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, 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.

The Committee recommendation includes funding for an additional 13 FTE for ODI to process and analyze data collection from consumer complaints and to conduct investigations. The Committee further directs the agency to conduct inquiries on all death claims related to vehicle safety defects. This funding builds on the additional funding provided last year to support the implementation and maintenance of the electronic document and records management system corporate information factory to allow the agency to have more transparency to its data and enable faster, more reliable results for defect screeners and investigators.

Plastics and Polymer Composite Materials.—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 use funding provided for the Fuel Economy program to accelerate the advancement of the state of the art for computer modeling of advanced plastic and polymer composites, including testing and evaluation techniques, while validating the safety performance of polymer-based composites in structural applications for the automotive industry. 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.

Distracted Driving Research.—NHTSA recently issued research and guidelines on distracted driving that do not consider the issue of cognitive distraction due to its reliance solely on a naturalistic methodology to determine safety impact. The Committee is aware of multiple research methodologies currently used to measure various aspects of distracted driving and is concerned that the agency's over-reliance on naturalistic research. The Committee directs NHTSA to consider multiple research methodologies, including epidemiological and simulator studies, equally to measure the safety impacts of distracted driving going forward.

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 is aware of recent surveys which demonstrate that there has been a substantial increase in public awareness of the dangers of hyperthermia and changes in behavior by parents, which has helped reduce the number of child deaths to 30 in 2014, the second lowest since 1998. 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. The Committee encourages the NHTSA to coordinate with the FHWA to encourage State highway offices to use existing communications platforms such as dynamic highway message signs to enhance ongoing awareness programs during the hot weather season. The Committee directs NHTSA to coordinate with industry to provide an assessment of available, voluntary products or technologies that can serve as a reminder to parents to unbuckle and remove children from the back seat prior to exiting their vehicle. The agency shall submit its assessment to the House and Senate Committees on Appropriations within 180 days of enactment of this act.

Road Safety Innovation.—The Committee is pleased that the Department recently announced the acceleration of its public time table for its proposal to require vehicle-to-vehicle [V2V] communication devices in new vehicles including expediting the testing to determine the feasibility of sharing arrangements to allow for the operation of unlicensed devices within the relevant band. The Committee strongly supports finalizing the proposed rule as quickly as possible given the potential for these new innovative technologies to greatly enhance road safety and directs NHTSA to report to the House and Senate Committees on Appropriations within 90 days of enactment of this act on the status of implementation of the final rule.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriations, 2015	$561,500,000	$561,500,000
Budget estimate, 2016	577,000,000	577,000,000
House allowance	561,500,000	561,500,000
Committee recommendation	575,500,000	575,500,000

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 device research.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations and authority to liquidate an equal amount of contract authorization of $575,500,000 for the highway traffic safety grant programs funded under this heading, of which $14,000,000 shall be repurposed for operations and research. The recommended limitation is $1,500,000 less than the budget estimate and $14,000,000 above the fiscal year 2015 enacted level.

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
Repurposed for Operations and Research (Vehicle Safety Research)	4,000,000
Repurposed for Operations and Research (Highway Safety R&D)	10,000,000

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. To date, progress has been significant, including the identification of two competing technological approaches which are being 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 $5,440,000 for ACTS to continue this research, which is $134,000 less than the budget request and equal to the fiscal year 2015 enacted level. The Committee directs the agency to submit the annual report required by subsection 403(h)(4) of title 23, United States Code to the House and Senate Committees on Appropriations.

The Committee also recognizes that MAP–21 included 24/7 Sobriety Programs as an eligible activity that States can use to address alcohol-impaired driving. Over 10,000 people die each year as a result of alcohol-impaired driving. According to NHTSA, 12 percent of intoxicated drivers involved in fatal crashes had at least one prior driving while intoxicated [DWI] conviction in the past 3 years. NHTSA studies also show that intoxicated drivers with prior DWI convictions had over 4 times the risk of being in a fatal crash as intoxicated drivers without a prior DWI and fatal crash risk increases with the number of prior DWI arrests. Given the significant challenge of repeat impaired driving offenders, some States have turned to 24/7 Sobriety Programs that enables convicted repeat offenders to enroll in a program that prohibits consuming any alcohol for a period of time. A 24/7 Sobriety Program can protect the public against alcohol-impaired driving crashes, while enabling participants to seek treatment for and recover from alcohol abuse, and be a productive member of society. The Committee supports 24/7 Sobriety Programs as another approach that States can adopt to combat high recidivist impaired drivers and encourages NHTSA to work with States to make more extensive use of this program.

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, 2015	$186,870,000
Budget estimate, 2016	203,800,000
House allowance	190,370,000
Committee recommendation	199,000,000

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 recognizes the importance of taking a holistic approach to improving railroad safety and supports a comprehensive strategy of data-driven regulatory and inspection efforts, proactive approaches to identify and mitigate risks, and strategic capital investments in order to improve safety. While the FRA has made progress, it is evident that more still must be done. In the last year, several high profile incidents underscore the importance of targeting Federal resources to those most pressing rail safety issues. Accidents like the freight train derailments near Galena, Illinois, in Fayette County, West Virginia, and Heimdal, North Dakota, as well as the passenger train collisions in Valhalla, New York, Oxnard, California, and Halifax, North Carolina, emphasize that the FRA's top priority must be to ensure the safe, reliable and efficient transportation of people and goods throughout the Nation.

The Committee recommends $199,000,000 for Safety and Operations for fiscal year 2016, which is $4,800,000 less than the budget request and $12,130,000 more than the fiscal year 2015 enacted level. The bill specifies that $15,900,000 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 increase in funding supports the annualization of fiscal year 2015 safety personnel, as well as several safety initiatives requested in fiscal year 2016 as described below. The Committee remains concerned about the difficulty FRA has experienced in achieving the current authorized staffing level in recent years, and appreciates that the agency is finally acting quickly to fill its authorized positions. The Committee is encouraged by FRA's recent progress, including its efforts to account for attrition in its hiring plans as well as pursuing alternative avenues to recruit and hire qualified individuals when there is a severe shortage of candidates or a critical hiring need.

Safe Transport of Energy Products.—The Committee's recommendation includes an increase of $3,400,000 to support FRA's efforts to improve the safe transport of energy products. The STEP initiative supports additional crude oil safety inspectors, crude oil route safety managers, and tank car quality assurance specialists, as well as supports increased mileage of a dedicated Automated Track Inspection Program vehicle on routes with energy products traffic.

Passenger Railroad Safety.—The Committee's recommendation includes an increase of $1,900,000 to improve passenger railroad safety. This initiative supports additional safety staff to help develop and implement passenger rail risk reduction system safety programs and additional passenger rail inspectors to conduct comprehensive safety culture and compliance reviews, as well as improve safety culture through the Clear Signal for Action program, a voluntary, non-punitive program for identification and mitigation of unsafe practices, and to study passenger rail electrification standards.

Grade Crossing and Pedestrian Safety.—The Committee's recommendation includes an increase of $1,000,000 to reduce grade crossing incidents and increase pedestrian safety. This initiative supports additional grade crossing safety managers and trespass prevention managers, as well as for Operation Lifesaver, and to support a grade crossing and trespass prevention workshop.

RRIF Administration and Oversight.—The Committee's recommendation includes an increase of $250,000 to support one additional RRIF financial specialist.

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 inspectors and by railroads to ensure proper track maintenance and to assess track safety trends within the industry. The Committee supports FRA's efforts to expand the use of ATIP vehicles, including autonomous ATIP vehicles, to support the inspection of crude oil routes.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriations, 2015	$39,100,000
Budget estimate, 2016	39,250,000
House allowance	39,100,000
Committee recommendation	39,100,000

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 $39,100,000 for railroad Research and Development, which is $150,000 less than the budget request and equal to the fiscal year 2015 enacted level.

Short Line Safety Institute.—Short Line railroads operate approximately 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. Many small railroads with limited personnel and limited financial capital need additional resources to conduct hazardous materials safety training and other operational safety assessments. The Committee supports FRA's efforts, in partnership with short line and regional railroads, to continue to build a stronger, sustainable safety culture in this segment of the rail industry. To date, several Class III railroads, including those that transport crude oil, have received safety conformance assessments in order to improve railroad safety culture. The Committee's recommendation includes $2,000,000 to further the Short Line Safety Institute's mission, including continued efforts to improve the safe transportation of crude oil and other hazardous materials by rail.

Safe Transportation of LNG.—There has been an increased interest in transporting Liquefied Natural Gas [LNG] by railroad, both as a fuel to be transported for use elsewhere and as a fuel source to power locomotives. The Committee's recommendation includes $2,000,000 for the FRA, in collaboration with PHMSA, to accelerate its research and development on the safe transportation of LNG. This amount will allow the FRA to finish the work it began in fiscal year 2015 as well as for reviewing international specifications.

Tank Car Research.—The Committee's recommendation includes $500,000 to continue tank car research activities, including physical testing at the Transportation Technology Center.

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 2016 with the exception of permissions granted under section 152 of this act. The Committee directs FRA to continue to provide a summary of loan activity for the preceding fiscal years in its fiscal year 2017 budget justification. At a minimum, FRA should detail the number of loans pending and issued, and the processing time for these loans.

RAILROAD SAFETY GRANTS

Appropriations, 2015	....
Budget estimate, 2016	....
House allowance	....
Committee recommendation	$50,000,000

PROGRAM DESCRIPTION

The Railroad Safety Grants account provides support for three rail safety grant programs as authorized by Public Law 110–432. The Railroad Safety Infrastructure Improvement Grants program supports railroad infrastructure, including the acquisition, improvement, or rehabilitation of intermodal or rail equipment or facilities, including track, bridges, tunnels, yards, buildings, passenger stations, facilities, and maintenance and repair shops. The Railroad Safety Technology Grants program supports the deployment of train control technologies, train control component technologies, process-based technologies, electronically controlled pneumatic brakes, rail integrity inspection systems, rail integrity warning systems, switch position indicators and monitors, remote control power switch technologies, track integrity circuit technologies, and other new or novel railroad safety technology. The Federal Grants to States for Highway-Rail Grade Crossing Safety program supports safety improvements, including the installation, repair, or improvement of highway-rail grade crossings, as well as enhanced public education and awareness activities to prevent and reduce injuries and fatalities along railroad rights-of-way.

