

July 1, 2020

HOUSE PROPOSES ACTION ON INFRASTRUCTURE FUNDING, INCLUDING WATER

Based on reports from our DC-based lobbyist Sante Esposito, we are providing you this update to ensure you have up to the minute information on Coalition priorities. Recently, Democrats in the House of Representatives unveiled a \$1.5 Trillion infrastructure plan known as the "Moving Forward Act" (HR2). HR 2 calls for a huge increase in funding to repair roads and bridges while expanding broadband access in rural areas. It also has major wins for the Coalition on water infrastructure funding including:

- Clean Water SRF -\$40B (\$8B annually for 5 years)
- Safe Drinking Water SRF \$4.140B for FY22; \$4.8B for FY23; and \$5.5B for FY 24 and 25
- Alternative Water Source Program \$600M
- Title 16 WIIN Grants \$500M

These funding levels meet or exceed the goals set by the Coalition. Our collective advocacy and that of our partners is finally breaking through.

As reported previously, the surface transportation bill advanced by the House Transportation Committee last week is the centerpiece, but this is much more than a transportation bill. It addresses tax changes, energy and water infrastructure investments, housing, schools and more. The bill proposes addressing the insolvency of the Highway Trust Fund with a massive transfer from the general fund, \$145.3 billion, which is more than the sum of every other transfer to the Highway Trust Fund since 2008 combined. A House Ways and Means Committee said that the bill is the "opening salvo" of a conversation about how to pay for infrastructure, a debate that will dominate surface transportation negotiations going forward. It also includes a safety section that originated in the Energy and Commerce Committee that includes provisions aimed at preventing deaths from hot cars, keyless ignition, drunk and distracted driving and more. It's a collection of safety advocates' biggest priorities from the past few years, some of which have been on E&C's radar for a while but have yet to be enacted. Consumer Reports called it "transformative and necessary." It would mandate crash-avoidance technologies in all new passenger vehicles. Another would require vehicle headlights that reduce glare and automatically adapt to oncoming traffic or curves in the road. And a third would require new cars to include technology to detect the presence of a person in the backseat when a driver is exiting and provide a warning.

Text of the Moving Forward Act is here.

A Section by Section is here.

A Fact Sheet is here.

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* Steering Committee Member



Concurrently, the Transportation & Infrastructure (T&I) Committee passed the surface transportation component of that legislation. Known as the INVEST in America Act, the measure was passed by a party-line vote and would authorize \$494 billion over five years, including \$309 billion for highways (42% increase over current levels) and \$105 billion for public transit (72% increase).

Floor votes are expected by the end of this week after a series of surgical amendments are considered / approved. Then the measure moves to the Senate, which we hope will take up these measures at the funding levels produced by the House. HR2 is loaded up with Democratic priorities, so we know that it will not be a rubber stamp in the Senate if and when it proceeds.

While we are very excited about the advancement of the surface bill and announcement of the broader infrastructure investment, its ultimate success is in the hands of Senate Majority Leader Mitch McConnell and ultimately, President Trump. If the upper house passes their own legislation, the two measures will be put into conference committee and a deal will need to be reached. Alternatively, the Senate could stall until after the election, perhaps passing a clean extension in the interim. Finally, but least likely, major infrastructure investment could be included in the next round of stimulus relief, which is expected to pass before the August recess.

No matter how it plays out, we are very encouraged to see tangible progress being put forth by Congress. Infrastructure has been a hot button issue since the start of the Trump Administration, yet our industry has not seen the promised uptick in infrastructure spending. As the economy begins to heal from wounds of the COVID-19 pandemic, we remain hopeful that Congress will look to infrastructure construction as an essential part of our national recovery and pass a reauthorization of the surface bill.

WRDA Bills in Senate and House

The current WRDA law expires Sept. 30 of this year. We have learned that the goal is to re-authorize the program this year to keep it on a two-year cycle. The focus is on the Corps of Engineers – projects and process – although in the past WRDA has been the vehicle for inclusion of other "water" issues of interest. If HR2 (cited above) doesn't move past the Senate, the WRDA process allows us an avenue to continue to push CWCC priorities.

As previously reported, on May 6, the Senate Environment and Public Works Committee reported two water bills – S. 3591, the "America's Water Infrastructure Act of 2020" (AWIA) and S. 3590, the "Drinking Water Infrastructure Act of 2020." The two bills are intended to form the Senate 2020 WRDA bill. There are two bills because of the split jurisdiction in the House - AWIA is a Corps of Engineers/clean water bill which is under the jurisdiction of the House T&I Committee; the Drinking Water bill falls under the jurisdiction of the House Energy and Commerce Committee.

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Highlights and thoughts on both bills from Key Advocates -

- \$25M for FY 2022-2024 for the Alternative Water Source Grants Program the DeFazio bill authorizes \$75M for each of 5 fiscal years;
- \$2B in FY 2022, \$2.5B in FY 2023 and \$3B in FY 2024 for the Clean Water SRF (subject to scorekeeping and offsets if necessary) the DeFazio bill authorizes \$14B over 5 fiscal years;
- Reauthorization and expansion of the Drinking Water Infrastructure Risk and Resiliency Program (\$10M for FY 2022-2024 of the Drinking Water bill), and the creation of a companion \$15M for FY2022-2024 program for clean water systems;
- \$250M for FY 2021-2022 for reauthorization of the Sewer Overflow and Stormwater Reuse Grant Program the DeFazio bill authorizes \$225M for each of five fiscal years;
- \$50M for WIFIA for FY 2022-2024;
- No authorizations for the Safe Drinking Water SRF as that was re-authorized and increased last Congress;
- No funds for the Title XVI WIIN grant program as that falls under the jurisdiction of the Senate Energy and Natural Resources Committee;

KEY ADVOCATES REPORT

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