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EMERGENCY TRANSPORTATION FUNDING FOR DISASTER RELIEF

DECEMBER 10, 2001.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Environment and Public
Works, submitted the following

REPORT

[to accompany S. 1637]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred a bill (S. 1637), a bill to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001, having considered the same, reports favorably thereon and recommends that the bill do pass.

BACKGROUND

Title 23, Section 125 of the U.S. Code authorizes the Secretary of Transportation to administer emergency highway relief funds. The Secretary administers emergency funds for the repair or reconstruction of highways on Federal-aid highways and related facilities damaged by a natural disaster or an externally-caused catastrophic failure.

Title 23 currently limits emergency relief expenditures from a “single catastrophic failure in a State” to \$100 million, and further limits total emergency relief obligations to \$100 million per State per fiscal year. The World Trade Center collapse severely damaged many city and State roads in lower Manhattan. Excess weight trucks removing debris from the site have damaged regional highways. Additionally, for security purposes New York City closed the Brooklyn-Battery Tunnel for a time. During the closure, substitute ferry service, eligible for Title 23 emergency funding, ran between

Brooklyn and Manhattan. The combined eligible highway and ferry expenses attributable to the September 11th terrorist attack on New York City may exceed \$100 million.

Title 23 also limits the Federal share of authorized repair and reconstruction costs to 100 percent during the first 180 days following a disaster and 80 percent thereafter. The tragic events of September 11th left a mountain of debris and damaged and inaccessible roads. Before the work of rebuilding lower Manhattan can begin, crews must remove over a million tons of debris from the site, a process that will likely take more than a year. Physical reconstruction of destroyed buildings and roads is most likely years away.

The committee anticipates that the Secretary will use existing guidelines to determine eligibility for section 125 emergency funds.

SECTION-BY-SECTION ANALYSIS

Section 1. Expenditures for Emergency Relief in Response to Terrorist Attack

SUMMARY

Section 1 allows for 100 percent Federal share for Title 23 projects undertaken in New York City in response to the World Trade Center attacks and allows the Secretary of Transportation to exceed the emergency funding caps per fiscal year and per State in helping to rebuild New York City.

DISCUSSION

S. 1637 would expand the Federal Highway Administration's emergency relief program to fund certain road projects following the attack on the World Trade Center. The bill provides relief from Title 23, section 125(d) limits on emergency relief highway funds. Notwithstanding Title 23 limitations, the bill allows for 100 percent Federal share for repair and reconstruction of Federal-aid highways, even those expenditures after the first 180 days. Also, S. 1637 allows the Secretary to obligate more than \$100 million in a fiscal year and to obligate more than \$100 million to New York for projects associated with the September 11th attack. These provisions are necessary due to the enormity of the attack and the expected time and cost of repairs in New York City.

LEGISLATIVE HISTORY

Senator Hillary Rodham Clinton introduced S. 1637 on November 6, 2001. The Senate Committee on Environment and Public Works voted to report the bill on November 8, 2001.

HEARINGS

On November 8, 2001, the committee met to consider S. 1637, a bill to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001, receiving testimony from to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title

23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S. 1637 on November 8, 2001, and reported S. 1637 by voice vote.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the committee makes evaluation of the regulatory impact of the reported bill.

The bill does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), the committee finds that S. 1637 would impose no unfunded mandates on local, State, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 19, 2001.

Hon. JAMES JEFFORDS, *Chairman,*
Committee on Environment and Public Works,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1637, a bill a bill to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Rachel Milberg, who can be reached at 226-2860.

Sincerely,

DAN L. CRIPPEN

S. 1637, a bill to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001, as ordered reported by the Senate Committee on Environment and Public Works on November 8, 2001

SUMMARY

S. 1637 would expand the Federal Highway Administration's (FHWA's) Emergency Relief program to fund certain road projects following the attacks on the World Trade Center on September 11, 2001. The bill would waive the requirement for the State of New York to pay a certain percentage of the projects' costs; it would waive the limitation on the amount of funding provided to New York from the Emergency Relief program; and it would increase the program's total authorization level. The Emergency Relief program is run by FHWA as part of the Federal-Aid Highways program.

CBO estimates that enacting S. 1637 would increase direct spending by \$75 million over the 2002-2004 period. Because S. 1637 would affect direct spending, pay-as-you-go procedures would apply.

S. 1637 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on State, local, or tribal governments. The bill would benefit New York City by raising the limit on the amount

of money available from highway emergency funds for projects arising from the September 11, 2001, attack on the World Trade Center.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1637 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

By Fiscal Year, in Millions of Dollars

	2002	2003	2004	2005	2006
DIRECT SPENDING					
FHWA Emergency Relief.					
Spending Under Current Law.					
Estimated Budget Authority	100	100	100	100	100
Estimated Outlays	109	105	103	101	100
Proposed changes.					
Estimated Budget Authority	75	0	0	0	0
Estimated Outlays	30	30	15	0	0
FHWA Emergency Relief.					
Spending Under S. 1637.					
Estimated Budget Authority	175	100	100	100	100
Estimated Outlays	139	135	118	101	100

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1637 will be enacted by the end of this calendar year. Current law authorizes an indefinite

amount of contract authority (a mandatory form of budget authority), and \$100 million in obligation authority for the Emergency Relief program each year (budget authority is assumed to equal obligation authority for the program). S. 1637 would allow the use of additional contract authority for certain projects in New York by allowing FHWA to exceed the \$100 million obligation limitation for this purpose.

Based on information from FHWA, CBO estimates that road projects in New York that would be eligible for funding under the bill would cost \$75 million over the next three years. These projects would include managing traffic, building a temporary road and hauling debris, repairing State Route 9A on the west side of the World Trade Center, and surface repairs to other roads close to the World Trade Center.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

By Fiscal Year, in Millions of Dollars

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Changes in outlays	30	30	15	0	0	0	0	0	0	0
Changes in receipts	N/A									

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1637 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on State, local, or tribal governments. The bill would benefit New York City by raising the limit on the amount available from highway emergency funds for projects arising from the September 11, 2001, attack on the World Trade Center.

Estimate Prepared By: Federal Costs: Rachel Milberg; Impact on State, Local, and Tribal Governments: Susan Sieg Tompkins; Impact on the Private Sector: Jean Talarico.

Estimate Approved By: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

Section 12 of rule XXVI of the Standing Rules of the Senate, provides that reports to the Senate should show changes in existing law made by the bill as reported. Passage of this bill will make no changes to existing law.