COMMITTEE RECOMMENDATION

The Committee recommends $50,000,000 for the Railroad Safety Grants account, which is $50,000,000 more than the budget request and $50,000,000 more than the fiscal year 2015 enacted level.

Railroad Safety Infrastructure Improvement Grants.—The Committee recommends $25,000,000 for Railroad Safety Infrastructure

Improvement Grants program, as authorized by section 418 of Public Law 110–432.

Railroad Safety Technology Grants.—The Committee recommends $15,000,000 for the Railroad Safety Technology Grants program, as authorized by section 105 of Public Law 110–432.

Federal Grants to States for Highway-Rail Grade Crossing Safety.—The Committee recommends $10,000,000 for the Federal Grants to States for Highway-Rail Grade Crossing Safety program, for projects as defined in section 207 of Public Law 110–432.

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

The Committee recommends a total appropriation of $1,390,000,000 for Amtrak, which is equal to the fiscal year 2015 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.

Budget, Business Plan, and the 5-Year Financial Plan.—The Committee maintains requirements for Amtrak to submit a business plan and 5-Year Financial Plan for fiscal year 2016. The Corporation shall continue to submit a budget request for fiscal year 2017 to the House and Senate Committees on Appropriations in similar format and substance to those submitted by executive agencies of the Federal Government.

FRA Grant Administration and Report Streamlining.—The Committee recognizes that Amtrak fields a myriad of grant requirements from the FRA. The Committee is supportive of robust oversight by the FRA; however, to the extent practicable, the FRA is encouraged to work with Amtrak to reduce duplication and streamline their report requirements.

Section 209.—States with intercity passenger rail service under 750 miles in length have assumed a far greater share of the cost of the service as required by section 209 of the Passenger Rail Improvement and Investment Act of 2008 [PRIIA]. In 2012, the Surface Transportation Board [STB] determined that a methodology agreed upon by Amtrak and most of the affected States to establish and allocate costs for State-supported Amtrak routes met the requirements of section 209; and the STB directed Amtrak and the affected States to implement that methodology. However, much work remains in order to finalize that implementation. To this end, the Committee recognizes the importance of Amtrak and the States having an open dialogue and reaching a workable agreement on implementation of the section 209 methodology. Further, the Committee strongly urges both Amtrak and the States to continue to meet in person, along with the Federal Mediation and Conciliation Services under the sponsorship of the STB when appropriate, in order to reach closure on the remaining issues. The Committee recognizes that this is a hardship on many of the States; therefore, the bill allows the FRA to use its financial resources to provide assistance for administrative purposes such as travel to facilitation/negotiation sessions, to States, the District of Columbia, and other public entities for the implementation of section 209. In addition, the Committee directs Amtrak to provide the House and Senate Committees on Appropriations with an annual report on the status of State contracts and payments.

Integrating Service.—The Committee directs the FRA, in coordination with Amtrak, to identify those State-supported routes that are, at the time of enactment of this act, not physically connected to any other Amtrak route, service or station on Amtrak's rail network, and to subsequently conduct a study on the feasibility of physically integrating such routes into Amtrak's network. This study should include an analysis of projected ridership and revenue levels, impacts on service, and operating and capital costs, as well as the local economic impact of establishing an integrated service. In addition, the study should examine the infrastructure improvements necessary to facilitate an integrated service. The FRA is encouraged to focus its efforts on integration options that are most cost effective, such as the utilization of railroad lines or rights-of-way that already exist, as opposed to options that would require the acquisition of property not currently used for rail transportation or the construction of a new bridge or tunnel where one does not currently exist. Further, in conducting its study, the FRA and Amtrak should consult with the appropriate sponsors of the State-supported routes throughout the process. The Committee directs the FRA to submit its study to the House and Senate Committees on Appropriations, as well as the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation within 300 days after enactment of this act.

Section 212.—The Committee commends the Northeast Corridor [NEC] Commission for adopting a new framework for regional collaboration and cost sharing among passenger rail operators on the corridor. It is the Committee's expectation that, in fiscal year 2016, Amtrak and the NEC commuter railroads will implement and comply with the terms of the Cost Allocation Policy adopted by the Commission in fiscal year 2015. As such, any funds made available to Amtrak under this act, in order to support the Northeast Corridor, shall be used in accordance with the terms of the policy.

Promoting Rail and Airport Connections.—The Committee supports efforts to improve intercity passenger rail connections at commercial airports that are adjacent to the mainline of the Northeast Corridor [NEC] and not currently served by Amtrak and directs FRA, in coordination with Amtrak, to study the feasibility of establishing service at such airports. Such an assessment of feasibility should include consideration of how intercity passenger service may complement existing or planned commuter passenger rail service at such stations and analyze the projected ridership and revenue levels, impacts on network service levels and performance, operating and capital costs, and local economic impacts associated with any service options.

Update Plan for Restoration of Service.—The Committee directs Amtrak to update its Gulf Coast Service Plan report as mandated by Section 226 of Public Law 110–432. This updated report should take into consideration population and employment growth since 2009; assess the local economic impact from the reestablished service and the potential for future development along the route that could potentially help support the service; and take into account the potential for utilizing existing rolling stock that is being replaced by Amtrak elsewhere via new acquisitions. In addition, the updated report should focus on the section of the route that currently does not have Amtrak passenger service. Amtrak shall determine with the host railroads the projected cost of any infrastructure investments to accommodate restoration of service. This includes installation of positive train control if required solely because of the restoration of Amtrak service and installation of a signal system on portions of the route outside terminal areas on which there is no signal system at the time of enactment. The Committee directs Amtrak to submit its updated report to the House and Senate Committees on Appropriations, as well as the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation within 180 days after enactment of this act.

Emergency Preparedness and Response.—Following the tragic accident of Amtrak Train 188 on May 12, 2015 in Philadelphia, it appears that first responders to the scene were timely, well-coordinated, and deeply committed to the safety of passengers and crew. However, there were some reports of confusion about the process for notification to passengers and family members, as well as the process for the return of personal property and claims.

Under FRA regulations, Amtrak is required to implement emergency preparedness plans and conduct full-scale emergency simulations every year. Amtrak's Emergency Management and Corporate Security [EMCS] department oversees preparedness and training programs so that Amtrak can provide for the safety of its passengers and employees in the case of an emergency. Amtrak also works closely with the National Transportation Safety Board [NTSB], which plays a role in coordinating support for passengers and family members in the event of a passenger rail accident resulting in a major loss of life. In addition to investigating the cause of the accident, NTSB provides information about its investigation to passengers' family members; helps them access support services; and coordinates local, State and Federal assets for disaster response and family assistance. NTSB also provides advice to Amtrak and other transportation modes on planning for family assistance in the case of an accident.

The Committee directs Amtrak to fully participate in the NTSB's post-accident evaluation of passenger support services that examines the roles and responsibilities of each agency, where there were gaps in communication both internal to each organization and with external stakeholders and victims. The Committee further directs Amtrak to revise its emergency response preparedness plans to incorporate lessons learned from the post-accident evaluation. Likewise, the Committee directs the NTSB to reevaluate its own policies and procedures in light of lessons learned as part of their usual post-accident review. Finally, the Committee directs Amtrak to ensure that its contact centers, customer support desk and incident hotline teams are trained on the revised procedures so that accident victims and their families are supported in these crisis situations.

Passenger Rail in the Bakken Region.—The Committee recognizes the importance of improving the financial viability of Amtrak's Empire Builder and the growth in demand for passenger rail services in the Bakken region. The Committee directs FRA, in coordination with Amtrak, to reevaluate previous Amtrak Empire Builder feasibility studies that were conducted within the last 4 years which prove a financial benefit by adding a rail stop that generates revenue and reduces operating costs on the Empire Builder route. In addition, the evaluation should examine the infrastructure improvements necessary to facilitate the expansion of such services. The Committee directs Amtrak to report its findings and provide a copy of the feasibility study to the House and Senate Committees on Appropriations no later than 1 year after the date of enactment of this act.

OPERATING GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Appropriations, 2015	$250,000,000
Budget estimate, 2016	....
House allowance	288,500,000
Committee recommendation	288,500,000

The Committee recommends $288,500,000 for Operating Grants to Amtrak, which is $38,500,000 above the fiscal year 2015 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.

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. Each year, Amtrak is responsible for significant one-time cash outflows at the beginning of the calendar year. In order to help facilitate these payments, the Committee encourages the FRA to release adequate funding in the first quarter of the fiscal year in order to efficiently manage Amtrak's financial obligations in a timely manner.

Food and Beverage.—The Committee continues to be encouraged by Amtrak's efforts at reducing food and beverage losses, including the various initiatives outlined in Amtrak's 5-Year Strategic Plan to eliminate losses on its food and beverage services and in Amtrak's 5-Year Financial Plan. Amtrak listed several cash management and revenue generating initiatives that it is undertaking in fiscal year 2015 in order to reduce food and beverage losses, as well as additional pilots planned for fiscal year 2016. Through a combination of labor optimization, improvements to on-board services and logistics, product development and supply chain efficiencies, ticket revenue allocation, and technology enhancements and process improvements, Amtrak projects that it will produce a net loss of zero on its food and beverage services by October 2018.

The Committee directs Amtrak to provide a report to the House and Senate Committees on Appropriations 120 days after enactment of this act comparing the actual fiscal year 2015 savings with what Amtrak projected the savings to be in its 5-year plans. In addition, the report should include an update on the progress that Amtrak has made in reducing waste, fraud and abuse as related to food and beverage service since the 2011 Amtrak OIG report on this topic.

Discounted Fares.—The bill continues a prohibition against funding on routes where Amtrak is offering 50 percent or more off the normal, peak fare.

CAPITAL AND DEBT SERVICE GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Appropriations, 2015	$1,140,000,000
Budget estimate, 2016	....
House allowance	859,000,000
Committee recommendation	1,101,500,000

The Committee recommends $1,101,500,000 for Capital and Debt Service Grants to Amtrak, which is $38,500,000 below the fiscal year 2015 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.

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. Amtrak reports that it has some degree of ADA responsibility at 369 stations, that it has provided mobile lifts at the 96 stations that have less than 7,500 riders annually, and that approximately 194 of the remaining 273 stations 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 a total of 50 stations and intends to advance planning and design requirements for another 99 stations. By the end of the fiscal year 2015, Amtrak expects to complete work on a total of 36 stations.

