCE

SUBCHAPTER II—UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

§ 11314. Director and staff

(a) Director

The Council shall appoint an Executive Director, who shall be compensated at a rate not to exceed the rate of basic pay payable for ⟦level V⟧ *level IV* of the Executive Schedule under section 5316 of title 5. The Council shall appoint an Executive Director at the first meeting of the Council held under section 11312(c) of this title.

* * * * * * *

⟦**§ 11319. Termination**

The Council shall cease to exist, and the requirements of this subchapter shall terminate, on October 1, 2016 [1]⟧

* * * * * * *

CHAPTER 130—NATIONAL AFFORDABLE HOUSING

SUBCHAPTER I—GENERAL PROVISIONS AND POLICIES

§ 12704. Definitions

As used in this subchapter and in subchapter II of this chapter:

(1) * * *

* * * * * * *

(6) The term "community housing development organization" means a nonprofit organization as defined in paragraph (5), that—

(A) * * *

* * * * * * *

(D) has a history of serving the local community or communities within which housing to be assisted under this Act is to be located.

In the case of an organization funded by the State under title II of this Act, the organization may serve all counties within the State.

* * * * * * *

SUBCHAPTER II—INVESTMENT IN AFFORDABLE HOUSING

§ 12755. Tenant and participant protections

(a) Lease

* * * * * * *

(b) Termination of tenancy

[1] So in original. Probably should be followed by a period.

An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted under this subchapter 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).*

* * * * * * *

§ 12805. Sweat equity model program

ASSISTANCE FOR SELF-HELP HOUSING PROVIDERS

Pub. L. 104–120, § 11, Mar. 28, 1996, 110 Stat. 841, as amended by Pub. L. 105–276, title V, § 599E(a), Oct. 21, 1998, 112 Stat. 2663; Pub. L. 106–569, title II, § 202, Dec. 27, 2000, 114 Stat. 2951; Pub. L. 108–285, § 2, Aug. 2, 2004, 118 Stat. 917, provided that:

"(a) GRANT AUTHORITY.—* * *

"(b) GOALS AND ACCOUNTABILITY.* * *

"(1) assistance provided under this section is used to facilitate and encourage innovative homeownership opportunities through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwellings *or the rehabilitation of existing dwellings*;

"(2) assistance provided under this section for land acquisition and infrastructure development results in the development of not less than 4,000 new *or rehabilitated* dwellings;

* * * * * * *

"(d) USE.—

"(1) PURPOSE.—Amounts from grants made under this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings *or rehabilitating existing dwellings to make them decent, safe and sanitary* in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.

"(2) ELIGIBLE EXPENSES.* * *

"(A) LAND ACQUISITION.* * *

"(B) INFRASTRUCTURE IMPROVEMENT.—Installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure.

"(C) PLANNING, ADMINISTRATION, AND MANAGEMENT.—Planning, administration, and management of grant programs and activities, provided that such expenses do not exceed 20 percent of any grant made under this section.

"(i) GRANT AGREEMENT.—A grant under this section shall be made only pursuant to a grant agreement entered into by the Secretary and the organization or consortia receiving the grant, which shall—

"(1) * * *

* * * * * * *

"(5) provide that the Secretary shall recapture any grant amounts provided to the organization or consortia that are not used within ⟦24⟧ *36* months after such amounts are first disbursed to the organization or consortia, ⟦except that such period shall be 36 months in the case of grant amounts from amounts made available for fiscal year 1996 to carry out this section, and in the case of a [sic] grant amounts provided to a local affiliate of the organization or consortia that is developing five or more dwellings in connection with such grant amounts⟧; and

* * * * * * *

"(j) FULFILLMENT OF GRANT AGREEMENT.—

"(1) REDISTRIBUTION OF FUNDS.—If the Secretary determines that an organization or consortia awarded a grant under this section has not, within ⟦24⟧ *36* months after grant amounts are first made available to the organization or consortia ⟦(or, in the case of grant amounts from amounts made available for fiscal year 1996 to carry out this section and grant amounts provided to a local affiliate of the organization or consortia that is developing five or more dwellings in connection with such grant amounts, within 36 months)⟧, substantially fulfilled the obligations under the grant agreement, including development of the appropriate number of dwellings under the agreement, the Secretary shall use any such undisbursed amounts remaining from such grant for other grants in accordance with this section.

"(2) DEADLINE FOR COMPLETION AND CONVEYANCE.—The Secretary shall establish a deadline (which may be extended for good cause as determined by the Secretary) by which time all units that have been assisted with grant funds under this section must be completed and conveyed.

* * * * * * *

⟦"(q) REGULATIONS.—The Secretary shall issue any final regulations necessary to carry out this section not later than 30 days after the date of the enactment of this Act [Mar. 28, 1996]. The regulations shall take effect upon issuance and may not exceed, in length, 5 full pages in the Federal Register."⟧

TITLE 49—TRANSPORTATION

CHAPTER 51—TRANSPORTATION OF HAZARDOUS MATERIAL

§ 5116. Planning and training grants, monitoring, and review

(a) PLANNING GRANTS.—* * *

* * * * * * *

(i) ANNUAL REGISTRATION FEE ACCOUNT AND ITS USES.—* * *

(1) * * *

* * * * * * *

(4) to pay administrative costs of carrying out this section and sections 5108(g)(2) and 5115 of this title, except that not more than ❲2 percent❳ *4 percent* of the amounts made available from the account in a fiscal year may be used to pay those costs.

