

SCWA Legislative Update

November 8, 2021



House Passes Historic Infrastructure Bill

On November 5th, the House of Representatives passed the "<u>Infrastructure</u> <u>Investment and Jobs Act (IIJA)</u>," with a bipartisan vote of 228 to 206. The IIJA now heads to the President's desk for his signature. After tumultuous months of negotiation, and procedural and political debates Congress has passed this vitally important bill that will make historic investments in roads and bridges, improve roadway safety, and make our roads more reliable and dependable for all highway users.

The IIJA will provide **\$550** billion in spending above budget baseline over five **years** and includes the text of **S. 1931**, the Senate Environment and Public Works Committee surface transportation reauthorization bill that passed the Committee in May.

The bipartisan infrastructure legislation includes increases for highway funding via formula, increases roadway safety investment, important streamlining provisions, significant bridge investments, and preserves flexibility to invest in both new capacity and improvements to existing roadways.

The IIJA also includes the <u>Surface Transportation Investment Act</u>, passed by the Senate Committee on Commerce, Science, and Transportation with bipartisan support, as well as the Senate-passed Drinking Water and Wastewater Infrastructure Act and the Energy Infrastructure Act, which received bipartisan support in the Senate Committee on Energy and Natural Resources.

Key Funding Highlights:

- **Highways** \$351 billion for highways over five years from the Highway Trust Fund (HTF) and General Fund (\$307 billion or 90% provided as formula apportionments to states.) This is a 34%increase in highway elements from the Highway Trust Fund over funding levels in the Fixing America's Surface Transportation Act (FAST Act).
- Transit \$91 billion
- Highway Safety (NHTSA/FMCSA) \$12 billion
- Passenger Rail \$66 billion
- Bridge Investment Program Provides \$12.5 billion over five years for a new Bridge Investment Program that funds competitive grants to address the nationwide backlog of bridge repair and rehabilitation projects.
- Bridge Formula Program Appropriates \$27.5 billion for a new bridge formula program to provide funding to States and Tribal governments to repair and rebuild bridges.
- INFRA Funding Provides \$8 billion over five years for the National Significant Freight and Highway Projects Program, known as "INFRA." INFRA provides competitive grants for highway, bridge, and multimodal freight projects of national and regional significance.

• **Safe Streets and Road for All** - Provides \$5 billion and establishes a new grant program for metropolitan planning organizations, local governments, and Tribal governments to develop and carry out comprehensive safety plans to prevent death and injury on roads and streets, commonly known as "Vision Zero" or "Toward Zero Deaths" initiatives.

Climate Change and Resilience:

- Reducing Carbon Emissions from Transportation The IIJA establishes a new Carbon Reduction Program that will distribute approximately \$6.4 billion over five years to States by formula to invest in projects that support a reduction in transportation emissions. Eligible projects include transportation electrification and EV charging, public transportation, including Bus Rapid Transit, infrastructure for bicycling and walking, intelligent transportation systems (ITS) improvements, infrastructure to support congestion pricing, diesel engine retrofits, and port electrification.
- **PROTECT Resilience Grants** Creates a new Promoting Resilient Operations for Transformative, Efficient, and Cost saving Transportation (PROTECT) grant program, which provides formula funding to States and competitive grants to eligible entities to make our surface transportation infrastructure more resilient, including through the use of natural infrastructure, to the effects of extreme weather and natural disasters. Provides **\$7.3 billion** in formula funding and **\$1.4 billion** in competitive grants over five years funded from the HTF.
- **Electric Vehicle Charging** \$5 billion over five years for a State formula program for EV charging infrastructure deployment.
- **Port Truck Emissions Reduction Program** Provides **\$400 million** to reduce air emissions from trucks idling at port facilities.
- **Healthy Streets** Authorizes a new Healthy Streets Program for eligible projects, including projects that mitigate urban heat islands, improve air quality, and reduce storm water runoff.
- **Resilience and Adaptation Centers of Excellence** Authorizes the creation of new Resilience and Adaptation Centers of Excellence, which will advance research to help make surface transportation infrastructure more resilient to natural disasters and extreme weather.

Supporting Rural America & Tribal Communities

- Rural Surface Transportation Grant Program Invests in rural America by authorizing **\$2 billion** over five years for a new competitive grant program to improve and expand the surface transportation system in rural areas.
- **Tribal Transportation Projects** Authorizes nearly \$3 billion over its five years for the Tribal Transportation Program, ensuring that tribes will have greater access to funding for surface transportation projects throughout Indian Country.

