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FEDERAL UPDATE

Housing Relief Package with Rehab Tax Credits Near Final Passage

The House passed the Housing/Mortgage relief bill (HR 3221) on July 23rd with three amendments to the federal rehabilitation tax credit included and President Bush rescinded his previous veto threat of the bill over a provision providing CDBG-type grants for the purchase of foreclosed properties in distressed areas. The bill now goes back to the Senate for a rare Saturday session for final passage. Last week, the Senate passed its version of the Housing/Mortgage relief bill (H.R. 3221) on July 11th which did not include an expanded non-profit leaseback amendment offered by Sens. Blanche Lincoln (D-AR) and Gordon Smith(R-OR) to extend the allowance lease period from 20 to 31.5 years because it proved too costly. If the Senate acts favorably on Saturday, the housing relief bill could be signed by the President early next week.

Disaster Assistance for Historic Properties Not Included in Tax Extenders Package in Senate

Senate Finance Committee chairman Max Baucus (D-MT) unveiled a tax extenders package (S. 3335) late Thursday that also includes a \$68.9 million disaster-relief title and a one-year patch to the Alternative Minimum Tax. No offsets are included for the disaster-relief portion of the bill, which did not include an increase in the federal rehab credit to 26 percent for flood-damaged historic properties in the affected Midwest states.

As previously reported, the National Trust and its preservation partners were advocating for an increase in the historic rehab credit from 20 percent to 26 percent and from 20 percent to 40 percent for "special projects" in affected states. However, the proposal met with resistance in the House and was not included in the extenders package.

Amtrak Reauthorization Bill Passes with Compromise 106 Language

The House passed the Senate-approved Amtrak reauthorization bill (S. 294) in the form of a substitute this week along with compromise language that would require a study of streamlining of Section 106 requirements with respect to the siting of railroad facilities. House Transportation and Infrastructure Committee chairman James Oberstar (D-MN), who opposes any exemption from historic preservation reviews, proposed the study after Rep. Bill Schuster (R-PA) tried unsuccessfully to amend the House version of the bill (HR 6003) with an exemption from Section 4(f) for railway facilities nationwide during House consideration of the bill. The National Trust, the Advisory Council on Historic Preservation (ACHP), the National Conference of State Historic Preservation Officers (NCSHPO), the Department of Interior, and rail industry representatives will collaborate on the study.

New Provision
Would Allow
Transportation
Secretary to
Determine If
Increased
Inspection Could
Be Used in Lieu
of Replacement
of Historic
Bridges

The Amtrak measure is slated for conference consideration early next week.

House-Passed Highway Bill Includes Historic Bridge Exception Provision

On Thursday, July 24th, the House passed H.R. 3999, the “National Highway Bridge Construction Act of 2007” by a vote of 367-55. During floor consideration of the measure, Rep. Carol Shea-Porter (D-NH) introduced an amendment that was accepted by voice vote to allow a state performance plan to provide for increased inspection of a historic bridge “in lieu of replacement.” This exception to replacement would be based on a determination made by the Secretary of Transportation that “it is appropriate based on the age, design, traffic characteristics, and any known deficiency of the bridge.”

The National Trust will work with House and Senate Transportation Committees to include historic bridge language in the 2009 Transportation reauthorization bill next year to encourage reuse and rehabilitation of historic bridges rather than demolition and replacement.

