



November 2, 2021

BIPARTISAN INFRASTRUCTURE FRAMEWORK NUDGES FORWARD

Speaker Pelosi's revised deadline of Oct. 31 for the House to pass the \$1.2 trillion bipartisan infrastructure bill came and went without action. The showdown between President Biden / Speaker Pelosi and the Congressional Progressive Caucus continues to hold up passage of the Bipartisan Infrastructure Bill (BIF), passed in a bipartisan basis in the Senate in August.

After a much-publicized trip to the Hill by the President, a pared down \$1.75B Build Back Better (BBB) Act framework was released and was endorsed by the House Democratic progressives subject to seeing a full draft. As the full draft was not ready for release, the President left for Glasgow for the COP21 climate change summit empty handed.

Sante Esposito, in his attached report, expresses that there is optimism that a vote on BIF (which is an up or down vote on the Senate bill with no amendments allowed) may occur as early as this week. On that note, Senators Manchin and Sinema, while agreeing to the \$1.75B BBB funding level, were noncommittal on their voting for the BBB revised bill. We are grateful to Sante for his work on our behalf as he has been working tirelessly on behalf of the CWCC.

The following is a summary of the Bipartisan Infrastructure Framework (BIF), which hasn't changed since the last report. The BIF would appropriate for FY22-26 \$12.838B for the Clean Water State SRF, starting at \$2.127B in FY22 and going up to \$2.828B in FY26, and \$35.713B over five years for the Safe Drinking Water SRF, starting at \$6.702B in FY22 and going up to \$7.403B in FY26. This would represent 2-4x increases in annual funding for the SRFs.

No appropriations are included for the Alternative Water Source Projects program (an authorization of \$125M over 5 fiscal years is). For the US Bureau of Reclamation (USBR), the bill appropriates \$8.3B for FY22-26 with an annual cap of \$1.66B per year. The bill lists a number of programs under USBR's jurisdiction with specific appropriated amounts but does not specify annual funding amounts for each program. Either the Interior Appropriations bill will make that decision or the USBR. For water recycling, the bill appropriates \$1B over 5 FY's, broken down to \$550M for Title XVI and WIIN Act grants and \$450M for "large scale" projects (those with project costs >\$500M). Again, regarding the \$550M, the bill doesn't break this down between the two programs, presumably leaving that to either the Interior Appropriations bill or the USBR. The bill also includes \$400M over 5 FY's for WaterSMART programs, \$1.2B for water storage and groundwater, and \$25M for desalination projects.

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Robert Briant, Jr. – Chairman

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* Steering Committee Member



Other core infrastructure highlights include:

- \$110B for Roads, Bridges and Major Infrastructure Projects
- \$40B for Bridges
- \$16B for Major Surface Transportation Projects
- \$11B for Transportation Safety
- \$39B for Transit
- \$66B for Passenger and Freight Rail
- \$65B for Broadband
- \$17B for Ports
- \$25B for Airports
- \$7.5B for Zero and Low-Emission Buses and Ferries
- \$7.5B for Plug-In Electric Vehicle Chargers
- \$65B to Rebuild the Electric Grid
- \$21B for Superfund and Brownfield sites

We are **urging** all CWCC Members along with your employees, business associates, friends, and family to contact your House Members today and urge them to approve this transformational funding package. If you [CLICK HERE](#) you can see an example of what UTCA of NJ has done to encourage our members. This is simply an option to consider for your members to contact their representatives in addition to the traditional lobbying measures. There are other services available like Voter Voice but we find this particular tool intuitive and reasonably priced.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to October 29, 2021.

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November 2021 Insights

Note: See especially the BBB section following – one critical step closer to a House vote on final passage of BIF.

BBB - Build Back Better Act

Yesterday, following the President's visit to the Hill, a revised \$1.75B BBB bill (the President's compromise plan) was released and, quite surprisingly, was endorsed by the House Democratic progressives. Given that, the Speaker pushed for a vote on BIF but the progressives refused to allow it before the full text of the BBB bill could be drafted. Apparently, as of late last night, 90% has been drafted. So there is optimism that a vote on BIF (which is an up or down vote on the Senate bill with no amendments allowed) may occur as early as next week. On that note, Senators Manchin and Sinema, while agreeing to the \$1.75B BBB funding level, were noncommittal on their voting for the BBB revised bill.

