

House passes increase for housing, high-speed rail

By ANDREW TAYLOR (AP) – 4 days ago

WASHINGTON — The Democratic-dominated House Thursday approved generous funding for housing subsidies for the poor and President Barack Obama's initiative to build high-speed railroads as it passed a \$123.1 billion transportation and housing bill.

The measure, approved 256-168, provides a 13 percent increase in total funding for the programs it covers, including \$4 billion for Obama's high-speed rail initiative, which was launched in February with an \$8 billion infusion from the economic stimulus bill. Obama had only sought \$1 billion in additional money for high-speed and other intercity rail lines.

The earlier \$8 billion appropriation has generated a "huge demand" of more than \$100 billion in projects submitted by more than 40 states, said Rep. John Olver, D-Mass., the main author of the bill. "We must keep this momentum going," Olver said.

But Rep. Tom Latham, R-Iowa, warned that the program could easily spiral out of control.

"Are we really ready to embark on a \$100 billion endeavor?" Latham said.

The popular measure also provides for an 8 percent boost, to \$27 billion, for the Section 8 housing voucher program for more than 3 million poor families. Funding for the program has spiraled ever higher, which has bedeviled Congress for years.

The bill also adds to Obama's requests for rehabilitating housing for the elderly and disabled.

And it more than doubles, to \$250 million, funding for the HOPE VI program to demolish public housing projects packed with poor families and replace them with mixed-income housing and housing vouchers. Obama sought no such funds.

Highway funds for the states, however, would remain flat under the measure, which caps spending from the Highway Trust Fund at \$41 billion, just a 1 percent increase. The spending measure doesn't provide the highway money; it instead comes from gasoline taxes.

But with gas tax revenues slumping, the trust fund is about to go broke. Congress has yet to pass a bill to fix the problem or extend transportation funding when the current highway bill expires Sept. 30.

The measure also would increase spending by more than 40 percent on a much-criticized program that subsidizes rural air travel. The \$175 million for the Essential Air Service

would help entice small airlines to fly unprofitable routes to places such as Scottsbluff, Neb. and Jamestown, N.Y.

Many critics regard the program as a boondoggle that deeply subsidizes nearly empty flights. The Obama administration has promised reforms but has yet to send lawmakers any ideas on how to fix the program.

The troubled Washington, D.C., Metro system would get a \$150 million capital infusion to make repairs and replace rail cars. The system has long-overdue maintenance needs and recently experienced a crash that killed nine people.

The subsidy for the Amtrak passenger railroad, always a battle under the administration of George W. Bush, would be \$1.5 billion, in line with current funding and Obama's request.

The bill also provides an 18 percent increase to \$4.6 billion in community development funding, mostly for the block grants popular with local governments. The funding is also heavily "earmarked" by lawmakers for projects back home such as \$250,000 to Marine City, Michigan to renovate its city hall. GOP Rep. Candice Miller, the local congresswoman had requested \$2 million for the project.

And Rep. Steve Israel, D-N.Y., obtained \$200,000 for the town of Central Islip to turn foreclosed homes into affordable housing.

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