Northeast Corridor [NEC] Infrastructure Needs.—The Committee acknowledges that the NEC has a state-of-good repair backlog of more than $20,000,000,000. This includes several key components of electrical and signal systems that date back to the 1930s as well as critical bridges and tunnels that are more than 100 years old. According to the NEC Commission, the loss of the NEC for a single day could cost the country $100,000,000 in added congestion, productivity losses, and other transportation impacts. In order to address this challenge, Amtrak proposed $555,800,000 for a NEC capital grant program. While the Committee is sympathetic to the NEC state-of-good repair, under current budgetary constraints, the Committee can simply not afford to appropriate additional funding for a new grant program. Instead, section 153 of the bill makes prior year unobligated funding available for Capital Grants to the National Railroad Passenger Corporation for shared use infrastructure on the NEC.

ADMINISTRATIVE PROVISIONS

Section 150 allows the Secretary to receive and use cash or spare parts to repair and replace damaged track inspection cars.

Section 151 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.

Section 152 makes $4,201,385 in prior year unobligated funding available to assist class II and class III railroads with expenses related to applying for loans and loan guarantees under the Railroad Rehabilitation and Improvement Financing program.

Section 153 makes $16,922,000 in prior year unobligated funding available for Capital Grants to the National Railroad Passenger Corporation for shared use infrastructure on the Northeast Corridor. For such grants, the FRA shall take into consideration a higher local match when approving Amtrak's grant request.

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.

COMMITTEE RECOMMENDATION

Under the Committee recommendations, a total program level of $10,462,653,000 is provided for FTA programs in fiscal year 2016.

The recommendation is $7,936,747,000 less than the budget request and $424,234,000 less than the fiscal year 2015 enacted level.

ADMINISTRATIVE EXPENSES

Appropriations, 2015	$105,933,000
Budget estimate, 2016[1]	114,400,000
House allowance	97,933,000
Committee recommendation	107,000,000

[1] The Administration requested this funding as a set-aside within the Formula Grants account.

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 $107,000,000 from the general fund for the agency's salaries and administrative expenses. The recommended level of funding is $7,400,000 less than the budget request, which assumed that FTA's administrative expenses would be provided as a set-aside within the Formula Grants account. The Committee recommendation is also $1,067,000 above the fiscal year 2015 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 additional staffing for the Office of Transit Safety and Oversight.

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 2017 submission.

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 existing 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) 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; (6) the source and security of all public and private sector financing; (7) the project's operating plan, which enumerates the project's future revenue and ridership forecasts; and (8) 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 Capital Investment Grant program update to the House and Senate Committees on Appropriations, detailing the status of each project. This update should include anticipated 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 Capital Investment Grant program is given approval by FTA to advance to project development or engineering.

FORMULA GRANTS

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

	Obligation limitation (trust fund)
Appropriations, 2015	$8,595,000,000
Budget estimate, 2016	13,914,400,000
House allowance	8,595,000,000
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 2016 to $8,595,000,000. The recommendation is $5,319,400,000 less than the budget request and equal to the fiscal year 2015 enacted level. The recommendation is also consistent with the currently authorized level under 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 2015	Fiscal year 2016	
			Administration proposal	Committee assumption
Transit Oriented Development	20005(b)	$10,000,000	$10,234,449	$10,000,000
Planning Programs	5305	128,800,000	131,819,705	128,800,000
Urbanized Area Formula Grants	5307	4,458,650,000	4,563,182,693	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
Growing States and High Density States Formula Grants.	5340	525,900,000	538,229,684	525,900,000
Administrative Expenses			114,400,000	
Total		8,595,000,000	13,914,400,000	8,595,000,000

Transit Formula Allocations.—The Committee continues to have significant concerns over the number of localities that are negatively impacted by changes to the funds distribution methodology as contained in MAP–21. Under the current formula, the funds for bus replacement, purchase, and rehabilitation are severely reduced from previous years. This reduction is disproportionately impacting medium and smaller sized transit agencies whose focus is on bus service, and in those regions and States with older bus fleets. According to the FTA, 41 States and territories received a lower average allocation under the new section 5339 Bus and Bus Facilities (formula) Grant program in fiscal years 2013–2014 than they did under the prior Section 5309 Bus and Bus Facilities program during fiscal years 2010–2012.

The Committee encourages the Department to work with the authorizing committees of jurisdiction when crafting the next surface bill to help these impacted communities with their bus replacement needs, without negatively impacting those States that now receive a higher allocation under the current formula program. In addition, in order to further assist communities with bus replacement and repair, the Department is urged to work with the authorizing committees of jurisdiction to establish a competitive Bus State of Good Repair program.

TRANSIT RESEARCH

Appropriations, 2015	$33,000,000
Budget estimate, 2016	33,000,000
House allowance	26,000,000
Committee recommendation	32,500,000

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 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 $32,500,000 for the transit research account. The recommendation is $500,000 below the fiscal year 2015 enacted level. The Administration's budget request shifted these activities into a new Transit Research and Training program supported with mandatory resources paid out of the Mass Transit Account of a Transportation Trust Fund. Of the total, $30,000,000 is for activities authorized under section 5312 of MAP–21. The Committee recommendation allocates the balance of funds,

$2,500,000, to the Transit Cooperative Research Program authorized by 49 U.S.C. 5313.

Improving Rural Transit Access.—The Committee recognizes the importance of ensuring safe, private transportation is made available for seniors and people who do not drive, especially in small and rural communities where distance and low population density make traditional mass transportation difficult. The efficiencies of information management can help to provide on-demand transportation services and bring together underutilized private transportation capacity through ride share, car share, volunteer transport, and private community transport. The Committee encourages FTA to consider innovative transportation networks that leverage community volunteerism and private resources in various forms to access underutilized private transportation capacity to promote inclusive community mobility and provide transportation for seniors and disadvantaged populations in small and rural communities. Further, the Committee supports the capacity of consumers to plan their travel safely, independently and reliably through a variety of techniques and tools.

TECHNICAL ASSISTANCE AND TRAINING

Appropriations, 2015	$4,500,000
Budget estimate, 2016	27,000,000
House allowance	5,000,000
Committee recommendation	3,153,000

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 $3,153,000 for technical assistance and training. The recommendation is $1,347,000 below the fiscal year 2015 level. The Administration's budget request shifted these activities into a new Transit Research and Training program supported with mandatory resources paid out of the Mass Transit Account of a Transportation Trust Fund. Of the total, $2,653,000 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 United States Code 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.

CAPITAL INVESTMENT GRANTS

Appropriations, 2015	$2,120,000,000
Budget estimate, 2016	3,250,000,000
House allowance	1,921,395,000
Committee recommendation	1,585,000,000

PROGRAM DESCRIPTION

Under the Capital Investment Grants [CIG] 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 or more and a total capital cost of $250,000,000 or more. By comparison, Small Starts are projects with a Federal share under this section of $75,000,000 or less and total capital cost of $250,000,000 or less. The most recent reauthorization, MAP–21, added a third category of eligible projects under this section: Core Capacity. These are projects that will expand capacity by at least 10 percent in existing fixed-guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within 5 years.

COMMITTEE RECOMMENDATION

The Committee recommends $1,585,000,000 for capital investment grants, which is $535,000,000 below the fiscal year 2015 enacted level. The Administration requested $3,250,000,000 for capital investment grants funded by mandatory resources paid out of the Mass Transit Account of a Transportation Trust Fund.

The Committee's recommendation includes $1,250,000,000 to cover the cost of existing full funding grant agreements in fiscal year 2016. In addition, $210,000,000 is provided for new starts projects that the Administration has recommended for full funding grant agreements in its budget request. For such projects, FTA is directed to give funding priority to projects that require a Federal share of 40 percent or less.

The Committee recommendation also includes $75,000,000 for core capacity projects, $30,000,000 for small starts projects, $5,000,000 for the pilot program of expedited project delivery as authorized under section 20008(b) of MAP–21 and clarified by section 165 of the bill, and $15,000,000 for oversight activities.

In addition, the Committee encourages the FTA to take into consideration a system's state of good repair, as certified by the sponsor, prior to forwarding a full funding grant agreement or small starts grant agreement for CIG projects that expand a system's footprint.

PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM

Appropriations, 2015	....
Budget estimate, 2016	$25,000,000
House allowance	....
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 2016.

GRANTS TO THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Appropriations, 2015	$150,000,000
Budget estimate, 2016	150,000,000
House allowance	100,000,000
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. Despite this continued Federal support, the Committee will not accept the status quo at WMATA.

Leadership.—For nearly 6 months, WMATA has been without a permanent Chief Executive Office and General Manager. In addition, WMATA's search for this individual has been suspended for the last 3 months. The Committee compels the WMATA Board of Directors to begin a new search for its top executive immediately.

Yellow Line Smoke Incident at L'Enfant Plaza Station.—The Committee remains deeply troubled by the Yellow Line smoke incident at L'Enfant Plaza Station on January 12, 2015 that killed 1 passenger, critically injured 2 riders and injured over 80. This deadly incident revealed WMATA still lacks established safety protocols to protect its ridership. It also revealed the lack of coordination between WMATA and local first responders. The Committee directs WMATA to provide the House and Senate Committees on Appropriations a report each quarter detailing its progress completing each of the National Transportation Safety Board's existing and forthcoming recommendations. This report also should include updates on the outstanding recommendations from the deadly Fort Totten accident 6 years ago and the deadly Dupont Circle Station accident involving a WMATA employee in 2006. The Committee is especially interested in the replacement of the 1000-series cars.

The Committee commends the FTA's Office of Safety and Oversight for initiating a safety management inspection of WMATA in March 2015. This audit examined WMATA's safety culture including safety procedures and protocols. The Committee is very concerned about the audit's troubling findings that indicate a lot more work must be done to improve safety at WMATA. Therefore, the bill requires the Secretary to approve grants provided under this heading to WMATA only after certifying that progress has been made to improve WMATA's safety management system.

Financial Management.—Last year, an FTA audit reported material weaknesses and significant deficiencies in WMATA's internal financial controls. 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. WMATA accepted all of the audit's findings and recommendations and responded with a corrective action plan. The Committee is advised FTA has reviewed and closed 33 of 38 corrective actions. Another two are under review and the remaining three are due to FTA on June 30, 2015. The bill requires the Secretary to approve grants provided under this heading to WMATA only after certifying that WMATA is making progress toward full implementation of the corrective actions identified in this audit.

The bill also directs the Secretary 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 the Secretary 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 and Federal Transit Administration's recommendations as a guide.

