

Government Affairs Update June 10, 2021



On May 26th, the Senate Environment and Public Works Committee (EPW) passed a highway-only bill as part of a larger effort to pass a multi-year FAST Act reauthorization which is set to expire on September 30, 2021. This morning, the House Transportation & Infrastructure Committee (T&I) passed its version of a full multi-year surface transportation authorization bill – essentially a reauthorization of the FAST Act, which authorizes highway, transit and rail programs. Meanwhile, the White House continues to negotiate a much broader infrastructure package (the American Jobs Plan) which would include water, power grid, broadband, affordable housing, school modernization, public buildings, etc. Now let's get into the details.

Infrastructure Package Negotiations

The saga of passing a federal infrastructure bill continues with several steps forward and at least one step backwards. On Tuesday evening, the White House announced that it was calling off negotiations with Senate Republicans, led by Senator Shelley Moore Capito (R-WV), the senior Republican on the Senate Environment & Public Works Committee (EPW). Repeated talks and meetings had narrowed the gap between the President's American Jobs Plan and the Senate Republican proposal, but the two sides were still very far apart. The major differences that could not be overcome were the definition of infrastructure, the total size/cost, and how to pay for the bill.

The White House has now turned its attention to working with a bi-partisan group of 20 individual Senators, including Utah Senator Mitt Romney, to see if a deal can be reached. Yet another [proposal](#) has been developed by the bi-partisan House Problem Solvers Caucus. If the bi-partisan efforts fail, it appears the Administration is still considering trying to pass a bill in the Senate using the highly complex and controversial budget reconciliation process which only requires 50 votes.

House T&I Committee Reauthorization Bill

Late last week, the House T&I Committee introduced the "Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act", HR 3684, a five-year surface transportation bill, which directs federal investments in roads, bridges, transit, and rail. Chairman Peter DeFazio (D-OR) has referred to this bill as a down payment on a broader infrastructure bill similar to what President Biden has proposed.

The bill authorizes \$547 billion for these programs versus the \$494 billion that was authorized by a similar bill (HR 2) which the House passed in the previous Congress, but which never became law. Many of the INVEST Act's policy provisions and programmatic changes are similar to HR 2, with some changes to align the bill more closely with components of the President's American Jobs Plan. The first year of the bill – FY'22 – is essentially a one-year extension of the current, but soon expiring, FAST Act with few policy changes.

After a 19-hour mark-up, the committee finished just this morning with only a handful of amendments approved from the 200+ submitted for consideration. The measure passed with a final vote of 38 to 26 and is expected to be considered on the House floor on June 28th. Here are links to [legislative text](#), [section-by-section](#), and [fact sheet](#) of the bill, as introduced, as well as a Committee [press release](#).

The bill provides \$343 billion (63% of the total funding) over five years for roads, bridges and highway safety, \$109 billion (20%) for transit, and \$95 billion (17%) for passenger rail (Amtrak \$32 billion) and freight rail. There is a strong focus on funding for infrastructure resiliency, emissions reduction, and other climate provisions.

Notably, the House Ways and Means Committee, which has jurisdiction over the funding of this legislation, has not taken action to develop revenue proposals to fund the bill.

- **Project Earmarks** – The bill provides \$5.66 billion for 1,473 highway and transit Member Designated Projects (earmarks). The committee received over 2,300 requests (1,775 by 213 Democratic members and 605 by 106 Republican Members) totaling \$14.9 billion. The table with approved Member Designated Projects (earmarks) can be found [here](#), with Utah-specific projects found on pages 168-169.
- **House T&I Republicans** - Led by Ranking Member Sam Graves (R-MO), the Committee Republicans have reintroduced their counter-proposal to the Democrats' efforts – a revised version of the “STARTER Act” which they introduced in the previous Congress. The “STARTER Act 2.0” provides approximately \$400 billion in funding over five years, a 32 percent increase over current FAST Act funding. The bill is not expected to go very far in the Democrat-majority House, but its introduction underscores the lack of bi-partisan agreement in the House. Here are links to the [legislative text](#), [section by section](#), and [press release](#).

Senate EPW Highway Bill

The Senate EPW Committee passed the “Surface Transportation Reauthorization Act of 2021” (STRA) on May 26th by a vote of 20 to 0. It authorizes \$303.5 billion over five years in contract authority for highway programs from the Highway Trust Fund and an additional \$7.8 billion from the General Fund (subject to annual appropriations), for a total investment of \$311.3 billion for fiscal years 2022-2026. This is a 34% funding increase over total FAST Act funding levels. The three top policy priorities according to the Committee are: climate change, safety, and equity. Ninety percent of the funding would go to state DOTs through formulas. The Senate bill does not include project earmarks.

The full text (549 pages) of the STRA can be found [here](#). Additional materials include a [section-by-section](#) summary, tables for state by state [apportionments](#) and program [authorizations](#) and a Committee [press release](#).

The other Senate committees with jurisdiction over surface transportation authorization – Banking (transit), Commerce (rail/Amtrak/highway safety) and Finance (funding/revenue) still must produce and approve their portions of an overall bill before the bill can go to the Senate floor. The Commerce Committee is set to markup the “rail safety” title to the reauthorization bill this coming Wednesday, June 16th, while the Banking Committee has not set a timeline on the “transit” title yet.

WFRC appreciates the information and materials provided by WSP, Barker Leavitt, and NARC used in preparing this update.

Please reach out if you have any questions!

Best,

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