



Fiscal Year 2019 Budget and Appropriations - Surface Transportation Board

FRCA Position

FRCA continues to support the highest annual appropriated level possible for the Surface Transportation Board (STB or Board), particularly the level needed to update and enhance the Board's information technology (IT) and data needs to better ensure transparency, consistency, timeliness, and ease of access.

For Fiscal Year (FY) 2019 FRCA advocates at a minimum, \$37.1 million (of which \$2.797 million to be directed to IT upgrades) as recommended in the President's budget released on February 2018.

For FY 2020, FRCA continues to advocate at a minimum, \$37.1 million to help ensure that adequate appropriated funding is available for the STB to continue its IT upgrades.

Issue Background

As stated in the STB's justification document for its FY 2019 budget request, the \$37.1 million is necessary to cover the Board's overall operating costs. This is the same overall amount as what was provided in the ***Consolidated Appropriations Act 2018***, P.L. 115-141, enacted on March 23, 2018.

The STB requires adequate resources to perform key functions: rail rate reasonableness oversight; processing of rail consolidations, licensing, and other restructuring proposals; and, the resolution of non-rail matters.

Similar to prior agency budget requests, the significant majority of the Board's FY 2019 budget request is for basic operating expenses, including salaries and benefits, rent, security, and activities associated with carrying out its mandated responsibilities, which are largely driven by the number and types of cases filed. The agency anticipates a steady, and potentially increased workload in FY 2019 given its important statutory responsibilities, including those under the Interstate Commerce Act and the ***STB Reauthorization Act of 2015***. In addition to meeting shortened rate case processing deadlines, the Board is exploring options to improve its rate case methodologies for all shippers, as well as working to improve the timeliness of its decisions generally.

Since FY 2015, the Board has been working to implement extensive upgrades to its IT infrastructure and capabilities. Efforts in FY 2016 and FY 2017 focused on implementing Office 365 (O365) and establishing IT capabilities that had previously been provided by DOT. In FY 2018, the focus will be on migrating other capabilities to O365, improving and implementing Cybersecurity policies and procedures, adding Cybersecurity capabilities to strengthen the network and infrastructure, and replacing the Board's Case Management system.

For FY 2019, the Board is requesting \$2.797 million for IT. This funding will be used to maintain existing infrastructure and services and continue the migration of data from the current Case Management system and the development of a new replacement system. Funding will also be required to continue meeting FISMA requirements and supporting a comprehensive Cybersecurity risk management program.

In addition, there are remaining steps that the Board needs to take to separate its Human Resources and financial systems from USDOT, considering the STB is an independent agency as stipulated in the ***STB Reauthorization Act of 2015***, P.L. 114-110, which will likely be completed in FY 2019.

Snap Shot View: Refer to the FY 2019 Appropriation Side-by-Side Document

Status

On Jan 25, President Trump signed into law H. J. Res. 20, the *Further Additional Continuing Appropriations Act, 2019*, which is funding several Federal departments and agencies, at FY '18 levels, thru Feb 15.

This action ended the partial Federal Government shutdown that began Dec 22, 2018 over non-transportation related policy and funding disputes. A House-Senate conference committee was also established to negotiate hopefully a final FY '19 appropriation measure for homeland security and boarder issues during these several weeks.

Background: On Dec. 7 President Trump signed into law a *Continuing Resolution (CR)*, H. J. Res. 143 (P. L. 115-298) which kept the U.S. Departments of Transportation, Housing and Urban Development, Agriculture, and Interior (and related agencies), along with Financial Services, Government Administration programs, and certain environmental programs funded at FY 2018 levels thru Dec 21, 2018.

On Sept. 28 President Trump signed into law (P.L. 115-245) an amended version of H.R. 6157 (a consolidated FY 2019 appropriation for the departments of Defense and Labor/HHS/Education) which included *CR* language (Division C of H. Rpt. 115-952) which kept the Federal government operating at current FY 2018 funding levels thru Dec 7 for those departments/agencies that Congress had yet to finalize their respective FY 2019 appropriation bills including THUD. House and Senate Leaders could not reach a final agreement on H.R. 6147 – a “mini bus” appropriation measure that aimed to cover THUD for FY 2019; on May 23, H.R. 6072 (H. Rpt. 115-750), was passed by the House Appropriations Committee and the other THUD version, S. 3023 (S. Rpt. 115-268), passed the U.S. Senate on Aug 1, 2018.

FY 2019 Legislative History

Senate: H.R. 6147 includes the Senate Appropriations Committee-passed THUD bill, S. 3023 (S. Rpt. 115-268). It provides funding for the STB at \$37.1 million which is the same as the current FY 2018 and as recommended by the Administration in its FY 2019 Budget. It also includes accompanying report language expressing the Committee’s continued concerns over the delays in a number of pending major rulemakings that would reform existing STB procedures and the need for a full complement of Board Members. The Senate added the THUD bill to H.R. 6147 on August 1, 2018.

S. 3023 can be found here:

<https://www.appropriations.senate.gov/imo/media/doc/FY2019%20THUD%20Appropriations%20Act,%20S.3023.pdf> The accompanying report, S. Rpt. 115-268, can be found here:

<https://www.appropriations.senate.gov/imo/media/doc/FY2019%20THUD%20Appropriations%20Act,%20Report%20115-268.pdf>

House: House Leaders are opting not to bring H.R. 6072 (H. Rpt. 115-750), the FY 2019 THUD package approved by the House Appropriations Committee on May 23 to the House floor consideration. Rather, the aim is to bring a “pre-conferenced” measure to the House floor.]

Previously on May 23, the House Appropriations Committee approved by a 34-17 vote, its draft FY 2019 THUD bill and accompanying committee report. Previously, this draft bill and report language was approved by the House THUD Subcommittee, by voice vote, on May 16.

As recommended by President Trump in the Administration’s FY 2019 Budget, this draft package would fund the STB at \$37.1 million. The bill and the report language are silent on IT funding.

The draft bill can be found here: <https://docs.house.gov/meetings/AP/AP20/20180516/108309/BILLS-115HR-SC-AP-FY2019-TransHUD-SubcommitteeDraft.pdf> The draft accompanying report language can be found here: <https://docs.house.gov/meetings/AP/AP00/20180523/108366/HRPT-115-HR.pdf>

Administration Background: On February 12, President Trump released its FY 2019 Budget including its \$37.1 million recommendation for the STB. The STB justification document for the FY 2019 Budget proposal including the \$37.1 million (of which \$2.797 million is recommended for continued IT upgrades) can be found here: <https://www.stb.gov/stb/docs/Budget/STB%20FY%202019%20Budget.pdf>