Wireless Service Extension.—The Committee reluctantly provides another 1 year extension for the wireless service requirement in the authorization statute. The Committee is aware of the troubles WMATA has had meeting this requirement. However, it has been nearly 7 years. The deadly Yellow Line smoke incident sadly demonstrated the need for wireless service in the system's tunnels. The Committee directs WMATA to provide the House and Senate Committees on Appropriations a report each quarter detailing its progress installing wireless service. Without significant progress toward completing this work, the Committee will not be inclined to consider a subsequent extension for the completion of this large safety project.

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, 2020, 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, 2015, 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 arctic vessels as satisfying the requirements under 49 U.S.C. 5334 and 2 CFR 200.313.

Section 165 Clarifies section 20008(b) of MAP–21.

Section 166 Rescinds $10,000,000 in prior year unobligated bus and bus facilities funds.

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, 2015	$32,042,000
Budget estimate, 2016	36,400,000
House allowance	29,042,000
Committee recommendation	28,400,000

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 $28,400,000 for the operations, maintenance, and asset renewal of the Saint Lawrence Seaway. This amount is $8,000,000 less than the budget request and $3,642,000 less than the fiscal year 2015 enacted level.

The Committee recommendation includes funding to replace the agency's tugboats but does not provide additional funding for the vessel vacuum mooring system. 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, 2015	$186,000,000
Budget estimate, 2016	211,000,000
House allowance	186,000,000
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 2015 enacted level. The recommended appropriation provides sufficient funds to satisfy the fully authorized payment level for fiscal year 2016.

OPERATIONS AND TRAINING

Appropriations, 2015	$148,050,000
Budget estimate, 2016	184,637,000
House allowance	164,158,000
Committee recommendation	170,000,000

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 $170,000,000 for Operations and Training at MARAD for fiscal year 2016 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 $21,950,000 more than the fiscal year 2015 enacted level and $14,637,000 less than the budget request.

MARITIME ADMINISTRATION

	Fiscal year 2016 Senate
U.S. Merchant Marine Academy	$82,889,000
Academy Operations	64,889,000
Capital Improvements	15,000,000
Facilities Maintenance, Repair and Equipment	3,000,000
State Maritime Academies	33,400,000
SMA Direct Payments	3,000,000
Student Incentive Payments	2,400,000
Schoolship Maintenance and Repair	22,000,000
Fuel Assistance Payments	1,000,000
National Security Multi-Mission Vehicle Design	5,000,000
MARAD Operations	53,711,000
Headquarter Operations	46,711,000
Environment and Technology Grants	2,000,000
Marine Highways Grants	5,000,000
TOTAL	170,000,000

Short Sea Shipping Program.—The Committee recommendation includes $5,000,000 for the Short Sea Shipping program, commonly known as the Marine Highway program. Projects funded by this grant program will help mitigate landside congestion, encourage shipper utilization, improve port and landside infrastructure, and develop marine transportation strategies by State and local governments.

National Security Multi-Mission Vessel [NSMV].—The Committee supports MARAD's efforts to develop a replacement vessel for the six State Maritime Academy training ships, including the 53-year-old training ship *Empire State*. The Committee provides $5,000,000 for short-term planning activities, including study of requirements alternatives, cost-tradeoffs, cost analysis, schedule, acquisitions strategy, and vessel design; and long-term planning activities, including study of program delivery strategy and production timetables for the incremental replacement of the current academy training ships. The Committee directs MARAD to develop a detailed plan and schedule for vessel replacement, including a cost comparison and a cost-benefit analysis, and to provide a report on its recommendation for vessel replacement to the House and Senate Committees on Appropriations. The Committee also directs the agency to consult with the Navy, Coast Guard, and any other relevant agencies that may benefit from the NSMV prior to submitting any future budget request related to the design, construction, acquisition, or conversion of a replacement vessel.

Sexual Assault and Sexual Harassment at the United States Merchant Marine Academy.—The Committee remains concerned about the rate of incidents of sexual assault and sexual harassment at the Academy. The most recent survey of sexual harassment and sexual assault from the 2013–2014 academic year shows a continuation of the disturbing results at the Academy seen in prior surveys. Despite 35 midshipmen reporting sexual assault on the survey, only 4 midshipmen reported their incidents to Academy leadership.

It is imperative that senior leadership throughout the Department make improving conditions at the Academy a top priority. The Academy has made strides by hiring a new Sexual Assault Response Coordinator with relevant experience and knowledge to address these issues, but the change in culture must be addressed by the entire Academy. While 75 percent of midshipmen believe that senior leadership, staff, and faculty make an honest and reasonable attempt to stop sexual harassment and sexual assault, female midshipmen did not think that the training provided by the Academy during the survey year was helping. The Committee recommendation includes funding for new staff focused on developing leadership and providing student life support to help address these issues. The Committee further directs the Secretary to provide the annual report required by section 3507 of Public Law 110–417 to the House and Senate Committees on Appropriations no later than January 12, 2016.

United States Merchant Marine Academy Board of Visitors.—The Committee directs MARAD to provide full support to the United States Merchant Marine Academy's Board of Visitors [BOV], including by supporting the annual visit required in 46 U.S.C. 51312. MARAD should coordinate with the BOV, once appointed, to develop and implement a charter, support regular meetings and briefings, and address questions and concerns. The Committee urges MARAD to seek additional support from the Department of the Navy since the USMMA is a leading commissioning source for reserve naval officers. Midshipmen should be prepared to service the Nation throughout the transportation industry, including on our Great Lakes and our inland rivers and waterways. The Secretary is also encouraged to form research and training partnerships with University Transportation Centers focusing on maritime and multimodal transportation research.

United States Merchant Marine Academy Capital Improvements Plan [CIP].—The Committee once again directs the Administrator to provide an annual report by March 31, 2016, 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. The Committee directs MARAD to notify the House and Senate Committees on Appropriations not less than 3 business days before grant, contract, or cooperative agreement is announced by the Department or MARAD for the maritime environment and technology assistance program as authorized by 46 U.S.C. 50307.

ASSISTANCE TO SMALL SHIPYARDS

Appropriations, 2015	....
Budget estimate, 2016	....
House allowance	....
Committee recommendation	$5,000,000

PROGRAM DESCRIPTION

As authorized under section 54101 of title 46, the Assistance to Small Shipyards program provides assistance in the form of grants, loans, and loan guarantees to small shipyards for capital improvements and training programs.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $5,000,000 for assistance to small shipyards. This level of funding is $5,000,000 more than the fiscal year 2015 enacted level and the President's request. Funding for this program is intended to help small shipyards improve the efficiency of their operations by providing funding for equipment and other facility upgrades. The funding recommended by the Committee will help improve the competitiveness of our Nation's small shipyards, as well as workforce training and apprenticeships in communities dependent upon maritime transportation.

SHIP DISPOSAL

Appropriations, 2015	$4,000,000
Budget estimate, 2016	8,000,000
House allowance	4,000,000
Committee recommendation	4,000,000

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 $4,000,000 for MARAD's Ship Disposal program. This level of funding is equal to the fiscal year 2015 enacted level and $4,000,000 below the budget request. This level of funding, in addition to the anticipated carryover from previous appropriations and receipts from the sale of vessels, is sufficient to meet the terms and conditions of the Suisun Bay Reserve Fleet settlement and continued activities related to the *NS Savannah*. The total number of obsolete ships not yet under contract and awaiting disposal is down to 15. This is a historic low for the program.

MARITIME GUARANTEED LOAN PROGRAM [TITLE XI]

Appropriations, 2015	$3,100,000
Budget estimate, 2016	3,135,000
House allowance	3,135,000
Committee recommendation	8,135,000

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 $8,135,000 for the maritime guaranteed loan title XI program, of which $3,135,000 shall be used for administrative expenses of the maritime loan guarantee program. This level of funding is $5,000,000 more than the President's budget request and $5,035,000 more than the fiscal year 2015 enacted level. The loan guarantee amount of $5,000,000, in addition to unobligated balances currently available, is sufficient to meet the cost of all current pending applications before the Department. The Committee directs the agency to move quickly to approve all pending applications and continue to proactively monitor all guaranteed loans that may be at risk of default. 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, 2015	$22,225,000
Budget estimate, 2016	22,500,000
House allowance	21,225,000
Committee recommendation	22,500,000

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 $22,500,000 for this account, of which $1,500,000 may be transferred to the Office of Pipeline Safety for Information Grants to Communities. The Committee's recommendation is equal to the budget request and $275,000 more than the fiscal year 2015 enacted level.

HAZARDOUS MATERIALS SAFETY

Appropriations, 2015	$52,000,000
Budget estimate, 2016	64,254,000
House allowance	60,500,000
Committee recommendation	49,000,000

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 $49,000,000 for hazardous materials safety, of which $2,300,000 shall remain available until September 30, 2018. The amount provided is $15,254,000 less than the administration's budget request and $3,000,000 less than the fiscal year 2015 enacted level. The Committee's recommendation does not provide additional funding for the Risk Management Framework and does not provide any new full-time equivalent [FTE], but fully funds the additional safety and inspection enforcement staff provided in the previous fiscal year. The recommendation does not continue the one-time increase of $4,700,000 provided in the previous fiscal year for research and development activities and directs the agency to prioritize these funds for research activities on the safe transportation of energy products, including crude oil, ethanol, and liquefied natural gas, and to coordinate its efforts with FRA to avoid any overlap of responsibility and duplication of projects.

Crude Oil Shipment Across Various Modes of Transportation.—In light of the drastic increase in the transportation of crude by rail from 9,500 carloads in 2008 to 650,000 carloads in 2014, and the recent catastrophic oil train derailments, including the disaster in Quebec, Canada in 2013 that claimed the lives of 47 people, the derailment of a train carrying 3 million gallons of crude oil in West Virginia, in February, and the March oil train derailment in Galena, Illinois, that narrowly avoided the Mississippi River, the Committee directs the Secretary to analyze the comparative safety of shipping oil by rail, pipeline, or truck and report to the House and Senate Committees on Appropriations within 90 days of enactment of this act. The report should include the total volume of oil spilled and the total volume of oil shipped by each mode of transportation over each of the past 10 years as well as future estimates of oil shipment volumes by each mode of transportation based on recent trends and current policy, including the Department's tank car rulemaking. The report should indicate to Congress the safest mode of transportation for the shipment of oil as well as necessary measures to improve the safety of each form of transportation.

