



# WASHINGTON UPDATE

PREPARED BY CATHY CONNOR,  
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## June 23, 2021

The congressional deliberations over a broad infrastructure bill as well as a five-year reauthorization of the FAST Act surface transportation bill (which expires on **September 30, 2021**) are moving quickly, but the path forward is still quite murky.

In the **Senate**, the **Commerce Committee** approved a bipartisan rail (passenger and freight) authorization bill on June 16 (see more details below). This is a companion bill to S.1931 passed unanimously by the Senate **Environment & Public Works Committee** (EPW) in late May which reauthorizes the federal-aid highway program. Before the overall reauthorization package can be considered on the Senate floor, the Senate **Banking Committee** must pass a transit title and the Senate **Finance Committee** must pass a revenue/funding title.

The **House** is tentatively scheduled to debate (and hopefully pass) its version of a **five-year surface transportation authorization bill** on the House floor the week of June 28 – in an effort to meet Speaker Pelosi’s goal of getting a bill passed by July 4. HR 3684, the INVEST Act, authorizes \$547B over five-years to fund highways, transit, and rail programs.

**President Biden** and the group of now 20 bipartisan Senators (10 Democrats and 10 Republicans) continue to negotiate the terms of a **broader infrastructure bill** that Biden proposed in his \$2.3 trillion American Jobs Plan to include funding for a very wide array of infrastructure programs including airports and ports, power grid, water, broadband, federal buildings, school modernization, affordable housing, etc.

## White House/Senate Negotiations

The bipartisan group of 20 Senators unveiled a [framework](#) on June 16 for an infrastructure bill that would include spending roughly \$1.2 trillion over eight years for transportation (including airports and ports), power, broadband, and water, but not some of the other less traditional infrastructure programs proposed by Biden, such as schools and federal buildings. But the group is still struggling to determine how to pay for the package amid pushback from Democrats over some of the proposed funding options - indexing the federal gas tax to inflation and repurposing some of the previously allocated coronavirus relief funds. The Administration has not yet endorsed the proposal.

Democratic leadership in Congress is trying to balance the bipartisan talks with a growing push from many within the House and Senate Democratic caucuses to move forward on



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their own with a larger, more comprehensive package that could be passed under the controversial budget reconciliation process and avoid a Senate filibuster.

## House Surface Transportation Reauthorization Bill

The House Transportation & Infrastructure Committee passed the INVEST in America Act (H.R. 3684), a five-year reauthorization of the FAST Act surface transportation bill, in the early morning hours of June 10. The final vote was 38 to 26 with only two Republicans voting for the bill. Despite over 200 amendments being submitted to the Committee for consideration only a very few, relatively minor amendments were approved during the mark-up.

Provisions provided by the **Energy and Commerce Committee** and the **Ways and Means Committee** have now been added to the bill in advance of floor consideration. The text of INVEST in America Act with modifications is [here](#) and an updated section-by-section summary is [here](#). The INVEST in America Act now heads to the House floor for a vote, likely the **week of June 28, 2021**.

The Ways & Means funding/revenue provisions added to the bill propose to pay for the bill by providing a \$148 billion **transfer from the Treasury's General Fund** (\$109 billion to the highway account and \$39 billion to the mass transit account). It would be the largest ever such transfer and more than twice as large as the general fund transfer in the 2015 FAST Act. Additionally, the updated text of the bill removes the \$40 million national VMT pilot program included in the T&I-approved bill.

## Senate Commerce Committee Passenger and Freight Rail Bill

On June 16, the Senate Commerce Committee passed a bi-partisan **rail reauthorization bill**, S. 2016 - the Surface Transportation Investment Act of 2021, by a vote of 25 to 3. The bill is the Committee's portion of the FAST ACT surface transportation reauthorization effort.

The FAST Act consists of three titles – highway/bridge, transit, and rail. In the Senate, each title is under the jurisdiction of a different committee. The Senate Environment & Public Works Committee, which has jurisdiction over the highway title, passed its bill, S. 1931, out of committee on May 26 on a unanimous vote – the STRA bill. The Senate Banking Committee, which has jurisdiction over the transit title, has not yet released a bill, nor has the Senate Finance Committee released its funding package.



