



# Information Alert

*State-Federal Relations Division*

June 4, 2020

## **House Transportation Committee Unveils Infrastructure Package**

The House Transportation and Infrastructure Committee on June 3 released the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. The act would reauthorize federal surface transportation programs for five years, through FY 2024, as current program authorizations expire in less than four months—Sept. 30, 2020. The bill is based on the [Moving Forward Framework](#) infrastructure blueprint released this past January by the House Democratic leadership and was not developed in a bipartisan manner, which was different from the approach the Senate Environment and Public Works Committee took in developing the America’s Transportation Infrastructure Act (ATIA), which was passed unanimously out of that committee in July 2019 ([read NCSL’s breakdown of the Senate bill](#)).

Overall, the INVEST Act would provide nearly \$500 billion, with \$319 billion for federal-aid highway programs, \$105 billion for transit, \$60 billion for passenger rail, \$5.3 billion for highway safety and \$4.6 billion for motor carrier safety. Additionally, many of the programmatic changes would not be implemented until FY 2022 (Oct. 1, 2021). Although the bill does not alter the current formula structures, it does create a raft of new discretionary grant programs as opposed to formula programs that provide predictability and stability for states.

Although the bill’s release and the anticipated approval by the committee is expected on June 17—an important step in the overall process for reauthorizing federal surface transportation programs—there are many additional steps and unanswered questions before a reauthorization is signed into law. The most pressing of these questions is how to pay for the bill. Existing federal transportation revenues such as gasoline and diesel taxes, as well as other motor vehicle fees, [only bring in \\$44 billion per year](#), \$14 billion below the amount actually appropriated, with the difference made up through general fund transfers. A short-term extension of existing federal programs remains the most likely outcome, though with many variables, a host of potential outcomes are possible between now and Sept. 30.

Stay tuned to NCSL over the next few months 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](mailto:ben.husch@ncsl.org)) or Kristen Hildreth ([Kristen.hildreth@ncsl.org](mailto:Kristen.hildreth@ncsl.org)).

### **COVID-19 Provisions**

Overall funding for the first year of the bill, FY 2021, would be larger than later years to account for impact of the COVID-19 pandemic on state transportation revenues. Highway programs would receive an additional \$14.7 billion over current funding levels and the transit programs would receive an additional \$6.75 billion. Further the bill allows FY 2021 highway, transit, and highway safety funds to be made available at 100% federal share. Additionally, it allows such federal funds to be used for additional eligibilities such as salaries and operating expenses.

### **Highways**

As noted above, formula programs would see significant changes under the INVEST Act. These include requiring states to focus on the state of good repair before capacity expansion as well as requiring states to dedicate funds to a new bridge investment program, which would represent 20% of highway formula funding. The bill would also prevent the practice of federal-state “fund swaps” with local governments unless the U.S. Department of Transportation deems certain conditions are met. Another important provision clarifies the Transportation Infrastructure Finance and Innovation Act (TIFIA) as a non-federal share for those projects that receive a TIFIA loan. Further, the bill would continue to advance moving away from motor fuel taxes toward a system based on road usage by doubling funding for individual state vehicle miles traveled (VMT) pilot programs, as well as a new national 50-state VMT pilot program.

Unlike the Senate bill, there is not a climate change title, but rather the themes of climate change are present throughout a number of provisions. These include a new greenhouse gas emissions performance measure based on carbon emissions per capita on all public roads and a new formula program (\$8.4 billion for FY 2022-2025) to reduce carbon emissions. Another new performance measure included in the bill focuses on transportation access to jobs and services. Related to transportation access, the bill would penalize states with high levels of pedestrian and bicyclist fatalities while increasing Transportation Alternatives Program (TAP) funding by about 60% from the Fixing America's Surface Transportation Act. Similar to the Senate bill, the INVEST Act would restore Highway Safety Improvement Program flexibility for non-infrastructure safety improvements while also expanding eligibility for the Safe Routes to School program.

### **Transit**

One of the biggest changes the INVEST Act makes is that it increases overall funding for transit by about 50% with a focus on service frequency and ridership and rural formula grants. In particular, the bill provides a five-fold increase for zero emission bus competitive grants as well as increasing federal share limits in other existing programs.

### **Passenger Rail**

Unlike the highway and transit provisions, there is no delayed implementation as new policy changes would go into effect in the first year of the bill. Federal programs would be reauthorized through the Transforming Rail by Accelerating Investment Nationwide (TRAIN) Act. The bill

authorizes \$60 billion, which would represent a five-fold funding increase for passenger rail. This includes a new \$19 billion Passenger Rail Improvement, Modernization, and Expansion grant program for capital investments and reauthorization of the Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program at \$7 billion over five years. The bill provides \$29 billion over five years for Amtrak, sub-allocated into \$13 billion for the Northeast Corridor and \$16 billion for the National Network.

**Important Links:**

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