



WASHINGTON UPDATE

PREPARED BY CATHY CONNOR,
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Interim Update

Yesterday, the **Senate Environment and Public Works Committee (EPW)** approved its portion of a **surface transportation authorization bill** (highway portion only). The bill, approved 20-0, would increase funding levels for highway programs by about 34 percent over the FAST Act — about \$311 billion in budget authority over five years. The current FAST Act extension expires on September 30, 2021.

The Committee also adopted a manager's package of amendments to the underlying bill. That list of amendments has not yet been released. See details below about the bill (as introduced last week) from the May 24 WSP Washington Update.

The Senate Banking (transit), Commerce (rail) and Finance (revenues) Committees still must produce their portions of the overall bill before the bill can go to the Senate floor.

The **House T&I Committee** plans to release its surface transportation reauthorization proposal after the Memorial Day recess.

Meanwhile, bipartisan talks between the **White House and Senate Republicans** continue on a **bigger and broader infrastructure package** that aims to include clean energy, water, broadband and more. This morning, **Senate Republicans** presented a **\$928 billion counter-offer** to the Biden Administration's \$1.7 trillion plan in an effort to reach a bipartisan agreement. The proposal comes as talks are set to go past the Biden's unofficial deadline of Memorial Day.

The latest Senate proposal allocates:

\$506 billion for roads and bridges – including \$4 billion for EV infrastructure, \$800 million for reconnecting communities and \$14 billion for resilience,

\$98 billion for public transit systems,

\$46 billion for passenger and freight rail,

\$21 billion for safety,

\$22 billion for ports and waterways,

\$56 billion for airports,



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\$72 billion for water infrastructure,

\$65 billion for broadband

\$20 billion for infrastructure financing

The two sides still remain far apart on several issues, including the total cost, the definition of infrastructure, and how to pay for it (increases in corporate tax rates versus using unspent COVID-19 relief funds).

The Senate EPW Committee's "**Surface Transportation Reauthorization Act of 2021**" (**STRA**) 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](#).

Here are some key provisions of the bill with a focus on changes from last year's version:

- The funding increases in the bill would be front-loaded, with a \$9 billion bump in FY 2022, the first year of the bill (about 18%), and then 2% growth in the following years.
- \$7.25 billion for a new bridge rehabilitation grant program
- \$7.3 billion for PROTECT grants aimed at bolstering resilience, split between formula funds and competitive grants
- \$6.4 billion in a new carbon emissions reduction program, distributed by formula to states
- \$4.8 billion for INFRA freight and multimodal grants
- \$2.5 billion for grants for electric vehicle charging, hydrogen, propane, and natural gas refueling stations
- A new pilot program for reconnecting communities, to study the feasibility and impacts of removing, retrofitting, or mitigating existing transportation facilities that create barriers to mobility, access, or economic development
- A national vehicle-miles traveled (VMT) user fee pilot program, and reauthorization of existing surface transportation system funding alternatives program



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- Codification of the One Federal Decision policy, two-year average timeline for completing Environmental Impact Statements, and other project delivery reforms
- Establishment of a performance measure for greenhouse gas emissions from transportation projects which directs US DOT and EPA to develop the data to be used in implementing such standards

Dedication of funding to build out electric vehicle charging systems and expand current programs eligibility to support climate mitigation activities and emphasize resiliency to natural disasters.