



February 3, 2021

PRIORITIES OF NEW PRESIDENT & CONGRESS TAKE SHAPE

Congress ended 2020 by passing the Consolidated Appropriations Act of 2021. Besides providing \$900 billion for Covid-19 economic relief, the Act funded \$1.4 trillion for federal fiscal year 2021 which include very slight increases for the EPA's primary water infrastructure programs and a 1-Year extension of Surface Transportation Funding.

President Biden's campaign included a "Build Back Better" plan that commits to a national effort aimed at creating the jobs that build a modern, sustainable infrastructure and deliver an "equitable clean energy future." Biden's team believes we are in a "climate crisis," thus the Administration's infrastructure proposal will reflect this concept.

The Biden Administration plans to first move another \$1.3 trillion Covid-19 rescue plan with minor construction related funding. Later in February or March, the Administration has stated that they intend to introduce an economic recovery proposal that will "make historic investments in infrastructure, along with manufacturing, research and development and clean energy". The \$1.3 trillion plan is proposed to be spent over 10 years with a \$50 billion investment in year 1 for the federal Highway Trust fund program. Funding for federal water and wastewater programs are noted but no funding levels have surfaced at this time.

To view President Biden's Infrastructure Plan click [**HERE**](#)

The attached report from Key Advocates includes a full run down of the various vehicles for funding increases to support water infrastructure investment, some measures that may be considered during the next session of Congress. With the run-off elections for the two Georgia Senate seats decided, the balance of Congress is weighted in favor of the Biden Administration's priorities from our last report.

CWCC VIRTUAL FLY-IN DETAILS – FEBRAURY 24th

According to intel from Key Associates, the incoming Biden Administration has said it wants to start pushing an infrastructure bill in February. Practically speaking that means if we are going to position the CWCC priorities we must start earlier than normal with our annual advocacy push.

Therefore, we welcome you and your members to please participate in the CWCC Virtual Fly-In and Business Meeting on **WEDNESDAY, FEBRUARY 24th 11:00 AM – 1:00 PM EST.**

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Robert Briant, Jr. – Chairman

AGC of America • AGC of Texas • Alabama Utility Contractors Association • Arizona Utility Contractors Association • Associated Pennsylvania Constructors • Associated Utility Contractors Of Maryland* • Connecticut Construction Industries Association • CIC of Westchester County & Hudson Valley* • Engineering Contractors Association • General Contractors Association Of New York • Georgia Utility Contractors Association • Indiana Constructors Inc. • Long Island Contractors Association • Maryland Transportation Builders & Materials Association • Michigan Infrastructure & Transportation Association • Minnesota Utility Contractors Association* • National Rural Water Association • New Mexico Utility Contractors Association • NYSLECET • Ohio Contractors Association • Public Works Contractors Association of Maryland • Tennessee RoadBuilders Association • Underground Contractors Association of Illinois* • United Contractors* • UCA of Anne Arundel County • Utility Contractors Association of New England* • Utility & Transportation Contractors Association of New Jersey* • Contractors Association of West Virginia • Wisconsin Underground Contractors Association

* Steering Committee Member



COVID-19 is still greatly impacting the congressional legislative process and the operations for all CWCC members. National in-person activities planned for “Water Week” have again been shifted to a virtual experience later in the spring. CWCC is in communication with our national partners and will share options for you to register for those virtual events and materials. We are trying our best to meet or exceed the impact of our efforts in these challenging times.

You will be receiving a calendar invitation with details on how to participate in this meeting via the WebEx platform shortly, along with a draft agenda and supporting materials.

CARES ACT OF 2021

Congress’s second round of legislation to provide economic relief to businesses and the unemployed, the Consolidated Appropriations Act of 2021, was enacted on December 27, 2020. The legislation establishes new requirements and changes/clarifications to the CARES Act. The U.S. Treasury and the Small Business Administration have begun to issue new and updated rules for the program in accordance with the Economic Aid Act.