The \$1.75B BBB bill includes \$30B for Safe Drinking Water SRF lead service line replacement projects, \$100M for state public water systems, \$700M to reduce lead in school drinking water, \$100M for large scale water recycling projects, \$1.15B for emergency drought relief, \$125M for Alternative Water Source Program grants, and \$2B for sewer overflow and storm water reuse grants. These are the same programs and the same funding amounts that were in the original BBB bill. No funding for the Clean Water SRF is included (there is in BIF). Also included is \$4B for reduction of carbon in the surface transportation sector, \$4B for affordable and safe transportation access, and \$6B for local surface transportation projects.

The House did pass an extension of the highway program (a five-year highway program is included in BIF) to Dec. 3 as it expires on Oct. 31.

BIF - Infrastructure Investment and Jobs Act

On August 10 the Senate passed the core infrastructure bill - with all Democrats and 19 Republicans - totaling \$1.2T. The bill is funded from program offsets and program fees. It does NOT include any new taxes. It does include:

Water Issues of Interest -

The bill **appropriates** for FY22-26 \$12.838B for the Clean Water State SRF, starting at \$2.127B in FY22 and going up to \$2.828B in FY26, and \$35.713B over five years for the Safe Drinking Water SRF, starting at \$6.702B in FY22 and going up to \$7.403B in FY26. No appropriations are included for the Alternative Water Source Projects program (an authorization of \$125M over 5 fiscal years is). For the USBR, the bill appropriates \$8.3B for FY22-26 with an annual cap of \$1.66B per year. The bill lists a number of programs under USBR's jurisdiction with specific appropriated amounts but does not specify annual funding amounts for each program. For water

recycling, the bill appropriates \$1B over 5 FY's, broken down to \$550M for Title XVI and WIIN Act grants and \$450M for "large scale" projects (those with project costs >\$500M). The bill also appropriates \$400M over 5 FY's for WaterSMART programs, \$1.2B for water storage and groundwater, and \$25M for desalination projects. Also included is S. 914, as passed by the Senate, which **authorizes** \$14.65B over five fiscal years for the Clean Water SRF and the Safe Drinking Water SRF, and \$125M for the AWSP and which includes the Feinstein-Padilla amendment which limits the prohibition against applying for Alternative Water Source Program (AWSP) grants to USBR projects that received construction funds.

Highway Bill Reauthorization -

The bill includes the Senate FAST Act reauthorization bill which provides \$287B in highway spending, 90- percent of which would be distributed to the states by formula. It also provides \$10.8B for various programs addressing resiliency and \$2.5B for electric, hydrogen, and natural gas vehicle charging and fueling stations. It provides billions for curbing emissions, reducing congestion and truck idling. It also streamlines infrastructure permitting and sets a two-year target for environmental reviews. Lastly, the bill provides \$12.5M per year to fund state and regional pilot testing of user-based alternative revenue mechanisms to the gas tax.

Other Core Infrastructure -

- \$65B for Broadband
- \$17B for Ports
- \$25B for Airports
- \$7.5B for Zero and Low-Emission Buses and Ferries
- \$7.5B for Plug-In Electric Vehicle Chargers
- \$65B to Rebuild the Electric Grid
- \$21B for Superfund and Brownfield sites

Bills of Interest

Note: all of the following bills are on hold as they have some relation to what is going on with the infrastructure bills.

H.R. 1015, "Water Recycling Investment and Improvement Act" and STREAM Act ("Support to Rehydrate the Environment, Agriculture and Municipalities Act")

One of the main purposes of Congresswoman Napolitano's H.R. 1015 is to authorize \$500M for WIIN Act grants. As the BIF appropriates \$550M for Title XVI and WIIN, not sure Napolitano will pursue her bill if that is the outcome of the infrastructure bill. Likewise, for the STREAM Act which provides a \$250M authorization. To review, on February 11, Congresswoman Napolitano introduced H.R.1015, the same bill she introduced last Congress. It increases the WIIN Act authorization to \$500M, strikes certain requirements, and increases the Federal share from \$20M to \$30M.

The STREAM Act draft by Senator Feinstein authorizes the WIIN grant program at \$250M over 5 fiscal years, increases the Federal share to \$30M, eliminates the requirement that Congress must approve funding awards for specific projects by designating them in an enacted appropriations bill, establishes a new Reclamation Infrastructure Finance Program, expedites congressional approval for water shortage projects of \$750 million, and authorizes \$100 million for desalination projects.

S. 914, “Drinking and Wastewater Infrastructure Act” and H.R. 1915, “Water Quality Protection and Job Creation Act of 2021”

S. 914, as passed by the Senate, authorizes \$14.65B over five fiscal years for the Clean Water SRF and the Safe Drinking Water SRF, and \$125M for the AWSP and includes the Feinstein-Padilla amendment which limits the prohibition against applying for Alternative Water Source Program (AWSP) grants to USBR projects that received construction funds.

