

May 25, 2021

## **MEMORANDUM**

### **RE: Surface Transportation Reauthorization Act (STRA) of 2021**

#### **Background**

This week the Senate Environment and Public Works (EPW) Committee Chairman Tom Carper (D-DE), Ranking Member Shelley Moore Capito (R-WV), and Transportation and Infrastructure Subcommittee Chairman Ben Cardin (D-MD) and Ranking Member Kevin Cramer (R-ND) introduced the Surface Transportation Reauthorization Act (STRA) of 2021. STRA is a five-year, \$303.5 billion reauthorization of core federal highway and bridge programs and represents a 22-percent increase from current FAST Act funding levels. The legislation focuses on increasing system resilience and includes environmentally friendly policies that look to reduce greenhouse gas emissions (GHG), improve project delivery, and make strategic steps to resolve long-term Highway Trust Fund (HTF) solvency by further developing a national vehicle mile traveled (VMT) pilot program. The committee passed STRA unanimously after adopting a manager's package of roughly 90 amendments.

On May 24<sup>th</sup>, ASCE submitted a support letter to the record. Executive Director Tom Smith applauded the efforts of EPW leadership and was encouraged that this legislation provides a vital funding increase as well as long-term stability for core highway and bridge programs. ASCE is also pleased that STRA includes provisions that support all communities and addresses roadway safety, climate change impacts, and resiliency. These investments will help address the key issues that grow our current ten-year \$1.2 trillion investment deficit.

This is EPW's second attempt to pass a surface transportation reauthorization bill. Last Congress, the committee marked up and unanimously passed S. 2302, America's Transportation Infrastructure Act of 2019 (ATIA). ATIA is a five-year, \$287 billion, reauthorization. Meanwhile, the Senate Commerce and Banking Committees continue to take Member and stakeholder input on a rolling basis, as those committees are responsible for the titles on safety, rail, freight, and transit. However, neither committee has issued a formal timetable on moving forward on their portions of the bill. Even more importantly, the Senate Finance Committee has not yet identified how to pay for their reauthorization bill by solving the long-term solvency of the HTF.

Meanwhile, House Transportation and Infrastructure Committee Ranking Member Sam Graves (R-MO6), and other Republican Committee leaders, introduced the Surface Transportation Advanced through Reform, Technology, & Efficient Review (STARTER) Act 2.0. This five-year authorization provides \$400 billion in funding for the federal highway, transit, and motor carrier and highway safety programs. STARTER Act 2.0 includes provisions that streamline project delivery, provides states flexibility in project selection, supports resilience, and provides HTF revenue solutions. The legislation maintains Republican surface transportation priorities and provides lawmakers a negotiating position leading into the eventual release of Chairman DeFazio's (D-OR4) surface transportation reauthorization bill. The House Ways and Means Committee has yet to release legislation that addresses HTF and other revenue raising concerns, but this portion of a surface reauthorization is usually released after authorizing committees determine final funding levels.

As Congress and the Biden Administration continue to be in close negotiations on a comprehensive infrastructure investment package, STRA takes the first step in reauthorizing highway and bridge programs. Current programs authorized under the Fixing America's Surface Transportation (FAST) Act are set to expire on September 30, 2021.

At this time, it is unclear how STRA will be included in the White House's goal of passing a comprehensive infrastructure package, but authorizations must move through regular order. It is speculated that other areas of bipartisan agreement, like broadband investment, could be included in final authorization legislation. Senate Majority Leader Chuck Schumer has not offered an official timeline to bring an authorization bill to the floor for consideration, however, has said that he would anticipate action in July, leaving some uncertainty on the path forward.

### **Summary**

STRA is a five-year, \$303.5 billion reauthorization of core federal highway and bridge programs and represents a 22-percent increase from current FAST Act funding levels. \$273.2 billion, or 90-percent, of total highway funding from the HTF is distributed to states by formula. Topline funding includes:

- \$148 billion (\$116.3 billion under FAST Act) for the National Highway Performance Program (NHPP);
- \$64.8 billion (\$58.2 billion under FAST Act) for the Surface Transportation Block Grant Program (STBG);
- \$15.5 billion (\$11.5 billion under FAST Act) for the Highway Safety Improvement Program (HSIP);
- \$1.2 billion (\$1.1 billion under FAST Act) for Railway-Highway Grade Crossings;
- \$13.2 billion (\$12 billion under FAST Act) for the Congestion Mitigation and Air Quality Program (CMAQ);
- \$2.2 billion (\$1.7 billion under FAST Act) for the Metropolitan Planning Program;
- \$7.1 billion (\$6.2 billion under FAST Act) for the National Highway Freight Program (NHFP); and
- \$7.2 billion (\$4.2 billion under FAST Act) for Transportation Alternatives/STBGP Set-Aside.

