COMMITTEE ON
TRANSPORTATION
& INFRASTRUCTURE
SAM GRAVES, REPUBLICAN LEADER

# Summary: H.R. 2, the Speaker's Partisan Green Infrastructure Wish List
## *Part I - the Majority's "My Way or the Highway Bill" (Divisions A-D)*

Main Theme:

- In the surface transportation bill passed out of Committee on June 18, 2020, with no Republican votes, the Democrats' message is that the bill will help meet the goals of the *Green New Deal*. The focus is on climate change, emissions reduction, and green infrastructure throughout the surface transportation sector. Additionally, the Majority claims the funding increases provided will bring our infrastructure into a state of good repair while transitioning our system to meet their environmental goals.

Top-line Funding:

**$494 billion over 5 years for surface and rail transportation, or a 62% increase over the *Fixing America's Surface Transportation* (*FAST) Act* levels.**

- Provides $411 billion over 5 years out of the Highway Trust Fund (HTF) for highway, transit, safety, and research programs – a 46% increase over current levels. However, Democrats want significant General Fund transfers (approximately $145 billion) to shore up the HTF.
- The *FAST Act,* which was enacted in December 2015 and in effect till September 30, 2020, was authorized at $305 billion for five years.

Modal Funding:

- **Surface Transportation: $434 billion** – $129 billion increase from the *FAST Act*.
    - Highways: $320 billion (41.8% increase from *FAST Act*).
    - Transit: $105 billion (72.2% increase from *FAST Act*).
    - Safety: $10 billion (41.3% increase from *FAST Act*).
- **Rail Transportation: $57 billion** (449.1% increase from *FAST Act*).

Primary Policy Goals:

- Combatting climate change by creating new grant programs that take money away from core programs, as well as weaving new "green" mandates throughout existing programs.
- Bringing existing infrastructure into a state of good repair rather than building new roads.
- Prioritizing transit and commuter rail over core highway programs.
- Prioritizing urban needs over rural needs.
- Creating a $22 billion "special funding pot" in year 1 (FY21) that would be available for operations and administrative costs recovering from the COVID-19 pandemic.
- Extending current highway, transit, and highway safety programs through FY21 and providing additional funding but delaying major programmatic changes until FY22 due to COVID-19.
- This delay is an acknowledgement that their policy changes would create too much uncertainty for our Nation's economy and an industry that has yet to begin recovering.

## Modal Overview

## Surface Transportation: $434 billion

### Highways

The Majority prioritizes building green infrastructure, reducing carbon pollution, returning infrastructure to a state of good repair at the possible expense of building necessary new roads and bridges, and programs that tend to benefit urban programs over America's more rural communities.

- **Topline - $320 billion reauthorization over 5 years.**
- Fix It First: Requires National Highway Performance Program (NHPP) funds to conduct analysis on state of good repair and operational improvements to existing facilities before building new highway capacity.
  - *NOTE*: This limits state flexibility as states have transportation asset management plans in place to help them prioritize projects. Forcing states to adopt a "worst-to-first" approach ignores new construction projects that may have a bigger benefit than a maintenance project.
- Prioritizes Climate Change: Requires the Department of Transportation (DOT) to establish a new greenhouse gas (GHG) emissions performance measure on all public roads. Under the Democrats' bill, $2 out of every $5 in this bill is tied up in Green New Deal goals, either in new programs or new green requirements for existing programs (**$23.7 billion in new programs; $200 billion total over 5 years**).
  - Creates a **new $8.4 billion** formula program to reduce carbon emissions across a wide range of highway, transit, and rail projects.
  - Creates a **new $1 billion** Community Climate Innovation Grants program for non-state applicants for highway, transit, and rail projects that reduce GHGs.
  - Provides **$1.75 billion** for Electric Vehicle Charging and Hydrogen Fueling Infrastructure grants.
    - During markup, the Committee accepted an amendment to include eligibility for Natural Gas charging infrastructure under this grant program. The amendment was adopted on a bipartisan basis, 37-26.
  - Creates a **new $6.3 billion** formula program to fund resilience and emergency evacuation needs.
- Creates new, single-year discretionary grant programs, including:
  - $250 million for Gridlock Reduction Grants.
  - $250 million for Rebuild Rural Grants.
    - Focuses on safety, state of good repair, and job access.
  - $250 million for Active Transportation Connectivity Grants (pedestrians and bikes).
- Creates additional new discretionary grant programs paid for by the Highway Trust Fund:
  - *Projects of National and Regional Significance* - Provides more than $9 billion for large highway, transit, and freight projects that cannot be funded through annual apportionments or other discretionary sources.
    - Replaces the current Infrastructure for Rebuilding America (INFRA) program and expands eligibility to commuter rail.
  - *Metro Performance Program* - Provides high-performing localities, as determined by DOT, with $750 million in direct Federal-aid Highway Program funding.
    - Favors urban over rural and bypasses the state DOTs.
  - *Community Transportation Investment Grants* - Provides $600 million per year for local government applicants modeled after Virginia's Smart Scale program.
  - *Federal Lands and Tribal Major Projects Program* - Provides $400 million per year and requires a 50/50 split of grant funds among tribes and Federal lands agencies.
    - Prioritizes tribal funding over Federal land agencies.

    - *Tribal High Priority Projects* - Provides $50 million per year on a discretionary basis, for grants of a maximum size of $5 million.
- Changes program formulas based on several factors:
    - Bridge Investment - Requires States to spend 20% of their NHPP and Surface Transportation Block Grant Program (STBGP) dollars on bridge repair and rehabilitation projects, amounting to $28 billion between FY22-25. Increases the off-system bridge set-aside to $1 billion per year compared to $770 million in the *FAST Act*.
    - Accessibility - Establishes a new performance measure for transportation access to jobs and services—including shopping, healthcare, childcare, education and workforce training, and financial institutions—across multiple modes.
    - Formula Study - Calls for a study led by the Federal Highway Administration (FHWA) and the American Association of State Highway and Transportation Officials (AASHTO) to modernize highway formulas and factors.
    - Congestion Mitigation and Air Quality (CMAQ) Program - Modifies eligibility for operating assistance to include all state-supported passenger rail lines and allows operating assistance for longer than three years if the project demonstrates net air quality benefits.
    - Bicycle and Pedestrian Programs - States with high levels of pedestrian and bicyclist fatalities will be subject to funding penalties; requires FHWA to adopt context sensitive and Complete Streets design principles; increases Transportation Alternatives Program (TAP) funding by about 60% from the *FAST Act*.
    - Tribes, Territories, and Federal Lands - Provides $750 million per year for tribes, $100 million per year for territories, $210 million per year for Puerto Rico, and $895 million per year for federal lands.
    - Tolling - Reestablishes a requirement that FHWA enter into a toll agreement before allowing tolling on a Federal-aid highway and creates new requirements for tolling and implementing congestion pricing.
    - Workforce Development - Creates a *Task Force on Developing a 21st Century Surface Transportation Workforce* to evaluate current and future workforce needs and develop recommendations, and establishes transparency and reporting requirements for the *On the Job Training and Supportive Services Program*; requires states to develop annual statewide workforce plans to identify and address workforce gaps and underrepresentation of women and minorities.
- Materials Selection - Reduces materials selection flexibility by focusing funding and deployment on specific construction materials and practices.
- Vehicle-Miles Traveled (VMT) Fee Pilot - Increases funding for state pilot programs and establishes a national program.
- Transportation Infrastructure Finance and Innovation Act (TIFIA) Program - Raises the threshold above which projects are required to secure multiple credit rating agency opinions, waives application fees for smaller projects, and clarifies TIFIA as non-federal share.

