

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

> October 30, 2023 (House Rules)

## **STATEMENT OF ADMINISTRATION POLICY**

H.R. 4820 — Transportation, Housing and Urban Development, and Related

Agencies Appropriations Act, 2024 (Rep. Granger, R-TX)

The Administration strongly opposes House passage of H.R. 4820, making appropriations for the Departments of Transportation, Housing and Urban Development, and related agencies for the fiscal year (FY) ending September 30, 2024 and for other purposes.

In May, the Administration negotiated in good faith with House Republican Leadership on bipartisan legislation to avoid a first-ever default and protect the Nation's hard-earned and historic economic recovery. This negotiation resulted in the Fiscal Responsibility Act (FRA) of 2023, which passed with overwhelming bipartisan support and set spending levels for FYs 2024 and 2025. The agreement held spending for non-defense programs roughly flat with FY 2023 levels, a compromise that protected vital programs Americans rely on from draconian cuts House Republicans proposed. The agreement also protected historic legislative accomplishments from the past two years, including the Inflation Reduction Act, Honoring our PACT Act of 2022, CHIPS and Science Act, and the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Law).

House Republicans had an opportunity to engage in a productive, bipartisan appropriations process, but instead are wasting time with partisan bills that cut domestic spending to levels well below the FRA agreement and endanger critical services for the American people. These levels would result in deep cuts to clean energy programs and other programs that work to combat climate change, essential nutrition services, law enforcement, consumer safety, education, and healthcare.

These bills include billions in additional rescissions from the IRA and other vital legislation that would result in unacceptable harm to clean energy and energy efficiency initiatives that lower energy costs and other critical investments in rural America.

The draft bills also include numerous new, partisan policy provisions with devastating consequences including harming access to reproductive healthcare, threatening the health and safety of Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) Americans, endangering marriage equality, hindering critical climate change initiatives, and preventing the Administration from promoting diversity, equity, and inclusion.

The Administration stands ready to engage with both chambers of the Congress in a bipartisan appropriations process to enact responsible spending bills that fully fund Federal agencies in a timely manner.

If the President were presented with H.R. 4820, he would veto it.

The Administration would like to take this opportunity to share additional views regarding the House Appropriations Committee's (Committee) version of the bill.

## Department of Transportation (DOT)

*DOT Topline*. The Administration has serious concerns with the House funding level for DOT, which is \$7 billion below the FY 2023 enacted level. The bill fails to make critical investments in improving the safety and efficiency of the Nation's airspace and hampers the Administration's ability to partner with States and localities to deliver transformative infrastructure projects.

*Federal Aviation Administration (FAA).* The Administration appreciates the \$12.7 billion provided in the bill for FAA operations, which would support the critical hiring of air traffic controllers needed to meet projected traffic demands. However, funding for upkeep of the National Airspace System's technology is nearly \$500 million below the FY 2024 Budget request, which risks increased delays and cancellations due to outages and lost opportunities to improve safety. The bill also reduces aviation research funding by over 20 percent, which would undermine FAA's ability to promote innovations that would lower noise and emissions, improve efficiency, and help the industry keep flight costs under control.

*Federal Transit Administration*. The Administration is very concerned with the level of funding provided for the Capital Investment Grants program. The bill provides just \$392 million, a \$2.2 billion, or an 85-percent reduction from the 2023 enacted level, which would significantly reduce the ability to fund new projects in the pipeline. These projects provide transformative benefits for communities across the Nation by expanding convenient and accessible transportation options while also reducing greenhouse gas emissions and improving air quality.

*Amtrak and Rail Safety and Infrastructure Grants.* The Administration is concerned by the bill's lack of investment to improve the safety and efficiency of the Nation's passenger and freight rail network. The bill provides only \$876 million in grants to Amtrak, which is 64 percent below the 2023 enacted level, and would reduce or potentially eliminate certain Long Distance and State Supported services and risk operations and critical capital expenses on the Northeast Corridor. In addition, the Administration is concerned that the bill only provides \$258 million for Consolidated Rail Infrastructure and Safety Improvement grants, which is 54 percent below 2023 enacted, hampering the ability of States and localities to carry out important safety and infrastructure upgrades to the Nation's rail system.