CHAPTER 471—AIRPORT DEVELOPMENT

SUBCHAPTER I—AIRPORT IMPROVEMENT

§ 47109. United States Government's share of project costs

(a) * * *

* * * * * * *

(c) GRANDFATHER RULE.—

(1) * * *

* * * * * * *

(2) LIMITATION.—The Government's share of allowable project costs determined under this subsection shall not exceed the lesser of 93.75 percent or the highest percentage Government share applicable to any project in any State under subsection (b)*, except that at a non-hub airport located in a State as set forth in paragraph (1) of this subsection that is within 15 miles of another State as set forth in paragraph (1) of this subsection, the Government's share shall be an average of the Government share applicable to any project in each of the States*.

* * * * * * *

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

(a) GOVERNMENT RELIEF FROM LIABILITY.— * * *

(b) AIR TRAFFIC CONTROL CONTRACT PROGRAM.—

(1) * * *

* * * * * * *

(3) CONTRACT AIR TRAFFIC CONTROL TOWER PROGRAM.—

(A) IN GENERAL.— * * *

* * * * * * *

(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.❳ *benefit, with the maximum allowable local cost share capped at 20 percent.*

CONSOLIDATED AND FURTHER CONTINUING APPROPRIATIONS ACT, 2012, PUBLIC LAW 112–55

DIVISION C—TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RENTAL ASSISTANCE DEMONSTRATION

RENTAL ASSISTANCE DEMONSTRATION

To conduct a demonstration designed to preserve and improve public housing and certain other multifamily housing through the voluntary conversion of properties with assistance under section 9 of the United States Housing Act of 1937, (hereinafter, "the Act"), or the moderate rehabilitation program under section 8(e)(2) of the Act (【except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act)】, to properties with assistance under a project-based subsidy contract under section 8 of the Act, which shall be eligible for renewal under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997, or assistance under section 8(o)(13) of the Act, the Secretary may transfer amounts provided through contracts under section 8(e)(2) of the Act or under the headings "Public Housing Capital Fund" and "Public Housing Operating Fund" to the headings "Tenant-Based Rental Assistance" or "Project-Based Rental Assistance": *Provided,* That the initial long-term contract under which converted assistance is made available may allow for rental adjustments only by an operating cost factor established by the Secretary, and shall be subject to the availability of appropriations for each year of such term: *Provided further,* That project applications may be received under this demonstration until September 30, 【2015】 *2018*: *Provided further,* That any increase in cost for "Tenant-Based Rental Assistance" or "Project-Based Rental Assistance" associated with such conversion *in excess of amounts made available under this heading* shall be equal to amounts transferred from "Public Housing Capital Fund" and "Public Housing Operating Fund" or other account from which it was transferred: *Provided further,* That not more than 【60,000*185,000* units currently receiving assistance under section 9 or section 8(e)(2) of the Act shall be converted under the authority provided under this heading: *Provided further,* That tenants of such properties with assistance converted from assistance under section 9 shall, at a minimum, maintain the same rights under such conversion as those provided under sections 6 and 9 of the Act: *Provided further,* That the Secretary shall select properties from applications for conversion as part of this demonstration through a competitive process: *Provided further,* That in establishing criteria for such competition, the Secretary shall seek to demonstrate the feasibility of this conversion model to recapitalize and operate public housing properties (1) in different markets and geographic areas, (2) within portfolios managed by public housing agencies of varying sizes, and (3) by leveraging other sources of funding to recapitalize properties: *Provided further,* That the Secretary shall provide an opportunity for public comment on draft eligibility and selection criteria and procedures that will apply to the selection of properties that will participate in the demonstration: *Provided further,* That the Secretary shall provide an opportunity for comment from residents of properties to be proposed for participation in the demonstration to the owners or public housing agencies responsible for such properties: *Provided further,* That the Secretary may waive or specify alternative requirements for (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) any provision of section 8(o)(13) or any provision that governs the use of assistance from which a property is converted under the demonstration or funds made available under the headings of "Public Housing Capital Fund", "Public Housing Operating Fund", and "Project-Based Rental Assistance", under this Act or any prior Act or any Act enacted during the period of conversion of assistance under the demonstration for properties with assistance converted under the demonstration, upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective conversion of assistance under the demonstration: *Provided further,* That the Secretary shall publish by notice in the Federal Register any waivers or alternative requirements pursuant to the previous proviso no later than 10 days before the effective date of such notice: *Provided further,* That the demonstration may proceed after the Secretary publishes notice of its terms in the Federal Register: *Provided further,* That notwithstanding sections 3 and 16 of the Act, the conversion of assistance under the demonstration shall not be the basis for re-screening or termination of assistance or eviction of any tenant family in a property participating in the demonstration, and such a family shall not be considered a new admission for any purpose, including compliance with income targeting requirements: *Provided further,* That in the case of a property with assistance converted under the demonstration from assistance under section 9 of the Act, section 18 of the Act shall not apply to a property converting assistance under the demonstration for all or substantially all of its units, the Secretary shall require ownership or control of assisted units by a public or nonprofit entity except as determined by the Secretary to be necessary pursuant to foreclosure, bankruptcy, or termination and transfer of assistance for material violations or substantial default, in which case the priority for ownership or control shall be provided to a capable public entity, then a capable entity, as determined by the Secretary, shall require long-term renewable use and affordability restrictions for assisted units, and may allow ownership to be transferred to a for-profit entity to facilitate the use of tax credits only if the public housing agency preserves its interest in the property in a manner approved by the Secretary, and upon expiration of the initial contract and each renewal contract, the Secretary shall offer and the owner of the property shall accept renewal of the contract subject to the terms and conditions applicable at the time of renewal and the availability of appropriations each year of such renewal: *Provided further,* That the Secretary may permit transfer of assistance at or after conversion under the demonstration to replacement units subject to the requirements in the previous proviso: *Provided further,* That the Secretary may establish the requirements for converted assistance under the demonstration through contracts, use agreements, regulations, or other means: *Provided further,* That the Secretary shall assess and publish findings regarding the impact of the conversion of assistance under the demonstration on the preservation and improvement of public housing, the amount of private sector leveraging as a result of such conversion, and the effect of such conversion on tenants: *Provided further,* That for fiscal years 2012 through ⟦December 31, 2014⟧ *2016*, owners of properties assisted under section 101 of the Housing and Urban Development Act of 1965, section 236(f)(2) of the National Housing Act, or section 8(e)(2) (except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act) of the United States Housing Act of 1937, for which an event after October 1, 2006 has caused or results in the termination of rental assistance or affordability restrictions and the issuance of tenant protection vouchers under section 8(o) of the Act, shall be eligible, subject to requirements established by the Secretary, including but not limited to tenant consultation procedures ⟦and agreement of the administering public housing agency⟧, for conversion of assistance available for such vouchers to assistance under *a long-term project-based subsidy contract under section 8 of the Act, which shall have a term of no less than 20 years, with rent adjustments only by an operating cost factor established by the Secretary, which shall be eligible for renewal under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), or, subject to agreement of the administering public housing agency, to assistance under* section 8(o)(13) of the Act, to which the limitation under subsection (B) of section 8(o)(13) of the Act shall not apply and for which the Secretary of Housing and Urban Development may waive or alter the provisions of subparagraphs (C) and (D) of section 8(o)(13) of the Act: *Provided further, That amounts made available under the heading "Rental Housing Assistance" during the period of conversion under the previous proviso, which may extend beyond fiscal year 2016 as necessary to allow processing of all timely applications, shall be available for project-based subsidy contracts entered into pursuant to the previous proviso: Provided further, That amounts, including contract authority, recaptured from contracts following a conversion under the previous two provisos are hereby rescinded and an amount of additional new budget authority, equivalent to the amount rescinded is hereby appropriated, to remain available until expended for such conversions: Provided further, That the Secretary may transfer amounts made available under the heading "Rental Housing Assistance", amounts made available for tenant protection vouchers under the heading "Tenant-Based Rental Assistance" and specifically associated with any such conversions, and amounts made available under the previous proviso as needed to the account under the "Project-Based Rental Assistance" heading to facilitate conversion under the three previous provisos and any increase in cost for "Project-Based Rental Assistance" associated with such con-*

