

WSP Washington Update - June 3, 2020

Today, the Democratic leadership of the House Transportation & Infrastructure Committee, under Chairman Peter DeFazio (D-OR), released its long-awaited FAST Act reauthorization legislation. The “Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act” would provide a total of \$494 billion over five years (FY’21 to Fy’25) for investments in capital infrastructure improvements such as roads, bridges, and transit and rail systems, with a focus on infrastructure resiliency, emissions reduction, and other climate provisions. The bill is a component of the Moving Forward Framework, previewed by House Democrats in January. It does not include any new revenue mechanisms or other pay-fors, so the House Ways & Means Committee will need to identify how to pay for this proposal. **The House T&I Committee will consider the INVEST in America Act during a Committee markup scheduled for Wednesday, June 17.**

The bill text can be found [here](#), a factsheet [here](#), and a summary [here](#). Attached to this email is a T&I Committee fact sheet on the Climate Change provisions in the bill and an estimated FY’21 to FY’25 state by state breakdown of highway funding proposed in the House bill.

Key funding provisions:

- \$494 billion in total funding over five years
- \$319 billion for Federal-aid highway programs with \$28 billion dedicated to bridge programs
- \$105 billion for transit programs
- \$5.3 billion for highway safety programs
- \$4.6 billion for motor carrier safety programs
- \$60 billion for rail programs including Amtrak (\$29 billion) – in Division D – the “Transforming Rail for Accelerating Investment Nationwide (TRAIN) Act”

Summary of key provisions:

- **COVID-19 Relief:** \$83.1 billion is provided in FY’21 to ensure States, cities, tribes, territories, and transit agencies can administer programs, advance projects, and preserve jobs. Highway, transit, and safety funds are made available at 100 percent Federal share. Of this amount, \$22 billion is available for operating expenses. The proposed policy provisions in the bill would not be implemented until after the first year of the bill (as of FY’22) in order for transportation agencies to deal with COVID-19 impacts.
- **Transit** - a more than 50 percent increase in formula funding, with new incentives for transit agencies to increase the frequency and reliability of transit service. The bill would set the federal cost share for Capital Investment Grants (CIG) at 80 percent, removing DOT’s ability to raise the local requirement. However, the bill would allow for agencies coming up with a larger match to be rewarded with a streamlined approval process.

- **Climate Change** – creation of new programs and funding to cut carbon pollution, mitigate the threat of extreme weather, and invest in clean fuel infrastructure. The bill establishes new greenhouse gas performance measures and promotes innovative green technologies (see attached fact sheet).
- **VMT** – creation of a new, nation-wide VMT pilot program
- **Projects of National and Regional Significance:** \$9.05 billion over a 4 year period (minimum of \$2.2 billion in FY'22, ramping up to \$2.35 billion by FY'25). Available for large highway, transit, and freight projects that cannot be funded through annual apportionments or other discretionary sources.

A few important points to remember:

- The current FAST Act expires on September 30, 2020.
- The House bill does not identify any funding source(s). That is the responsibility of the House Ways & Means Committee which has not yet acted.
- Unlike most previous surface transportation authorization bills that are usually bi-partisan, House Republicans were not part of the development of this bill. Here is a [link](#) to a press release from the Republican leadership of the T&I Committee which states in part, “However, we were not given the opportunity to address any of our priorities in this legislation. For example, today’s partisan bill lacks critical flexibility for the states, its outsized funding increases for urban areas will leave rural America even further behind, and numerous new green mandates and extreme progressive goals are woven throughout the fabric of new and existing core programs.”
- Even if the House is able to pass this bill in the next weeks, the Senate still must pass its version of a FAST Act reauthorization bill and then the two bills must be reconciled. To date, the Senate Environment & Public Works Committee has approved the highway title of a reauthorization bill, but the Senate Banking Committee still needs to introduce and pass a transit title, the Senate Commerce Committee still needs to pass highway safety and rail titles, and the Senate Finance Committee must pass a funding title.
- While House Majority Leader Steny Hoyer included passage of a FAST Act authorization bill on his list of priorities for the House to address before the end of July, there are a number of other important priorities pending, including all the FY'21 federal agency annual appropriations bills and additional COVID-19 emergency federal funding. Congress expects to be on recess as usual for the month of August and will presumably adjourn by October 1 in order to return home to campaign for the November 3 elections.