On July 1, the House passed H.R. 3684, the “INVEST in America Act” - the House version of the highway bill. Included is H.R. 1915 which authorizes \$40B over five fiscal years for the Clean Water SRF, \$52.94B over ten years for the Safe Drinking Water SRF, and \$1B for the AWSP. It also includes the same prohibition language as S. 941 regarding eligibility for recycled water projects in the AWSP.

H.R. 3404, “FUTURE Western Water Infrastructure and Drought Resiliency Act”

Again, one of the main purposes of Congressman Huffman’s H.R. 3404 is to authorize \$500M for the WIIN Act grant program. Per above, that has been addressed in BIF. To review, H.R. 3404, introduced on May 21, also increases the Federal share to \$30M and authorizes a new \$300M water trust fund with \$100M earmarked for recycled water projects.

H.R. 4099, the “Large Scale Water Recycling Project Investment Act”

The BIF appropriates \$450M for large water recycling projects. To review, on June 24, Reps. Napolitano, Grijalva, Huffman and Lee introduced H.R. 4099 which authorizes \$750M for FY23-27 for a competitive grant program within the Department of the Interior for large-scale water recycling projects that have a total estimated cost of at least \$500M. Federal share is 25% but there is provision for increasing that. Projects must be within one of the USBR 17 western states.

On July 14, the Senate Energy and Natural Resources Committee marked up its title to the infrastructure bill that authorizes \$1B for water recycling and reuse projects, of which \$550M is for projects authorized by Congress or selected for funding under the Title XVI WIIN grant program, and \$450M is for large-scale recycling and reuse projects (total estimated cost of \$500M or more, 25 percent Federal cost share, no total dollar cap); \$400M for WaterSMART grants; \$1.15B for water storage, groundwater storage and conveyance projects; \$3.2B for aging water infrastructure; \$1B for rural water projects; \$250M for water desalination projects; \$500M for dam safety programs; \$300M for implementing the Colorado River Basin Drought Plan; \$100M for watershed management projects; \$250M for aquatic ecosystems; \$100M for multi-benefit projects; and, \$50M for endangered species programs.

FY22 Appropriations Generally

A Continuing Resolution is funding the government at current levels until Dec.3, thereby avoiding a government shutdown on October 1 and allowing time for completion of individual FY22 appropriations bills.

FY22 “Water” Appropriations Bills

The House passed its FY22 Interior and Energy and Water Appropriations Bills which provide \$1.871B for the Clean Water SRF, \$1.358B for the Safe Drinking Water SRF, \$63.617M for

Title XVI grants, of which \$10M is for Title XVI WIIN grants and \$75M for WaterSMART grants.

Included in the Senate announced Interior and Energy and Water bills is \$1.689B for the CWSRF, \$1.176B for the SDWSRF, \$32M for Title XVI grants, of which \$20M is for WIIN grants and \$48M for WaterSMART grants.

FY22 Transportation Appropriations Bills

The House passed its FY22 Transportation Appropriations Bill which includes \$1.2B for National Infrastructure Investment Grants, \$61.9B for state highway formula programs, \$625M for passenger rail, \$2.7B for Amtrak, and \$15.5B for transit.

Included in the Senate announced bill is \$1B for National Infrastructure Investment Grants, \$56.9B for state highway formula programs, \$552.6M for passenger rail, \$2.7B for Amtrak, and \$13.5B for transit.

Senate Highway Bill

The Senate FAST Act reauthorization bill, which is included in the Senate passed core infrastructure bill, authorizes \$287B in highway spending, 90- percent of which would be distributed to the states by formula. It also authorizes \$10.8B for various programs addressing resiliency and \$2.5B for electric, hydrogen, and natural gas vehicle charging and fueling stations. It provides billions for curbing emissions, reducing congestion and truck idling. It also streamlines infrastructure permitting and sets a two-year target for environmental reviews. Lastly, the bill authorizes \$12.5M per year to fund state and regional pilot testing of user-based alternative revenue mechanisms to the gas tax.

House Highway Bill

On July 1, the House passed the "INVEST in America Act" a five-year \$547B surface transportation reauthorization bill that includes \$343B for roads, bridges and safety, \$4B for electric vehicle charging infrastructure, \$8.3B for activities targeted to reduce carbon pollution; \$6.2B for mitigation and resiliency improvements, \$109B for transit, \$95B for passenger and freight rail, and \$32B for Amtrak.

Bill Tracking

Tracking bills that are marked up by committees and/or come to our attention.