*California High Speed Rail.* The Administration opposes section 153 of the bill, which would prohibit the DOT from using funds from the bill, or any other Act, including the Bipartisan Infrastructure Law, for California's High Speed Rail project.

*Multimodal Grants.* The Administration is disappointed that the bill fails to provide funding for the Rebuilding American Infrastructure with Sustainability and Equity or National Infrastructure Project Assistance competitive grant programs. These programs are important for delivering surface transportation projects across the Nation that improve safety, strengthen supply chains, and improve quality of life. Federal Highway Administration (FHWA) Highway Greenhouse Gas Emissions Performance Measure Rule. The Administration opposes section 126 of the bill, which would prohibit using funds for finalizing, implementing, administering, or enforcing the FHWA's Highway Greenhouse Gas Emissions Performance Measure Rule. This rule would provide a performance management framework for States and metropolitan planning organizations to track and set targets for reducing greenhouse gas emissions from highway travel, giving States flexibility to make more informed investment decisions and reduce pollution.

## Department of Housing and Urban Development (HUD)

*HUD Topline*. The Administration strongly opposes the House funding level for HUD, which, if enacted, would severely exacerbate the affordable housing challenges for low-income families throughout the Nation. The bill provides \$70.9 billion, which is \$1.2 billion below the FY 2023 enacted level. The bill would not fully fund Housing Choice Vouchers, exacerbate the affordable housing crisis, eliminate funding that would revitalize neighborhoods, and significantly reduce funding to abate lead-based paint in homes for low-income families with children.

*Housing Choice Vouchers*. The Administration is concerned that the bill falls short of fully funding the renewal of existing vouchers and eliminates funding for approximately 15,000 families. In addition, the Administration is disappointed that this funding level would support no new vouchers or mobility services that would enable low-income families to move to higher opportunity areas.

*HOME Investment Partnerships Program (HOME).* The Administration strongly opposes funding HOME at \$500 million, which is \$1 billion below the 2023 enacted level. This nearly 70-percent decrease would result in 20,000 fewer affordable homes being constructed, rehabbed, or purchased in communities across the Nation, further exacerbating the national affordable housing crisis.

*Choice Neighborhoods and the Pathways to Removing Obstacles to Housing (PRO Housing) Program.* The Administration opposes the elimination of the Choice Neighborhoods initiative and the PRO Housing Program. The Choice Neighborhoods initiative provides competitive grants to revitalize neighborhoods with distressed public and other HUD-assisted rental housing, while the PRO Housing Program provides competitive grants to communities that are actively taking steps to remove barriers to affordable housing.

*HUD Lead Hazard Reduction Programs' Rescission.* The Administration opposes the rescission of over \$564 million in funding for programs that mitigate the risks of lead poisoning and other illnesses and injuries in the homes of lower income families and their children. This rescission would result in 55,000 fewer lead safe homes, adversely impacting approximately 78,000 children.

*Salaries and Expenses (S&E).* The Administration urges the Congress to fully fund S&E at the \$1.9 billion level requested in the FY 2024 Budget. Strengthening HUD's

workforce is vital to the successful delivery of HUD programs to communities and individuals across the Nation.

## Constitutional Concerns

Several provisions of the bill would raise separation of powers concerns under *INS v. Chadha*, 462 U.S. 919 (1983), and *Bowsher v. Synar*, 478 U.S. 714 (1986), by purporting to require the approval of congressional committees before the Executive Branch can spend or reallocate funds. These provisions are impermissible forms of congressional aggrandizement in the execution of the laws other than by enactment of statutes. The Administration looks forward to working with the Congress to address these and other concerns.

The Administration looks forward to working with the Congress as the FY 2024 appropriations process moves forward.

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