



Chairman Mario Diaz-Balart

*Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
House Committee on Appropriations*

**FY 2017 Budget Hearing – Department of Transportation
February 24, 2016
Opening Statement As Prepared**

The Subcommittee will come to order.

Before we get started, I want to recognize our minority clerk, Kate Hallahan. Kate is retiring at the end of the month after 29 years of Federal service. I have thoroughly enjoyed working with Kate. Her knowledge of transportation issues is incredible, and her dedication to the Committee has been unwavering. Kate, you will be deeply missed.

Joe Carlile will be taking over as minority staff director. Joe has been a valued member of the THUD team with a deep understanding of this bill. Congratulations, Joe – we look forward to working with you.

Today we welcome Secretary Anthony Foxx from the Department of Transportation to discuss the general Fiscal Year 2017 budget request.

DOT is requesting a total of \$98 billion in new budgetary resources in Fiscal Year 2017 – almost 30 percent above 2016. However, it is hard to take much of this budget request seriously.

Last year we reached a bipartisan agreement setting discretionary budget caps for fiscal years 2016 and 2017. The Administration’s request for DOT effectively ignores this agreement – an agreement which was signed by the President.

First, you propose \$17.9 billion in new spending for DOT, called the “21st Century Clean Transportation” program. This proposal includes no detail, no legislative language, and is not much more than wishful thinking. The administration proposes to pay for this proposal mostly with new energy taxes. I don’t expect you will see any serious support for new taxes or new mandatory spending from this body.

Second is a more serious violation of the letter and spirit of our bipartisan agreement. You propose taking \$4.3 billion of discretionary programs funded in 2016 and magically shifting those programs to mandatory side of the ledger. You then propose increasing these programs to \$7.4 billion. Your budget also uses a rescission gimmick to hide another \$2.4 billion in additional spending. All told, this budget request exceeds the FY 2017 budget cap by over \$9.8 billion.

This request shows a failure of this administration to set priorities within the caps we all agreed to with last year's budget deal. On this committee, we will live within those caps as we move to complete our work in regular order – and we can't accept gimmicks. We can't take this budget seriously, and it does the Administration a disservice to submit a budget disconnected from reality.

Congress worked in a bipartisan manner to get the FAST Act done last year – and I know you are hard at work implementing the Act. We need to work just as hard – and in the same cooperative manner – to set our transportation priorities for FY 2017 within the 2-year bipartisan budget agreement.

I look forward to working with you as we make the hard choices necessary to meet our Nation's infrastructure needs – all while being accountable to the taxpayer.

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Closing

I thank the Secretary and the DOT staff for your answers and participation. The Committee staff will be in contact with your Budget Office regarding questions for the record.

I know we have a number of questions to submit and I would imagine other members of the subcommittee do, too.

If you would please work with OMB to return the information for the record to the subcommittee within 30 days from Friday, we will be able to publish the transcript of today's hearing and make informed decisions when crafting the Fiscal Year 2017 bill.

Next Wednesday, we will see the Administrators of the Federal Aviation Administration and the Federal Railroad Administration.

Mr. Price, any final comments?

With that, the hearing is adjourned.

[Bang the gavel]