



WASHINGTON UPDATE

PREPARED BY CATHY CONNOR,
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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 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 to see if a deal can be reached. 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.

In the meantime, on May 26, the **Senate EPW Committee** passed a highway-only bill as part of a larger effort to pass a multi-year FAST Act reauthorization bill.

In the House, the **Transportation & Infrastructure Committee** (T&I) introduced its version of a multi-year surface transportation authorization bill – essentially a reauthorization of the current FAST Act - and yesterday started the process to mark-up and approve the bill in committee. However, over the course of 10 hours, the Committee got through just 29 amendments out of a total of about 230 submitted, with only two minor amendments being adopted. The mark-up will continue today.

It is important to note that the current House and Senate committee actions only relate to moving a multi-year surface transportation reauthorization bill while the White House continues to focus on a much broader infrastructure bill which would include water, power grid, broadband, affordable housing, school modernization, public buildings, etc. In the meantime, the **FAST Act**, which authorizes highway, transit, and rail programs, expires on **September 30, 2021**.

House T&I Committee

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



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rail. Chairman Peter DeFazio (D-OR) has referred to his 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.

Over two hundred potential amendments were submitted to the committee for consideration. Action on the bill in committee began yesterday and will extend into Thursday.

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 (Title II beginning on page 553 of the bill text) and \$95 billion (17%) for passenger rail (Amtrak \$32 billion) and freight rail (beginning on page 1043). There is a strong focus on funding for infrastructure resiliency, emissions reduction, and other climate provisions.

Project Earmarks – The table with approved Member Designated Projects (earmarks) can be found in section 107 of Division A of the INVEST Act (pages 47 to 180) linked [here](#). **The bill provides \$5.66 billion for 1,473 highway and transit projects.**

House Members requested a total of 2,380 **project earmarks** totaling \$14.9 billion – 1,775 by 213 Democratic members and 605 by 105 Republican members.

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.



Senate EPW Highway Bill

The Senate EPW Committee passed the **“Surface Transportation Reauthorization Act of 2021” (STRA)** on May 26 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.

House Water Infrastructure Bill

On Wednesday morning, before starting debate on the INVEST Act, the T&I Committee marked up and approved H.R. 1915, the **Water Quality Protection and Job Creation Act of 2021**, on a bipartisan vote. The bill authorizes tens of billions of dollars of new federal investment for clean water.

H.R. 1915, which builds on the Senate’s recent passage of the **Drinking Water and Wastewater Infrastructure Act of 2021 (DWWIA), S. 914**, serves as the House’s counterpart clean water legislation. House leadership hopes to bring the bill before the full House for a vote prior to July 4th and begin conference negotiations with the Senate.

As passed by the committee, H.R. 1915:

- Reauthorizes the Clean Water State Revolving Fund (CWSRF) for the first time since its establishment over 30 years ago and at a level of \$40 billion over five years, a dramatic increase over the current level and allows states the ability to provide up to 50% of their CWSRF capitalization grant for additional subsidization, up from the current cap of 30%.



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- Reauthorizes the Sewer Overflow and Stormwater Reuse Municipal Grants program at \$2 billion over five years.
- Reauthorizes the Watershed Pilot Project Program (renamed in H.R. 1915 as Watershed, Wet Weather, and Resiliency Projects) at \$1 billion over five years.
- Authorizes \$1 billion in grants over five years for pretreatment of PFAS and other emerging contaminants.
- Reauthorizes State Management Assistance for water pollution control programs at \$2.5 billion over five years.
- Reauthorizes the Alternative Water Source Projects Program at \$1 billion over five years.
- Authorizes a smart wastewater infrastructure technology grant program.
- Requires EPA to conduct and publish within 18 months an updated Clean Watersheds Needs Survey.