

United States Senate

WASHINGTON, DC 20510

March 23, 2012

The Honorable Daniel K. Inouye
Chairman
Senate Appropriations Committee
U.S. Capitol, S-131
Washington, DC 20510

The Honorable Thad Cochran
Vice Chairman
Senate Appropriations Committee
U.S. Capitol, S-131
Washington, DC 20510

The Honorable Patty Murray
Chair
Appropriations Subcommittee on
Transportation, Housing and Urban
Development, and Related Agencies
Room 142, Senate Dirksen Office Building
Washington, DC 20510

The Honorable Susan Collins
Ranking Member
Appropriations Subcommittee on
Transportation, Housing and Urban
Development, and Related Agencies
Room 128, Senate Dirksen Office Building
Washington, DC 20510

Dear Chairman Inouye, Vice Chairman Cochran, Chair Murray, and Ranking Member Collins:

As you consider the Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Act for Fiscal Year 2013, I recommend the following programmatic funding:

Program Title: Indian Community Development Block Grant (ICDBG)
President's Budget Request for FY 13: \$60,000,000
Amount Requested: Support President's budget
Agency, Account: Housing and Urban Development, Community Development Fund - Indian Tribes
Description: The Indian Community Development Block Grant funds are essential to tribal economies and community development efforts and must be fully funded.

Program Title: Native American Housing Assistance and Self Determination Act (NAHASDA)

President's Budget Request: \$650,000,000

Amount Requested: +50,000,000 above the President's Budget

Agency, Account: Housing and Urban Development, Native American Housing Assistance and Self Determination Act

Description: NAHASDA funded programs are the primary vehicle for meeting critical rural housing needs and collectively are a major part of the overall economy of Indian and Alaska Native communities. I request that Tribes are allowed to continue to self-monitor allocated funds, and to abstain from implementing a three year spend-down requirement. I support putting the responsibility on HUD to consult with tribal recipients of NAHASDA funding and for HUD to take a more proactive approach to ensure compliance with current regulatory requirements. This will allow tribes and tribally designated housing entities to plan and implement housing projects at a pace they can manage.

Program Title: Community Development Fund

President's Budget Request for FY 13: \$3,143,000,000

Amount Requested: Support President's Budget Request for FY 12, \$3,308,000

Agency Account: HUD Community Development Fund

Description: I support the funding in the President's request for the Community Development Fund, but I am concerned the budget request does not adequately meet the needs of Alaska's communities. The President's FY 13 request for this program is less than the President's FY 12 request. I request the Committee support the funding included in the President's FY 12 Budget in order to better provide for the unique community development needs of Alaska.

Agency, Account: Federal Highway Administration—Ferry Boats and Ferry Terminal Facilities

President's Budget Request for FY 13: Consolidates Ferry Boat Discretionary program as an eligible activity with the larger Highway Infrastructure Performance Program (HIPP) and Livable Communities Formula Program

Amount Requested: \$67,000,000 (amount authorized in MAP-21)

Description: The Ferry Boat Discretionary (FBD) Program provides a special funding category for the construction of ferries and ferry terminal facilities. The FBD is important to coastal communities in Alaska that lack road infrastructure and rely on the Alaska Marine Highway System to keep isolated communities connected. The FBD program was reauthorized in SAFETEA-LU and in subsequent legislation extending the surface transportation program. I strongly support funding for ferry boats and related infrastructure and support the authorization language for ferry funding included in section 1119 of MAP-21.

Agency, Account: Maritime Administration—Assistance to Small Shipyard Grants

President's Budget Request for FY 13: No new resources requested

Amount Requested: \$9,980,000 (FY12 Enacted Level)

Description: The Assistance to Small Shipyards program assists shipyards around the country that provide essential services to commercial and government ships. The grants support a vital segment of the America's maritime economy and promote long-term job creation and retention opportunities. The program was funded at \$9,980,000 for FY12.