version shall be equal to amounts so transferred: Provided further, That [with respect to the previous proviso] *with respect to the previous four provisos*, the Comptroller General of the United States shall conduct a study of the long-term [impact of the previous proviso] *impact of the fiscal year 2012 and 2013 conversion of tenant protection vouchers to assistance under section 8(o)(13) of the Act* on the ratio of tenant-based vouchers to project-based vouchers.

* * * * * * *

GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for [fiscal year 2012] *fiscal year 2015* that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for [fiscal year 2012] *fiscal year 2015* under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2011 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in [fiscal year 2012] *fiscal year 2015* , in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

(c) Notwithstanding any other provision of law, the amount allocated for [fiscal year 2012] *fiscal year 2015* under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the city of New York, New York, on behalf of the New York-Wayne-White Plains, New York-New Jersey Metropolitan Division (hereafter "metropolitan division") of the New York-Newark-Edison, NY–NJ–PA Metropolitan Statistical Area, shall be adjusted by the Secretary of Housing and Urban Development by:

(1) allocating to the city of Jersey City, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in Hudson County, New Jersey, and adjusting for the proportion of the metropolitan division's high-incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS; and

(2) allocating to the city of Paterson, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion

of the metropolitan area or division that is located in Bergen County and Passaic County, New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS. The recipient cities shall use amounts allocated under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in their respective portions of the metropolitan division that is located in New Jersey.

(d) Notwithstanding any other provision of law, the amount allocated for ⟦fiscal year 2012⟧ *fiscal year 2015* under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to areas with a higher than average per capita incidence of AIDS, shall be adjusted by the Secretary on the basis of area incidence reported over a 3-year period.

* * * * * * *

SEC. 209. (a) Notwithstanding any other provision of law, the amount allocated for ⟦fiscal year 2012⟧ *fiscal year 2015* under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the city of Wilmington, Delaware, on behalf of the Wilmington, Delaware-Maryland-New Jersey Metropolitan Division (hereafter "metropolitan division"), shall be adjusted by the Secretary of Housing and Urban Development by allocating to the State of New Jersey the proportion of the metropolitan division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan division that is located in New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS. The State of New Jersey shall use amounts allocated to the State under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan division that is located in New Jersey.

(b) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall allocate to Wake County, North Carolina, the amounts that otherwise would be allocated for ⟦fiscal year 2012⟧ *fiscal year 2015* under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to the city of Raleigh, North Carolina, on behalf of the Raleigh-Cary North Carolina Metropolitan Statistical Area. Any amounts allocated to Wake County shall be used to carry out eligible activities under section 855 of such Act (42 U.S.C. 12904) within such metropolitan statistical area.

