



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

June 21, 2012
(House Rules)

STATEMENT OF ADMINISTRATION POLICY
H.R. 5972 – Transportation, Housing and Urban Development, and Related Agencies
Appropriations Act, 2013
(Rep. Rogers, R-KY)

The Administration strongly opposes House passage of H.R. 5972, making appropriations for the Departments of Transportation, Housing and Urban Development, and related agencies for the fiscal year (FY) ending September 30, 2013, and for other purposes.

Last summer, the Congress and the President came to a bipartisan agreement to put the Nation on a sustainable fiscal course in enacting the Budget Control Act of 2011 (BCA). The BCA created a framework for more than \$2 trillion in deficit reduction and provided tight spending caps that would bring discretionary spending to a minimum level needed to preserve critical national priorities. Departing from the bipartisan agreement reached in the BCA and departing from these caps, the House of Representatives put forward a topline discretionary funding level for FY 2013 that, for example, would cost jobs and hurt average Americans, especially seniors, veterans, and children – as well as degrade many of the basic Government services on which the American people rely, such as air traffic control and law enforcement. In addition, these cuts were made in the context of a budget that fails the test of balance, fairness, and shared responsibility by giving millionaires and billionaires a tax cut and paying for it through deep cuts, including to discretionary programs.

Taking this into account, passing H.R. 5972 at its current funding level would mean that when the Congress constructs other appropriations bills, it would necessitate significant and harmful cuts to critical national priorities, such as education, research and development, job training, and health care. Furthermore, the bill undermines key investments in economic and community development programs that drive local innovations, while also weakening the safety net for Americans facing significant hardship in these challenging economic times. The Administration also strongly objects to the inclusion of ideological and political provisions that are beyond the scope of funding legislation.

If the President were presented with H.R. 5972, his senior advisors would recommend that he veto the bill.

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

Department of Transportation (DOT)

The Administration is committed to working with the Congress to produce a long-term surface transportation reauthorization bill devoid of controversial policy riders, to put Americans to work

building the Nation's roads, bridges, railways, and transit systems.

TIGER Grants. The Administration is disappointed with the lack of funding for TIGER Grants and urges the House to provide \$500 million for the TIGER program, as requested in the FY 2013 Budget. The program relies on a competitive, merit-based approach to help communities build innovative, multi-modal transportation projects – often with substantial State and local co-investment.

Intercity Passenger Rail. While the Administration appreciates the robust funding level for Amtrak, the Administration strongly objects to the bill's failure to provide additional funding for High Speed Rail grants, which would help continue progress toward developing new and improved rail services for the Nation's most congested metropolitan regions.

Department of Housing and Urban Development (HUD)

Choice Neighborhoods. The Administration strongly objects to the bill's failure to fund the FY 2013 Budget request of \$150 million for Choice Neighborhoods. Absent this funding, public housing authorities and other local entities would have no resources to support the revitalization of distressed HUD-assisted housing or improve economic development and job opportunities in the surrounding neighborhoods for low-income families.

Sustainable Communities. The Administration strongly objects to the bill's failure to fund the FY 2013 Budget request of \$100 million for Sustainable Communities. This competitive grant program supports an interagency effort between HUD, DOT, and the Environmental Protection Agency that integrates Federal, State, and local investment activities in housing, land use, economic and workforce development, and transportation. At a time of budget constraints, it is critical that support for regional and local planning is available to help localities invest limited resources strategically to achieve the greatest short and long-term benefit for citizens.

Homeless Assistance Grants. The Administration urges the House to provide the FY 2013 Budget request for Homeless Assistance Grants, which fund a variety of intervention programs that serve homeless and at-risk individuals and families. The Committee provides \$2 billion for Homeless Assistance Grants, which is \$231 million below the FY 2013 Budget request. At this level, HUD would be unable to fund all renewals of existing grants, jeopardizing assistance to approximately 25,000 people.

Rental and Other Assistance. The Administration urges the House to adopt rental assistance proposals along the lines in the FY 2013 Budget that would yield savings across HUD rental assistance programs. At present, the funding level in the bill for Housing Choice Vouchers, Project-Based Rental Assistance, and Public Housing would result in about 30,000 families losing their assistance. In addition, the Administration urges the House to fund the Jobs-Plus pilot program at the \$50 million requested in the FY 2013 Budget. This is an evidence-based proposal proven to improve employment outcomes for public housing residents and help lift them toward self-sufficiency.

Housing Counseling. The Administration urges the House to provide the requested funding for HUD's Housing Counseling program and for the Neighborhood Reinvestment Corporation's National Foreclosure Mitigation Counseling Program. These funds provide much needed counseling assistance to families facing foreclosure and others that are struggling to find or maintain adequate housing.

Community Development Block Grant (CDBG). The Administration appreciates the Committee's support for the CDBG program, which provides critical funding to State and local governments to address infrastructure, affordable housing, and economic development needs in their communities.

The Administration looks forward to working with the Congress as the FY 2013 appropriations process moves forward.

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