Agency, Account: Office of the Secretary of Transportation—Essential Air Service Program

President's Budget Request for FY 13: \$214,000,000

Amount Requested: Support President's request

Description: Essential Air Service (EAS) program supports scheduled air service to 44 rural communities in Alaska. EAS is critical to keeping geographically isolated Alaska communities connected. EAS also supports communities in the Lower 48 states providing access to the national air transportation system, which is critical to the economic viability of small and rural communities. I support the President's FY13 Budget request for EAS funding.

Agency, Account: Denali Commission (FHWA and FTA)—Denali Access System Program

President's Budget Request for FY 13: No new resources requested.

Amount Requested: \$20,000,000

Description: The Denali Commission is charged with a variety of critical, rural infrastructure development, job training, and government coordination functions in Alaska. In this role the Commission has responsibility for providing rural electrification, health facilities, waterfront and road development and job training to Alaskan communities and villages. The Commission's Transportation program has had great success delivering basic transportation infrastructure projects in rural Alaska. To date the program has funded 169 projects, has completed 49 road projects and 37 waterfront projects and has an additional 85 projects currently active in either planning, design, or construction. The Commission's program is leveraged heavily by other federal and non-federal sources. In the seven-year program history of Denali Access, the program has achieved a 4:1 match ratio.

SAFETEA-LU authorized \$5 million for docks and waterfront development projects (FTA) and \$15 million for road and other surface transportation infrastructure projects (FHWA). Denali Access was funded at \$5 million in FY12.

The Commission is currently awaiting a determination from GAO on the Secretary's sufficiently funded designation for FY11 FHWA funding.

Agency, Account: Denali Commission (FHWA and FTA)—Denali Access System Program

Language Request Justification: Additionally, I respectfully request the subcommittee to include language from MAP-21 expanding the Commission's authority to accept funding from other federal agencies and non-federal sources such as the State of Alaska. The GAO has previously determined the Commission lacks the authority to accept funding from other non-Congressional sources. This language would expand the Commission's ability to accept funding from diversified sources to carry out its mission of developing infrastructure in some of the most remote and impoverished communities in the country.

Requested language:

Sec. 1531 of S.1813 (MAP-21)

The Denali Commission Act of 1998 (42 U.S.C. 3121 note) is amended--

(1) in section 305, by striking subsection (c) and inserting the following:

“(c) *Gifts.*--

“(1) **IN GENERAL.**--Except as provided in paragraph (2), the Commission, on behalf of the United States, may accept use, and dispose of gifts or donations of services, property, or money for purposes of carrying out this Act.

“(2) **CONDITIONAL.**--With respect to conditional gifts--

“(A)(i) the Commission, on behalf of the United States, may accept conditional gifts for purposes of carrying out this Act, if approved by the Federal Cochairperson; and

“(ii) the principal of and income from any such conditional gift shall be held, invested, reinvested, and used in accordance with the condition applicable to the gift; but

“(B) no gift shall be accepted that is conditioned on any expenditure not to be funded from the gift or from the income generated by the gift unless the expenditure has been approved by Act of Congress.”; and

(2) by adding at the end the following:

“**SEC. 311. TRANSFER OF FUNDS FROM OTHER FEDERAL AGENCIES.**

“(a) *In General.*--Subject to subsection (c), for purposes of this

Senators Inouye, Cochran, Murray, and Collins

March 23, 2012

Page 5

Act, the Commission may accept transfers of funds from other Federal agencies.

“(b) *Transfers*.--Any Federal agency authorized to carry out an activity that is within the authority of the Commission may transfer to the Commission any appropriated funds for the activity.

“(c) *Treatment*.--Any funds transferred to the Commission under this subsection--

“(1) shall remain available until expended; and

“(2) may, to the extent necessary to carry out this Act, be transferred to, and merged with, the amounts made available by appropriations Acts for the Commission by the Federal Cochairperson.”.

If you have any questions, please contact Cory Turner of my staff at (202) 224-7309.

Sincerely,



Mark Begich
United States Senator