

Transportation/Aviation Update November 12, 2021

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NEXT WEEK

White House

Bill Signing: IIJA. President Biden is expected to sign H.R. 3684, the \$1.2 trillion bipartisan Infrastructure Investment and Jobs Act (IIJA) on Monday, November 15. The White House announcement of the signing is <u>here.</u>

- We have heard that the President may appoint an "infrastructure czar" at the White House to prevent fraud and coordinate all the spending.
- DOT Deputy Secretary Polly Trottenberg was quoted earlier this week saying that it will take six months for the release of IIJA funds to begin.
- DOT officials stated that they will soon begin hiring more people to handle the flow of the grant funds from the infrastructure bill.

House

Floor Vote: Build Back Better Act. House leaders expect a vote next week on the Build Back Better Act, which is legislation aimed at addressing climate change, housing, health care and childcare, among other provisions. The bill includes a number of transportation provisions:

- *Affordable housing and transit*: This grant program would allocate \$9.75 billion in FY 2022 for improving transit connections for low-income neighborhoods. The grant program would be written by FTA and the HUD and administered by FTA.
- *Community climate incentive grant program*: A new \$4 billion program is designed to force states and cities to reduce their greenhouse gas emissions from road travel. It requires states to set performance targets to reduce emissions.
- *Neighborhood access and equity grant program*: This \$4 billion grant program is designed to "mitigate or remediate negative impacts" of infrastructure built in low-income communities.
- *Traffic safety clearinghouse*: NHTSA would get \$47.5 million to establish safe traffic standards and in states and at nonprofit educational institutions.
- *High speed rail:* The BBBA \$10 billion for a new rail grant program known as the Passenger Rail Improvement, Modernization and Emissions Reduction (PRIME) program, for high-speed rail projects.

- *Alternative fuel and low-emission aviation technology program:* DOT would get \$300 million to support investments for sustainable and low-emissions aviation technologies and fuels.
- *Port infrastructure and supply chain resilience:* This \$600 million program would support supply chain resilience and increase port efficiency, in addition to environmental research and remediation.
- *Low-carbon transportation materials*: The bill would allocate \$900 million in FHWA grants for low-carbon materials, like coal ash, although the funds cannot be used for building additional highway capacity for single-occupancy vehicles.

Hearing: Supply Chain Challenges. On November 17, the Transportation and Infrastructure Committee will hold a hearing entitled, "Industry and Labor Perspectives: A Further Look at North American Supply Chain Challenges." Witnesses will include representatives from the Association of American Railroads, American Trucking Associations, American Association of Port Authorities; and Transportation Trades Department, AFL-CIO. Information on the hearing will be posted <u>here</u>.

Senate

Markup: DOT Nominations. On November 17, the Commerce, Science and Transportation Committee will hold a markup to consider several bills and nominations. Among the nominations to be voted on is that of Christopher A. Coes, to be Assistant Secretary for Transportation Policy. This position is responsible for developing surface transportation policies and will play a role in the implementation of the IIJA. His bio is <u>here.</u>

THIS WEEK

House

Hearing: Passenger Rail DBE Programs. On November 9, the Railroads Subcommittee of the Transportation and Infrastructure Committee held a hearing entitled, "Does Discrimination Exist in Federal Passenger Rail Contracting?" The hearing was held to examine the need for a Disadvantaged Business Enterprise (DBE) Program within the Federal Railroad Administration for passenger rail contractors to ensure equal and fair access to government grant money for rail infrastructure projects. The DBE program currently applies to airport construction, airport concessions, and surface transportation construction programs, but not to passenger rail work. Witnesses included representatives from Janus Materials, GW Peoples Contracting, Envision Consultants, PACO Group, Somat Engineering, and Dikita Enterprises. Information on the hearing is <u>here.</u>

Department of Transportation

DOT: IIJA Fact Sheet. On November 10, DOT issued a fact sheet highlighting "What the Bipartisan Infrastructure Deal Will Mean for American Mobility." It outlines DOT's readiness to implement the IIJA. The fact sheet is <u>here.</u>

MARAD: Ports and Waterways Action Plan. On November 9, the Maritime Administration (MARAD) released its action plan for accelerating investment in ports, waterways, and freight networks. The plan states that it increase federal flexibilities for port grants; accelerate port infrastructure grant awards; announce new construction projects for coastal navigation, inland waterways, and land ports of entry; and launch the first round of expanded port infrastructure grants funded through the IIJA. The release and additional actions can be found <u>here.</u>

FAA: Climate Action Plan. On November 2, Transportation Secretary Buttigieg announced the <u>U.S.</u> <u>Aviation Climate Action Plan</u>, which sets out to achieve net-zero greenhouse gas emissions from the U.S. aviation sector by 2050. Key elements of the plan include:

- Increasing Production of Sustainable Aviation Fuels;
- Developing New Aircraft Technologies;
- Increasing Operations Efficiency; and
- Cutting Airport Emissions, Boosting Airport Resilience.

White House

Speech: Build Back Better World. On November 2, while at the COP26 climate change conference, President Biden announced his desire for a Build Back Better World global infrastructure financing initiative. The Build Back Better World is in part to counter Chinese influence worldwide by offering funding for projects with higher labor standards, a focus on climate considerations and helping disadvantaged groups. In his <u>speech</u>, Biden outlined his five principles:

- Every project should be climate resilient and developed with climate in mind;
- All projects should be designed in close partnership with the countries where they will happen;
- Projects should be high quality and high standards;
- Partnership is essential to reach net-zero by 2050, trillions of dollars will be needed; and
- Building out our climate infrastructure can and should help drive a sustainable economic recovery.

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