

Williams and Jensen Report to Mayor Hannemann
March 14, 2008

Honolulu Transit

Oberstar Trip – The Oberstar trip has been a bit of a floating card game since last week's report. The briefing on transit moved from Monday, March 24 to Saturday March 29 over the course of last weekend, BUT, we are back to Monday March 24. In addition, Oberstar had his hip replaced at the Mayo Clinic in Minnesota this past Tuesday, throwing the trip into further question. As of today, though, the trip is definitely on. The Hirono office has heard from Oberstar's office that he is doing quite well and intends to make the trip. Oberstar returns to Washington today to begin his rehab tomorrow.

The transit briefing will be at 3:00 pm at Honolulu International Airport followed by a helicopter tour of the city and transit route. Oberstar then departs at 5:10 pm for Lanai. Oberstar will return to Oahu on Thursday March 27 about 3:00 pm. There will be a press conference at approximately 4:00 – 4:30 pm, in which it is hoped you will participate, at the Federal Building for Oberstar to report on all of the transportation and infrastructure projects he has seen. He is doing some visits on Maui and other Neighbor Islands so the press conference would include more than transit, but I expect that transit will be the centerpiece. I am working on the details of this trip with Toru, Joyce and Chrystn so they will have any updates for you as the week progresses. I will fly out with Oberstar and his wife, Jean.

Your Trip to Washington DC – We are holding off on scheduling the staff meetings we proposed until we get the Simpson meeting nailed. We hope to do that in the coming week.

Vince Versage – I spoke to Vince yesterday to let him know about your trip and the Oberstar trip. He told me that he had called you and left a message that he was resigning from the work on transit and other matters. Rather than me trying to explain second hand, it might be best for you to talk with him directly. The issue seems to involve the Inouye staff not being very cooperative with him. He was afraid that he would hurt you – which I don't think it would. I encouraged Vince to stay on the project and to reconsider his decision. I think that he can contribute to our collective efforts and told him I thought that there was a way that we could work around what ever the Inouye issues were. I would encourage you to call him. I do think he can be helpful.

U.S. Department of Transportation Budget

Both the House and Senate FY 2009 Budget Resolutions went to their respective House and Senate floors. Both Resolutions restored the \$187 million that the President had proposed to be cut from the New Starts Program – not a surprise, but as I said last week that action - while helpful - still requires the Appropriations Committees to actually restore the funds when they mark-up their bills later this spring and summer.

The Resolutions also propose Reserve Funds (which are actually meaningless in terms of real dollars, but are important policy expressions of each body) for infrastructure initiatives. The Reserve Funds could be used for an Infrastructure Bank to leverage the federal capital contribution to the bank. In the House Resolution, \$3.5 billion is proposed for "ready to go" infrastructure initiatives. Again, these initiatives require appropriations before they have any meaning, however.

Moratorium on Earmarks

The proposed one-year House moratorium on earmarks spilled into the Senate with all of the Presidential candidates endorsing the proposal (not a surprise since none of them will want the Congress to mess with their budgets if elected). In the House, the Republican moratorium was a part of the Republican substitute Budget Resolution. That Resolution failed by a vote of 157-263, but the vote reflects the larger issues associated with the Republican Budget proposal, not just the moratorium. In the Senate, the amendment on a one year earmark moratorium failed by a vote of 29-71.

The issue is not dead, however. Speaker Pelosi keeps talking about imposing a moratorium by a change in the House Rules, but I think the Senate vote rejecting the moratorium might cause the House to realize that just because they want to cut earmarks, the Senate will insist on their earmarks.