



TRANSPORTATION REAUTHORIZATION AND COVID FUNDS—A 2020 FEDERAL OVERVIEW

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REAUTHORIZATION TIMELINE

- December 2015 – FAST Act signed into law
- July 2019 – Reauthorization passed by Senate EPW Committee
- July 2020 – Reauthorization passed by the U.S. House
- September 30, 2020 – FAST Act initial expiration
- September 30, 2021 – FAST Act extension expected expiration

TRANSPORTATION COMMITTEES OF JURISDICTION

House

- Transportation and Infrastructure Committee – Highway, transit, rail, and other policy and programs
- Ways and Means Committee – Financing
 - *Additional committees, including Energy & Commerce and Science, Space, & Technology, may also be involved in the final bill depending on scope (Broadband, Climate, etc.)*

Senate

- Environment and Public Works Committee – Highways
- Banking, Housing, and Urban Affairs – Public Transit (Smith)
- Commerce, Science, and Transportation – Safety, rail, and freight (Klobuchar)
- Finance Committee – Financing

116TH CONGRESS: U.S. SENATE ACTION

America's Transportation Infrastructure Act of 2019

- Environment and Public Works Committee approved the bill with a unanimous vote in July 2019
- The President endorsed the measure in his 2020 State of the Union address
- Measure would increase federal highway funding from the FAST Act's \$43.4 billion to \$47.9 billion in fiscal 2021, increasing to \$52 billion by fiscal 2025
 - \$1.2 billion in fiscal 2021 for bridge repair, replacement; increases in subsequent years
 - \$500 million annually through fiscal 2025 for safety incentive grants
 - Climate change programs to improve infrastructure resiliency, reduce road-related carbon emissions, fund alternative vehicle charging stations
 - Measure seeks to expedite regulatory approval for infrastructure reviews

116TH CONGRESS: U.S. HOUSE ACTION

Moving Forward/INVEST in America Act

- The House of Representatives passed the bill in July 2020 on a mostly party-line vote
- The bill places high value on climate, environment, and resiliency proposals
- Also includes workforce development and “Buy American” provisions
- The Moving Forward Act also increases investments in key highway and transit programs, in addition to broader infrastructure goals
- The House’s \$500 billion surface transportation proposal would transfer about \$145 billion from the general fund into the Highway Trust Fund and wouldn’t increase fuel taxes.

HIGHWAY TRUST FUND

The Highway Trust Fund

- The Highway Trust Fund is the main funding source for highways and transit
- It has been a major sticking point in negotiations on how to pay for and extend transportation authorization
- Since 2001, Highway Trust Fund spending has exceeded revenue from gas tax, with general appropriations filling the gap
- Less money came in during the early months of the pandemic as lockdown measures limited drivers' need for fuel, however, revenue from gasoline and diesel taxes exceeded pre-pandemic levels in August
- The Congressional Budget Office said in early September that the fund will run out of money in fiscal 2021, a year earlier than previously projected.
- If Congress temporarily extends the FAST Act highway law, then a new infusion of cash from the general fund would allow lawmakers to delay a permanent fix for shortfalls in the Highway Trust Fund.

CONGRESSIONAL COVID RESPONSE TIMELINE

March 6: Coronavirus Preparedness and Response Supplemental Appropriations Act: \$8.3 billion in emergency funding preparation, prevention and response to COVID-19 signed into law

March 18: Families First Coronavirus Response Act signed into law.

March 27: CARES Act signed into law.

May 15: House Passes HEROES ACT

July 27: Senate Passes HEALS ACT

July-September: Ongoing negotiations on a Phase 4 package

September 30: Fiscal Year Ends – target adjournment for Senate

CONGRESSIONAL COVID RESPONSE *CARES ACT*

The Coronavirus Aid, Relief, and Economic Security (CARES) Act

- \$25 billion to transit agencies to help to prevent, prepare for, and respond to the COVID-19 pandemic.
- 10 billion provided for Airport Improvement Program formula funds to airports under the *CARES Act*.

CONGRESSIONAL COVID RESPONSE *HEROES ACT*

The **Health and Economic Recovery Omnibus Emergency Solutions Act** or **Heroes Act**

- \$3 trillion intended to supplement CARES funding
- Passed the House by a vote of 208-199 on May 15, 2020
- \$15.75 billion for public transit agencies
- \$15 billion in grants to support the ongoing work of state, U.S. territorial, and Native American Indian tribal DOTs and certain local governments to mitigate the effects of the COVID-19 pandemic, including the salaries of staff and other administrative expenses.

CONGRESSIONAL COVID RESPONSE *HEALS ACT*

HEALS ACT

Passed Senate July 27th 2020

Provides \$1.1 trillion in response to the Impacts of COVID-19 in a combination of eight bills:

Key Transportation Provisions:

- **BUILD Grants:** Would rescind any unobligated BUILD balances that were awarded in FY 2018 and appropriate new funds in the same amount on September 30, 2020 to remain available through FY 2021. This would allow FY 2018 recipients an additional year to obligate the funds for the wide range of transportation infrastructure projects eligible under the BUILD grant program.
- **Highway Trust Fund:** Creates a working group of 12 lawmakers (comprised of three each from Senate Democrats, Senate Republicans, House Democrats and House Republicans) to develop strategies and legislative text to return the fund to working order by June 1, 2021.
- **Note:** No funding for Transit Agencies in HEALS

OUTSTANDING ISSUES

- Continuing Resolution for FY2021 Budget
- Funding Eligible for Lost Revenue (COVID)
- Impact of Justice Ginsburg's death and Supreme Court Vacancy

QUESTIONS // COMMENTS

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