Crude Oil Volatility.—The rapid growth of light sweet crude oil from the Bakken shale in North Dakota being transported by rail has led to safety concerns about the movement of untreated products across the country. A recent literature survey from the Department of Energy's Sandia National Laboratories, conducted with cooperation from DOT, confirmed the complexity of determining the combustibility of the crude oil and the need for additional research to better predict the severity of any potential rail incident. The Committee directs the Secretary of Transportation to coordinate with the Secretary of Energy and any States where crude transported by rail originates to complete the second phase of the Department of Energy's study on oil volatility.

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. PHMSA issued an advanced notice of proposed rulemaking on expanding the applicability of comprehensive oil spill response plans to rail carriers in July 2014. The Committee notes with disappointment that to date, despite additional resources provided by the Committee and direction in Senate Report 113–182, PHMSA has not initiated a rulemaking. The Committee directs PHMSA to initiate a rulemaking to expand the applicability of comprehensive oil spill response plans to rail carriers within 90 days of enactment of this act and to issue a final rule no later than 1 year after enactment of this act.

User Fee Proposal.—In recent budget proposals, PHMSA has proposed the creation of a user fee to reduce the burden on the Federal taxpayer for financing special permit and approvals activities. The Committee believes that any such fee should be established through the authorization process.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

Appropriations, 2015	$146,000,000
Budget estimate, 2016	175,104,000
House allowance	145,870,000
Committee recommendation	146,623,000

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 $146,623,000 for the Office of Pipeline Safety. The amount is $623,000 more than the fiscal year 2015 enacted level and $28,481,000 less than the budget request. Of the funding provided, $19,500,000 shall be derived from the Oil Spill Liability Trust Fund and $127,123,000 shall be derived from the Pipeline Safety Fund.

The Committee's recommended level of funding, in addition to unused funding in the current fiscal year, fully funds the additional staff previously provided for the Pipeline Safety Reform initiative. The Committee's recommendation provides no additional funding for National Pipeline Information Exchange. The Committee provided a substantial increase for State Pipeline Safety Grants [SPSG] in fiscal year 2015 and is concerned about the ability of States to provide the 20 percent match required to access these funds. The Committee directs PHMSA to include in future budget justifications an analysis of the ability of States to obligate the funding for SPSG within the 3-year period of availability of these funds. Of the funds recommended for research and development up to $2,000,000 shall be used for the Pipeline Safety Research Competitive Academic Agreement Program [CAAP] to focus on near-term solutions, such as advanced sensor technologies and coating technologies, to improve the safety and reliability of the Nation's pipeline transportation system.

Pipeline Safety User Fee Allocation.—The pipeline safety program is largely funded through user fees on natural gas transmission pipelines, jurisdictional hazardous liquid pipelines, and liquefied natural gas terminal operators. Recent authorizations have increased the responsibilities for PHMSA and the States with respect to the safety of our Nation's pipelines. Given this change in scope of the pipeline safety program, the Committee directs PHMSA to review the user fee collection process to determine if it should be modified to more equitably allocate the cost of the pipeline safety program across the industry segments covered by Federal and State oversight. PHMSA shall submit a report to both the House and Senate Committees on Appropriations within 60 days of enactment of this act, that summarizes the agency's statutory authority to revise the fee structure, its assessment of the current fee structure, and any recommendations for changes to the fee structure that should be considered by Congress it considers reauthorization of PHMSA.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

Appropriations, 2015	$28,318,000
Budget estimate, 2016	28,318,000
House allowance	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 continues to provide PHMSA the authority to use prior year carryover and recaptures for the development of 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. The Committee encourages PHMSA to complete its work and make the Web-based curriculum available to local emergency responders as expeditiously as possible. Prior years' carry over may also 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. The Committee continues a provision increasing the administrative costs available from 2 percent to 4 percent and directs the agency to address the OIG's recommendations.

ADMINISTRATIVE PROVISIONS—PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

Section 180 raises concerns about PHMSA's regulation of the siting of small-scale liquefaction facilities that generate and package liquefied natural gas [LNG] for use as a fuel or delivery to consumers by non-pipeline modes of transportation. 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 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, vessels, or other end users. To address these concerns, PHMSA is directed to evaluate and report an alternative risk-based compliance regime for siting small-scale liquefaction facilities and consider the value of quantitative risk assessment methods, the benefits of incorporating modern industry standards and best practices, and the need to encourage the use of best available technology to the House and Senate Committees on Appropriations within 60 days of enactment of this act. Until that regime is established, PHMSA is encouraged as an interim measure to give expedited consideration to any request for a special permit that seeks to use an alternative risk-based approach for siting a small-scale liquefaction facility.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2015	$86,223,000
Budget estimate, 2016	87,472,000
House allowance	86,223,000
Committee recommendation	87,472,000

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 $87,472,000 for activities of the Office of the Inspector General, which is equal to the President's budget request and $1,249,000 more than the fiscal year 2015 enacted level.

Audit Reports.—The Committee requests that 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.

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, 2015	$31,375,000	$1,250,000
Budget estimate, 2016	32,499,000	1,250,000
House allowance	31,375,000	1,250,000
Committee recommendation	32,375,000	1,250,000

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 regulations 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 $32,375,000. This funding level is $124,000 below the budget request and $1,000,000 more than the fiscal year 2015 enacted level. Included in the recommendation is $1,250,000 in fees, which will offset the appropriated funding. The Committee recommendation includes additional funding to make long overdue improvements to the agency's information technology system.

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.

Section 199C prohibits the use of funds for any geographic, economic, or other hiring preference pilot program, regulation, or policy unless certain requirements are met related to availability of local labor, displacement of existing employees, and delays in transportation plans.

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 that protect homebuyers, 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 continue to work with Congress and other partners to implement policies 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.

Relationship Between HUD and the Committee on Appropriations.—The primary relationship between the Committee and HUD exists via the Departmental budget office. This relationship is an absolute necessity in structuring the annual appropriations act. It facilitates an effective sharing of a wide range of budgetary and cost information. The Committee retains the right to call upon all offices and agencies within the Department, but the primary connection between the two entities exists through the budget office. The Committee cautions HUD that section 405 of the Appropriations Act governs the creation of new offices and policies. Additionally, the Committee expects that all offices within HUD will work with the budget office to provide timely and accurate information to the Committee.

Appropriations Attorneys.—During consideration of the fiscal year 2003 appropriations legislation, it became apparent to the Committee that both the Committee and the Department would be better served if the attorneys responsible for appropriations matters were housed in the Office of the Chief Financial Officer [OCFO]. The fiscal year 2003 act provided funds and FTE to the OCFO to accommodate four attorneys transferred from the Office of General Counsel [OGC]. Since that time, the Committee has routinely received prompt, accurate, and reliable information from the OCFO on various appropriations law matters. For fiscal year 2016, the Committee continues to fund appropriations attorneys in the OCFO and directs HUD to refer all appropriations law issues to such attorneys within the OCFO. The Committee directs the Department to inform the House and Senate Committees on Appropriations within 5 days of enactment of this act that this directive has been implemented.

Reprogramming and Congressional Notification.—The Committee reiterates that the Department must secure the approval of the House and Senate Committees on Appropriations for the reprogramming of funds between programs, projects, and activities within each account. 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 under section 405. 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 in the operating plan required by section 405 of this act. Finally, the Committee shall 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.

Grant Awards and Congressional Notification.—HUD is reminded that appropriated funds are critical investments that support communities across the Nation. HUD's grant programs give State and local governments, public housing authorities, non-profit organizations, tribal entities, and other key housing development and service providers the resources to build and preserve quality affordable housing, spur local economies, and make communities more stable. The Committee is concerned that the Department continues to use archaic systems and processes for grant notifications, causing delays, inefficiencies, and administrative burdens on staff. Therefore, the Committee urges HUD to consult with the Department of Transportation and other Federal agencies on their Congressional notification process. HUD shall report to the House and Senate Committees on Appropriations within 30 days of enactment of this act on how the Department intends to move toward a central database and distribution for all Congressional notifications.

Congressionally Mandated Reports.—The Department is reminded that directives and reports mandated in the House and Senate Appropriations acts and accompanying reports are not optional unless revised or eliminated by the Statement of Managers accompanying the act. The Committee believes that such reports provide a better understanding of various issues and the Committee uses such reports to help inform funding decisions. Therefore, the Department is advised that the submission of directed reports is mandatory and not at the discretion of the Department. The Committee directs the Department to submit all overdue reports and to advise the Committee if it will be unable to meet a reporting requirement well in advance of the deadline.

MANAGEMENT AND ADMINISTRATION

EXECUTIVE OFFICES

Appropriations, 2015	$14,500,000
Budget estimate, 2016	14,646,000
House allowance	14,500,000
Committee recommendation	14,500,000

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 $14,500,000 for this account, which is equal to the fiscal year 2015 enacted level and $146,000 less than the budget request. The funding level provided includes no more than $51,000 for the combined travel costs of the offices of Congressional and Intergovernmental Relations and Public Affairs. 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.

Telework and Alternative Work Schedules.—As the Department increases its use of telework and alternative work schedules, it is important to recognize that these flexibilities present unique challenges as employees work to maintain office productivity and ensure that members of the Department, the public, and other stakeholders are able to consistently reach HUD staff. The Committee recognizes that these work place flexibilities can be beneficial to both the employee and the Department. However, HUD is relying on individual managers and employees or program offices across headquarters, field and regional offices to develop strategies to effectively manage staff. While this may work in individual circumstances, it creates a patchwork of inconsistent and unreliable policies that impact employee productivity and customer service. The Committee is concerned that such policies encourage the misuse of telecommunications and intercommunications within the Department, impeding employee's ability to provide necessary customer service. The Committee believes the best approach is clear and consistent telework and alternative work schedule policies and guidance from Departmental leadership. In developing such guidance, the Committee strongly encourages the Department to consult the Office of Personnel Management on effective telework and alternative work schedule arrangements that establish consistent and effective communication requirements among teleworkers, managers, coworkers, the general public, and other stakeholders.

The Committee directs HUD to report to the House and Senate Committees on Appropriations within 120 days of enactment of this act on how the newly established guidance will enable Department managers to effectively manage their telework and alternative work staff so that no critical duties go unmet. This report should also include an identification of any barriers, including statutory or regulatory barriers, to improved performance and customer service under telework and alternative work schedules.