**Notes:**

- Changes to formula programs favor Democrat priorities (non-core programs) and initiate onerous new green policies.
- The focus on climate change, carbon reduction, and other environmental goals are problematic. They make top-down mandates instead of taking a collaborative approach and redirect critical funding toward transforming our core transportation programs into an emissions reduction program.
- Skewing Federal Highway programs to favor planning for and adhering to climate related performance measures has the potential to severely shift the balance of how Federal-Aid highway funds are used in the future.
- Funding levels are unrealistic. Every single program reauthorized in their bill receives increased funding in addition to many newly created and well-funded programs. Everyone would like more money, but the

reality is Congress just spent trillions to combat COVID-19 impacts and has to be especially judicious with the taxpayers' money.

- Resiliency is an area where we could have worked with the Democrats, but the Majority chose to never meaningfully engage with us.

## Transit

Prioritizes climate and greenhouse gas reduction and resiliency, expands FTA's mission to include promotion of affordable housing, makes significant changes and creates new programs, including those that target increasing frequency of bus service and fleet expansion. Also includes funding for Washington, D.C., Metro, and considers Washington, D.C., a state for some formula allocations.

- **Topline - $105 billion reauthorization over 5 years**.
- Expanding General Purpose Authority: Expands the ***purpose*** of the Federal Transit Program to include carbon pollution reduction and resiliency improvements. This should not be the focus of the transit program.
- Funding for Bikes and Art: Allows Federal Transit Administration (FTA) funds to be used on installation of bike share, and incorporation of art at transit facilities, which is wasteful.
- COVID-19 Formula: Requires transit data for FY19 be used to distribute transit formulas for FY22 (to treat the declining ridership due to COVID-19 as an anomaly).
- Includes a number of new programs/initiatives:
  - $100 million annually to *improve multijurisdictional bus frequency and increase ridership* by redesigning urban streets.
  - *Mobility Innovation* - uses existing formula funds to integrate mobility-on-demand services with mobility as a service. Includes an increased federal cost share for zero emission projects.
  - *Every Day Counts* initiative to promote rapid deployment of innovative technologies and practices.
  - *Healthcare transportation* program to improve the coordination of transportation and non-emergency medical services.
  - Includes new *housing policy/programs*, including establishing the *Office of Transit Supportive Communities* to make grants and provide technical assistance, coordinate transit-housing policies across the Federal government, and promote equity.
  - Creates a *frontline workforce training center* with union involvement.
- Includes changes to existing programs:
  - Makes changes to *bus program*s to promote and increase funding (and federal share) for zero emission buses, promotes fleet expansion, increases service frequency; funds a restoration to the state of good repair grants for transit agencies with the oldest buses; increases funding for systems that service to low income riders.
  - *Formula Grants for Rural Areas* – reduces the weight of distribution factors based on population and land area to focus on vehicle revenue miles. Adds factor for low income individuals and areas of persistent poverty. Provides flexibility for continuous bus service across state lines. Allows states to use up to 5% of their rural funds for two years on areas that are newly designated as urban.
  - *State of Good Repair Grants* - increases federal share for accessibility projects to 90%.
  - Allows Washington, D.C., to be considered a state so it can receive funding from the *Growing States and High Density States Formula program,* and additional funding under the *bus programs.*
  - Sets aside $5 million for a new *one-stop paratransit competitive grant progra*m under the *Enhanced Mobility of Seniors and the Disabled program.*
  - *Creates Access to Jobs Demonstration Grant* to support reduced fare transit service.

- Increases the *small transit intensive cities program* set-aside to 3%, with a 3-year phase out for census designation changes.
- *Capital Investment Grant (CIG) program* - Increases the threshold for small starts projects by $100 million, makes significant changes to remove flexibility from the FTA, and provides a higher rating to projects that promote or retain affordable housing. Provides faster approval for projects that reduce congestion or GHG emissions.
- *Housing policy* - Includes program changes to related to housing policy:
  - Allows grantees to transfer property to local governments, nonprofits, or a third party for transit-oriented development purposes. Requires 15% of the housing units be affordable.
  - Makes changes to the CIG program by increasing the project rating if the project preserves or encourages higher density affordable housing. Allows the Economic Development Administration (EDA) and Community Development Block Grant (CDBG) grants to be counted as part of the local share.
- Charter Bus Changes:
  - Makes changes to the charter service rule.
  - Requires transit agencies to respond to intercity and charter bus request for access within 75 days.
- Workers, Training and Safety changes:
  - Requires transit agencies to track and report transit worker assaults into the National Transit Database.
  - Allows the FTA to research bus redesign to improve driver visibility and reduce assault.
  - Expands the national safety plan to include driver assist technologies and driver protection infrastructure; however, it does not allow funding to be used for automated vehicles if it eliminates or reduces the frequency of public transportation service.
  - Allows FTA funds to be used on installation of bike share, incorporation of art at transit facilities.

- Other Changes:
  - *Americans with Disabilities Act (ADA)* - allows people to file ADA complaints against a state or local government, or private operator to the Secretary; includes reporting requirements.
  - *Washington Metro* - provides $150 million a year for 10 years for Washington Metro capital preventative maintenance.
  - *Buy America* – strengthens and makes changes to Buy America requirements by changing calculations for components parts, incentivizing higher domestic content, and focusing on enforcement.
  - *State-Owned Enterprises (SOEs)*:
    - Clarifies Congressional intent that no lifetime exemption applies to transit agencies with existing executed contracts with SOEs prior to the enactment of the provision that restricts transit agencies from contracting with SOEs for rolling stock.
    - Prohibits Federal highway, transit, or federal railroad funds to be used to contract with SOEs.
  - *Procurement* - streamlines bus procurement by requiring performance-based specifications (rather than transit agencies specifying individual components). Includes a negotiated rulemaking.
  - *Bus testing* - requires the DOT Secretary to grant a manufacturer's request for bus testing within 10 days.
  - *Safety Metrics with penalty* - establishes 4 performance-based safety metrics that can trigger a *penalty set-aside* of 10% of Federal funds that must be used on projects that will reduce injuries and deaths.
  - *Disposition of transit assets* - Includes a provision that changes the threshold value for disposition of transit assets beyond their useful life.

**Notes:**

- The 72% increase within the FTA makes clear the focus of the bill is on urban areas.

- Expands FTA's mission into new areas by supporting affordable housing and reducing carbon and increasing resiliency therefore using the transit programs as the vanguard for climate change and housing policy priorities.
- Increases funding and focuses on increased service and fleet expansion when ridership has plummeted and may not recover given recommended social distancing practices and new workforce trends.
- Allows FTA funding to be used for art.
- Heavy focus on bus programs by increasing investment in current programs and adding new initiatives that focus on service frequency increases, and fleet expansion, which are skewed towards urban areas and do not reflect challenges at current times.
- Significant funding increases for CIG, which primarily funds systems in urban areas.
- Creates significant barriers to bridging first mile/last mile connectivity and accessibility by reducing incentives for transit agencies to partner with third-party private innovators or to purchase "low-emission" vehicles.

## National Highway Traffic Safety Investments

Focuses on child safety seats, racial profiling and traffic stop training, children left in unattended vehicles, marijuana/drug impaired driving, and move over laws.