We recommend that you work with your accounting, banking, and legal experts to explain Treasury’s new requirements to your members.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to the end of January.

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February 2021 Insights

Infrastructure

The Biden team has said publicly that they want to start focusing on infrastructure in February (see Campaign Plan below). Last year the House democrats passed their mega-infrastructure bill, H.R. 2 “Moving Forward Act” (\$1.5T) which included \$494 billion - \$319 billion for highways, \$105 billion for transit, and \$80 billion for rail - \$40B for the Clean Water State Revolving Fund (CWSRF), \$600 M for the Alternative Water Source Program (AWSP), \$500 M for water recycling grants under the WIIN Act with project de-authorization process for inactive projects.

Infrastructure: Biden \$2T Campaign Plan

- Update roads, bridges and electric grids;
- Expand access to broadband;
- Upgrade 4 million buildings and weatherize 2 million homes over four years by providing homeowners with direct cash rebates and low-cost financing;
- Provide cities with high-quality, zero-emissions public transportation options, such as light rail networks;
- Achieve a carbon pollution-free power sector by 2035;
- Enable the creation of 1.5 million sustainable homes and housing units;
- Provide increased funding to meet long overdue clean and safe drinking water needs;
- Create union jobs in the construction industry;
- Create 1 million jobs in the auto industry and increase the demand for American-made, American-sourced clean vehicles;
- Provide consumers with rebates for trading in old, less-efficient vehicles for newer American-made vehicles;
- Construct 500,000 electric vehicle charging stations;
- Require all new American-built buses be zero-emissions by 2030; and,
- Establish new fuel economy standards to reduce pollution.

Bills from Last Congress

There were several bills we were closely tracking from the last Congress that didn't move forward and we are trying to determine what the intent will be for these bills in this new Congress.

S.1932 “Drought Resiliency and Water Supply Infrastructure Act” – The Gardner/Feinstein bill, which was in ongoing negotiations but never went through the committee process. It had bipartisan support generally, but Senator Manchin had some concerns (unknown) that created a roadblock that was not resolved. The last compromise we heard was the one that proposed \$160 M over 5 years for recycled water projects (WIIN Act). Gardner lost reelection so it is to be seen who may step up to cosponsor or reintroduce this on a bipartisan basis.

H.R. 1162 “Water Recycling Investment and Improvement Act” – The Napolitano bill we supported that increased the WIIN Act authorization for water recycling grants to \$500M, struck certain requirements, and increased the federal share from \$20 to \$30 M. That bill was not moved out of committee. The bill language did make it into the Huffman omnibus water bill, but no action was taken by the committee on that bill either. Huffman’s bill also included language on a new “water” fund of \$300M with \$100 M dedicated for water reclamation and reuse.

H.R. 1497 “Water Quality Protection and Job Creation Act of 2019” – The DeFazio bill that reauthorized the CWSRF at \$14B over 5 years and provided \$150M for the AWSP. We had pushed for this bill to be part of the conference on WRDA, but ultimately Congress passed a Corps of Engineers-only WRDA bill with an agreement to address other these issues in the context of a future infrastructure bill.

Senator Hirono staff has said that the Senator will be introducing a water bill. To date, no further information.

Earmarks

Still hearing of interest and leadership support for earmarks for the FY22 appropriations process (Hoyer, DeFazio, DeLauro, etc.). The Senate will typically follow the House on this issue. If earmarks are a go, Members usually go out with questionnaires around the end of February. These questionnaires want information on the project, including the need, justification, and level of support along with the funding request. The Member then decides his or her priorities for their request.

Consolidated Appropriations Act, 2021 and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021

To review, on December 27, the President signed into law, as one vehicle, the Consolidated Appropriations Act, 2021, which funds the government at \$1.4 trillion through next September and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021. On December 21, Congress passed the bill with bipartisan majorities of 359-53 in the House and 92-6 in the Senate.