(c) Notwithstanding section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development may adjust the allocation of the amounts that otherwise would be allocated for ⟦fiscal year 2012⟧ *fiscal year 2015* under section 854(c) of such Act, upon the written request of an applicant, in conjunction with the State(s), for a formula allocation on behalf of a metropolitan statistical area, to designate the State or States in which the metropolitan statistical area is located as the eligible grantee(s) of the allocation. In the case that a metropolitan statistical area involves more than one State, such amounts allocated to each State shall be in proportion to the number of cases of AIDS reported in the portion of the metropolitan statistical area located in that State. Any amounts allocated to a State under this section shall be used to carry out eligible activities within the portion of the metropolitan statistical area located in that State.

FAA MODERNIZATION AND REFORM ACT OF 2012, PUBLIC LAW 112–95

TITLE IX—FEDERAL AVIATION RESEARCH AND DEVELOPMENT

SEC. 916. REAUTHORIZATION OF CENTER OF EXCELLENCE IN APPLIED RESEARCH AND TRAINING IN THE USE OF [ADVANCED MATERIALS IN TRANSPORT AIRCRAFT] ***JOINT ADVANCED MATERIALS AND STRUCTURES*****.**

SECTION 708(B) OF THE VISION 100.—Century of Aviation Reauthorization Act (49 U.S.C. 44504 note) is amended by striking “for fiscal year 2004” and inserting “for each of fiscal years 2012 through 2015”.

* * * * * * *

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the subcommittee allocation for 2015: Subcommittee on Transportation and Housing and Urban Development, and Related Agencies:				
Mandatory				
Discretionary	54,439	54,439	119,834	[1] 119,379
Security	186	186	NA	NA
Nonsecurity	54,253	54,253	NA	NA
Projections of outlays associated with the recommendation:				
2015				[2] 39,239
2016				33,817
2017				14,082
2018				6,041
2019 and future years				7,464
Financial assistance to State and local governments for 2015	NA	32,441	NA	30,215

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
TITLE I—DEPARTMENT OF TRANSPORTATION					
Office of the Secretary					
Salaries and expenses	107,000	109,916	108,000	+1,000	−1,916
Immediate Office of the Secretary	(2,652)	(2,696)	(2,696)	(+44)	
Immediate Office of the Deputy Secretary	(1,000)	(1,011)	(1,011)	(+11)	
Office of the General Counsel	(19,900)	(20,312)	(19,980)	(+80)	(−332)
Office of the Under Secretary of Transportation for Policy	(10,271)	(10,417)	(10,300)	(+29)	(−117)
Office of the Assistant Secretary for Budget and Programs	(12,676)	(13,111)	(12,676)		(−435)
Office of the Assistant Secretary for Governmental Affairs	(2,530)	(2,567)	(2,500)	(−30)	(−67)
Office of the Assistant Secretary for Administration	(26,378)	(27,420)	(27,131)	(+753)	(−289)
Office of Public Affairs	(2,020)	(2,061)	(2,000)	(−20)	(−61)
Office of the Executive Secretariat	(1,714)	(1,746)	(1,714)		(−32)
Office of Small and Disadvantaged Business Utilization	(1,386)	(1,414)	(1,414)	(+28)	
Office of Intelligence, Security, and Emergency Response	(10,778)	(11,055)	(10,778)		(−277)
Office of the Chief Information Officer	(15,695)	(16,106)	(15,800)	(+105)	(−306)
Research and Technology	14,765	14,625	13,500	−1,265	−1,125
National Infrastructure Investments	600,000		550,000	−50,000	+550,000
(Liquidation of contract authorization)		(1,250,000)			(−1,250,000)
(Limitation on obligations)		(1,250,000)			(−1,250,000)
Infrastructure Permitting Center		8,000			−8,000
Financial Management Capital	7,000	5,000	5,000	−2,000	
Cyber Security Initiatives	4,455	5,000	5,000	+545	
Office of Civil Rights	9,551	9,600	9,600	+49	
Transportation Planning, Research, and Development	7,000	8,000	6,000	−1,000	−2,000
Rescission of unobligated balances	−2,750			+2,750	
Subtotal	4,250	8,000	6,000	+1,750	−2,000
Working Capital Fund	(178,000)		(182,000)	(+4,000)	(+182,000)
Minority Business Resource Center Program	925	1,013	925		−88

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
(Limitation on guaranteed loans)	(18,367)	(18,367)	(18,367)		
Minority Business Outreach	3,088	3,099	3,099	+11	
Safe Transport of Oil		40,000			−40,000
Payments to Air Carriers (Airport & Airway Trust Fund)	149,000	155,000	155,000	+6,000	
Total, Office of the Secretary	900,034	359,253	856,124	−43,910	+496,871
Federal Aviation Administration					
Operations	9,651,422	9,750,000	9,750,000	+98,578	
Air traffic organization	(7,311,790)	(7,396,654)	(7,396,654)	(+84,864)	
Aviation safety	(1,204,777)	(1,215,458)	(1,215,458)	(+10,681)	
Commercial space transportation	(16,011)	(16,605)	(16,605)	(+594)	
Finance and management	(762,462)	(765,047)	(765,047)	(+2,585)	
Staff offices	(296,600)	(296,147)	(296,147)	(−453)	
NextGen	(59,782)	(60,089)	(60,089)	(+307)	
Facilities and Equipment (Airport & Airway Trust Fund)	2,600,000	2,603,700	2,473,700	−126,300	−130,000
Research, Engineering, and Development (Airport & Airway Trust Fund	158,792	156,750	156,750	−2,042	
Rescission of unobligated balances	−26,184			+26,184	
Grants-in-Aid for Airports (Airport and Airway Trust Fund) (Liquidation of contract authorization)	(3,200,000)	(3,200,000)	(3,200,000)		
(Limitation on obligations)	(3,350,000)	(2,900,000)	(3,480,000)	(+130,000)	(+580,000)
Administration	(106,600)	(107,100)	(107,100)	(+500)	
Airport cooperative research program	(15,000)	(15,000)	(15,000)		
Airport technology research	(29,500)	(29,750)	(29,750)	(+250)	
Small community air service development program	(5,000)		(8,000)	(+3,000)	(+8,000)
FAA facilities and equipment located at airports			(130,000)	(+130,000)	(+130,000)
Rescission of contract authority		−256,000	−256,300	−256,300	−300
Pop-up contract authority		126,000	256,300	+256,300	+130,300
Total, Federal Aviation Administration	12,384,030	12,380,450	12,380,450	−3,580	