- **Topline: $5.3 billion over 5 years**.
- Requires new considerations in state safety plans: child safety seats with an emphasis on underserved populations, children left in unattended vehicles, violations of move over laws, and marijuana impaired driving where marijuana is legal.
- Allows automated traffic enforcement systems in work zones or school zones.
    - *NOTE: In the past there has been bipartisan opposition to automated traffic enforcement due to civil liberties concerns, and they are currently prohibited.*
- Creates the following grant programs:
    - Safety enforcement countermeasures,
    - Racial profiling grants, and
    - Driver and officer safety education program and requires statistical information on race of the driver and passengers.
- Changes the following existing grant programs: Distracted Driving, Graduated Driver's Licenses, and Ignition Interlocks.
- Eliminates the in-vehicle alcohol detection device research program that the National Highway Traffic Safety Administration (NHTSA) will complete in four years (and then requires states to enact laws that require in-vehicle alcohol detection systems in cars.)
- Increases the number of high visibility campaigns to include: drugged driving, child restraints, texting and driving, and move over laws; and allows use of highway messaging signs for the campaigns.
- Allows states to use penalty funds from not having a law on repeat offender for driving, for polysubstance-impaired programs.
- Requires NHTSA to provide states that did not receive a safety priority grant every reason that they did not qualify for the grant.

**Notes:**

- Funding level is very high.
- Some stakeholders have concerns about the elimination of the in-vehicle alcohol detection device research.
- Grant programs for racial profiling and traffic stop education are currently being debated.

## Motor Carrier Investments

This section is focused on adding more regulations on the trucking industry and ventures beyond safety regulation into commercial regulation of the industry. It includes the reanimation of regulations that have been rolled back, accelerated timelines for regulations in the pipeline, and creates new mandates.

- **Topline: $4.6 billion over 5 years** for the Federal Motor Carrier Safety Administration (FMCSA).
- Increases the mandatory minimum insurance requirement for carriers by 167%.
- Does not include any exemptions, waivers, or exclusions for truck weight or Hours-of-Service (HOS).
- Maintains the structure for motor carrier safety grant programs and provides a proportional increase in funding.
- Implements a new safety mandate for Automatic Emergency Braking systems on all newly manufactured trucks in two years.
- Delays the implementation of the recently finalized and industry supported HOS rule until FMCSA completes another study.
- Requires FMCSA to implement a new rule regulating detention time for drivers.
- Requires FMCSA to update rear underride requirements and to perform a cost-benefit analysis of side underrides.
- Forces a hastened timeline for the completion of the Compliance, Safety, and Accountability Program review and makes safety scores publicly available at the end of the review.
  - *NOTE*: This reopens a major reform from the *FAST Act*.
- Bans double decker horse trailers.

**Notes**:

- Many of these new regulations are arbitrary and seek to implement new requirements that FMCSA has already studied and determined are not warranted.
- The increased minimum insurance requirement will do nothing to improve safety on the road and serves as a give-away to trial attorneys.
- Making CSA safety ratings scores publicly available will not make the roads safer and releasing this incomplete and inaccurate information will only benefit trial lawyers.
- The Automatic Emergency Braking and Underride Guard mandates will drastically increase the cost of new trucks and trailers which will reduce vehicle turnover resulting in older trucks on the road longer.
- The detention mandate time directly regulates the commercial relationship between shippers, carriers, and drivers and does nothing to increase safety.

## Innovation, Research, and Development Investments

Increases funding for Highways research and innovation deployment programs, while overlaying considerations for research and deployment projects that reduce GHG emissions.

- **Topline: $2.076 billion over 4 years**.
- Adds GHG emissions reduction to the objectives of the Highway Research and Development Program, the Technology and Innovation Deployment Program, and the Intelligent Transportation System program, while requiring DOT's 5-year strategic research plan to include GHG emissions reduction and workforce issues.
- Establishes a new research, development, and deployment program to advance the use of greener construction materials by awarding grants to universities to research greener material designs and practices during the production and construction process.
- Establishes a new program through which non-Federal interests may propose new research projects to the Department.

- Authorizes the DOT-established Non-Traditional and Emerging Transportation Technology (NETT) Council to identify and resolve regulatory gaps associated with innovative transportation technologies.
- Directs DOT, through the NETT Council, to issue guidance to provide a clear regulatory framework for the safe deployment of hyperloop transportation.
- During markup, the Committee accepted amendments by Rep. Garret Graves to establish pilot programs to leverage anonymous crowdsourced data to implement integrated traffic management systems and improve transportation planning.

**Notes:**

- Funding levels are high, representing a $129 million annual increase over *FAST Act* levels.
- Overlays climate considerations as primary goals for each Research program, potentially skewing future research away from betterments to traditional surface infrastructure.
- While the bill provides for a study and establishing a clearinghouse related to the impacts of highly automated vehicles, it lacks emphasis on promoting further deployment of vehicle-to-everything technologies to improve the efficiency and safety of our surface transportation networks (a potential area for bipartisan agreement)

## Hazardous Materials

The majority reauthorizes hazardous materials programs at $347 million over five years. The bill increases funding for hazmat programs, with a clear focus on transportation of liquefied natural gas (LNG), crude oil, and other flammable materials by rail.

- **Topline: The $347 million over five years** is a $64 million increase from the *FAST Act*, which authorized at $283 million.
- The bill also increases funding for select grant programs.
  - For example, increases planning and training grants from $21,988,000 to $24,025,000. (+$2,037,000).
- Increases Hazardous Materials Training Grants from $4 million to $5 million.
- Increases Community Safety Grants to $4 million/year from $1 million/year.
- Authorizes $9 million for a new, duplicative grant program for first responder training for oil and flammable liquids by rail.

Policy Changes:

- Repeals requirements relating to air cargo transport of lithium batteries and cells that would allow the U.S. to create stricter standards than international standards.
- Rescinds DOT's LNG by rail rules and requires a study before moving forward with the rules again.
- Requires a U.S. Government Accountability Office (GAO) study on FMCSA regulations requiring cargo tank trucks to stop at grade crossings.

**Notes:**

- There was no attempt by the majority to work with Republicans on any hazmat provisions. However, there are targeted, common sense fixes that could have been discussed that benefit both DOT and those who transport hazardous materials. Rep. Crawford offered and withdrew an amendment at markup that contained many of these potential improvements to hazardous materials programs, yet there was no time left for debate.
- The hazmat provisions in HR 2 clearly target transportation of energy products by rail, such as LNG and crude oil, despite existing federal safety regulations.
  - A priority of the Administration is to increase the availability of energy products through transportation of LNG by rail. This is essential for place like New England where there is a demand, but lack of pipeline infrastructure.

- DOT just released its final rule for LNG by rail, which included additional safety provisions added after public comment.
- The provisions in HR 2 would rescind these rules and any issued special permit for LNG transport by rail and require several studies and a "Congressional review period" before any rules can be issued, essentially blocking DOT from issuing any rule for several years.

- Other hazmat provisions include a new grant program, which fund first responder training specifically for oil and flammable liquids transported by rail. This is duplicative to existing first responder training grant programs.

## Rail Transportation: $60 billion

The Majority seeks to invest significantly in Amtrak routes and commuter lines. Their focus is to resolve project backlog, return to state of good repair, increase capacity, and reduce congestion. They also seek to promote reductions in CO2 and GHGs and provide money to study the effect of climate change on the railroad industry. **Chair DeFazio has publicly stated that Amtrak does not need to break even which runs counter to past Republican efforts to reform Amtrak to run more like a business.** Currently, Amtrak runs roughly a $1.5 billion annual deficit that taxpayers cover.

### Amtrak/Passenger Rail

- **Topline: $29.3 billion over 5 years for Northeast Corridor (NEC) and National Network (NN).**
- Supports establishing new or improved intercity, commuter, and higher-speed rail corridors.
- Increased funding for all Amtrak routes and operations:
  - NEC – $13.1 billion ($1.103 billion in *FAST Act*)
  - NN – $16.2 billion ($997 million in *FAST Act*) – includes $2 billion in grants to offset national costs for state supported routes.
  - $137.5 million for Amtrak OIG ($105 million in *FAST Act*)
- Allows Amtrak to sue over track preference in federal court, with venue specifically in Washington, D.C.
- Prohibits Amtrak from using mandatory arbitration in suits brought by customers.

