



TOLLING. MOVING SMARTER.

October 29, 2021

Government Affairs Update

House Approval of the Infrastructure Bill Is Still Awaiting Decisions on Social Programs and Tax Reforms

In the recent weeks and days, there has been lots of action and spin from both houses of Congress and the White House on President Biden's Build Back Better proposals. It seems that an accounting of topline spending, what's in and what's out, how long the remaining programs will be funded, and what tax reforms might pay for the plan are changing not day-by-day, but hour-by-hour. Unfortunately for the transportation industry, the infrastructure bill hangs in the balance, waiting for a resolution of the social program package as insisted on by the progressive Democrats in the House.

On October 28, 2021, the House approved another short-term extension surface transportation programs through December 3, 2021, giving Congress more time to reach an agreement on the infrastructure (HR 3684) and reconciliation (HR 5376) bills. The measure allows federal funding for surface transportation programs to continue at the levels approved in the FAST Act but continues the uncertainty that makes it hard to plan, design, and construct major transportation projects.

The Build Back Better program has taken a serious haircut bringing its price tag down by 50 percent from \$3.5 trillion to \$1.75 trillion. The results of the reduced plan are highlighted in a [White House framework document](#). Many commitments to clean energy as a tool to cut emissions, including support of electric utilities for switching to renewable energy, have fallen out of the plan. Most of the clean energy measures now come in the form of tax breaks for companies and consumers that install solar panels, improve the energy efficiency of buildings, and purchase electric vehicles. The EV tax credit is also included in the draft text, which offers as much as \$12,500 for vehicles assembled in the U.S. under a union agreement, with batteries manufactured in the United States. The Build Back Better Act alone will not attain the Administration's target of cutting greenhouse gas emissions in half by the end of the decade. Furthermore, the \$57 billion originally included in reconciliation proposal for the House Transportation and Infrastructure Committee to second on transportation programs has been reduced to \$40 billion. Of the original \$57 million, only \$4 billion was dedicated to highways, but the details of the reductions remain to be seen.

Despite all the uncertainties, there is one thing we know for sure. The IBTTA Government Affairs team is staying on top of all the twists and turns in the nation's capital, so as soon as legislative decisions are settled, we will notify the membership and let them know of implications for our businesses and interests.