



WASHINGTON UPDATE

PREPARED BY CAROLINE DECKER,
DIRECTOR OF FEDERAL GOVERNMENT AFFAIRS



August 6, 2021

Infrastructure Investment and Jobs Act (IIJA)

The Senate is nearing completion on HR 3684, the Infrastructure Investment and Jobs Act (IIJA), and is expected to vote on final passage this weekend. Majority Leader Schumer has filed a cloture motion to wind down debate with a procedural vote scheduled for Saturday, August 7 at 12 noon. Assuming 60 Senators vote in favor of the cloture motion, debate will be limited to a maximum of 30 hours setting up final passage for as early as Sunday evening.

[Text](#) of the IIJA was released earlier in the week. The 2,702-page bill includes historic and generational funding for vital investments for infrastructure rehabilitation, replacement, and modernization. More than 300 [amendments](#) to the bill have been filed, but only a handful have been adopted, making minor changes to the underlying bill. Here is a partial list of some of the amendments that have been considered (additional amendments are still pending and those that are considered, adopted, or rejected will be covered in the next *Washington Update*):

- Sen. Chris Van Hollen's (D-MD) [amendment](#) was approved 97-0 to attach payment and performance security requirements for infrastructure financing.
- Sens. Ted Cruz (R-TX) and Raphael Warnock (D-GA) offered an amendment to designate additional high-priority corridors on the National Highway System. This was approved by voice vote.
- Also approved was an amendment offered by Sens. Cynthia Lummis (R-WY), Mark Kelly (D-AZ) and John Cornyn (R-TX) directing the DOT to conduct its first highway cost allocation study since 1997. The study would be completed one year prior to the next surface transportation reauthorization, giving Congress time to develop a solution to the Highway Trust Fund problem.
- An amendment from Sen. Mike Lee (R-UT) that would have replaced the entire bill with one that devolved responsibility for transportation to the states failed 20-78.
- The Senate rejected an amendment from Sen. Tammy Duckworth (D-IL) 48-50 that would have required recipients of station accessibility grants to adopt transportation accessibility projects.
- Sen. Steve Daines (R-MT) offered an amendment to redirect \$300 million toward post-fire restoration efforts. It was rejected by a vote of 48-50.
- An amendment by Sens. Jacky Rosen (D-NV) and Jim Risch (R-ID) aimed at boosting the resiliency of highways to wildfires was adopted by voice vote.
- Sen. Mike Lee's (R-UT) amendment to allow states to assume National Environmental Policy Act responsibility for water storage projects failed by a vote of 47-50.



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- An amendment offered by Sens. Tom Carper (D-DE) and Jim Inhofe (R-OK) making minor adjustments to Army Corps of Engineers funding passed by voice vote.
- An amendment by Sens. Michael Bennet (D-CO) and John Hoeven (R-ND) to create a program in the Agriculture Department aimed at restoring forests and grasslands, reducing wildfire risk, and protecting water supplies passed by voice vote.

On Thursday the Congressional Budget Office (CBO) released its score for the Infrastructure Investment and Jobs Act. Based on CBO's estimates, the direct spending, appropriations, and revenue provisions in the legislation would add \$256 billion in deficit spending over ten years. This development has generated debate about the pay-fors outlined in the bill – this of course was a major issue bipartisan negotiators worked to address in the underlying package to win support for the bill. In response to the CBO report, Senators Rob Portman (R-OH) and Krysten Sinema (D-AZ) issued a [statement](#) explaining the methodology used to pay for the new spending in the bill.

At a high level, the \$550 billion in new infrastructure funding is broken down as follows:

Roads, Bridges, & Major Projects: \$110B – Includes Commerce and EPW-passed surface transportation and reauthorization bills. Funds new, dedicated grant program to replace and repair bridges and increases funding for the major project competitive grant programs. The package preserves the 90/10 split of the federal highway aid to states. Click [here](#) to see the estimated state-by-state apportionments. Click [here](#) to see the 5-year program authorization levels.

Passenger and Freight Rail: \$66B –The bipartisan infrastructure agreement provides \$66 billion to Amtrak and the Federal Railroad Administration to address the infrastructure needs of the U.S. passenger rail and freight network. This section also includes the Commerce Committee-passed Surface Transportation Investment Act rail reauthorization. Provides funding the National Network for new service and dedicated funding to the Northeast Corridor, which has incurred a severe repair backlog after Hurricane Sandy. Increases funding for freight rail and safety.

Safety and Research: \$11B – Funds highway and pedestrian safety and research programs, as well as pipeline and safety repair.

Public Transit: \$39.2B – Funds nation's transit system repair backlog, which DOT estimates is more than 24,000 buses, 5,000 rail cars, 200 stations, and thousands of miles of track, signals, and power systems.

Broadband: \$65B – Grants to states for broadband deployment and other efforts to close the digital divide. Expands eligible private activity bond projects to include broadband infrastructure.



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Airports: \$25B – Increase funds for Airport Improvement grant program for runways, gates, and taxiways as well as new Airport Terminal Improvement program for terminals, concessions, and multimodal connections.

Ports and Waterways: \$16.6B – Funding for waterway and coastal infrastructure, inland waterway improvements, port infrastructure, and land ports of entry through the Army Corps, DOT, Coast Guard, the GSA, and DHS.