**Notes:**
- Democrats removed Congressional directive that Amtrak attempt to break even and run more like a business.

### Rail Discretionary Grants and Financing Programs

- Creates a new Passenger Rail Improvement, Modernization, and Expansion (PRIME) Grants - **$19 billion over 5 years** – Intercity passenger rail funding program:
  - Includes State of Good Repair ($997 million in *FAST Act*);
  - High speed rail is eligible;
  - Priority given to projects that provide climate benefits (air quality, GHG reductions); and
  - 40% for NEC, and 40% for NN; federal cost-share of up to 90%.
- Creates a new Rail Safety Public Awareness Grant - **$30 million over 5 years**.
  - Safety information for railroad right-of-way and highway-rail grade crossings.
- Creates a new Grade Crossing Separation Grant - **$2.5 billion over 5 years**.
  - For building and improving grade crossing separations.
  - No more than 50% of funds can go towards projects costing over $100 million.
  - Non-federal cost share of 65% for projects over $40 million, and 85% for under $40 million.
- Consolidated Rail Infrastructure and Safety Improvements (CRISI) - **$7 billion over 5 years** ($1.103 billion in *FAST Act*).

- Commuter rail is newly eligible.
- 15% reserved for rural projects; removes preference for projects with lower percentage of federal funding.

- Railroad Rehabilitation & Improvement Financing (RRIF) - **Authorizes $150 million over five years** to help pay credit risk premiums (CRP) for certain borrowers under the RRIF program **and $70 million** to refund the credit risk premiums of certain past loans (Cohort 3 loans). Also, sets forth a payment schedule for CRP payments.

## Miscellaneous Rail Policy Provisions

- Rail Climate Study - National Academies study of the effects of climate change on freight and passenger rail (at least $1 million appropriated for the study).
- Ban on Funding to SOEs: Bans the use of *CARES Act* funds for the procurement of rolling stock from going to SOEs, such as China.
- Safety
  - Bans liquefied natural gas (LNG) by rail and appropriates $6-8 million for DOT to study LNG by rail.
  - Requires a study on trains longer than 7,500 feet.
  - Blocked Crossings – establishes 10-minute limit for blocking public grade crossings, and mandates DOT to develop national strategy.
  - Federal Railroad Administration's (FRA's) Safety and Operations account: $1.165 billion
  - Grants for improvements for Class II and IIIs.

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## Summary: H.R. 2, the Speaker's Partisan Green Infrastructure Wish List
### *Part II – Everything But the Kitchen Sink (Divisions E-G)*

Main Theme:

- Following the Committee on Transportation and Infrastructure's (T&I) markup of H.R. 2, the *INVEST Act,* filled with $500 billion surface transportation reauthorization provisions, the Speaker's partisan agenda further hijacked the bill and another $1 trillion was added to the bill, including a bill name change, through provisions from numerous other Committees' jurisdictions and even items from T&I's jurisdiction which had been excluded during the markup from consideration.

## Aviation: $22.9 billion

The aviation provisions airdropped into H.R. 2 include funding for green aviation programs, increases spending out the Trust Fund dedicated to aviation (already in dire straits due to the COVID-19 pandemic), and confusingly extends some Federal Aviation Administration (FAA) program authorizations, but not others.

### Airport Infrastructure Funding

- Increases Airport Improvement Program (AIP) funding to **$4 billion annually** and extends through 2025.
- Allows primary airports to use 2019 enplanement numbers to calculate their AIP entitlement through 2025.
- Authorizes **$3-4 billion** in annual supplemental AIP-like funds through 2025.
- Supplemental AIP-like funds will be distributed proportionally based on enplanement numbers in 2019 or the previous year, whichever has the most total enplanements.
- Sets aside funding for certain airports as determined by the Majority:
  - 3.5% for cargo airports using AIP formula (**$105-$140 million annually**)
  - 4% for general aviation and nonprimary airports (**$120-$160 million annually**)
  - 4.5% for various airport environmental and noise projects (**$135-$180 million annually**)
- Prohibits airports that received more than 4 times their operating expenses under the *CARES Act* from receiving these supplemental funds in fiscal years 2021 and 2022,
- In fiscal year 2021, AIP grants may be used for staffing, debt payments, and pandemic response.

### Airport Resiliency Projects

- Makes projects that make runways, taxiways, or aprons more resilient to natural disasters AIP eligible.

### FAA Air Traffic Control Facilities

- Authorizes $1 billion (once) for air traffic control facility modernization, rehabilitation, or replacement.
- Requires consultation with FAA unions prior to any action.

### Aerospace Environmental Provisions

- Authorizes $200 million annually for the Federal Aviation Administration (FAA) and the Environmental Protection Agency (EPA) to set up a grant/demonstration program for low-emission aviation technologies and sustainable aviation fuels.
- Expands eligibility for FAA's low emission airport vehicle (VALE) program beyond airports in nonattainment areas while prioritizing airports in nonattainment areas for VALE funding.
- Authorizes $30 million annually for the study and development of sustainable aviation fuel.
- Authorizes $5 million annually for an FAA Center of Excellence for Alternative Jet Fuels and Environment.
- Requires a National Academies study on aerospace climate change mitigation efforts.

**Notes:**

- The aviation provisions were air-dropped in the bill, totally subverting the committee process and regular order.
- Democrats did not try to work cooperatively on aviation programs; aviation-related amendments offered during the markup (including those offered by the Ranking Member Garret Graves of the Select Climate Committee) were blocked by the Democrats on the grounds that they were not germane to a surface transportation bill.
- The bill authorizes almost **$23 billion** for airport and green aviation infrastructure and clean aviation fuel projects.
- The bill also increases spending out of the Airport and Airway Trust Fund, which is on the path to insolvency since the *CARES Act* suspended nearly all commercial aviation taxes. The potential negative impacts to air traffic control and airport project funding are dire.
- The bill only extends certain aviation programs, creating a confusing, out-of-sync authorization timelines for FAA accounts that risks the stability of FAA authorities.

## Water Resources: $65.6 billion

The bill includes airdropped water resources provisions under the Committee on Transportation and Infrastructure's jurisdiction. While the Majority seeks to include many initiatives that have cleared either the Committee, the House, or have been signed into Public Law in a bipartisan manner over the past two years, in many cases the Majority has altered those measures and broken bipartisan agreements.

### Brownfields

- Topline **$2.7 billion reauthorization over 5 years.**
  - EPA's Brownfields Program provides technical assistance and grants to communities, states, and others to assess, clean up, and place back into use, contaminated properties.
  - There are estimated to be more than 450,000 brownfields in the U.S.
  - The bill would reauthorize Brownfields site assessment and cleanup grants under the EPA program at **$2.25 billion over 5 years**.
  - It also would reauthorize federal assistance to States with approved Brownfields cleanup programs at **$450 million over 5 years**.

**Notes:**

- The Brownfields program was reauthorized on a bipartisan basis in 2018 through 2023.
- While we agree on the importance of investing in the cleanup and redevelopment of these sites, $2.7 billion is an unjustifiably high number. Currently the program receives approximately $85 million annually and is authorized at $250 million per year through 2023.

## Harbor Maintenance Trust Fund (HMTF)

- H.R. 2 amends the *CARES Act* as the new budgetary mechanism to count HMTF expenditures outside the discretionary budget cap.
- H.R. 2 amends the *Balanced Budget and Emergency Deficit Control Act of 1985* to provide the authority to appropriate additional funds for harbor maintenance needs from the existing balance in the Trust Fund.
- CBO estimates that the HMTF will collect an additional $10.2 billion in new revenue over the next 5 years on top of the estimated $9.5 billion in previously collected but unspent dollars.

