



Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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September 26, 2022

SUMMARY OF SUBJECT MATTER

TO: Members, Committee on Transportation and Infrastructure
FROM: Staff, Committee on Transportation and Infrastructure
RE: Full Committee Hearing on “Investing in our Nation’s Transportation Infrastructure and Workers: Why it Matters”

PURPOSE

The Committee on Transportation and Infrastructure will meet on Thursday, September 29, 2022, at 10:00 a.m. EDT in 2167 Rayburn House Office Building and virtually via Zoom for a hearing titled “Investing in our Nation’s Transportation Infrastructure and Workers: Why it Matters.” The hearing will provide an opportunity for Members of the committee to hear from stakeholders about the impacts of the *American Rescue Plan Act of 2021*, the *Infrastructure Investment and Jobs Act*, and the *Inflation Reduction Act of 2022* on American families, workers, and communities.¹ The focus will be on the transportation-related provisions of these laws. The committee will hear testimony from the Association of Flight Attendants-Communication Workers of America, AFL-CIO; Transportation Trades Department, AFL-CIO; Amtrak; TriMet; the Heritage Foundation; and the Economic Policy Institute.

BACKGROUND

During the 117th Congress, America faced unprecedented challenges. The COVID-19 pandemic continued to spread through the nation’s communities—closing downtowns, impacting workers, and placing unprecedented stress on supply chains as demand for goods surged. At the same time, Congress faced the expiration of authorization for surface transportation programs and

¹ American Rescue Plan Act of 2021 (P.L.117-2), available at <https://www.congress.gov/bill/117th-congress/house-bill/1319>; Infrastructure and Jobs Act (P.L. 117-58), available at <https://www.congress.gov/bill/117th-congress/house-bill/3684>; Inflation Reduction Act of 2022 (P.L. 117-169), available at <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

policies.² In response, Congress passed three laws: the *American Rescue Plan Act* in March 2021, the *Infrastructure Investment and Jobs Act* in November 2021, and the *Inflation Reduction Act* in August 2022. Each law includes investments in America's transportation infrastructure and workers.

March 11, 2021: American Rescue Plan Act

On March 11, 2021, President Biden signed the *American Rescue Plan Act* into law, about a year into the COVID-19 pandemic.³ Building on the work of the previous Congress, which passed the *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)* (P.L. 116-136, enacted on March 27, 2020) and the *Consolidated Appropriations Act of 2021* (P.L. 116-260, enacted on December 27, 2020), the law's goal was to address the country's immediate needs, change the course of the pandemic, and deliver relief for American workers, including transportation workers. Overall, the law included \$1.9 trillion in relief, including investments in programs under the committee's jurisdiction.

Rail

The *American Rescue Plan Act* provided \$1.7 billion for Amtrak, including \$970.3 million for Amtrak's Northeast Corridor and \$729.6 million for the National Network, which allowed Amtrak to recall and pay employees furloughed due to the COVID-19 pandemic through the end of fiscal year 2021 and restore daily long-distance service within 90 days after enactment.⁴ This amount included set-asides of \$174.8 million to states to cover lost revenue in state-supported routes and avoid large increases in state payments to Amtrak and \$109.8 million for states and commuter rail agencies to cover their Northeast Corridor commuter rail payments to Amtrak.⁵

The law also provided or enhanced and extended unemployment benefits for freight and passenger railroad workers, ensuring that unemployed rail workers continued to receive parity with other enhanced unemployment benefits authorized in the law. This specifically included an additional \$300 per week to unemployed railroad workers on top of their standard benefit, access to additional weeks of unemployment benefits, and a waiver of the one-week delay in benefits for newly unemployed or sick workers.⁶

Transit

Further, the law provided a total of \$30.5 billion in transit funding, which included: \$26.1 billion for operating assistance formula grants for transit agencies located in urbanized areas; \$2.2 billion in emergency relief funding for transit agencies demonstrating additional pandemic-associated needs; \$1.7 billion in funds for ongoing New Start, Core Capacity, and Small Start capital investment projects; \$317.2 million in operating assistance formula grants for states to support transit agencies in rural areas, of which \$35 million is for grants on Tribal lands; \$50.0 million for transit providers in communities of all sizes to provide transportation for seniors and persons with disabilities; \$100 million for intercity bus service that provides essential connections to rural transit; and \$25 million in planning grants to help agencies increase ridership and reduce travel times or

² See the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-94), available at <https://www.congress.gov/bill/114th-congress/house-bill/22>.