Cross-Cutting Regulations.—The Committee is concerned that recent regulatory actions by the Department that have a cross-cutting impact on grantees, including recent efforts related to section 3, Affirmatively Furthering Fair Housing, and sustainability, have been done without a full recognition or assessment of the burden these efforts may place on grantees. The Committee is concerned that this results in one office within the Department creating new requirements that impact another office, or offices, of the Department without the full and equal participation of the affected programs and stakeholders. To avoid these unintended consequences, the Committee directs the Secretary to establish a working group to review the Department's current processes for designing, proposing, and implementing regulations that have impacts across multiple program areas and offices. The working group shall be led by a representative of the Office of the Secretary or Deputy Secretary. The Department is directed to report to the House and Senate Committees on Appropriations within 180 days of enactment of this act on the working group membership, the Department's current processes for designing, proposing (including a review of public comments), and implementing crosscutting regulations; ways the current process can be improved, mitigation strategies to be utilized to minimize grantee burden, and a timeline for implementing these improvements.

Circumvention of the Nomination Process.—The Committee is deeply troubled by the Administration's willful circumvention of the Appointments Clause of the Constitution which in Article II, section 2, clause 2 states, "and he shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law." Specifically, the Committee notes the appointments earlier this year of the Principal Deputy Assistant Secretaries for the Offices of Community Planning and Development, Housing, and Public and Indian Housing.

While this position has existed at other Federal agencies, it is new to the Department of Housing and Urban Development, and comes at a time when the Assistant Secretary position in these offices has been vacant for an extended period of time. The position of Assistant Secretary of Housing/Federal Housing Administration Commissioner has been vacant since October 24, 2014; the position of Assistant Secretary for Public and Indian Housing has been vacant since June 30, 2014; the position of Assistant Secretary for Community Planning and Development has been vacant the longest, since May 18, 2012. The Committee is incredulous that the Administration has elected to maintain the vacancy of these three mission critical positions. The Committee also takes umbrage with the Administration's decision to redirect a nominee, whose nomination was presented at the end of the 113th Congress, to a Principal Deputy Assistant Secretary position in lieu of re-nominating the individual at the beginning of the 114th Congress.

The Committee strongly encourages HUD and the Administration to rethink the appointment of Principal Deputy Assistant Secretaries in the offices of Public and Indian Housing, Community Planning and Development, and Housing in the absence of incumbent Assistant Secretaries or putting forth nominations for those positions. While the Committee does not expressly forbid this practice, the Committee has reduced amounts included in the Committee's recommendation by amounts equal to the salary and benefits of a Principal Deputy Assistant Secretary for offices where the position of Assistant Secretary is not filled or for which a nomination for that position is not currently pending before the Senate Committee on Banking, Housing, and Urban Affairs or has been reported by that Committee to the Senate.

ADMINISTRATIVE SUPPORT OFFICES

Appropriations, 2015	$518,100,000
Budget estimate, 2016	577,861,000
House allowance	547,000,000
Committee recommendation	568,244,000

PROGRAM DESCRIPTION

The Administrative Support Offices [ASO] account is the backbone of HUD's operations, and consists of several offices that aim 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 the 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 $568,244,000 for this account, which is $50,144,000 more than the fiscal year 2015 enacted level and $9,617,000 less than the budget request.

The President's fiscal year 2016 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 and responsive to the Department's operations. The Committee rejects the Department's proposal to fund one amount for ASO accounts. The Committee continues to work with HUD to respond to reprogramming requests necessary to address funding challenges that have arisen during the fiscal year and expects HUD to manage its resources as provided. The Committee notes that reprogramming requests submitted at the end of the fiscal year are the result of HUD's resource management, not of the account structure. The Committee directs HUD's Office of the Chief Financial Officer and the Office of the Human Capital Officer to submit quarterly reports to the House and Senate Committees on Appropriations on hiring and separations by program office. This report shall include position titles, location, associated FTE, and include the Office of the Inspector General and Government National Mortgage Association.

Funds are made available as follows:

	Amount
Office of the Chief Human Capital Officer	$61,475,000
Office of Administration	208,604,000
Office of the Chief Financial Officer	44,657,000
Office of the Chief Procurement Officer	17,036,000
Office of Field Policy and Management	50,000,000
Office of Departmental Equal Employment Opportunity	3,270,000
Office of the General Counsel	96,000,000
Office of Strategic Planning and Management	4,400,000
Office of the Chief Information Officer	82,802,000

Office of the Chief Information Officer.—The Committee recommendation includes $82,802,000 for this office, which is $36,802,000 more than the fiscal year 2015 enacted level. This increase is associated with the transfer of personnel and non-personnel resources related to New Core.

Office of the Chief Financial Officer.—The Committee remains focused on the staffing levels in the Office of Budget, and directs HUD to move expeditiously to address the office's staffing needs. To that end, the Committee directs the Department to prioritize the hiring of at least four FTP in the Office of Budget (three within the Program Budget Development Division, one FTP per branch, and one FTP within the Appropriations Liaison Division) before hiring in other OCFO functional areas, except in order to address mission critical positions that become vacant during fiscal year 2016.

The Committee directs HUD to submit a 2016 hiring plan for OCFO to the House and Senate Committees on Appropriations within 30 days of enactment of this Act.

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.

HUD shall not alter the organizational structure of OCFO as in effect on January 1, 2015, without prior written approval of the House and Senate Committees on Appropriations.

New Core and Shared Services.—Following the implementation challenges with HUD's previously proposed financial modernization effort, Integrated Financial Management Improvement Project [HIFMIP], HUD has undertaken a new initiative, New Core. This multi-year modernization initiative established a shared service agreement between HUD and the Bureau of Fiscal Service's Administrative Resource Center to support HUD's financial management processes and associated systems. Due to the critical need of modernizing HUD's financial management processes and developing an integrated system, the Committee is closely monitoring the management of this initiative. The Committee is deeply troubled by preliminary assessments of New Core, and is concerned that the Department's investments are occurring with no strategic connection to the larger IT modernization efforts throughout the Department. The Committee is also concerned that the savings expected from decommissioning legacy systems in 2015 will not be realized and that there are no real savings to the system operations and maintenance costs associated with this transition. The Committee is further dismayed that the efforts to migrate to a shared service provider in 2015 will not directly address any of the material weaknesses identified in the 2014 Office of the Inspector General's Annual Auditor's Report.

Providing a robust and accurate financial management system is the fundamental goal of New Core, yet it appears the current approach will result in HUD and the taxpayer paying more for a financial system that provides less functionality than the current HUDCAPS system and doing so with a greater risk of Anti-Deficiency Act violations.

The Committee reminds the Department that while modernized systems to support stronger financial management and accounting structure are critical to the financial health of HUD, it is equally important to consider the human capital aspects of such transition. The Committee is concerned that HUD's reliance on the expertise of external human capital will result in limited success in IT modernization and a failure to develop and institutionalize internal change management capacity.

While the Committee does not believe it is in the best interest to eliminate funding for New Core, it is clear that the migration efforts cannot continue as currently structured. The Committee is shifting all personnel and non-personnel funding for New Core out of the Office of the Chief Financial Officer and into the Office of the Chief Information Officer. The Committee expects that New Core will be implemented at the direction of the Chief Information Officer in collaboration with the Office of the Chief Financial Officer. The Committee directs HUD to provide the House and Senate Committees on Appropriations with updates at least quarterly on New Core. To this end, the update should include, information regarding estimated and actual lifecycle costs, functionalities deployed and the associated number of requirements remaining to be implemented, a list of risks and issues with associated mitigation strategies and anticipated closure dates, the status of organization change management activities, a list of the activities planned and completed business process reengineering efforts, and the total number of HUD employees impacted by role, location, and organization. The Committee also urges HUD to utilize the expertise of GAO and to continue to consult with the Office of the Inspector General [OIG] as New Core moves forward.

PROGRAM OFFICES SALARIES AND EXPENSES

PUBLIC AND INDIAN HOUSING

Appropriations, 2015	$203,000,000
Budget estimate, 2016	210,002,000
House allowance	203,000,000
Committee recommendation	207,000,000

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 $207,000,000 for this account, which is $3,002,000 less than the budget request and $4,000,000 more than the fiscal year 2015 enacted level. The Committee recommendation supports existing personnel, and will allow the agency to make critical hires. The Committee directs HUD to continue to focus these resources on strengthening its oversight functions, including oversight of troubled and near troubled agencies. Of the amounts provided, not less than $100,000 is for travel related to the provision of training, technical assistance, oversight and management of Indian housing.

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 of overseeing public housing agencies and the programs that they run. It is imperative that the different offices within PIH improve coordination that will result in a reduction of duplicative or conflicting information requests of PHAs, clearer, concise and streamlined guidance to PHAs, administrative efficiencies, and policies that align across programs. Therefore, the Committee directs the Department to evaluate the current PIH organizational structure and determine if the current structure is the most effective approach for program delivery, especially for the public housing programs. HUD shall report on its findings and recommendations to the House and Senate Committees on Appropriations within 180 days of enactment of this act.

The Committee directs HUD to prioritize the hiring of staff to fill critical positions in the following areas: field office staff for the management and oversight of Moving-to-Work PHAs; financial analysts for the Housing Choice Voucher program; additional staff for the Office of Policy, Programs and Legislative Initiatives to create efficiencies in program operations; and field office staff for the management and oversight of grants to Indian tribes.

The Committee directs HUD to submit a 2016 hiring plan for PIH to the House and Senate Committees on Appropriations within 30 days of enactment of this act.

Housing Quality Standards.—HUD's housing quality standards should effectively protect the health and safety of public housing and Housing Choice Voucher [HCV] residents. While the Department has made changes to public housing inspection standards to better capture the physical needs of an aging housing stock, the Committee is concerned that standards for the HCV program remain outdated and do not reflect recent research on health and safety threats in the home. The Committee directs the Department to evaluate the current HCV housing quality standards and report to the House and Senate Committees on Appropriations within 90 days of enactment of this act on a plan for updating the standards and a schedule to implement a single inspection protocol for public housing and voucher units in fiscal year 2016.

COMMUNITY PLANNING AND DEVELOPMENT

Appropriations, 2015	$102,000,000
Budget estimate, 2016	112,115,000
House allowance	102,000,000
Committee recommendation	107,000,000

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 $107,000,000 for the staffing within this office, which is $5,115,000 less than the budget request and $5,000,000 more than the fiscal year 2015 enacted level. The recommended level of funding will support additional FTE focused on grant oversight and monitoring to help address backlog of grants and audit findings.

