

<u>Transportation/Aviation Update</u> April 2, 2021

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NEXT WEEK

The House and Senate are in recess until the week of April 12.

White House

FY 2022 Budget: Skinny Budget to Congress. Next week, the Biden Administration is expected to send to Congress a "skinny" budget, with highlights of major programs. This will be followed by the submission to Congress in early May of the full budget FY 2022 request. Media reports indicate the delay is due to a difference between the Defense Department and the White House Office of Management and Budget over the top line defense budget request.

THIS WEEK

White House

On March 31, President Biden announced his America Jobs Plan, his eight-year \$2.25 trillion infrastructure <u>proposal</u>. The funds in this proposal would be in addition to the funds that would be included in the five-year reauthorization of the surface transportation bill.

The plan provides \$620 billion for transportation over eight years:

- \$115 billion to improve bridges, highways, roads
 - Modernize 20,000 miles of highways, roads, and main-streets, fix the ten most economically significant bridges in the country in need of reconstruction, and repair the worst 10,000 smaller bridges
- \$20 billion for road safety, which will upgrade 20,000 miles of roads and highways
 - Funding increases to existing safety programs and a new Safe Streets for All program to fund state and local "vision zero" plans and other improvements to reduce crashes and fatalities, especially for cyclists and pedestrians
- \$85 billion to modernize public transportation
 - Modernize existing transit and help agencies expand their systems to meet rider demand.
 This investment will double federal funding for public transit, spend down the repair backlog, and bring bus, bus rapid transit, and rail service to communities and neighborhoods across the country
- \$80 billion for passenger and freight rail

- Address Amtrak's repair backlog; modernize the high traffic Northeast Corridor; improve existing corridors and connect new city pairs; and enhance grant and loan programs that support passenger and freight rail safety, efficiency, and electrification
- \$25 billion for the air transportation system
 - o Will increase funding for the FAA Airport Improvement Program
 - o Will fund upgrades to FAA assets that ensure safe and efficient air travel
 - Will fund a new program to support terminal renovations and multimodal connections for affordable, convenient, car-free access to air travel
- \$17 billion for ports, inland waterways and ferries
 - Will fund inland waterways, coastal ports, land ports of entry, and ferries, including a
 Healthy Ports program to mitigate the cumulative impacts of air pollution on
 neighborhoods near ports, often communities of color
- \$20 billion for transportation projects for disadvantaged communities
 - New program that will reconnect neighborhoods cut off by historic investments and ensure new projects increase opportunity, advance racial equity and environmental justice, and promote affordable access

Electric Vehicles

- \$174 billion of the transportation funding for electric vehicles, including sale rebates and tax incentives for consumers to buy American-made cars
 - Will enable automakers to spur domestic supply chains from raw materials to parts, retool factories to compete globally, and support American workers to make batteries and EVs.
 - o Will give consumers point of sale rebates and tax incentives to buy American-made
 - o Will establish grant and incentive programs for state and local governments and the private sector to build a national network of 500,000 EV chargers by 2030
 - o Will replace 50,000 diesel transit vehicles and electrify at least 20 percent of the yellow school bus fleet through a new Clean Buses for Kids Program at EPA

Department of Transportation

FAA: Airport Grant Awards. On April 1, FAA announced the award of \$627.7 million in FY 2021 Airport Improvement Program grants. The 449 grants went to 390 airports in 39 states. Information on the grant recipients is here.

FTA: Apportionments. On March 29, FTA released the apportionment of the \$30.5 million made available by Congress in the American Rescue Plan Act. Of that amount, \$26.6 billion is provided through formulas, \$2.2 billion to for transit agencies in communities that demonstrate additional pandemic-associated needs, \$1.7 billion Capital Investment Grants projects, and \$25 million for competitive planning grants. Funds will be made available at 100-percent federal share and primarily directed to operations and payroll. The FTA tables are here.

MARAD: Port Infrastructure Development NOFO. On March 29, the Maritime Administration (MARAD) released its Notice of Funding Opportunity (NOFO) for \$230 million in FY 2021 grants for port and intermodal infrastructure projects through the Port Infrastructure Development Program. The grant application is here.

Nomination: DOT CFO. On March 26, the White House announced the intent to nominate Victoria Wassmer to be DOT Chief Financial Officer and Assistant Secretary for Budget and Programs. She is currently the Deputy Assistant Secretary for Budget and Programs, and previously served in several positions at the FAA, Office of Management and Budget, and the District of Columbia government.