



Utility & Transportation Contractors Association



P.O. Box 728, Allenwood, NJ, 08720
732-292-4300 • Fax: 732-292-4310 • www.utcanj.org

CONSTRUCTION ADVISORY

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CONGRESS REACHES DEAL TO CONTINUE FUNDING THE FEDERAL BUDGET

Congressional negotiators reached a deal late Sunday night to continue funding the federal government to the conclusion of federal fiscal year 2017 (September 30, 2017). The agreement includes increased spending for the military, border security and transportation projects while avoiding budget cuts to the Affordable Care Act, Planned Parenthood, Community development grants and other programs. The agreement is scheduled for a House floor vote on May 3rd followed by a Senate floor vote.

Transportation infrastructure funding received stable or increased funding under the agreement. The federal highway program will receive \$43.3 billion (an increase of \$900 million) and New Jersey will receive an additional \$21 million. The popular Tiger Grant program is provided with \$500 million for the fiscal year and the TIFIA loan program will have \$274 million. The federal public transportation program will receive \$12.4 billion (a \$424 million increase) with Amtrak receiving \$1.167 billion that includes funds for the Gateway tunnel project. The Airport Improvement Program will be flat funded at federal fiscal year 2016 level (\$3.35 billion).

Funds for water infrastructure programs were sustained at federal fiscal year 2016 levels. EPA's overall budget will be \$8.06 billion (a \$100 million cut from the prior year). The Clean Water State Revolving Loan program will receive \$1.4 billion and the Drinking Water Program will be provided with \$863 million (equal to the fiscal year 2016 levels). The Army Corps of Engineers will receive \$6 billion for its programs (a \$49 million increase) and the WIFIA loan program will increase by \$10 million which, when combined with funds from previous Continuing Resolutions, will produce approximately \$3 billion in new water infrastructure projects.

As noted, the fiscal agreement has been approved by the House of Representatives and the Senate. Floor votes will occur in each chamber during the next few days.