³ Public Law No. 117-2, available at <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

⁴ See Sec 7101 <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

⁵ *Id.*

⁶ See Sec 2901, 2902 and 2903 <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

make service adjustments to increase the quality or frequency of service provided to low-income riders or disadvantaged neighborhoods or communities.⁷

Airports and Aviation

The *American Rescue Plan Act* provided \$8 billion in emergency aid for sponsors of airports to prevent, prepare for, and respond to coronavirus.⁸ Of that, \$6.4 billion was made available to primary airports for debt service payments, personnel and other operating expenses; \$600 million was provided to airports to cover the federal cost share for any Airport Improvement Program grant awarded in fiscal year 2021; \$100 million was set aside for general aviation and commercial service airports for costs related to the pandemic; and \$800 million was made available to concessionaires located at primary airports, of which 80 percent was targeted toward small businesses and minority-owned firms.⁹ The Act required primary airports receiving assistance funds to continue to retain at least 90 percent of their workforce as of March 27, 2020, through the end of fiscal year 2021.¹⁰

The *American Rescue Plan Act* also allocated \$15 billion to extend the Payroll Support Program (PSP) to fund payroll support for airline workers and related contract workers.¹¹ As with the original PSP authorization and its first extension, this second extension prohibited air carriers and contractors from involuntarily furloughing or reducing pay rates or benefits of their workers until September 30, 2021.¹² The extension included similar restrictions on executive compensation and capital distributions, such as dividend payments, and taxpayer protections, as provided in the original program.¹³

The law also established a \$3 billion temporary payroll support program for the domestic aerospace manufacturing industry administered by the U.S. Department of Transportation (DOT).¹⁴ The program provided a 50 percent federal share to eligible U.S. aerospace manufacturing companies that met certain criteria to help cover the wages, salaries, and benefits of manufacturing employees most at risk of being furloughed and to facilitate the recall or rehire of such employees furloughed during the COVID-19 pandemic.¹⁵ The law prohibits program recipients from conducting involuntary furloughs or reducing the pay rates and benefits of its eligible employee groups.¹⁶

⁷ See Sec. 3401 <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

⁸ See Section 7102(a). <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

⁹ See Section 7102(b)). <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹⁰ See Section 7102(c)(2)(A). <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹¹ See Section 7301. <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹² *Id.* The original Payroll Support Program, which was included in the CARES Act, was a \$32 billion program to preserve the jobs of employees of U.S. airlines and certain airline contractors through September 30, 2020. The assistance provided was conditioned on companies not involuntarily furloughing or reducing the pay rates or benefits of workers, refraining from stock buybacks, limiting executive compensation, and other conditions. Every major airline signed an agreement with the U.S. Treasury to receive PSP grants. See [Payroll Support Program Payments](https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments), U.S. Treas., available at <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments>.

¹³ *Id.*

¹⁴ See Section 7202. <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹⁵ <https://www.transportation.gov/AMJP>.

¹⁶ See Section 7202(b). <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

Federal Emergency Management Agency (FEMA)

The law provided FEMA \$50 billion for reimbursement to state, local, Tribal, and territorial governments dealing with presidentially-declared disasters, available through fiscal year 2025.¹⁷

Economic Development Administration (EDA)

The law provided \$3 billion in economic adjustment assistance for fiscal year 2021 for the purpose of preventing, preparing for, and responding to economic injury caused by the COVID-19 pandemic.¹⁸

November 15, 2021: Infrastructure Investment and Jobs Act

On November 15, 2021, President Biden signed the bipartisan infrastructure framework, passed as the Senate Amendment to H.R. 3684, the *Infrastructure Investment and Jobs Act (IIJA)* into law.¹⁹ This legislation provided billions of dollars for our highway, transit, rail, airport, port, and wastewater infrastructure. These investments are intended to help construct, repair, and replace airports, roads, bridges, transit systems, railroads, and pipelines; improve safety; reduce carbon pollution from the transportation sector; reduce congestion at ports; and improve air and water quality.²⁰

The *IIJA* provides approximately \$660 billion over five years to be distributed by DOT through formula programs and competitive grants to states, local governments, metropolitan planning organizations, transit agencies, Tribes, passenger and freight railroad carriers, ports, airports, and other eligible recipients.²¹ This amount includes the following topline amounts by mode:

- \$365 billion for highway programs administered by the Federal Highway Administration (FHWA);²²
- \$108 billion for transit programs administered by the Federal Transit Administration (FTA);²³
- \$102 billion for rail programs administered by the Federal Railroad Administration (FRA);²⁴
- \$43 billion for multimodal project, safety, and innovation grant programs administered by the Office of the Secretary of Transportation (OST);²⁵
- \$25 billion for aviation programs administered by the Federal Aviation Administration (FAA);²⁶

¹⁷ <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹⁸ <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

¹⁹ Public Law No. 117-58, available at <https://www.congress.gov/bill/117th-congress/house-bill/3684>.