Limitations on obligations	(3,350,000)	(2,900,000)	(3,480,000)	(+130,000)	(+580,000)
Total budgetary resources	(15,734,030)	(15,280,450)	(15,860,450)	(+126,420)	(+580,000)
Administrative Provision					
War Risk Insurance Program Extension	−100,000	....	....	+100,000	....
Federal Highway Administration					
Limitation on Administrative Expenses	(416,100)	(439,000)	(426,100)	(+10,000)	(−12,900)
Federal-Aid Highways (Highway Trust Fund):					
(Liquidation of contract authorization)	(40,995,000)	(48,062,248)	(40,995,000)	....	(−7,067,248)
(Limitation on obligations)	(40,256,000)	(47,323,248)	(40,256,000)	....	(−7,067,248)
Fixing and Accelerating Surface Transportation (Liquidation of contract authorization)	....	(500,000)	....	....	(−500,000)
(Limitation on obligations)	....	(500,000)	....	....	(−500,000)
(Exempt contract authority)	(739,000)	(739,000)	(739,000)	....	....
Total, Federal Highway Administration	....	....	....	....	....
Limitations on obligations	(40,256,000)	(47,823,248)	(40,256,000)	....	(−7,567,248)
Exempt contract authority	(739,000)	(739,000)	(739,000)	....	....
Total budgetary resources	(40,995,000)	(48,562,248)	(40,995,000)	....	(−7,567,248)
Federal Motor Carrier Safety Administration					
Motor Carrier Safety Operations and Programs (Highway Trust Fund)(liquidation of contract authorization)	(259,000)	(315,770)	(271,000)	(+12,000)	(−44,770)
(Limitation on obligations)	(259,000)	(315,770)	(271,000)	(+12,000)	(−44,770)
National Motor Carrier Safety Program (Highway Trust Fund) (liquidation of contract authorization)	(13,000)	....	(8,300)	(−4,700)	(+8,300)
(Limitation on obligations)	(13,000)	....	(8,300)	(−4,700)	(+8,300)
Motor Carrier Safety Grants (Highway Trust Fund) (Liquidation of contract authorization)	(313,000)	(352,753)	(313,000)	....	(−39,753)
(Limitation on obligations)	(313,000)	(352,753)	(313,000)	....	(−39,753)
Total, Federal Motor Carrier Safety Administration	....	....	....	....	....
Limitations on obligations	(585,000)	(668,523)	(592,300)	(+7,300)	(−76,223)
Total budgetary resources	(585,000)	(668,523)	(592,300)	(+7,300)	(−76,223)
National Highway Traffic Safety Administration					
Operations and Research	134,000	....	134,500	+500	+134,500
(Liquidation of contract authorization)	....	(122,000)	....	....	(−122,000)
(Limitation on obligations)	....	(122,000)	....	....	(−122,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
Operations and Research Vehicle Safety (Highway Trust Fund) (Liquidation of contract authorization)	(123,500)	(152,000)	(138,500)	(+15,000)	(−13,500)
(Limitation on obligations)	(123,500)	(152,000)	(138,500)	(+15,000)	(−13,500)
Subtotal, Operations and Research	257,500	274,000	273,000	+15,500	−1,000
Highway Traffic Safety Grants (Highway Trust Fund) (Liquidation of contract authorization)	(561,500)	(577,000)	(561,500)		(−15,500)
(Limitation on obligations)	(561,500)	(577,000)	(561,500)		(−15,500)
Highway safety programs (23 USC 402)	(235,000)	(241,146)	(235,000)		(−6,146)
National priority safety programs (23 USC 405)	(272,000)	(278,705)	(272,000)		(−6,705)
High visibility enforcement	(29,000)	(29,000)	(29,000)		
Administrative expenses	(25,500)	(28,149)	(25,500)		(−2,649)
Total, National Highway Traffic Safety Administration	134,000		134,500	+500	+134,500
Limitations on obligations	(685,000)	(851,000)	(700,000)	(+15,000)	(−151,000)
Total budgetary resources	(819,000)	(851,000)	(834,500)	(+15,500)	(−16,500)
Federal Railroad Administration					
Safety and Operations	184,500	185,250	191,250	+6,750	+6,000
Railroad Research and Development	35,250	35,100	40,730	+5,480	+5,630
Railroad Grants (Legislative proposal):					
Current passenger rail service (HTF):					
(Liquidation of contract authorization)		(2,450,000)			(−2,450,000)
(Limitation on obligations)		(2,450,000)			(−2,450,000)
Rail service improvement program (HTF):					
(Liquidation of contract authorization)		(2,325,000)			(−2,325,000)
(Limitation on obligations)		(2,325,000)			(−2,325,000)
Northeast Corridor Improvement Program (rescission)	−4,419			+4,419	
Next Generation High-Speed Rail (rescission)	−1,973			+1,973	

