

WSP Washington Update - July 30, 2019 - Interim Update - Senate Highway Bill

Yesterday, the Senate Environment and Public Works (EPW) Committee introduced a bi-partisan bill that will become the highway portion of an eventual FAST Act surface transportation reauthorization bill. The Committee marked-up and unanimously approved the bill this morning before leaving for August recess later this week. The committee agreed to five relatively minor amendments during the committee action.

The EPW committee has jurisdiction only over the highway program. Other committees, including Commerce (safety, rail), Banking (transit) and Finance (revenue), are responsible for producing their respective bills that will be combined at some point on the Senate floor into a surface transportation authorization bill. At this time, there is no schedule for introduction or consideration of the other committees' bills. House leadership has not yet indicated how or when they plan to proceed with their version of reauthorization. The current FAST Act expires on September 30, 2020.

Here is a [link](#) to the bill text (substitute version), a [link](#) to a 13-page summary of the bill, and a [link](#) to a short overview – prepared by the EPW Committee.

The EPW bill, called “America’s Transportation Infrastructure Act” (ATIA),:

- Funds highway programs at \$287B over five years (FY’21 through FY’25), a \$37.9B (27%) increase over existing funding levels. The Finance Committee will need to identify \$84B on top of current/existing Highway Trust Fund revenues to make this happen. The funding increase will be front-loaded, with an 18% bump in the first year, then 2% growth in years 2-5 of the bill.
- Proposes that 90% of the funding be distributed to states by formula.
- Introduces new programs addressing safety, deficient bridges (\$6.5B over 5 years in new discretionary grants), innovation, and reducing negative impacts on wildlife.
- Increases funding for the INFRA competitive grant program to \$5.5B billion over five years (\$1B more than the FAST Act) and increases funds available to multimodal projects – from a cap of \$500M over five years to an annual cap of 30% of funds, which totals \$1.65B.
- Increases funding for the freight formula program to \$8.5B over five years (versus \$6.3B in the FAST Act) as well as increasing funding available to multimodal projects – from a cap of 10% of project funds available to multimodal projects, to a cap of 30%, or \$2.55B. Locks, dams, and marine highways projects would now be eligible.
- Includes “Subtitle D – Climate Change” (Sections 1401 to 1408) which includes the PROTECT Act, which was previously introduced as a stand-alone bill by Senator Tom Carper (D-DE), to establish a grant program to provide formula funding (\$786M annually) and competitive grants (\$200M annually) for resilient infrastructure improvements, eligible projects include highway, transit, intercity rail, and some port projects. Also, Section 1403, a new Carbon Reduction Incentive program to provide formula funding (\$600M annually) and competitive grants (\$100M annually) and Section 1401 to provide resources to build EV and alternative fueling/charging stations and infrastructure along identified corridors.
- Includes provisions to streamline project delivery, including codification of the 2017 Trump Administration “One Federal Decision” Executive Order, which among others things, requires all federal agencies to work together on a single decision for environmental project reviews.

The bill includes a repeal of the \$7.6B rescission of unobligated FHWA contract authority that was included in the last year of the FAST Act and scheduled to take effect July 1, 2020. The committee also voted to approve a stand-alone bill to repeal the rescission.

EPW Committee leaders plan to work with the Senate Finance Committee to identify additional user fee revenues for the Highway Trust Fund (HTF) to fill the current gap and support the funding increases in their bill. The gap between what the HTF can currently cover and the funding levels proposed in the Senate EPW bill, and as well as an eventual transit title, is over \$100B.