Water Infrastructure: \$55B – Includes \$24.3 billion for the bipartisan Drinking Water and Wastewater Infrastructure Act of 2021. Provides a historic \$15 billion for lead service line replacement and \$10 billion to address Per- and Polyfluoroalkyl Substances (PFAS). Supports water infrastructure in Tribal communities by providing \$3.5B (\$1.8 billion under Water Infrastructure and \$1.7 billion under Resiliency) for the Indian Health Service Sanitation Facilities Construction program, in addition to funding to complete all currently authorized Indian Water Rights Settlements.

Power and Grid: \$65B - Includes the bipartisan, ENR-passed Energy Infrastructure Act, which includes funds for grid reliability and resiliency and support for a Grid Deployment Authority; critical minerals and supply chains for clean energy technology; key technologies like carbon capture, hydrogen, direct air capture, and energy efficiency; and energy demonstration projects from the bipartisan Energy Act of 2020.

Resiliency: \$47.2B – Funding for cybersecurity to address critical infrastructure needs, flood mitigation, wildfire, drought, coastal resiliency, waste management, ecosystem restoration, and weatherization.

Clean School Buses & Ferries: \$7.5B - Includes historic \$5 billion for the replacement of existing school buses with zero emission and clean school buses, with a priority on low income, rural and Tribal schools. Provides \$2.5 billion for the replacement of existing ferries with low carbon ferries and to assist states with operational costs for essential rural ferries. These investments will drive demand for American-made batteries and vehicles, creating jobs and supporting domestic manufacturing, while also removing old, dirty diesel buses and ferries from some of our most vulnerable communities.

Electric Vehicle Charging: \$7.5B – Funds for alternative fuel corridors to build out a national network of electric vehicle charging infrastructure to facilitate long-distance travel and to provide convenient charging where people live, work, and shop. The federal funding will have a particular focus on rural disadvantages, and hard-to-reach communities.

Reconnecting Communities: \$1B – Total of \$1 billion between contract authority and new appropriations. Funds for projects that remove barriers to opportunity caused by legacy infrastructure. The program will provide dedicated funding for planning, design, demolition, and reconstruction of street grids, parks, or other infrastructure.



Addressing Legacy Pollution: \$21B – Funds to clean up brownfield and superfund sites, reclaim abandoned mine lands, and plug orphan oil and gas wells, improving public health and creating good-paying jobs.

Western Water Infrastructure: \$8.3B – Funds for Bureau of Reclamation western water infrastructure, including for aging infrastructure, water storage, water recycling and reuse, waterSMART, and drought contingency plans, among other things.

Senate Appropriations

Senator Patrick Leahy (D-Vt.) Wednesday held the first markups of the Senate Appropriations Committee for FY 2022, advancing the Agriculture, Energy and Water, and Military Construction and Veterans Affairs appropriations bills through the Committee with strong bipartisan support. A link to the committee action and the FY 2022 bills can be found [here](#).

The **Energy and Water** bill included \$53.6 billion spending bill for the Energy Department, Army Corps of Engineers and Bureau of Reclamation on Wednesday, above the \$53.2 billion water and energy measure passed in the House. The measure marks a \$1.87 billion increase from FY 2021, with several targeted boosts toward clean energy.

Energy Department: Under the Senate draft bill, the Energy Department would receive \$45.3 billion, a \$3.3 billion or 7.8 percent increase over fiscal 2021 enacted levels. The legislation includes \$100 million for the new Office of Clean Energy Demonstrations within DOE. Under the bill, nuclear energy research and development would get \$1.591 billion, \$83.2 million above the fiscal 2021 enacted level, while fossil energy and carbon management would receive \$850 million, a \$100 million boost over enacted levels.

Water programs: The bill would provide \$8.7 billion to the Army Corps of Engineers, according to a Democratic [summary of the bill](#) — \$906 million over current levels and slightly above the House’s fiscal year 2022 measure. That includes full use of the Inland Waterways Trust Fund. The measure would provide nearly \$2 billion to the Interior Department for its water work. This includes \$450 million in emergency funding to respond to the Western drought. Those overall funding levels are \$300 million over current levels and slightly more than what the House measure would provide.

The Energy and Water bill is among three funding measures approved by Senate appropriators on a bipartisan basis Wednesday. However, the Committee does yet not have an agreement on top-line spending limits for all spending bills, preventing the Senate from bringing appropriations to the floor and raising the likelihood of a Continuing Resolution (CR) assuming FY 2022 funding bills are not finalized by October 1.



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Senate Commerce Committee

In executive session and by voice vote, the Senate Commerce, Science, and Transportation Committee approved the nomination of Jennifer Homendy to lead the National Transportation Safety Board and Karen Hedlund to join the Surface Transportation Board. Next, both nominations will need a vote by the full Senate to complete the confirmation process.

FTA Announces \$38 Million Funding Opportunity for Passenger Ferries & Facilities

FTA announced the availability of up to \$38 million in competitive grant funds through a [Notice of Funding Opportunity \(NOFO\)](#) for its [Passenger Ferry Grant Program](#). The program funds capital projects that help eligible project sponsors support existing passenger ferry service, establish new service, and repair and modernize ferry boats, terminals and related facilities and equipment.

FTA's Passenger Ferry Grant Program and NOFO also will advance the goals of President Biden's Jan. 20 Executive Order on Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis. This year, \$4 million is set aside in the NOFO specifically for low or zero-emission ferries or ferries using electric battery or fuel cell components and the infrastructure to support such ferries.

Instructions for applying can also be found at [GRANTS.GOV](#) (funding opportunity FTA-2021-006-TPM-Ferry). Complete proposals must be submitted through the GRANTS.GOV "APPLY" function by **Oct. 5, 2021**.