**Notes:**

- H.R. 2 makes unilateral changes to the bipartisan, House-passed approach in H.R. 2440.
- Republicans were not consulted in making any changes to H.R. 2440, which passed the House less than a year ago on October 28, 2019, by a vote of 296-109.

## Water Resources Investments

- **Topline: $15 billion over 5 years**
- H.R. 2 would appropriate **$10 billion** into the Army Corps of Engineer's Civil Works Construction account to pay for previously authorized water resources development projects including navigation, flood control, and ecosystem restoration.
    - Of those funds, **$3 billion** would be set aside to modernize the inland waterways system including locks, dams, and levees.
- H.R. 2 would appropriate **$5 billion** in Operation & Maintenance funding to address dredging needs.

**Notes:**

- This bill is directly appropriating on what would otherwise be an authorizing bill.
- While there is bipartisan agreement that a significant backlog exists with regards to these projects, there is no plan to address how to responsibly pay for these investments.

## Clean Water

- **Topline: $40 billion over 5 years**
- H.R. 2 would provide:
    - State Clean Water Act compliance assistance at **$1.5 billion over 5 years**.
    - Clean Water State Revolving Loan Fund (SRF) at **$40 billion over 5 years**.
    - Watershed/wet weather grants at **$1 billion over 5 years**.
    - A new PFAS grant program (Sec. 22116 Emerging Contaminants) for communities to use to implement Clean Water Act permit limits for per-and polyfluoroalkyl substances (PFAS) or other pollutants identified by EPA as a "potential contaminant of emerging concern," at **$1 billion over 5 years**.
    - Alternative water source grant program at **$600 million over 5 years**.
    - Nonpoint source grants at **$1 billion over 5 years**, and
    - The reauthorization of several regional water restoration program initiatives.

**Notes:**

- The program reauthorizations captured by the framework are based of the *Water Quality and Job Creation Act of 2019* (H.R. 1497) which was reported favorably by the Committee after bipartisan agreement in October 2019.
- Notable differences between the bipartisan bill (H.R. 1497) and H.R. 2 are:
    - The numbers are greatly inflated. For example, H.R. 1497 reauthorized the SRF at **$14 billion**, H.R. 2 reauthorizes it at **$40 billion**.
    - A new grant program for PFAS monitoring and prevention. This provision is concerning because it is a "foot in the door" provision for the majority to add direct PFAS regulatory requirements under the Clean Water Act to this bill or future bills.

- The omission of a key regulatory flexibility provision (10-year permit terms) contained within the Committee passed H.R. 1497.

- The majority of regional waters restoration program initiatives were also reported favorably out of Committee and the House on a bipartisan basis earlier this Congress.
  - The Majority has airdropped in Long Island Sound and Columbia River Restoration Program reauthorizations that did not move through regular order.

## Public Building Policy Provisions

### Public Building Energy and Water

- Includes new energy and water usage requirements on federal buildings and facilities.
- Directs Federal agencies to reduce building energy and water usage with specific timelines and target reductions.

**Notes:**

- There are already existing targets and benchmarks in law.
- The new requirements do not account for the potential costs that will be associated with new requirements and only provides potential exemptions for facilities that require heavy energy or water usage.
- Existing energy efficiency requirements have resulted in higher costs for federal construction and leases.
- Agencies such as the General Services Administration (GSA) currently have limited funds to maintain its existing inventory, additional requirements will stretch an already tight budget and could impact GSA's ability to invest in needed repairs and maintenance of its facilities.
- The Majority is adding these requirements at a time when GSA needs to be prioritizing its resources on the safety of federal workers and the public in going to Federal Buildings.

*Courtesy of Committee on Energy and Commerce Republicans:*

E&C REPUBLICANS

# H.R. 2: Speaker Pelosi's Partisan Wish List

## *Energy & Commerce Provisions*

**Energy and Environment:**

- **TOPLINE** - Overall, the energy and environment provisions in H.R. 2 constitute an expensive, liberal wish list of policy priorities that will make energy less affordable and less reliable for many Americans; and make the United States more vulnerable to national security threats.

- This partisan legislation does nothing to remove the regulatory barriers that are preventing the construction and modernization of key infrastructure in this country – much of which could help deploy more clean energy, reduce emissions, and ensure safe drinking water.

- Many of the energy-related provisions in this legislation involve programs that are duplicative of existing ones. They call for huge increases in funding for existing programs with little to no justification, or they spend enormous amounts of money on initiatives that will disproportionately favor urban areas.

- Electric Vehicle provisions have almost $50 billion in spending, on top of expensive and intrusive new mandates that would require the government vehicle fleet to convert to electric vehicles and states to potentially impose rate increases for the build out of electric infrastructure.

    - This would be imposed on the American people with no assessment of the impacts on our country's energy policy, other laws and mandates, or the mobility priorities of the American public (espcially rural areas) or the costs to taxpayers.
    - Rather than focus on important highway and transportation projects that could benefit all Americans, this legislation wastes taxpayer money on Green New Deal-style spending programs to subsidize electric vehicles, often for the wealthy.

- **Grid Modernization** – While there are impactful legislative measures that could be taken to modernize our grid, this legislation goes a different way – spending $3.5 billion of taxpayer money with no substantive protections for cybersecurity threats and no meaningful improvement to the long, permitting delays in this country. This legislation fails to act upon the urgency of permitting reform, which will free up private capital to invest in modernizing the grid, without burdening taxpayers.

    - Under the guise of "grid security," this legislation requires a rulemaking on interregional transmission for our electric grid. In reality, this provision is an attempted national takeover of the electric grid. Under this misguided approach, regulatory uncertainty and market distortions likely would stymie the progress that States have been making in meeting their individual clean energy and environmental goals. And, without doubt, consumers would be stuck with fewer options for retail electricity and higher utility bills.

- **Electric School Buses** – H.R. 2 calls for $325 million for zero emissions and electric school buses – a large amount of money for an unproven program never used in the past, and inappropriate for many rural areas in America.

- **Pipeline Safety** – Earlier this Congress, the Democrats walked away from a bipartisan pipeline safety reauthorization bill, destroying decades of precedent. Now, the Democrats tuck into this bill a rider, which would gut successful state-approved infrastructure repair and maintenance programs to control leaks from natural gas pipelines. The language in this bill actually may benefit wealthier zip codes at the expense of low-income households by interfering with established rate support programs.

- **Energy Conservation Block Grants** – The DOE energy conservation block grant program is a decades old program that has never been funded, not even during the previous Administration. It is unproven, likely duplicative of existing programs, and untested in terms of how funds will be utilized. H.R. 2 authorizes $17.5 billion over five years for the energy conservation block grant program – more than five times what the Democrats themselves approved in committee.

- **Weatherization** – While there is bipartisan support for the weatherization program at DOE, this legislation makes the same mistakes as the Obama stimulus – throwing large amounts of money at federal programs with little consideration of need, priorities, and resources. For example, the DOE weatherization program in H.R. 2 is authorized at $3.5 billion over 5 years – almost ten times what was considered in committee.

- **PFAS** – The "party of science" once again skips over the science part of policymaking. H.R. 2 calls for the establishment of a $500 million EPA grant program for treating "all detectable PFAS". There are at least 7,866 PFAS chemicals – almost all of which have not been studied or analyzed. While we all want safe drinking water, we must conduct due diligence and use sound and objective scientific reviews to right size the response to the problem at hand.

- **EPA Programs** – Programs like EPA's Brownfields and Drinking Water Revolving Loan have enjoyed bipartisan support and been known for highly successful outcomes. The Democrats' bill calls for funding authorizations for these programs that are 200 to 250 percent higher than the Obama stimulus bill in 2009 with a Democrat Congress. While we support these programs and their continued funding, fiscal prudence must be a consideration because the American public is entrusting Congress to be a good steward of taxpayers' money.