Key sections and programs in the STRA include:

### **Core Federal-aid Highway Programs**

- Amends NHPP to include a focus on measures that increase resiliency to the impacts of sea level rise, extreme weather events, flooding, and other natural disasters, such as earthquakes and rockslides. States have expanded eligibility to use NHPP funds for resiliency, cybersecurity, and underground utility infrastructure.
- Revises the Emergency Relief (ER) program to include repairing damage from natural disasters over wide areas caused by wildfire and sea level rise. ER program funds can be used to support protective features designed to mitigate the risk of recurring damage of the cost of future repairs from extreme weather events, flooding, or other natural disasters.
- Expands STBG eligibility to include construction of wildlife crossing structures, electric vehicle charging infrastructure and vehicle-to-grid infrastructure, installation and deployment of intelligent transportation technologies, projects that facilitate intermodal connections between emerging transportation technologies, resilience features, cybersecurity protections, and rural barge landings, docks, and waterfront infrastructure projects, and the construction of certain privately-owned ferry boats and terminals.

- Amends the Nationally Significant Freight and Highway Projects (NSFHP) program (also known as the INFRA grant program) by raising the cap on eligible multimodal projects to 30 percent of the amounts made available for grants in each of fiscal years (FY) 2022 through 2026.
- Provides HSIP flexibility to fund certain non-infrastructure activities and behavioral safety projects, such as educational campaigns about traffic safety and enforcement activities.
- Increases the Federal Lands Transportation Program (FLTP) cap from \$10 billion to \$20 billion and may be used to improve public safety and reduce wildlife vehicle collisions.
- Establishes a new competitive grant program to support state, local, and federal efforts that address the backlog of bridges in poor condition nationwide. \$3.2 billion is authorized for the program over 5 years.
- Adds eligibility for a capital project for the construction of a bus rapid transit corridor or dedicated bus lanes. This includes the construction or installation of traffic signaling and prioritization systems, redesigned intersections that are necessary to develop bus rapid transit corridors, on-street stations, fare collection systems, information and wayfinding systems, and depots.
- Directs DOT to update the Manual on Uniform Traffic Control Devices (MUTCD), and to continue to update the manual no less than every four years.
- Directs the Department of Transportation (DOT) to create the Rural Opportunities to Use Transportation for Economic Success (ROUTES) Council to ensure the unique transportation needs of rural areas and tribes are fully addressed. Establish a rural surface transportation grant program to expand surface transportation infrastructure in rural areas. This program is authorized at \$2 billion and is authorized over 5 years.

#### **Project Delivery and Process Improvement**

- Enhances coordination among Metropolitan Planning Organizations (MPO) by encouraging states and MPOs to use social media and other web-based tools to encourage public participation in the transportation planning process.
- Requires DOT to encourage states to develop a voluntary human capital plan for the immediate and long-term transportation-related personnel and workforce needs of the state.
- Requires states and MPOs to spend at minimum 2.5-percent of funds on the adoption of complete street standards and policies, to develop a complete streets prioritization plan, engage in mass transportation planning, or for transit-oriented development planning.
- Requires DOT to review work zone processes not more than once every 5 years.
- Requires DOT, upon request of a state, to exercise all existing flexibilities to help expedite the permitting process.
- Codifies 'One Federal Decision' and requires DOT to complete environmental reviews in 2 years. Documentation is limited to 200 pages unless the lead agency establishes a new page limit for a project that has an undefined wide scope and is highly complex.
- Eliminates existing requirements for states repaying Federal-aid reimbursements for preliminary engineering costs on a project that has not advanced to right-of-way acquisition or construction within 10 years.
- Allows for a Federal Land Management Agency to use the categorical exclusions promulgated in the implementing regulations of the Federal Highway Administration (FHWA) if the use of the categorical exclusion does not otherwise conflict with the implementing regulations of the project sponsor.

- Requires DOT to track and annually submit to the Senate Environment and Public Works and House Transportation and Infrastructure Committees a report containing time to complete the National Environmental Policy Act (NEPA) process for an environmental impact statement and an environmental assessment. Allows for a Federal land management agency to meet NEPA obligations by relying upon an environmental document previously prepared by FHWA.
- Updates the Transportation Infrastructure Finance and Innovation Act (TIFIA) program to increase program use, streamline the application process, and increase transparency. This includes new eligibility for projects to acquire plant and wildlife habitats as part of an environmental impact mitigation plan, raise the threshold for securing multiple credit rating agency options from \$75 million to \$150 million, and DOT is required to provide applicants a timeline on whether or not their financing request will be approved or disapproved.