National Railroad Passenger Corporation:					
Grants to the National Railroad Passenger Corporation	....	....	1,390,000	+1,390,000	+1,390,000
Operating Grants to the National Railroad Passenger Corporation	340,000	....	....	−340,000	....
Capital and Debt Service Grants to the National Railroad Passenger Corporation	1,050,000	....	....	−1,050,000	....
Subtotal	1,390,000	....	1,390,000	....	+1,390,000
Total, Federal Railroad Administration	1,603,358	220,350	1,621,980	+18,622	+1,401,630
Federal Transit Administration					
Administrative Expenses	105,933	....	110,500	+4,567	+110,500
(Liquidation of contract authorization)	....	(114,400)	....	....	(−114,400)
(Limitation on obligations)	....	(114,400)	....	....	(−114,400)
Public Transportation Emergency Relief Program	....	....	....	....	....
(Liquidation of contract authorization)	....	(25,000)	....	....	(−25,000)
(Limitation on obligations)	....	(25,000)	....	....	(−25,000)
Transit Formula Grants (Hwy Trust Fund, Mass Transit Account (liquidation of contract authorization)	(9,500,000)	(13,800,000)	(9,500,000)	....	(−4,300,000)
(Limitation on obligations)	(8,595,000)	(13,800,000)	(8,595,000)	....	(−5,205,000)
Fixing and Acceleration Surface Transportation (Liquidation of contract authorization)	....	(500,000)	....	....	(−500,000)
(Limitation on obligations)	....	(500,000)	....	....	(−500,000)
Research, Development, Demonstration, and Deployment Program	40,000	....	30,000	−10,000	+30,000
Transit Cooperative Research	3,000	....	3,000	....	+3,000
Technical Assistance and Standards Development	3,000	....	5,000	+2,000	+5,000
Human Resources and Training	2,000	....	500	−1,500	+500
Technical Assistance and Training	....	....	....	....	....
Transit Research and Training	....	....	....	....	....
(Liquidation of contract authorization)	....	(60,000)	....	....	(−60,000)
(Limitation on obligations)	....	(60,000)	....	....	(−60,000)
Rapid-Growth Area Bus Rapid Transit Corridor Program (liquidation of contract authorization)	....	(500,000)	....	....	(−500,000)
(Limitation on obligations)	....	(500,000)	....	....	(−500,000)
Capital Investment Grants	1,942,938	....	2,161,000	+218,062	+2,161,000
(Liquidation of contract authorization)	....	(2,500,000)	....	....	(−2,500,000)
(Limitation on obligations)	....	(2,500,000)	....	....	(−2,500,000)
Washington Metropolitan Area Transit Authority					
Capital and Preventive Maintenance	150,000	150,000	150,000	....	....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
Administrative Provisions					
Rescission (Sec. 169)	−96,228			+96,228	
Total, Federal Transit Administration	2,150,643	150,000	2,460,000	+309,357	+2,310,000
Limitations on obligations	(8,595,000)	(17,499,400)	(8,595,000)		(−8,904,400)
Total budgetary resources	(10,745,643)	(17,649,400)	(11,055,000)	(+309,357)	(−6,594,400)
Saint Lawrence Seaway Development Corporation					
Operations and Maintenance (Harbor Maintenance Trust Fund)	31,000	31,500	31,500	+500	
Maritime Administration					
Maritime Security Program	186,000	211,000	186,000		−25,000
Operations and Training	148,003	148,400	149,900	+1,897	+1,500
Ready Reserve Force (by transfer)		(291,000)			(−291,000)
Ship Disposal	4,800	4,800	4,800		
Assistance to Small Shipyards					
Maritime Guaranteed Loan (Title XI) Program Account:					
Administrative expenses	3,500	3,100	3,100	−400	
Guaranteed loans subsidy	35,000		4,000	−31,000	+4,000
Subtotal	38,500	3,100	7,100	−31,400	+4,000
Total, Maritime Administration	377,303	367,300	347,800	−29,503	−19,500
Pipeline and Hazardous Materials Safety Administration					
Operational Expenses:					
General Fund	21,015	22,225	22,225	+1,210	
Pipeline Safety Fund	639			−639	