***For questions on these provisions, contact Mary Martin at Mary.Martin@mail.house.gov.***

**Consumer Protection and Commerce:**

- **Autos -** None of the sections in this title have been marked up by committee. Two of the bills received a legislative hearing, HOT CARS (32001) and PARK IT (32002), but along with those two bills there were two Republican bills that were part of the same legislative hearing that dealt with driving under the influence of drugs and alcohol and those bills were not included.

- None of the other bills that were included in this title had any hearings, and they will all add regulatory challenges for our struggling automotive industry. There was certainly a path forward on how these could properly balance safety and economic viability, but the Democrats decided to take partisan approach.

- The biggest piece missing from this title is the autonomous vehicle (AVs) legislation that we have been working on with the Dems since last year - a version passed the House unanimously last Congress before trial lawyers killed it in the Senate. As Leader McCarthy knows from his charge to us with the China Task Force, China is racing ahead of us in artificial intelligence, Internet of Things, and autonomous vehicles.

- This proposal would not only making our roads less safe – AVs could save thousands of lives in the future – but they are also neglecting an important mobility benefit for seniors and those with disabilities (National Federal of the Blind testified for us earlier in the year), and ceding U.S. leadership to China on this initiative at a time when our automotive and tech industries need a clear path to commercialization.

***For questions on these provisions, contact Tim Kurth at Tim.Kurth@mail.house.gov.***

**Communications and Technology:**

- Overall, this legislation costs an obscene amount of money, and would likely result in overbuilding broadband and wasting billions of dollars. These provisions are authorized at over $100 billion – about $112 billion authorized.

- With the exception of three provisions, the rest have not seen any review or committee process

  - H.R. 2 includes language from H.R. 1328, ACCESS BROADBAND Act, which has bipartisan support and passed the House this Congress on suspension. It would establish an Office of Connectivity and Growth at NTIA to coordinate broadband funding streams throughout the federal government.
  - It also includes language from the Digital Equity Act, which was the subject of a legislative hearing, but there was no general hearing on the broadband adoption issues that persist. This provision claims to promote digital equity, but it is really a blank check to states from the federal government to subsidize broadband, with few safeguards.
  - We support the inclusion of funding for the Broadband DATA Act.
  - We also support funding for a NG911 grant program at NTIA to give money to public safety to upgrade their 9-1-1 call centers, and the federal cost study estimated about $12 billion.

- Not only does this legislation add money to new programs with nearly no safeguards, but it also expands current programs, such as the E-Rate program within the Universal Service Fund, for additional uses, which will increase Americans' phone bills.

- It also undoes action taken by the Republican-led FCC that has reduced waste, fraud, and abuse in the Lifeline program.

- H.R. 2 includes authorizations for two new programs at the FCC to subsidize broadband for low-income Americans and for families with school aged children at home.

- Generally, the broadband provisions that claim to promote digital equity are blank checks for states to use as they please with few safeguards, are duplicative of each other, and also put successful federal broadband programs at risk, primarily the USF, of being unsustainable in the future and being wrought with waste, fraud, and abuse.

- Creates an $80 billion appropriated grant program at the FCC to write blank checks to states to run their own competitive bidding process within their own states that favor unserved anchor institutions (like schools and libraries that already qualify for the USF program), which won't actually close the digital divide.

- In addition to a broadband grant program, creates a broadband/loan program at NTIA, which is similar to the broadband program under RUS. This risks overbuilding and huge waste of money.

- H.R. 2 expands E-Rate support to cover Wi-Fi on school buses, increasing costs on Americans.

- H.R. 2 favor public-private partnerships over a competitive private marketplace.

- H.R. 2 does not apply the FCC's reform and modernization efforts to reduce waste, fraud, and abuse.

***For questions on these provisions, contact Kate O'Connor at Kate.OConnor@mail.house.gov*.**

**Health:**

- As a general matter, HHS has not provided funding for health infrastructure improvements to non-federally owned and operated providers in decades. Given the amount of money already spent on healthcare delivery, giving non-federal health providers money for capital improvements is incredibly wasteful.

- **Hospital infrastructure (Sec. 34101)**
  - This is bad policy.
  - This section gives $2 billion to hospitals for "infrastructure," which is money they absolutely do not need. Grant recipients are required to ensure these infrastructure projects increase "energy efficiency, energy resilience, or the use of renewable energy," things that have nothing to do with the delivery of healthcare.
  - The section does this by reauthorizing an old-school health facility construction authority. The statutory language has not been touched since 1982.
  - It was created in the 1975 National Health Planning and Resources Development Act, which consolidated three health infrastructure and regional medical health planning programs: Hill-Burton (1946), the Regional Medical Program (1965), and the Comprehensive Health Planning Act (1966).
  - Hill-Burton gave hospitals, nursing homes and other health facilities grants and loans for construction and modernization. In return, they agreed to provide a reasonable volume of services to people unable to pay and to make their services available to all persons residing in the facility's area. The program stopped providing funds in 1997.
  - This provision requires the Secretary to give priority to applicants whose projects include, by design, "cybersecurity against cyber threats" – it is unclear what "cybersecurity against cyber threats" means.

- **Community Health Center Capital Project Funding (Sec. 34102.)**
  - This section provides $10 billion to community health centers (CHCs) for "capitol projects." Grant recipients are required to ensure these projects increase "energy efficiency, energy resilience, or the use of renewable energy," things that have nothing to do with the delivery of healthcare.
  - There is broad bipartisan support for CHCs, but this is a waste of money. Instead of wasting $10 billion on "green" CHCs, Congress should be committing to the long-term reauthorization of the Community Health Center Fund (CHCF), which is set to expire in months.

- **Pilot program to improve laboratory infrastructure (Sec. 34103.)**
  - This section would provide $4.5 billion for states to give to any Clinical Laboratory Improvement Amendments (CLIA)-certified lab for the broad purposes of supporting the improvement, renovation, or modernization of lab infrastructure in order to increase COVID–19 testing and response activities. Grant recipients are required to ensure these projects increase "energy efficiency, energy resilience, or the use of renewable energy," things that have nothing to do with the improvement of public health lab operations.
  - This section is largely unnecessary given that the recently enacted Coronavirus Preparedness and Response Supplemental Appropriations Act, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the Paycheck Protection Program and Health Care Enhancement Act provided billions of dollars to the CDC for COVI-19 testing and response activities.
  - In addition, the Epidemiology and Laboratory Capacity for Infectious Diseases Cooperative Agreement (ELC) provides support each fiscal year for public health laboratories through the Centers for Disease Control and Prevention (CDC).
  - If there are concerns about upgraded the testing technology of these labs, the Democrats should instead put the bipartisan Bucshon-DeGette Diagnostic Testing for Public Health Labs Act (H.R. 7025) on the floor. This bill would authorize grants to assist eligible public health labs in acquiring high-throughput testing platforms and associated testing supplies through the existing ELC Cooperative Agreements, with priority would be given to underserved areas.

- **21st century Indian health program hospitals and outpatient health care facilities (Sec. 34104.)**
  - This this gives $5 billion for Indian Health Service (IHS) infrastructure projects. Grant recipients are required to ensure these projects increase "energy efficiency, energy resilience, or the use of renewable energy," things that have nothing to do with the delivery of healthcare.
  - Pallone and Walden sent a letter to GAO in January to review this issue. It is true that IHS direct service facilities are in dire need of repairs. This section allows for funds to go to facilities that are funded, in whole or part, by HIS (direct service), OR provided for in tribal compacts or contracts.
  - Any infrastructure improvements should be focused on the federally-run direct service IHS facilities, not to tribally run facilities (compacts and contracts), which have significantly more resources.