“Water” highlights from the Appropriations portion are \$63.665M for Title XVI, of which \$20M is for WIIN Act projects, and \$55M for WaterSMART grants. Also, funding for the CWSRF and the SDWSRF are the same as FY20 - \$1.6B and \$1.1B respectfully.

Transportation highlights from the Appropriations portion are \$456.4B for highways, \$1B for bridge replacement and rehabilitation, \$12.5B for transit, \$194M for NHTSA, \$623M for highway safety, \$236M for FRA, \$2B for Amtrak, \$2M for mag lev, \$328M for motor carrier safety, and \$155M for MARAD.

Transportation highlights from the Coronavirus Act portion are \$14B for transit including \$50M for paratransit providers; \$10B for state and local transportation departments to replace revenues; \$1B for Amtrak for operations and to prevent further employee furloughs; \$2B for motorcoach and bus operators, school bus companies, and U.S. flag passenger vessel operators; \$2B for airports to retain personnel, continue operations and provide relief for retailers at the airport (i.e. concessionaires); \$15B to extend the Payroll Support Program for aviation employees through March 31, 2021; and, \$2B for FEMA's Disaster Relief Fund and assistance to cover funeral expenses for deaths from COVID.

Senate Highway Bill

Senate Democrats plan to scrap a bipartisan surface transportation bill, S. 2302, drafted last Congress for a new proposal that contains more aggressive proposals on climate issues and other Democratic priorities. A spokesperson for new Chairman Sen. Tom Carper (D-Del.) said, "One of Sen. Carper's top priorities next Congress will be to break ground on a better future, which includes supporting the priorities laid out in President-elect Biden's Build Back Better agenda."

To review last Congress, no Senate action on the bill; one-year extension enacted. The EPW bipartisan bill would authorize \$287B in highway spending, 90-percent of which would be distributed to the states by formula. The bill features a title on climate change which would authorize \$10.8B for various programs addressing resiliency and \$1B 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 would authorize \$12.5M per year to fund state and regional pilot testing of user-based alternative revenue mechanisms to the gas tax.

House Highway Bill

To date, no plans announced. To review last Congress, no House action on a multiyear bill; one-year extension enacted. The bill provides \$494B in total funding from FY21 to FY25, as follows: \$319B for the highways; \$105B for transit; \$4.6B for safety; \$5.3B for motor carrier safety; and, \$60B for passenger rail.

Bill Tracking

Summaries and updates included as available.

[H.R.227](#) — 117th Congress (2021-2022)

To provide dedicated funding for the national infrastructure investment program and the capital investment grant program, and for other purposes.

Sponsor: [Rep. Hastings, Alcee L. \[D-FL-20\]](#) (Introduced 01/06/2021) Cosponsors: (1)

Committees: Transportation and Infrastructure; Ways and Means

Latest Action: 01/06/2021 Referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means,

H.R.201 — 117th Congress (2021-2022)

To direct the Secretary of Transportation to establish a national bridge replacement and improvement program, and for other purposes.

Sponsor: Rep. Emmer, Tom [R-MN-6] (Introduced 01/05/2021) Cosponsors: (0)

Committees: Transportation and Infrastructure

Latest Action: 01/05/2021 Referred to the Committee on Transportation and Infrastructure.

H.R.248 — 117th Congress (2021-2022)

To amend title 23, United States Code, to expand eligibility for the surface transportation block grant program, and for other purposes.

Sponsor: Rep. Hastings, Alcee L. [D-FL-20] (Introduced 01/11/2021) Cosponsors: (0)

Committees: Transportation and Infrastructure

Latest Action: 01/11/2021 Referred to the Committee on Transportation and Infrastructure.

H.R.200 — 117th Congress (2021-2022)

To direct the Secretary of Transportation to establish a national intersection and interchange safety construction program, and for other purposes.

Sponsor: Rep. Emmer, Tom [R-MN-6] (Introduced 01/05/2021) Cosponsors: (0)

Committees: Transportation and Infrastructure

Latest Action: 01/05/2021 Referred to the Committee on Transportation and Infrastructure.