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This Senate effort is a companion to the House T&I Committee's HR 3684, the INVEST Act, its version of a five-year surface transportation authorization bill which the Committee passed on June 10.

The Commerce bill proposes an investment of \$78 billion over 5 years for multimodal surface transportation, rail, freight, and safety programs - \$36 billion for rail, \$27.8 billion for multimodal grant programs, and \$13 billion for safety programs.

A summary of the legislation is available [HERE](#), a section-by-section can be found [HERE](#), and the full text of the bill can be read [HERE](#)

Below are some highlights from the Surface Transportation Investment Act:

## MULTIMODAL AND FREIGHT INVESTMENTS - \$28 billion

- **Freight:** The bill invests an average of \$1.2 billion a year in the Nationally Significant Multimodal Freight grant program, also known as **INFRA**.
- **Multimodal Investment:** The bill for the first time authorizes US DOT's **BUILD/RAISE/TIGER** grant program at \$1.5 billion annually and creates a new program, the **National Infrastructure Project Assistance Program**, to fund big dollar value projects of national significance at \$2 billion annually. Eligible projects include highway or bridge projects, freight intermodal or freight rail projects, railway-highway grade separation or elimination projects, intercity passenger rail projects, and certain public transportation projects.
- **Multimodal freight policy:** The bill authorizes a new office of Multimodal Freight Infrastructure and Policy at US DOT, updates the National Freight Strategic Plan, and improves coordination between the federal and state governments on freight planning.

## RAIL - \$36 billion

- **Passenger Rail:** The bill authorizes over \$25 billion over five years for intercity passenger rail. The bill protects **Amtrak's** critically important long-distance routes, provides funding to address the **Northeast Corridor** project backlog, and encourages expansion of passenger rail corridors with State support.
- **Safety:** The bill invests \$7.5 billion over five years for rail safety and improvement projects, including a new \$500 million per year grant program to eliminate grade crossings and a significant increase in funding for the popular Consolidated Rail and Infrastructure Safety Improvement (**CRISI**) discretionary grant program.
- **RRIF:** The bill makes substantial improvements to the Railroad Rehabilitation and Improvement Financing Program (**RRIF**) to make it more attractive and useful to potential borrowers. For the first time, it authorizes \$50 million per year for **credit risk premium assistance** similar to other US DOT loan programs, expands eligibility to **transit-oriented development** projects and landside port



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infrastructure, and codifies the RRIF express program targeted at smaller and rural project applicants.

## **SAFETY - \$13 billion**

- **Highway Safety:** The bill invests \$6 billion into the National Highway Traffic Safety Administration's (NHTSA) highway safety programs
- **Truck Safety:** The bill invests \$4.6 billion into the Federal Motor Carrier Safety Administration's (FMCSA) commercial vehicle programs through proven programs that provide flexibility to states to help address highway fatalities, combat human trafficking, and improve law enforcement training.
- **Hazardous Materials Safety:** The legislation invests \$500 million dollars over five years to improve first responder planning and training for hazardous material incidents.

## **RESEARCH - \$1 billion**

- The bill invests nearly \$1 billion for new and existing research and development programs.

## **House Appropriations Committee FY'22 Schedule**

The House Appropriations Committee is kicking off the FY'22 annual federal funding process with a series of mark-ups by the individual federal agency subcommittees over the next few weeks.

### **Monday, June 28**

*Subcommittee Markups:* **Interior, Environment,** and Related Agencies; State, Foreign Operations, and Related Programs

### **Wednesday, June 30**

*Full Committee Markups:* Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; **Military Construction, Veterans Affairs,** and Related Agencies

*Subcommittee Markups:* **Defense; Homeland Security**

### **Monday, July 12**

*Subcommittee Markups:* Commerce, Justice, Science, and Related Agencies; **Energy and Water Development,** and Related Agencies; Labor, Health and Human Services, Education, and Related Agencies; **Transportation,** and Housing and Urban Development, and Related Agencies



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Additional information and documents, including archived WSP Washington Updates and the video and slides from the recent **WSP webinar** on Federal Infrastructure Plans held on June 14 are located on the WSP *Federal Briefing* website at [www.federalbriefing.com](http://www.federalbriefing.com)