- **Pilot program to improve community-based care infrastructure (Sec. 34105.)**
  - This section provides $500 million for teaching health center construction and behavioral health care center construction. Grant recipients are required to ensure these projects increase "energy efficiency, energy resilience, or the use of renewable energy," things that have nothing to do with the delivery of healthcare.
  - Instead of wasting money building "green" teaching health centers, Congress should be committing to their long-term reauthorization, which is set to expire in months.

***For questions on these provisions, contact James Paluskiewicz "J.P." at James.Paluskiewicz@mail.house.gov,***

***Courtesy of Committee on Oversight and Reform Republicans:***

**Sec. 50001. Authorization of appropriation for United States Postal Service for modernization of postal infrastructure.**

- $25 billion appropriations authorization for the Postal Service Fund "for the modernization of postal infrastructure and operations, including through capital expenditures to purchase delivery vehicles, processing equipment, and other goods"
    - $6 billion set aside for the purchase of vehicles

**Sec. 50002. Electric or zero-emission vehicles for United States Postal Service fleet.**

- Adds requirement that at least 75% of the "next generation deliver vehicle[s]" purchased with the $6 billion appropriation authorization be "electric or zero emission vehicles."
    - At least 50% of new medium and heavy-duty vehicles should be "electric or zero-emission vehicles"
        - Ban on any new medium or heavy-duty vehicle USPS purchases goes into effect on January 2040
    - Buy American Act requirement applies for this section
    - Requirement that by January 2016 every post office and facility has at least 1 electric vehicle charging station available to the public

Contact: Ashley Callen Ashley.Callen@mail.house.gov

***Courtesy of Committee on Financial Services Republicans:***

FINANCIAL SERVICES
Republicans

## Financial Services Update:
## Housing Provisions in H.R. 2

**Division J of H.R. 2 is a reprisal of partisan legislation opposed unanimously by Republicans during Committee markup. Before we consider massive funding increases for public housing, significant reforms to HUD's programs are needed to promote sustainability, opportunity, and self-sufficiency.**

- Division J of H.R. 2 authorizes over $100 billion in new, unpaid-for funding to address a long-standing wish list of Democrat spending priorities to public housing buildings and other housing programs.
- Instead of reforming outdated HUD programs that do not deliver effective results, H.R. 5187 would sink billions into government housing without including a single substantive reform to ensure that higher spending produces better outcomes.
- Without enhanced oversight and accountability measures, taxpayers run the risk of bailing out the same troubled housing authorities whose mismanagement has wasted previous spending.
    - In fact, two of the nation's largest housing authorities – the New York City Housing Authority (NYCHA) and the City of Los Angeles – were each sued by and settled with HUD for fraud, failure to enforce federal laws, and repeated tenant safety violations.
- The cost of repairs to aging local housing stock cannot be the responsibility of the federal government alone. H.R. 5187 would increase spending on public housing by $70 billion alone, a drastic increase which would more than double HUD's total current budget.
- The vast majority of this funding in H.R. 5187 would go to a few large cities with aging local government-run housing stock that they have neglected or refused to upkeep. For example, some estimates put NYCHA's public housing capital repairs needs at $40 billion alone.
- **Bottom line: America's "housing infrastructure" should not be rebuilt in the same fashion it was created almost 100 years ago when more modern and effective solutions exist.**

**Committee Republicans' Action:**

**During markup, Republicans offered three commonsense amendments that would have addressed the shortfalls of H.R. 5187—all amendments were rejected by Democrats.**

- **Rep. Budd** offered an amendment to require states or localities to provide non-federal matching funds to increase the impact and local oversight of these funds.
- **Rep. Huizenga** offered an amendment to prohibit funds from going to any housing authority that has committed outright fraud with federal funds or used funds to violate fair housing laws.
- **Rep. Stivers** offered an amendment that would increase the utilization of the bipartisan Rental Assistance Demonstration, which injects private capital into public housing.

@FinancialCmte republicans-financialservices.house.gov

***Courtesy of Committee on Education and Labor Republicans:***

COMMITTEE ON EDUCATION & LABOR REPUBLICANS

# H.R. 2
## Democrats' Failed Approach on School Construction

**WHERE REPUBLICANS STAND:**

- The Democrats' school construction provisions in H.R. 2 will result in **increased costs to taxpayers, increased costs to states and school districts, and onerous new requirements for the entire education community**, all in exchange for limited grants to a handful of school districts. This is the same, old approach that's failed for decades.

- Instead of pushing more red tape and recklessly spending taxpayer dollars to advance bad ideas, Republicans believe in giving communities the tools they need to unleash innovation, investment, and revitalization, with the flexibility to tailor local solutions for local challenges.

**DEMOCRATS' FAILED APPROACH WILL:**

- **TIE SCHOOLS' HANDS WITH FEDERAL MANDATES.** Democrats are promising a massive overhaul of public school facilities to the tune of **$130 billion – with absolutely nothing to offset the sky-high price tag**. Additionally, states and school districts will have to jump though numerous hoops just to receive funding.
    - These onerous directives include a vast, expensive database of information on every public school in the state and issuing new regulations down to the appropriate level of noise for construction projects.

- **PUSH A RADICAL GREEN NEW DEAL.** To appease the far-left factions of their party, Democrats are also attempting to make the radical Green New Deal a reality in this bill. **Schools will face extensive additional costs in complying with the onerous "green" requirement.** In fact, those costs could exceed the funding schools are being offered.
    - The percentage of construction and renovation projects that must be certified "green" begins at 60 percent in FY 2020 and rises to 100 percent in FY 2024.

- **DENY FAMILIES EDUCATIONAL FREEDOM.** Democrats continue their attack on educational freedom by denying funds for public charter school facilities that are operated by a for-profit entity. By **making it increasingly difficult for charter schools to access these funds, Democrats are unfairly handpicking how funds will be allocated to the schools of their choosing**.

Charter schools help ALL children, including minorities, receive a high-quality education.

**BOTTOM LINE: The school construction provisions in H.R. 2 are the wrong answer for students, teachers, and their communities. Democrats are pushing empty promises, more bureaucratic red tape, and further control from Washington elites.**

**Questions? Contact Brad.Thomas@mail.house.gov**

***Courtesy of Committee on Natural Resources Republicans:***

HOUSE COMMITTEE ON
NATURAL RESOURCES
REPUBLICANS | RANKING MEMBER ROB BISHOP

Summary of Key Natural Resources Committee Provisions in H.R. 2
Committee POC: Bill Ball, William.Ball@mail.house.gov

**Sec. 1506 – Office of Tribal Government Affairs.**
OPPOSED - Increases the size of the federal government by creating more Assistant Secretary positions.

**Sec. 81101 – Reclamation water settlements fund**.
OPPOSED - We are actively opposed to permanently extending this fund, which currently runs until FY2034. This section is the same as H.R. 1904 (Grijalva – AZ). **We expect an amendment to strike this section.**

**Sec. 81102 – Conveyance capacity correction project.**
NEUTRAL – Provides $200 million for fiscal years 2020 through 2023, in the aggregate, for repairs to water conveyance facilities at transferred works in Reclamation States (more than likely for Friant-Kern Canal).

**Sec. 81103 – Funding parity for water management goals and restoration goals.**
OPPOSED – Provides an additional $200 million to implement the San Joaquin River Restoration Settlement. Rep. McClintock's WOW Act repeals this settlement. **We expect an amendment to transfer these funds to Sec. 81102 (conveyance capacity).**

**Subtitle B—FUTURE Western Water Infrastructure and Drought Resiliency**
This subtitle includes numerous bills approved by the Committee on Natural Resources during the 116th Congress, including H.R. 3723 (Levin – CA), H.R. 5347 (Cox – CA), H.R. and 1162 (Napolitano – CA). **We expect Republican amendments to strike all of Subtitle B.**

**Sec. 81211 – Competitive Grant Program for the Funding of Water Recycling and Reuse Projects**
OPPOSED – Permanently extends the WIIN Act's Title XVI program authority. We have a long-standing position that all Reclamation WIIN Act provisions must be extended, not just one or two.