²⁰ As described in Views and Estimates of the Committee on Transportation and Infrastructure for Fiscal Year 2023, p 1. https://transportation.house.gov/imo/media/doc/FY23%20Views%20and%20Estimates_Final.pdf.

²¹ https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf.

²² More information on highway programs available at <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/>.

²³ More information on transit programs available at <https://www.transit.dot.gov/BIL>.

²⁴ More information on rail programs available at <https://railroads.dot.gov/BIL>.

²⁵ More information on OST programs available at <https://www.transportation.gov/mission/budget/bipartisan-infrastructure-law-dashboard>.

²⁶ More information on aviation programs available at <https://www.faa.gov/bil>.

- \$8 billion for safety programs administered by the National Highway Traffic Safety Administration (NHTSA);²⁷
- \$5 billion for motor carrier safety programs administered by the Federal Motor Carrier Safety Administration (FMCSA);²⁸
- \$2.3 billion for port and waterway programs administered by the Maritime Administration (MARAD);²⁹ and
- \$1 billion for modernization of natural gas distribution pipelines administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA).³⁰

The guaranteed funding provided by the *IIJA* flows to funding recipients through more than 100 grant programs authorized by the legislation and administered by DOT and includes both formula and competitive grants.³¹ A comprehensive list of these programs across modal agencies and total funding available for each program can be found on DOT's website.³²

The law also authorizes \$35 billion in existing programs and creates new programs to support drinking water and wastewater infrastructure projects.³³ A large share of this funding is given to the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund.³⁴

August 16, 2022: Inflation Reduction Act of 2022

On August 16, 2022, President Biden signed the *Inflation Reduction Act of 2022* into law.³⁵ The law authorizes \$369 billion in spending on climate and clean energy provisions, including transportation-related programs.³⁶

Highways

The law invests \$3.16 billion in a new Neighborhood Access and Equity Grant Program to provide funds to reconnect communities divided by transportation infrastructure, including \$50 million for local technical assistance grants.³⁷ The law also provides \$100 million to FHWA for grants and administrative activities to facilitate the completion of environmental reviews for surface transportation projects.³⁸ Finally, it gives \$2 billion to FHWA to reimburse the cost difference between low-embodied carbon construction materials and traditional materials in highway construction projects.³⁹

²⁷ More information on NHTSA programs available at <https://www.nhtsa.gov/bipartisan-infrastructure-law>.

²⁸ More information on FMCSA grant programs available at <https://www.fmcsa.dot.gov/Bipartisan-Infrastructure-Law-Grants>.

²⁹ More information on MARAD programs available at <https://www.maritime.dot.gov/about-us/bipartisan-infrastructure-law-maritime-administration>.

³⁰ More information on pipeline grants available at <https://www.phmsa.dot.gov/news/usdot-begins-accepting-applications-president-bidens-bipartisan-infrastructure-law-program>.

³¹ <https://www.transportation.gov/bipartisan-infrastructure-law/bipartisan-infrastructure-law-grant-programs>.

³² *Id.*

³³ <https://www.congress.gov/bill/117th-congress/house-bill/3684>.

³⁴ *Id.*

³⁵ <https://www.congress.gov/bill/117th-congress/house-bill/5376>.

³⁶ <https://www.cnn.com/2022/08/22/what-the-climate-bill-does-for-the-nuclear-industry.html>.

³⁷ See Section 60501. <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

³⁸ See section 60505 <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

³⁹ See section 60506. <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

Aviation

The law dedicates \$297 million for the Alternative Fuel and Low-Emission Aviation Technology Program, which includes \$244.5 million for sustainable aviation fuel infrastructure projects, \$46.5 million for low emission aviation technologies, and \$5.9 million to administer the program.⁴⁰

General Services Administration

The law provided \$250 million to convert facilities of the Administrator of General Services to high-performance green buildings and \$2.15 billion to acquire and install low-embodied carbon materials and products for use in the construction or alteration of buildings under the jurisdiction, custody, and control of the General Services Administration.

⁴⁰ See section 40007. <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

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