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UPDATE: House of Representatives Passes Sweeping Infrastructure Bill

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Background

On July 1, the House of Representatives passed its signature infrastructure legislation, the Moving Forward Act (H.R. 2), by a 233-188 vote. The Moving Forward Act provides over \$1.5 trillion in federal spending across a range of infrastructure areas including surface transportation, water, aviation, broadband, healthcare, and energy. The bill is the legislative product of House Democrats' "[Moving Forward Framework](#)", released in January, which documented priorities of House Democrats for infrastructure legislation.

Earlier in June, the House Transportation and Infrastructure Committee passed the [Investing in a New Vision for the Environment and Surface Transportation in America Act](#), or the "INVEST in America Act." Focused exclusively on surface transportation, the bill reauthorized the Fixing America's Surface Transportation (FAST) Act, which expires on September 30, and authorized \$494 billion in federal spending over five years in an effort to address a variety of concerns within the Committee's jurisdiction. Following the Transportation and Infrastructure Committee markup, House Democrats combined the INVEST in America Act with additional provisions from the House Ways and Means, Energy and Commerce, Education and Labor, Natural Resources, Oversight and Reform and Financial Services committees to create the larger legislative package and filed it as H.R. 2, the "Moving Forward Act".

The Moving Forward Act is a manifestation of House Democrats' vision to simultaneously revitalize and decarbonize U.S. infrastructure across all sectors of the economy, consistent with goals to achieve a net-zero emission economy by 2050. In addition to decarbonizing the transit sector, it would provide substantial support in the following areas:

- Modernization of the electric grid to allow for more renewable power generation;
- Expansion of and increase in funding for energy efficiency programs for home, schools, and public buildings;
- Research, development, and demonstration of low-emissions aviation fuels and technologies;
- Enabling clean energy deployment and electric or alternative fuel vehicle infrastructure;
- Establishment of new commercial demonstration programs for energy storage and carbon capture, utilization, and storage (CCUS) technologies;
- Extension of key tax incentives for clean energy projects or programs as well as providing a widely supported option for those taxpayers to receive a direct payment in lieu of the tax credit equal to 85% of the credit;
- Extension of tax incentives for residential and commercial energy efficiency; and,
- Expansion of tax incentives for electric vehicles and extension of tax credit for alternative fuel vehicle infrastructure.

A review of the surface transportation provisions incorporated in the Moving Forward Act from the Transportation and Infrastructure Committee's INVEST in America Act can be found [here](#). Statements from the Chairmen of the House Energy and Commerce Committee and the Ways and Means Committee on the passage of the bill can be found [here](#) and [here](#).

Outlook

Senate Republicans have expressed opposition to the bill as passed by the House, citing the overall level of spending, regulatory changes, and climate change-related provisions in the bill. The Administration has issued a veto threat which is outlined in its [Statement of Administrative Policy](#). However, the bill represents the opening position of the House of Representatives in infrastructure negotiations should

the Senate pass its own bill. Senate Committees continue to work both publicly and behind the scenes on their version of an infrastructure package, which is likely to include surface transportation reauthorization. A legislative package may materialize in the Senate before the August recess, but is unlikely at this time. Should such a bill emerge, and conference negotiations take place, expect certain provisions from the Moving Forward Act to make it into a final agreement.

The legislative calendar complicates the prospects for an infrastructure bill to be agreed to by both chambers of Congress and signed into law by the President in the near term. Following the July 4th holiday, both the House and Senate will depart Washington for two weeks, though the House will continue with remote Committee work during this time. When Congress returns in mid-July, it will face a legislative deadline at the end of the fiscal year (September 30th) by which several must-pass bills must be addressed, including expiring surface transportation laws, annual appropriations for federal agencies, and the FY 2021 National Defense Authorization Act. Congressional Leadership is also teeing up work on an economic recovery and stimulus package related to COVID-19 for July. With the Presidential election looming and legislative activity likely to slow in September, the chance of an infrastructure package being enacted into law is likely tied to electoral politics and action on a broad stimulus package. Congress also has the option to pass short-term extensions to push these deadlines past the election, which is likely for some, if not all, of the expiring programs.

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