Pipeline Safety Information grants to Communities	(1,500)	(1,500)	(1,500)		
Subtotal	21,654	22,225	22,225	+571	
Hazardous Materials Safety:					
General Fund	45,000	52,000	52,000	+7,000	
Special Permit and Approval Fees		−6,000			+6,000
Pipeline Safety:					
Pipeline Safety Fund	98,514	136,500	136,500	+37,986	
Oil Spill Liability Trust Fund	18,573	19,500	19,500	+927	
Pipeline Safety Design Review Fund	2,000	2,000	2,000		
Subtotal	119,087	158,000	158,000	+38,913	
Subtotal, Pipeline and Hazardous Materials Safety Administration	185,741	226,225	232,225	+46,484	+6,000
Pipeline Safety User Fees	−99,153	−136,500	−136,500	−37,347	
Pipeline Safety Design Review Fee	−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	84,588	87,725	93,725	+9,137	+6,000
Office of Inspector General					
Salaries and Expenses	85,605	86,223	86,223	+618	
Surface Transportation Board					
Salaries and Expenses	31,000	31,500	31,500	+500	
Offsetting collections	−1,250	−1,250	−1,250		
Total, Surface Transportation Board	29,750	30,250	30,250	+500	
Total, title I, Department of Transportation	17,680,311	13,713,051	18,042,552	+362,241	+4,329,501
Appropriations	(17,813,115)	(13,976,301)	(18,300,102)	(+486,987)	(+4,323,801)
Rescissions	(−131,554)			(+131,554)	
Rescissions of contract authority		(−256,000)	(−256,300)	(−256,300)	(−300)
Offsetting collections	(−1,250)	(−7,250)	(−1,250)		(+6,000)
Limitations on obligations	(53,471,000)	(75,767,171)	(53,623,300)	(+152,300)	(−22,143,871)
(By transfer)		(291,000)			(−291,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
Total budgetary resources	(71,151,311)	(89,480,222)	(71,665,852)	(+514,541)	(−17,814,370)
TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Management and Administration					
Executive Offices	14,500	15,234	14,700	+200	−534
Administration Support Offices	506,000	530,783	519,867	+13,867	−10,916
Program Office Salaries and Expenses:					
Public and Indian Housing	205,000	213,664	205,525	+525	−8,139
Community Planning and Development	102,000	110,535	103,300	+1,300	−7,235
Housing	381,500	386,677	386,677	+5,177	
Policy Development and Research	22,000	23,248	22,300	+300	−948
Fair Housing and Equal Opportunity	69,000	77,629	69,700	+700	−7,929
Office of Lead Hazard Control and Healthy Homes	7,000	7,879	7,075	+75	−804
Subtotal	786,500	819,632	794,577	+8,077	−25,055
Total, Management and Administration	1,307,000	1,365,649	1,329,144	+22,144	−36,505
Public and Indian Housing					
Tenant-based Rental Assistance:					
Renewals	17,365,527	18,006,550	17,719,000	+353,473	−287,550
Tenant protection vouchers	130,000	150,000	130,000		−20,000
Administrative fees	1,500,000	1,705,000	1,555,000	+55,000	−150,000
Veterans affairs supportive housing	75,000	75,000	75,000		
Sec. 811 mainstream voucher renewals	106,691	108,450	83,160	−23,531	−25,290
Subtotal (available this fiscal year)	19,177,218	20,045,000	19,562,160	+384,942	−482,840
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	19,177,218	20,045,000	19,562,160	+384,942	−482,840
Rental Assistance Demonstration	....	10,000	10,000	+10,000	....
Public Housing Capital Fund	1,875,000	1,925,000	1,900,000	+25,000	−25,000
Drug Elimination (rescission)	....	....	−1,101	−1,101	−1,101
Public Housing Operating Fund	4,400,000	4,600,000	4,475,000	+75,000	−125,000
Choice Neighborhoods	90,000	120,000	90,000	....	−30,000
Family Self-Sufficiency	75,000	75,000	75,000	....	....
Native American Housing Block Grants	650,000	650,000	650,000	....	....
Native Hawaiian Housing Block Grant	10,000	13,000	10,000	....	−3,000
Indian Housing Loan Guarantee Fund Program Account	6,000	8,000	6,000	....	−2,000
(Limitation on guaranteed loans)	(1,818,000)	(1,200,000)	(714,290)	(−1,103,710)	(−485,710)
Native Hawaiian Loan Guarantee Fund Program Account	100	....	100	....	+100
(Limitation on guaranteed loans)	(18,868)	....	(16,130)	(−2,738)	(+16,130)
Total, Public and Indian Housing	26,283,318	27,446,000	26,777,159	+493,841	−668,841
Community Planning and Development					
Housing Opportunities for Persons with AIDS	330,000	332,000	330,000	....	−2,000
Community Development Fund:					
CDBG formula	3,030,000	2,800,000	3,020,000	−10,000	+220,000
Indian CDBG	70,000	70,000	70,000	....	....
Subtotal	3,100,000	2,870,000	3,090,000	−10,000	+220,000
Rural Housing and Economic Development (rescission)	....	....	−2,300	−2,300	−2,300
Youth Build (rescission)	....	....	−460	−460	−460
Community Development Loan Guarantees (Section 108):					
(Limitation on guaranteed loans)	(150,000)	(500,000)	(500,000)	(+350,000)	....
Credit subsidy	3,000	....	....	−3,000	....
HOME Investment Partnerships Program	1,000,000	950,000	950,000	−50,000	....
Self-help and Assisted Homeownership Opportunity Program	50,000	....	50,000	....	+50,000
Capacity Building	....	20,000	....	....	−20,000
Brownsfields (rescission)	....	....	−2,913	−2,913	−2,913
Homeless Assistance Grants	2,105,000	2,406,400	2,145,000	+40,000	−261,400

