

Congressman John W. Olver

Chairman, Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

Committee on Appropriations

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**Chairman John W. Olver – Prepared Opening Statement and Summary –
Transportation, Housing and Urban Development, and Related Agencies FY 2008
Appropriations Bill**

Subcommittee Markup – Monday, June 11, 2007

Let me welcome the Subcommittee to our markup of the fiscal year 2008 Transportation and Housing and Urban Development appropriations bill.

I would like to thank all of the Subcommittee Members for their input and work on this bill. I especially would like to recognize the important contributions of my Ranking Member, Joe Knollenberg, in putting this bill together. As former Chairman of this Subcommittee, Joe had a number of invaluable insights into how to make the bill and report stronger and I have appreciated his advice and counsel throughout this process.

This is a bipartisan and fiscally responsible bill. Indeed, this bill should not be partisan because there is such a broad consensus affirming the great needs for transportation infrastructure investments and for affordable housing throughout the country.

Due to current budgetary constraints the Subcommittee was forced to either flat fund or cut numerous programs. However, we have restored the President's deepest cuts and were able to continue some important investments in transportation and housing started

by my predecessors. In short, we have tried to make our core programs whole and make them function better, rather than start a lot of new initiatives.

The bill provides \$50.7 billion in discretionary funding for transportation and housing programs and is within the Subcommittee's 302(b) allocation.

With regard to HUD, a strong consensus exists that there is a great unmet need for affordable housing throughout the country. According to the Joint Center for Housing Studies at Harvard University, from 1993 to 2003, we lost 1.2 million affordable housing units. This is happening at the same time that about $\frac{3}{4}$ of households that, by household income, are eligible for HUD assistance programs are not receiving assistance.

Yet, each year, the President's HUD budget arrives at the Committee with severe cuts to vital programs, such as the Community Development Block Grant Program (CDBG), housing for the elderly and disabled, and HOPE VI. In the face of this, the Committee has done its best to fill these large holes, but in some cases, we have only been able to flat fund programs at the FY 2007 level. In other places, we have targeted increases where HUD programs, and the people that they serve, were particularly harmed.

Funding is included to renew all current Section 8 vouchers, so no one who has a voucher will lose it. To that end, the bill provides an increase above the President's budget of \$330 million for tenant-based rental assistance and \$666 million for project-based rental assistance. Included within this amount is \$30 million for 4,000 incremental housing vouchers for non-elderly disabled individuals and homeless veterans.

The President's FY'08 budget request also cut the Community Development Block Grant (CDBG) by over \$700 million, housing for the elderly by \$160 million, housing for disabled by \$112 million -- almost a 50 percent cut below fiscal year 2007 -- and zeroed out and rescinded '07 funding for HOPE VI.

Our bill restores all of these cuts for our nation's most vulnerable citizens. We have funded CDBG at \$4.18 billion, which is \$400 million over the FY '07 enacted, but still \$400 million below the CDBG budget for FY 2001. We have also restored funding to last year's level for elderly housing (\$735 million) and for housing for the disabled (\$237

million), as well as provided \$120 million for HOPE VI, a slight increase from last year.

With regard to transportation, our bill fully funds the highway and transit guarantees contained in the current transportation authorization bill, also known as SAFETEA-LU. The bill contains \$40.2 billion for highways, \$600 million over the President's request, and \$9.7 billion for transit investments, \$300 million over the President's request.

The bill also contains \$3.6 billion for the Airport Improvement Program to continue important infrastructure improvements at the nation's airports. This represents an increase of \$850 million above the budget request and \$85.5 million above fiscal year 2007. And the bill restores the Essential Air Service account so that no existing communities will lose service.

The bill also includes additional resources for transportation safety. Specifically, the bill includes an increase over the President's request of \$20 million for critical aviation safety staff including inspectors and engineers; \$2 million for additional investigators for the National Transportation Safety Board; \$3 million to preserve highway safety staff at the National Highway Traffic Safety Administration; and \$6.2 million to maintain funding for staffing and research programs related to pipeline and hazardous materials safety.

Investments in intercity passenger rail, especially in high density travel corridors, must also be part of a balanced transportation system. The bill provides \$1.4 billion for Amtrak, plus \$50 million for a new intercity passenger rail state matching grant program as requested by the Administration. With the state matching program, the bill leverages a total of \$1.5 billion for intercity passenger rail.

In conclusion, this is a good bill and I ask for the Subcommittee's support in moving our bill to the full committee for consideration.

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