The Committee directs HUD to prioritize the hiring of staff to support the closeout of open audits and backlog of open grants, particularly as it relates to disaster recovery grants, before hiring in other areas, unless such staff are identified as backfilling mission-critical positions.

The Committee directs HUD to submit a 2016 hiring plan for CPD to the House and Senate Committees on Appropriations within 30 days of enactment of this act.

HOUSING

Appropriations, 2015	$379,000,000
Budget estimate, 2016	397,174,000
House allowance	372,000,000
Committee recommendation	382,000,000

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 disabled, 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 $382,000,000 for staffing in the Office of Housing, which is $15,174,000 less than the budget request and $3,000,000 more than the fiscal year 2015 enacted level. The Committee's recommendation does not include a specific funding level for the Office of Risk and Regulatory Affairs because the Committee believes that this office is now well established and staffed within the overall funding provided to the Office of Housing.

Multifamily Transformation.—At the end of 2013, HUD and the Committee came to an agreement to reorganize the Office of Multifamily Housing to streamline operations, improve program delivery, and save taxpayer funding. The Committee would like to remind HUD that they must adhere to the Appropriations Committee's fiscal year 2015 agreement that HUD Asset Management functions and associated staff remain in existing field offices. The Committee further instructs that HUD, to the extent possible, prioritizes retaining talent at the local level to ensure high quality service. The Department, in conjunction with the Office of Inspector General, is directed to report to the House and Senate Committees on Appropriations 90 days after enactment of this act on their use and oversight of, and compliance with, existing Federal regulations on allowable relocation expenses. This report should identify costs associated with mandatory and discretionary relocation requirements.

POLICY DEVELOPMENT AND RESEARCH

Appropriations, 2015	$22,700,000
Budget estimate, 2016	23,907,000
House allowance	22,700,000
Committee recommendation	23,100,000

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 $23,100,000 for this account, which is $807,000 less than the budget request and $400,000 more than the fiscal year 2015 enacted level.

PD&R collects and distributes data on HUD programs, the people HUD serves, and housing needs across the country, in addition to providing technical assistance in these areas. 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, 2015	$68,000,000
Budget estimate, 2016	81,132,000
House allowance	73,000,000
Committee recommendation	69,500,000

PROGRAM DESCRIPTION

This account provides salary and benefits funding to support staff in headquarters and in all regional offices 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 $69,500,000, which is $11,632,000 less than the budget request and $1,500,000 more than the fiscal year 2015 enacted level.

OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

Appropriations, 2015	$6,700,000
Budget estimate, 2016	7,812,000
House allowance	6,700,000
Committee recommendation	6,800,000

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 $6,800,000 for this account, which is $1,012,000 less than the budget request and $100,000 more than the fiscal year 2015 enacted level.

PUBLIC AND INDIAN HOUSING

TENANT-BASED RENTAL ASSISTANCE

Appropriations, 2015	$19,304,160,000
Budget estimate, 2016	21,123,496,000
House allowance	19,918,643,000
Committee recommendation	19,934,643,000

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 and 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 $19,934,643,000 for fiscal year 2016, including $4,000,000,000 as an advance appropriation to be made available on October 1, 2016. This amount is $1,188,853,000 less than the budget request and $630,483,000 more than the fiscal year 2015 enacted level.

The Committee recommends $17,982,000,000 for the renewal costs of section 8 vouchers, which is $351,816,000 less than the budget request and $496,000,000 more than the fiscal year 2015 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 updated actual leasing and cost data 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.

Addressing Regulatory Burdens.—The Committee expects HUD to update regulations that don't require congressional action. In recent years, public housing authorities [PHAs] have faced serious funding constraints, and the Committee voiced concerns at HUD's budget hearing on the burdensome requirements they are expected 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 require different information that would provide better insight into its programs and improve its oversight. While notices can provide flexibility for addressing existing regulatory requirements, they do not actually reduce the amount of regulations. If regulations are outdated and no longer reflect effective program management and oversight, the Department should focus on repealing these requirements, not just creating temporary ad hoc workarounds. 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 that HUD submitted to the Committees in February reflects an initial effort from which to move forward. The Committee directs the Department to submit a report to the House and Senate Committees on Appropriations 180 days after enactment of this act that highlights the regulatory reviews initiated and work accomplished since 2014's reporting requirement and includes a list of regulation updates that are still outstanding, planned efforts to review additional regulatory and statutory requirements, and a timeline for completing this effort.

Cash Management.—The Committee reminds the Department 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 Generally Accepted Accounting Principles [GAAP] and Treasury requirements. The Committee reiterates its concerns with PIH's cash management practices, particularly since it limits understanding of the true funding needs in the voucher program.

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. The Committee reminds the Department that it has failed to submit a plan to the House and Senate Committees on Appropriations identifying how the Department will implement new cash management policies and require housing authorities to draw down funds; a practice most housing authorities already do through the public housing programs.

Finance and Governance.—The Committee recognizes HUD's efforts to identify and address critical skills that PHA boards should have to effectively oversee PHA operations. The Department is directed to provide semi-annual updates on their efforts to support the development of PHA boards.

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.

HUD–VASH.—The Committee recognizes the progress HUD–VASH partners have made in addressing homelessness among veterans, but rejects the Administration's assumption that homelessness among veterans will end by the end of calendar year 2015. Therefore, the Committee has included $75,000,000 for new VASH vouchers. The Committee also recognizes the importance of the ongoing pilot on expanding the HUD–VASH program to American Indian veterans living in tribal areas. Given the importance of reducing homelessness for veterans in Indian country, the Committee directs the Department to update the House and Senate Committees on Appropriations within 180 days on the progress of this pilot.

Administrative Fees.—The Committee recommends $1,620,000,000 for administrative fees, which is $400,037,000 less than the budget request and $90,000,000 more than the fiscal year 2015 enacted level.

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.

Section 811 Mainstream Vouchers.—The Committee recommends $107,643,000 to continue the rental assistance and administrative costs of this program.

Family Unification Program.—Young adults associated with child welfare systems are more likely to experience homelessness as adults or as they transition to adulthood. The Committee recognizes that stable, affordable housing with appropriate services can help prevent children from being unnecessarily removed from their families and help youth exiting foster care transition to adulthood. The Committee is concerned that FUP vouchers are underutilized as a housing strategy to assist at-risk youth and that PHAs and local public child welfare agencies have had limited success in developing effective partnerships. According to a May 2014 report from HUD's Office of Policy Development & Research, youth only comprise about 14 percent of the total program participants. Therefore, the Committee includes $20,000,000 for new Family Unification [FUP] vouchers. The Committee directs HUD to prioritize the award of these new vouchers to PHAs that will target them to youth and PHAs that have partnered with their local public child welfare agency to ensure youth referrals for these vouchers. In order to further improve the program and reduce the incidence of youth homelessness, the Committee also includes a provision to permit FUP vouchers for youth to be used for up to 36 months instead of the current 18 month limit.

The Committee is also concerned about how and when families and youth are being referred to receive FUP assistance. The Committee directs HUD to work with the Department of Health and Human Services Administration on Children and Families [ACF] to develop guidance and training materials necessary to improve connections between local agencies, increase collaboration, improve programs, goals, and supportive housing models that align at the local level. Further, HUD is directed to identify specific statutory or regulatory barriers either within the FUP program or child welfare service programs that limit individuals' access to services and case management that can help improve outcomes for at-risk youth. The Committee directs HUD to report to the House and Senate Committees on Appropriations 180 days after enactment of this act on the status and results of these efforts.

Family Self-Sufficiency.—In fiscal year 2015, the Committee provided flexibility to HUD to improve connections between vouchers serving youth exiting foster care and the Family Self Sufficiency program. HUD shall work with ACF to issue a Notice within 30 days of enactment of this act to implement this new authority.

Moving-to-Work.—The purpose of the Moving-to-Work [MTW] demonstration, established in the 1996 Appropriations Act, is to give public housing agencies [PHAs] and HUD the flexibility to design and test various approaches for providing and administering housing assistance that: reduce cost and achieve greater effectiveness in Federal expenditures; give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for low-income families. The recent Abt Associates report, *"Innovation in the Moving to Work Demonstration,"* highlights how the current participating agencies have used MTW flexibilities to implement local innovations from small administrative changes to the creation of new programs.

The Committee recommendation expands the MTW program by 300 high performing PHAs. Currently, 39 PHAs participate in the MTW program. This number is less than 1 percent of all PHAs, and less than 3 percent of PHAs that administer both public housing and voucher programs. This level is insufficient to truly evaluate the MTW demonstration. In addition to being a small percentage of the total number of PHAs, the current participating agencies are not a representative sample of PHAs overall. For example, the average size of a PHA (including MTW agencies) that administers vouchers and public housing is nearly 1,900 units; excluding MTW agencies the average is just over 1,600 units; and for MTW agencies the average is 11,800. It is clear that the current demonstration is not reflective of the geographic distribution or program size of most PHAs. This undermines the ability of the MTW demonstration to test innovations that are applicable to the broader universe of PHAs. Without a meaningful expansion of the demonstration, the Department will continue to focus attention on the other 99 percent of PHAs and the existing regulatory framework; and better approaches to providing assisted-housing and encouraging self-sufficiency will continue to languish.

Adding 300 PHAs to the MTW program cannot and should not be accomplished in 1 year. Steady expansion over several years is proposed not just for developing HUD capacity, but to also incentivize PHAs to improve their physical quality and financial management in order to qualify for MTW status.

The Committee recommendation denies the Department's request to grant exceptions to project-basing housing choice vouchers. Rather, the Department shall assess the 20 percent cap on project basing of Housing Choice Vouchers as embodied in 24 CFR part 983.6 and report to the House and Senate Committees on Appropriations within 120 days of enactment of this act on the impact of a cap increase on developing new housing or rehabilitating existing stock.

The Committee remains concerned about the Department's efforts to make substantial changes to the present authority and financial terms of existing Moving-to-Work agreements. These provisions give cities the flexibility and resources to tackle the most vexing challenges they have in housing the very low-income families and individuals who lack the means to fully pay for their own shelter. The Department's proposal to alter the current formula for public housing operating subsidies is estimated to cost cities millions and weaken their ability to serve their residents. The Committee recommendation includes an extension of the terms and agreements of existing MTW agreements to ensure these MTWs continue to exercise critical flexibilities that meet their local and unique housing and supportive service needs.

