



Information Alert

State-Federal Relations Division

Senate Committee Approves Surface Transportation Reauthorization Bill

July 31, 2019

On July 30, the Senate Environment and Public Works Committee (EPW) [unanimously approved](#) (21-0) a five-year bipartisan reauthorization of the 2015 Fixing America's Surface Transportation (FAST) Act, which is scheduled to expire in just over a year. The new bill, [America's Transportation Infrastructure Act](#) (ATIA), is a key first step in the reauthorization process. However, with multiple committees in both chambers yet to act, it remains very unclear as to how and when a full reauthorization could be enacted into law. Specifically, the primary committee of jurisdiction in the House, the Transportation and Infrastructure Committee, is not expected to release its version until early 2020. Below is a general overview of some of the major areas impacting states. Stay tuned to NCSL over the next year as Congress works to reauthorize its fleet of surface transportation programs. If you have any questions or concerns, please contact NCSL staff: Ben Husch (ben.husch@ncsl.org) or Kristen Hildreth (Kristen.hildreth@ncsl.org).

Overall Funding

The bill represents a significant early victory for states. Not only would ATIA provide \$287 billion over five years, representing a [22% increase from the FAST Act](#), but nearly \$260 billion is provided to states via a formula, providing states a significant amount of certainty in the amount and types of federal road funding they would receive. However, due to the jurisdictional domain of the EPW committee, the bill does not address the coming shortfall in the Highway Trust Fund, which would need to be addressed in order to fully fund the authorizations included in the bill. Such action on the federal gas tax or other pay-fors would go through the Senate Finance Committee. Additionally, the bill includes a very important provision for states that would repeal a \$7.6 billion rescission that had been included in FAST Act as a pay-for. NCSL [issued a joint letter](#) to Congress earlier this year calling for the rescission's repeal.

New Flexibilities for States

ATIA includes a number of new flexibilities for states in how these formula funds can be used. For one, states could direct a significant amount of their formula funding to focus on measures that increase resiliency (formally defined in section 1103) to the impacts of sea level rise, extreme weather events, flooding, and other natural disasters, such as earthquakes and rockslides. Additionally, federal funds provided to states through the [Surface Transportation Block Grant](#)

[Program](#), would be given additional flexibility in allowable project uses. Further, [Highway Safety Improvement Program](#) formula funds can now be directed toward traffic safety education campaigns instead of solely infrastructure specific projects. Although the general restrictions on state tolling authority were not lifted, the legislation would expand an existing pilot program that allows tolling along existing stretches of interstate combined with a new congestion pricing program would allow Interstate tolling in as many as 10 additional urban areas beyond the existing pilot. The [TIFIA](#) program is also revamped to expand eligible projects but also requires public private partnerships that use TIFIA funds to comply with new reporting requirements.

Key Competitive Grants

The bill includes funding for the [Surface Transportation Funding Systems Alternative Program](#), which provides small amounts of funding to states to study and test road usage charges would be continued. Although the annual amount of funding would be decreased, the current 50/50 federal-state split on projects would be increased to 70/30. Additionally, the bill includes funding for research into a national road usage charge system.

The bill also provides \$5.5 billion over five years for the Infrastructure for Rebuilding America (INFRA) discretionary grant program ([INFRA](#)). This competitive grant program provides funds to significant freight and highway projects of national and regional significance.

The biggest new program under the bill is “Bridge Investment Program.” The competitive grant program would receive \$3.3 billion over the life of the bill. Projects eligible for funding include projects to replace, rehabilitate, preserve or protect bridges on the National Bridge Inventory, or a bundle of such projects, or a project to replace or rehabilitate culverts to improve flood control. Eligible applicants include states, groups of states, local governments, political subdivisions thereof.

Planning and Environmental Reviews

One of the most notable sections in the bill is section 1301 that would codify the “One Federal Decision” that was established by President Donald Trump in [executive order \(EO\) 13807](#). The EO requires the lead federal agency to develop a schedule for a major infrastructure project that is consistent, to the maximum extent practicable, with an agency average of not more than two years for the completion of the environmental review process for major infrastructure projects. Additionally, section 1205 would establish a prioritization process pilot program. This would provide funds to selected states and metropolitan planning organizations (MPOs) to develop and implement a publicly accessible, transparent prioritization process to evaluate and select projects to include in a transportation plan. Further changes to MPO composition and structure are included in section 1201.

Climate Change

The bill includes a new “Climate Change” title and would authorize \$3 billion to new grant programs that feature a combination of formula and competitive funding. The largest of these new programs would provide competitive funds for electric charging and natural gas and hydrogen fueling infrastructure, although the current wording on bill would not include ethanol. Another program created under this title is aimed at carbon emissions and would provide \$600

million a year to states in formula funding to reduce on-road mobile sources of carbon, and to incentivize planning and investments to reduce carbon emissions.

Road Safety

In addition to the new flexibilities granted to [Highway Safety Improvement Program](#), the bill creates a new safety incentive formula program for states, funded at \$500 million per year, although 65% of those funds must be suballocated to MPOs for safety improvement projects. The bill also creates a competitive grant program focused on safety of \$100 million per year for states and localities.

Key Links

[Bill Text](#)

[Section by Section Summary](#)

[Short Summary](#)