**Sec. 81212 to 81214 – Storage Project Development**
STRONGLY OPPOSED – Rep. Huffman's way of replacing WIIN Act's Section 4007 with several strings attached - one being a controversial and problematic "Fish and Wildlife Benefit" definition. While the provisions grandfather currently authorized projects, it prohibits funding for Shasta. The Natural Resources Committee has not had a hearing on this draft bill.

**Sec. 81215 – Desalination Project Development**
OPPOSED - As with Sec. 81211, we have a long-standing position that all Reclamation WIIN Act provisions must be extended, not just one or two.

**Sec. 81311 – WaterSMART Extension and Expansion**
OPPOSED – Expands the program to "any nonprofit conservation organization." NGOs are eligible for funding under the Cooperative Watershed Management Program, which this bill also reauthorizes. **We expect Republican amendments to eliminate the expansion of this program.**

**Sec. 81322 – Groundwater Management Assessment and Improvement**
OPPOSED – Significantly changes how the program functions. Reclamation is opposed to these changes. **We expect Republican amendments to strike or significantly alter this section.**

**Subtitle D—Water Resources Research Amendments**
OPPOSED – duplicative program.

**Subtitle G—Navajo Utah Water Rights Settlement**
SUPPORT – Ranking Member Bishop's bill.

**Subtitle A—Public Lands Telecommunications**
SUPPORT - Expedites the deployment and enhancement of broadband and telecommunications infrastructure and services on and adjacent to public lands managed by DOI through the retention and use of rental fees for rights-of-way and other telecommunications infrastructure use authorizations. This subtitle is the same as H.R. 2611 (Huffman–CA).

**Subtitle B—Outdoors for All**
OPPOSED - Establishes a mandatory appropriation for the Outdoor Recreation Legacy Partnership (ORLP). This is done by allocating 20 percent of Land and Water Conservation Fund revenues under the Gulf of Mexico Energy Security Act for ORLP. Enactment of these provisions would eliminate the flexibility to change the existing ORLP program as funding needs for outdoor recreation change. This subtitle is similar to H.R. 4512 (Barragán–CA).

**Sec. 83102 – Living Shoreline Grant Program.**
OPPOSED – Duplicative and wasteful. NOAA currently provides financial and technical assistance to coastal communities for the use of living shorelines through existing programs.

**Subtitle B—Wildlife Corridors Conservation Act**
OPPOSED – Would vastly expand federal land holdings and impose severe restrictions on productive use of the land.

**Sec. 84102 – Federal bonding reform**
OPPOSED - Imposes new bonding levels on all oil and gas operators on federal lands, including those who have continually completed their reclamation responsibilities. The bill would raise costs unnecessarily for the vast majority of companies who are responsible and fulfill their reclamation obligations.

**Sec. 84203. Reclamation fee.**
Member support is mixed – there is industry opposition but might consider supporting alternative language. Provision reauthorizes AML reclamation fee at current levels for 15 years, allows OSMRE to reimburse States and tribes for money spent on emergency reclamation projects, and increases AML grant funding for minimum program States. This subtitle is the same as H.R. 4248 (Cartwright–PA).

**Subtitle C—Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More**
Member support is mixed – provisions authorize the use of $1 billion over five years in unobligated money from the Abandoned Mine Land fund for distribution to States and tribes.

**Subtitle D—Public Land Renewable Energy Development**
SUPPORT - **We may see an amendment to add the U.S. Forest Service back into program.** Provisions promote wind, solar, and geothermal energy projects on public lands by creating priority areas for development and more tools to speed up permitting. This subtitle is similar to H.R. 3794 (Gosar–AZ, Levin - CA).

**Sec. 84501. Offshore Wind Career Training Grant Program.**
OPPOSED - Needless Federal authorization and expenditure as there are many other similar training programs available.

**Subtitle F—Community Reclamation Partnerships**
SUPPORT - Increases the ability for third-party groups or organizations to use their own funds to clean up streams and watershed affected by abandoned coal mine sites. This subtitle is the same as H.R. 315 (LaHood–IL) which was approved by the Committee on Natural Resources on May 1, 2019.

HOUSE COMMITTEE ON
NATURAL RESOURCES
REPUBLICANS | RANKING MEMBER ROB BISHOP

*Courtesy of Committee on Ways and Means Republicans:*

**WAYS AND MEANS**
**KEVIN BRADY, REPUBLICAN LEADER**

## H.R. 2 – Moving Forward Act
### Division M – Revenue Provisions

**Title I - Reinstating and Expanding Obama-era Bond Policies**
The bill would reinstate direct pay bonds that were allowed to expire in 2010, in part, because the Obama Treasury Department found the subsidy to issuers was too generous compared to regular debt. Elsewhere, the bill would expand on this approach with another generous Build America Bond (BAB)-inspired programs: Qualified School Infrastructure Bonds (QSIBs) for school re-opening costs, and it reinstates Qualified Zone Academy Bonds (QZABs).

It also extends the availability of private activity bonds to many other priorities including Green New Deal programs.

**Title II – New Markets Tax Credit**
The bill would retroactively expand the New Markets Tax Credit allocation for 2019, expands the credit allocations for 2020 and 2021, and makes the credit permanent going forward with annual allocations of $5 billion (indexed for inflation).

**Title III – Rehabilitation Tax Credit**
The bill would temporarily expand the rehabilitation tax credit, loosen rules regarding what entities are eligible to receive the credit, and reduce the amount of investment required to receive the credit. The bill would also expand the use of the credit for certain tax-exempt use property, including public school buildings.

**Title IV - Green Energy**
This bill would advance Green New Deal tax policies including expanding federal tax subsidies for energy industries and wealthy individuals.

The bill would expand the EV tax credit for wealthy individuals buying expensive electric vehicles and creates a new credit for the purchase of used electric vehicles, with no required safeguards to prevent abuse.

The bill would extend and expand tax credits for energy sources that initially were put in the code to encourage energy innovation but after years of extension have become a crutch for expensive and inefficient energy sources.

The bill would provide cash refunds from the Federal government for specified energy tax credits when taxpayers do not have enough tax liability to utilize the credits.

The bill would provide further niche tax incentives for Green New Deal constituencies, including $5 billion in tax credits for colleges and universities with environmental justice programs.

**Title V – Disaster and Resiliency**

The bill would exempt from taxable income certain state grants for hazard mitigation and removes TCJA limitations on itemized deductions of casualty losses.

**Title VI – Housing**

The bill would permanently expand the low-income housing tax credit (LIHTC) and would provide special treatment to certain rural and tribal projects. The bill would also loosen rules in several areas and carves out projects that serve certain low-income residents from the credit allocation limits.

The bill would create a new governmental authority to administer and allocate a new tax credit for rehabilitating homes in distressed neighborhoods.

**Title VII – Tribal Development**

The bill would provide for treatment of Indian Tribes as States for purposes of bond issuances and Tribal foundations and charities. The bill would provide special rules to tribal areas with respect to the eligibility and allocations of New Markets Tax Credit.

**Title VIII – Highway Trust Fund and Related Taxes**

The bill would extend Highway Trust Fund authority through October 1, 2025 and a wide array of transportation excise taxes, including the gas tax, through September 30, 2027.

The bill would transfer $145.3 billion of additional funds into the Highway account and the Mass Transit account in the Highway Trust fund.

Ways and Means Committee Staff contact: Randell J. Gartin (randell.gartin@mail.house.gov)