To ensure that PHAs participating in the Moving-to-Work demonstration program are best serving the needs of those they serve, the Committee directs the Department to report to the House and Senate Committees on Appropriations within 120 days of enactment of this act identifying ways in which it is identifying PHAs that hold excessive reserves in lieu of providing housing and how it is remedying this issue.

HOUSING CERTIFICATE FUND

(INCLUDING 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 2016, 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, 2015	$1,875,000,000
Budget estimate, 2016	1,970,000,000
House allowance	1,681,000,000
Committee recommendation	1,742,870,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,742,870,000 for the Public Housing Capital Fund, which is $227,130,000 less than the budget request and $132,130,000 less than the fiscal year 2015 enacted level.

Of the amount made available under this account, $35,000,000 is for supportive services for residents of public housing under the Resident Opportunity and Self-Sufficiency [ROSS] program. The Committee also recommends up to $3,000,000 to support the ongoing financial and physical assessment activities performed by the

Real Estate Assessment Center [REAC] and $1,000,000 for the cost of administrative and judicial receiverships.

Flexibility To Meet Pressing Needs.—In an effort to achieve an appropriate balance between flexibility and accountability, the Committee has included provisions designed to provide PHAs with mechanisms to better meet their capital and operating 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 2016 that allows PHAs to transfer up to 25 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.—The Committee directs at least $6,000,000 of the $23,000,000 recommended for emergency capital needs 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 Committee believes that the level of funding recommended will support both repairs from disasters and safety and security improvements. Therefore, the Committee directs the Department to fund eligible safety and security projects with a portion of these funds as quickly as possible.

Jobs-Plus.—The Committee has included $15,000,000 to continue the Jobs-Plus 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 Committee supports HUD's efforts to assist public housing residents in finding employment and achieving greater economic self-sufficiency through this initiative.

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, 2015	$4,440,000,000
Budget estimate, 2016	4,600,000,000
House allowance	4,440,000,000
Committee recommendation	4,500,000,000

PROGRAM DESCRIPTION

This account provides funding for the payment of operating subsidies to approximately 3,100 public housing authorities (except Tribally Designated Housing Entities) 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 $4,500,000,000 for the public housing operating fund, which is $100,000,000 less than the budget request and $60,000,000 more than the fiscal year 2015 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, and has included a provision that establishes a Utilities Conservation Pilot that incentivizes a reduction in public housing utility consumption, and costs, and provides PHAs with the ability to reinvest such savings in their properties and operations.

The Committee recognizes that effective program oversight and management can be difficult when a program that operates on a calendar year basis is funded on a Federal fiscal year basis. To address this issue, the Committee has extended the period of availability of the funding for this program from 1-year to 2-year funding.

The Committee also recognizes that PHAs face administrative and regulatory burdens and it reiterates support for regulatory and administrative relief that result in cost savings, while still maintaining effective and meaningful oversight.

CHOICE NEIGHBORHOODS INITIATIVE

Appropriations, 2015	$80,000,000
Budget estimate, 2016	250,000,000
House allowance	20,000,000
Committee recommendation	65,000,000

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. Choice Neighborhoods grants fund the preservation, rehabilitation, and transformation of public and HUD-assisted housing as well as their neighborhoods. 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.

The program also includes 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 $65,000,000 for the Choice Neighborhoods Initiative. This amount is $15,000,000 less than the fiscal year 2015 enacted level and $185,000,000 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 $40,000,000 of the funding provided shall be awarded to projects where public housing authorities are the lead applicant. 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 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, 2015	$75,000,000
Budget estimate, 2016	85,000,000
House allowance	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 2016, an amount equal to the fiscal year 2015 enacted level and $10,000,000 below the budget 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.

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.

INDIAN BLOCK GRANTS

Appropriations, 2015	$716,000,000
Budget estimate, 2016	740,000,000
House allowance	710,000,000
Committee recommendation	710,000,000

Note: The amounts for fiscal year 2015 enacted, the House allowance and fiscal year 2016 request include amounts funded or requested in the Community Development Fund for the Indian Community Development Block Grant program.

PROGRAM DESCRIPTION

This account funds the Indian 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.

This account also funds the Indian Community Development Block Grant Program, as authorized under title I of the Housing and Community Development Act of 1974, as amended. These funds are awarded on a competitive basis to Indian tribes for the funding of tribal community development needs.

COMMITTEE RECOMMENDATION

To increase the transparency around funding for Native Americans, the Committee recommendation provides for both the Indian Housing Block Grant and Indian Community Development Block Grant programs under a single heading.

The Committee recommends an appropriation of $650,000,000 for the Indian Housing Block Grant Program [IHBG], of which $2,000,000 is set aside for a credit subsidy to support a loan level not to exceed $17,452,007 for the Title VI Loan Guarantee Program. The recommended level of funding is equal to the amount provided in fiscal year 2015 and $10,000,000 below the budget request.

The recommendation also includes $60,000,000 for the Indian Community Development Block Grant Program [ICDBG]. The recommended level of funding is $6,000,000 below the amount provided in fiscal year 2015 and $20,000,000 below the budget request. Recognizing the tremendous needs in Indian Country and the limited resources available to address these challenges, the Committee includes a new provision this year limiting the amount of funding a tribe may receive from the IHBG program to not more than 10 percent. The Committee directs HUD to collect data as part of tribes' Indian Housing Plan submissions on new program activity that is generated due to this provision.

IHBG 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 Committee believes the housing goals for American Indians, Alaska Natives and Native Hawaiians established in the Native American Housing Assistance and Self-Determination Act, including section 802, remain a priority. The housing programs authorized in NAHASDA serve communities who are disproportionately low income, more likely to experience homelessness or overcrowded living conditions and unable to utilize traditional lending sources. The programs have aided thousands of individuals and families in the pursuit of safe, affordable housing and the committee encourages HUD to continue providing appropriate assistance and resources based on continued demonstrable need.

Coordinated Environmental Reviews for Tribal Housing and Related Infrastructure.—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.

Additionally, in fiscal year 2015, the Committee directed 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, the Federal Highway Administration, and the Environmental Protection Agency, to develop a coordinated environmental review process to simplify tribal housing development and its related infrastructure needs. The Committee expects HUD to continue to update the Committee on the status and progress of these on-going efforts.

Technical Assistance.—Limited capacity hinders the ability of many tribes to effectively address their housing needs. The Committee recommendation includes funding for technical assistance needs in Indian country as part of the Department's overall technical assistance funding within the Office of Policy Development and Research. The Committee expects HUD to use the technical assistance funding provided 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. An important aspect of technical assistance is the dissemination of best practices. In March of 2014, GAO found that HUD had not shared promising housing practices more generally across tribes in a way that would make them easily accessible. Such information about successful approaches would help tribes use their IHBG funding in the most efficient and effective ways to provide affordable housing in their communities. The Committee directs HUD to report to the House and Senate Committees on Appropriations within 60 days of enactment of this act on how the Department currently disseminates best practices to tribes, what practices it has implemented in response to GAO's findings, and what additional steps can be taken.

Oversight Plan.—Within 30 days of enactment of this act, the Committee directs HUD to submit a fiscal year 2016 oversight plan for the funds under this heading to the House and Senate Committees on Appropriations.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

	Program account	Limitation on guaranteed loans
Appropriations, 2015	$7,000,000	$744,047,000
Budget estimate, 2016	8,000,000	1,269,841,270
House allowance	8,000,000	1,269,841,270
Committee recommendation	7,000,000	1,111,111,000

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 $7,000,000 in program subsidies to support a loan level of $1,111,111,000. This subsidy amount is equal to the fiscal year 2015 enacted subsidy level and $1,000,000 less than the budget request. The Committee directs the Department to submit a report to the House and Senate Committees on Appropriations within 90 days of enactment of this act on how HUD has utilized the funding provided for administrative contract expenses including management processes and systems. This report should include at a minimum: to what extent applicable Office of Native American Assistance Programs [ONAP] systems have been carried out in coordination with the Office of the Chief Information Officer; and what improvements in management and oversight have been implemented since March 2014 to prevent fraud.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Appropriations, 2015	$330,000,000
Budget estimate, 2016	332,000,000
House allowance	335,000,000
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 2015 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.

HOPWA Formula Modernization.—The Committee recommendation includes a change to the HOPWA formula requested in the President's budget and part of the administration's comprehensive National HIV/AIDS Strategy. Currently, 53 percent of the statutorily required cumulative AIDS cases used to determine the formula program represent deceased individuals. The Committee recommendation seeks to distribute funding more equitably to reflect the HIV epidemic's impact among communities with highest burden of HIV cases while addressing the increasingly disproportionate impact of HIV on communities of poverty and color.

The formula modernization requires that 75 percent of the formula funds be distributed to cities with population greater than 500,000 and with more than 2,000 persons living with HIV, and the remaining 25 percent distributed to States and metropolitan statistical areas based on fair market rents (to account for high housing costs in certain areas) and area poverty indexes (to account for high-poverty areas lacking services). The Committee is aware of concerns in certain communities that would receive substantial reduction in funding as a result of the formula modernization, and has included language to prevent any grantee from losing more than 10 percent or gaining more than 20 percent of the average share of the total formula allocation of the previous fiscal year.

COMMUNITY DEVELOPMENT FUND

Appropriations, 2015	$3,000,000,000
Budget estimate, 2016	2,800,000,000
House allowance	3,000,000,000
Committee recommendation	2,900,000,000

Note: Amounts above exclude funding provided or requested for the Indian Community Development Block Grant Program. These funds are reflected in the Indian Block Grants account.

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 insular areas.

COMMITTEE RECOMMENDATION

The Committee has provided $2,900,000,000 for Community Development Block Grants [CDBG]. The recommended amount is $100,000,000 more than the budget request and $100,000,000 less than the fiscal year 2015 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 Committee notes the importance of States and local grantees meeting the program's three national objectives, as they utilize the program's resources to address a wide range of community needs. As HUD works with communities to determine eligible activities that meet the national objective of benefiting low-and-moderate-income persons, the Committee encourages the Department to extend flexibility for rural communities under 1,000 residents to use alternate sources of data to establish Low-Moderate Income Survey Data [LMISD] when American Community Survey [ACS] data is considered by the Community Development Block Grant applicant to be unreliable.

To ensure the program remains flexible, but also accountable and transparent, the Committee recommendation continues provisions in bill language that prohibit any community from selling its CDBG award to another community and that any funding provided to a for-profit entity for an economic development project funded under this act 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.