### **Resilience and Sustainability**

- Appoints 10 regional Centers of Excellence for Resilience and Adaptation and 1 national Center of Excellence for Resilience and Adaptation. These centers will support research that improves resilience on surface transportation infrastructure. Grants will be awarded at \$5 million or above for each fiscal year through 2031.
- Creates the Promoting Resilient Operations for Transformative, Efficient, and Cost saving Transportation (PROTECT) grant program, which helps states improve the resiliency of transportation infrastructure. \$7.2 billion is provided over a 5-year period.
- Institutes a congestion relief program to provide competitive grants to states and local governments to advance solutions for congestion relief in highly congested areas. Minimum grant award size is \$10 million, and the bill provides \$250 million over five years.
- DOT is required to revise the FHWA's Emergency Relief program to include a definition of resilience, encourage complete street design principles, and develop best practices for improving the use of resilience.
- Includes new strategies to be included in the National Freight Strategic Plan, including strategies to promote resilience, economic growth and competitiveness, and strategies to reduce local air pollution and water runoff.
- Establishes the Carbon Reduction Incentive Program to encourage reduced carbon emissions. Grants would be made available to state or local governments that demonstrate reduction in transportation emissions. The program will receive \$6.4 billion over 5 years.
- Creates the Healthy Streets program which provides funding to deploy cool and porous pavements and expand tree cover to mitigate urban heat islands, improve air quality, and reduce flood risks. \$500 million is provided over five years.

### **Miscellaneous**

- Authorizes a study to provide the best available estimate of the total amount of fuel taxes paid by users of non-highway recreational vehicles into the HTF. Reauthorizes and renames the Surface Transportation System Funding Alternatives Program to test the feasibility of a road usage fee and other user-based alternative revenue mechanisms to support HTF solvency.
- Requires DOT and the Department of the Treasury to establish a pilot program to demonstrate a national motor vehicle per-mile user fee.
- Develops a pilot program to study access to transportation access to improve future planning of the surface transportation network.

- Creates a toll credit exchange on a pilot basis to enable DOT to evaluate the feasibility of a toll credit marketplace where states could sell, transfer, or purchase toll credits.
- Requires projects which cost \$100 million or more and utilize public-private partnerships to disclose and certify certain information relating to the private partner's satisfaction of the terms of the public-private partnership agreement not later than 3 years after the date of the opening of the project to traffic.
- Requires DOT to carry out a study to determine the feasibility of incorporating the use of bicycles into the disaster preparedness and disaster response plans of local communities.

The following materials have also been made available by the EPW Committee:

Bill section-by-section:

[https://www.epw.senate.gov/public/\\_cache/files/a/5/a53f0dff-9ebc-4ab2-a74c-f11698c6a93d/C4B5572EE70DE0D4689DD1B00EFF24C9.section-by-section-clean-final.pdf](https://www.epw.senate.gov/public/_cache/files/a/5/a53f0dff-9ebc-4ab2-a74c-f11698c6a93d/C4B5572EE70DE0D4689DD1B00EFF24C9.section-by-section-clean-final.pdf)

Bill text:

[https://www.epw.senate.gov/public/\\_cache/files/c/8/c8655fed-8f7c-457b-a010-3e028bc49b63/6636AFC54CEFBEC631118AED3415CB1.stra-final-bill-text-5-21.pdf](https://www.epw.senate.gov/public/_cache/files/c/8/c8655fed-8f7c-457b-a010-3e028bc49b63/6636AFC54CEFBEC631118AED3415CB1.stra-final-bill-text-5-21.pdf)

Bill funding authorizations:

[https://www.epw.senate.gov/public/\\_cache/files/c/1/c164e182-460f-4391-af72-9ca998416fad/D03CBDE58574EF01AC5EEA34FB00A78B.ta-authorization-table-epw-reauth-act-2021-rev-1.pdf](https://www.epw.senate.gov/public/_cache/files/c/1/c164e182-460f-4391-af72-9ca998416fad/D03CBDE58574EF01AC5EEA34FB00A78B.ta-authorization-table-epw-reauth-act-2021-rev-1.pdf)

State-by-state estimates of formula funding under the bill:

[https://www.epw.senate.gov/public/\\_cache/files/7/6/76a75cd2-8e70-42c4-8142-82ffef83c867/29CF2A3E5A597BF34CD020F96F197F4A.ta-est-fy-2022-2026-apportionments-epw-reauth-act-2021-rev-1.pdf](https://www.epw.senate.gov/public/_cache/files/7/6/76a75cd2-8e70-42c4-8142-82ffef83c867/29CF2A3E5A597BF34CD020F96F197F4A.ta-est-fy-2022-2026-apportionments-epw-reauth-act-2021-rev-1.pdf)

*For questions, please contact the ASCE Government Relations team.*

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