



## **Fiscal Year 2017 and Fiscal Year 2018 Appropriations and Budget 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 and data needs to better ensure transparency, consistency, timeliness, and ease of access.

For Fiscal Year 2017, FRCA advocates at a minimum, the \$37 million funding level approved separately by the U.S. Senate and by the House Appropriations Committee in May 2016 with a minimum of \$2 million directed to IT improvements.

FRCA looks forward to reviewing additional information expected to be released by both the Trump Administration and Capitol Hill relative to the path forward for the Fiscal Year 2018 Budget and Appropriations relative to STB and other programs of interest.

### **ISSUE BACKGROUND**

The U.S. Senate approved its version of the FY '17 appropriation measure for the U.S. Department of Transportation and Housing and Urban Development (THUD), and related Agencies, S. 2844/S. Rpt. 114-243, on May 19, 2016 by an 89-9 vote. As particularly advocated by FRCA, this measure includes \$37 million for the STB of which \$2.046 million is directed to IT system upgrades and enhancements. This is above both last year's FY '16 enacted level and the amount authorized in the STB Reauthorization Act of \$35 million.

On May 24, 2016, the House Appropriations Committee approved by voice vote its version of a FY '17 appropriations bill, H.R. 5394, which includes \$37 million for the STB. Consistent with FRCA's advocacy for IT funding, the accompanying draft report language also directs \$2.046 million to be used for IT upgrades (as the Senate-passed bill does), and for contracting with the U.S. Department of Transportation for administrative support functions, and for six months of salary and expenses for two new Board Members.

Earlier in the FY '17 budget cycle, the Office of Management and Budget rejected STB's FY '17 budget recommendation of \$40.105 million: [www.stb.dot.gov/stb/docs/Budget/FY17\\_Final\\_Budget\\_Request.pdf](http://www.stb.dot.gov/stb/docs/Budget/FY17_Final_Budget_Request.pdf)

STB's budget request included funds to create for STB is needed for an anticipated move to new office space, funding for an additional 175 FTEs (Full Time Equivalents), and the Board's need to update its IT infrastructure.

Other items of interest in the FY '17 Budget assumes:

- Adding staff to every office that has a role in adjudicating rail rate and preemption cases.
- Providing additional IT resources to monitor rail service issues and supply chain disruptions to ensure that the data are being effectively utilized to track and monitor the status of the industry, and to forecast emerging trends.
- Hiring more staff to enhance the Board's auditing of financial filings and data submitted by large railroad companies and/or their holding companies and to conduct a periodic review of accounting standards, ensuring that the Board's accounting and reporting requirements reflect, to the extent practicable, current Generally Accepted Accounting Principles (GAAP).
- Encouraging parties to make use of alternative dispute resolution (ADR) given the increased caseload and fewer resources.

## **STATUS**

On December 12, 2016, President Obama signed into law the second Continuing Resolution for FY '17, P.L. 114-254 (H.R. 2028/ H. Committee Print 114-70) keeping the Federal Government operating at basically FY '16 enacted funding levels thru April 28th. At the current time, it is uncertain what Congress will do at the end of April.

A second FY '17 Budget Resolution, S. Con. Res.3, which basically provides the framework to repeal the Affordable Care Act, passed the U.S. House of Representatives on January 3rd and the U.S. Senate on January 2nd.

On March 16th President Trump released his "Skinny Budget" for FY '18 which was silent on proposed funding for the STB. The Trump Administration is expected to present the full FY '18 Budget in May.

The new FY '18 begins October 1st.

**Refer to Following Side-by-Side.**