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
Total, Community Planning and Development	6,588,000	6,578,400	6,559,327	−28,673	−19,073
Housing Programs					
Project-based Rental Assistance:					
Renewals	9,651,628	9,536,000	9,536,000	−115,628	
Contract administrators	265,000	210,000	210,000	−55,000	
Subtotal (available this fiscal year)	9,916,628	9,746,000	9,746,000	−170,628	
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	9,916,628	9,746,000	9,746,000	−170,628	
Housing for the Elderly	383,500	440,000	420,000	+36,500	−20,000
Housing for Persons with Disabilities	126,000	160,000	135,000	+9,000	−25,000
Housing Counseling Assistance	45,000	60,000	49,000	+4,000	−11,000
Rental Housing Assistance	21,000	28,000	28,000	+7,000	
Rent Supplement (rescission)	−3,500			+3,500	
Manufactured Housing Fees Trust Fund	7,530	10,000	10,000	+2,470	
Offsetting collections	−6,530	−10,000	−10,000	−3,470	
Total, Housing Programs	10,489,628	10,434,000	10,378,000	−111,628	−56,000
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)	(20,000)	(20,000)	(20,000)		
Offsetting receipts	−10,841,000	−7,951,000	−7,951,000	+2,890,000	
Proposed offsetting receipts (HECM)	−57,000	−36,000	−36,000	+21,000	

Additional offsetting receipts (Sec. 244)	....	−32,000	−32,000	−32,000	....
Administrative contract expenses	127,000	170,000	145,000	+18,000	−25,000
General and Special Risk Program Account:					
(Limitation on guaranteed loans)	(30,000,000)	(30,000,000)	(30,000,000)	....	....
(Limitation on direct loans)	(20,000)	(20,000)	(20,000)	....	....
Offsetting receipts	−926,000	−876,000	−876,000	+50,000	....
(Rescission)	....	....	−10,000	−10,000	−10,000
Total, Federal Housing Administration	−11,697,000	−8,725,000	−8,760,000	+2,937,000	−35,000
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	19,500	28,000	24,000	+4,500	−4,000
Offsetting receipts	−100,000	−94,000	−94,000	+6,000	....
Offsetting receipts	−707,000	−742,000	−742,000	−35,000	....
Proposed offsetting receipts (HECM) (Sec. 210)	−12,000	−28,000	−28,000	−16,000	....
Additional contract expenses	1,000	1,000	1,000	....	....
Total, Gov't National Mortgage Association	−798,500	−835,000	−839,000	−40,500	−4,000
Policy Development and Research					
Research and Technology	46,000	50,000	46,000	....	−4,000
Fair Housing and Equal Opportunity					
Fair Housing Activities	66,000	71,000	66,000	....	−5,000
Office of Lead Hazard Control and Healthy Homes					
Lead Hazard Reduction	110,000	120,000	110,000	....	−10,000
Management and Administration					
Information Technology Fund	250,000	272,000	250,000	....	−22,000
Office of Inspector General	125,000	129,000	129,000	+4,000	....
Transformation Initiative	40,000	....	....	−40,000	....
(by transfer)	....	(80,000)	(40,000)	(+40,000)	(−40,000)
Total, Management and Administration	415,000	401,000	379,000	−36,000	−22,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2014 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2015—Continued

[In thousands of dollars]

Item	2014 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2014 appropriation	Budget estimate
(Grand total, Management and Administration)	(1,722,000)	(1,766,649)	(1,708,144)	(−13,856)	(−58,505)
Total, title II, Department of Housing and Urban Development	32,809,446	36,906,049	36,045,630	+3,236,184	−860,419
Appropriations	(41,062,476)	(42,275,049)	(41,431,404)	(+368,928)	(−843,645)
Rescissions	(−3,500)		(−16,774)	(−13,274)	(−16,774)
Advance appropriations	(4,400,000)	(4,400,000)	(4,400,000)		
Offsetting receipts	(−12,643,000)	(−9,759,000)	(−9,759,000)	(+2,884,000)	
Offsetting collections	(−6,530)	(−10,000)	(−10,000)	(−3,470)	
(By transfer)		80,000	40,000	+40,000	−40,000
(Limitation on direct loans)	(40,000)	(40,000)	(40,000)		
(Limitation on guaranteed loans)	(931,986,868)	(931,700,000)	(931,230,420)	(−756,448)	(−469,580)
TITLE III—OTHER INDEPENDENT AGENCIES					
Access Board	7,448	7,548	7,548	+100	
Federal Housing Finance Agency, Office of Inspector General (legislative proposal)		48,000			−48,000
Offsetting collections (legislative proposal)		−48,000			+48,000
Federal Maritime Commission	24,669	25,660	25,660	+991	
National Railroad Passenger Corporation Inspector General	23,499	24,499	23,499		−1,000
National Transportation Safety Board	103,027	103,000	103,981	+954	+981
Neighborhood Reinvestment Corporation	204,100	182,000	186,600	−17,500	+4,600
United States Interagency Council on Homelessness	3,500	3,530	3,530	+30	
Total, title III, Other Independent Agencies	366,243	346,237	350,818	−15,425	+4,581
Grand total	50,856,000	50,965,337	54,439,000	+3,583,000	+3,473,663
Appropriations	(59,241,834)	(56,645,587)	(60,082,324)	(+840,490)	(+3,436,737)
Rescissions	(−135,054)		(−16,774)	(+118,280)	(−16,774)
Rescissions of contract authority		(−256,000)	(−256,300)	(−256,300)	(−300)
Advance appropriations	(4,400,000)	(4,400,000)	(4,400,000)		
Offsetting receipts	(−12,643,000)	(−9,759,000)	(−9,759,000)	(+2,884,000)	

Offsetting collections	(−7,780)	(−65,250)	(−11,250)	(−3,470)	(+54,000)
(By transfer)	....	371,000	40,000	+40,000	−331,000
(Limitation on obligations)	(53,471,000)	(75,767,171)	(53,623,300)	(+152,300)	(−22,143,871)
Total budgetary resources	(104,327,000)	(126,732,508)	(108,062,300)	(+3,735,300)	(−18,670,208)