



Policy Update

May 20, 2021

Washington Update – 5/20/2021

American Rescue Plan Act – On May 17th the US Treasury Department issued the interim final rule releasing the \$350 billion State & Local funding included in the America Rescue Plan Act

The rule details the ways funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among state and local governments, and support the communities and populations hardest-hit by the COVID-19 crisis. Eligible state, territorial, metropolitan city, county, and Tribal governments will be able to access funding directly from the Treasury Department to assist communities as they recover from the pandemic.

Link to Treasury Department Resources can be found [here](#).

President Meets with Senate Republicans

President Biden met with key Republican Senators to further discuss a possible compromise on an infrastructure deal. Those in attendance included Vice President Harris and Transportation Secretary Buttigieg and the Republican leaders of five key Senate infrastructure committees: Shelley Moore Capito (R-WV) - Environment and Public Works, Roger Wicker (R-MS) - Commerce, Science and Transportation, Pat Toomey (R-PA) - Banking, Housing and Urban Affairs John Barrasso (R-WY) - Energy and Natural Resources Mike Crapo (R-ID) – Finance. The meeting had several goals - define what is infrastructure from each side's perspectives and how much over 2019 spending each side wants to fund. At the moment, the chasm is very wide with the President proposing \$2.3 trillion for a very broad definition of infrastructure over eight years and the Republican Senate proposing \$568B for a narrower definition of infrastructure over 5 years. Additionally, both sides have proposed very different methods to pay for the investments – tax increases versus user fees and repurposing unspent pandemic relief funds.

House Surface Transportation Bill is Delayed

It was announced this week that the House T&I Committee's 5-year surface transportation bill will not be approved from the Committee before Memorial Day. Chairman DeFazio (D-OR) has repeatedly said that the new bill will be like the bill from the previous Congress. He said he still plans to bring it to the House floor before the July 4th break, which is also the deadline Speaker Pelosi (D-CA) has set to pass the bill. The current FAST Act expires September 31st. In a return to the past, House members requested 2,380 projects totaling \$14.9 billion for designated project funding in the surface reauthorization bill, according to the T&I committee. Most of the requests come from Democrats, with 605 requests from Republicans, according to the committee's list of projects. Requests came from 213 Democrats and 105 Republicans. Not all these projects will be funded. In many cases, Member offices submitted projects that totaled over the \$10-\$20 million in projected funds for each Member of Congress.

Link to Member T&I submitted projects can be found [here](#).

Senate EPW Continues to Move Forward

Senate Environment and Public Works (EPW) Committee Chairman Tom Carper (D-DE) said that his committee has not yet decided whether to resume earmarking for the Senate version of the bill. However, Senator Capito (R-WV), the top Republican on the Committee, has said she is against returning to the practice. The Senate EPW Committee is writing final language on the five-year surface transportation reauthorization bill that will be “a little bit north of \$300 billion,” according to the Chairman. Funding in the bill will be made available to traditional highway programs but will also go towards electric vehicle charging stations and hydrogen fueling stations, carbon reduction programs, and other efforts to address the impacts of climate change. The Chairman would like to find common ground with Republicans on the Committee with respect to roads, highways, and bridges. Last, Congress’ bipartisan surface transportation that was approved by the EPW Committee in 2019 proposed \$287 billion over five years for programs for highway and highway related programs.

House T&I Republicans Introduce STARTER 2.0

Transportation and Infrastructure Committee Ranking Member Sam Graves (R-MO) and other Republican Committee leaders introduced the Republican version of a five-year surface transportation reauthorization bill - The Surface Transportation Advanced through Reform, Technology & Efficient Review (STARTER) Act 2.0.

The bill would increase the federal investment in “roads, bridges, and core infrastructure” but flatlines transit funding at 2021 levels, except for the Rural Area Formula Grant program. The bill includes provisions to reform the federal environmental review process, authorizes the BUILD Grant Program (now called RAISE) at \$1B per year, a new \$4.6 billion annual investment in large bridges, modifies the bus and bus facilities formula program so that each state receives 0.6% of the total amounts made available (under the FAST Act each state received \$1,750,000,) and increases to 20% from 10% the amount of competitive grant funding reserved for rural bus and bus facilities projects.

The bill includes, again, the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) grant program. The purpose of the program is to provide grants for resilience improvements by formula and through grants. 2% of the formula funds are reserved for developing resiliency improvement plans or other planning documents addressing resiliency. The non-federal share is reduced for resiliency projects if a state or MPO has developed a resiliency improvement plan and reduced further if these plans are incorporated into the state or MPO plan.

Planning – The bill includes a provision allowing TIP amendments without public review and comment if the project was on the TIP that immediately preceded the current TIP and remain unchanged.

The STARTER ACT 2.0 can be found [here](#).

A section by section summary can be found [here](#).

Senate Banking Committee

The Senate Banking Committee approved Nuria Fernandez’s nomination to lead the FTA, by voice vote. The nomination’s next stop will be the Senate floor.