Enhancing Safety and Equity for All Road Users

- **Reconnecting Communities Pilot Program** Provides \$1 billion over five years for a new pilot program that provides competitive grants for planning and projects to remove, retrofit, or mitigate existing highways that were built through neighborhoods and created a barrier to mobility and economic development.
- Highway Safety Improvement Program (\$15.6 billion over 5 years) Provides States with the ability to flex 10% of their HSIP funds to behavioral projects

and includes a new special rule to provide targeted funding to address the safety needs of vulnerable road users under certain circumstances. If vulnerable road users in a State represents not less than 15 percent of the total annual crash fatalities in the State, that State shall be required to obligate not less than 15 percent of their HSIP funds for the following fiscal year for projects to address the safety of vulnerable road users. This section also directs the Secretary to update the study on high-risk rural roads. And sets aside \$1.3 billion over five years for the Railway-Highway Crossing Program.

- Note: Small business continues to be concerned with flexing HSIP funds to non-infrastructure programs as they have their own funding sources. The bill allows for 10% flex.
- **Transportation Alternatives** The bill increases funding for the Transportation Alternatives Program (TAP), which funds bicycle and pedestrian projects among other projects, through a 10 percent set-aside of the STBGP.
- **Safe Routes to School** Codifies the existing Safe Routes to School Program, which encourages children to safely walk or bike to school and amends it to apply the program through 12th grade.
- **Complete Streets** Requires State and metropolitan planning organizations to spend a minimum amount of funding for either the adoption of complete streets standards and policies, development of a complete streets prioritization plan, active and mass transportation planning, regional and megaregional planning to address travel demand through alternatives to highway travel.
- Reducing Wildlife-Vehicle Collisions Authorizes \$350 million over five years for a new pilot program that provides competitive grants for projects that reduce wildlife-vehicle collisions.

Streamlining Provisions:

- Codifies One Federal Decision policy, which establishes a two-year goal for completion of environmental reviews for infrastructure projects. Seeks to ensure environmental review documents remain under 200 pages.
- Improving Federal Agency Coordination Allows federal land management agencies to use an environmental document previously prepared by the Federal Highway Administration (FHWA) for a project addressing the same action, and also allows for a federal land management agency to use the categorical exclusions listed in the implementing regulations of FHWA.
- Improving Accountability Directs the USDOT to carry out a process to track, and annually submit to Congress a report containing the time to complete an environmental impact statement and an environmental assessment under the National Environmental Policy Act.

Other Provisions of Note:

- Clean School Buses and Ferries—\$7.5 billion
- The bill includes a historic amount of funding, \$5 billion, for the replacement of existing school buses with clean school buses, with a priority on low-income, rural, and Tribal schools. \$2.5 billion of this funding will be for zero-emission school buses and \$2.5 billion will be for zero-emission school buses and other buses that run on alternative fuels.

• Buy America

• Expands Buy America to construction materials, which must be "produced in the United States."

- Requires review of general waivers to the program.
- Exempts cement and cementitious materials, aggregates such as stone, sand, or gravel or aggregate binding agents or additives from the definition of construction materials.
- **Safety Contingency Funds:** Provides the opportunity for contingency funds that can be used to improve safety in work zones prior to, or during construction. Allows for a Federal share payable of up to 100% for these funds.
- Vulnerable Roadway Users Drives policy changes in the bill to protect vulnerable road users such as pedestrians, bicyclists, and people with disabilities.
- **MUTCD** Requires updates to the Manual on Uniform Traffic Control Devices within 18 months of enacting the bill and then no less than every three years thereafter. It also expands the focus to cover vulnerable road users, the safe testing of automated vehicle technology, and minimum retro-reflectivity of traffic control devices and pavement markings. And allows local jurisdictions to utilize their own design guide if accepted by the FHWA.
- Safety Clearinghouses Provides \$3.5 million per year from fiscal years 2022 through 2026 for Operation Lifesaver, work zone safety grants, and safety clearinghouses. Note: This is where the Roadway Safety Foundation has received the bulk of its funding from historically.

Highway Trust Fund: Includes a \$118 billion general fund transfer to the Highway Trust Fund. \$90 billion will be deposited into the Highway Account and \$28 billion will be deposited into the Mass Transit Account. This transfer was expected as a Highway Trust Fund fix remains elusive.



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