



Table 1.

Summary of Estimated Budgetary Effects of Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act, Including Manager’s Amendment (DeFazio 161, Version 1)

	By Fiscal Year, Millions of Dollars											2021-2026	2021-2031	
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031			
Increases or Decreases (-) in Direct Spending														
Total Changes														
Estimated Budget Authority	0	17,236	27,998	28,809	30,321	31,743	31,743	31,743	31,743	31,743	31,743	136,104	294,818	
Estimated Outlays	0	-1	7	8	13	6	26	80	69	28	16	33	251	
Decreases in Revenues														
Total Changes														
Estimated Revenues	0	*	-12	-57	-154	-306	-496	-705	-908	-1,087	-1,244	-529	-4,968	
Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues														
Total	0	-1	19	65	167	312	522	785	977	1,115	1,260	562	5,219	

Staff contacts: Robert Reese and Aaron Krupkin (transportation), Stephen Rabent (EPA) and Lilia Ledezma (Mandates)

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

Components may not sum to totals because of rounding; assumed enactment near the end of fiscal year 2021; * = between -\$500,000 and zero.

H.R. 3684 would provide budget authority over the 2022-2026 period for the Department of Transportation (DOT) to continue operating programs funded from the Highway Trust Fund. The bill also would authorize the appropriation of funds for rail programs and certain other transportation programs administered by DOT and other federal agencies.

Historically, the contract authority provided in transportation legislation has been controlled by limitations on obligations contained in annual appropriation acts. CBO expects that the practice would continue under H.R. 3684; thus, CBO's estimate of mandatory outlays under the bill are significantly lower than the contract authority provided. For more information on the split budgetary classification of surface transportation programs funded from the Highway Trust Fund see Congressional Budget Office, *The Highway Trust Fund and the Treatment of Surface Transportation Programs in the Federal Budget* (June 2014), www.cbo.gov/publication/45416

In addition, H.R. 3684 would authorize appropriations for the Environmental Protection Agency (EPA) to fund new and existing grant programs aimed at improving water quality and access. Finally, the bill also would direct EPA to issue national primary drinking water regulations, which would establish legally enforceable limits on concentrations of certain perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other substances in drinking water. CBO has not prepared an estimate of the discretionary costs of the bill.

Table 2.
Changes in Direct Spending and Revenues Under Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act, Including Manager’s Amendment (DeFazio 161, Version 1)

	By Fiscal Year, Millions of Dollars											2021- 2026	2021- 2031	
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031			
Increases or Decreases (-) in Direct Spending														
DIVISION A—Federal Surface Transportation Programs for Fiscal Year 2022^a														
Contract Authority for Programs Funded by the Highway Trust Fund														
Budget Authority	0	17,236	0	0	0	0	0	0	0	0	0	0	17,236	17,236
Estimated Outlays	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIVISION B—Surface Transportation^a														
Contract Authority for Programs Funded by the Highway Trust Fund														
Budget Authority	0	0	27,998	28,809	30,321	31,743	31,743	31,743	31,743	31,743	31,743	31,743	118,870	277,585
Estimated Outlays	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADHS Funding Flexibility ^b														
Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	3	9	7	12	5	25	79	68	27	14	36	249	
Division B Total														
Budget Authority	0	0	27,998	28,809	30,321	31,743	31,743	31,743	31,743	31,743	31,743	31,743	118,870	277,585
Estimated Outlays	0	3	9	7	12	5	25	79	68	27	14	36	249	
DIVISION C—Hazardous Materials Transportation^c														
Emergency Preparedness														
Budget Authority	0	*	*	*	*	*	*	*	*	*	*	0	-2	-3
Estimated Outlays	0	-4	-3	-1	-1	-1	-1	-1	-1	-1	-1	*	-9	-12
DIVISION D—Rail														
RRIF Loans ^d														
Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	*	1	2	2	2	2	2	2	2	2	2	6	14
Total Changes in Direct Spending														
Estimated Budget Authority	0	17,236	27,998	28,809	30,321	31,743	31,743	31,743	31,743	31,743	31,743	31,743	136,104	294,818
Estimated Outlays	0	-1	7	8	13	6	26	80	69	28	16	33	251	

Table 2.
Changes in Direct Spending and Revenues Under Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act, Including Manager’s Amendment (DeFazio 161, Version 1)

	By Fiscal Year, Millions of Dollars											2021- 2026	2021- 2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
	Decreases (-) in Revenues												
DIVISION H—Water Quality Protection and Job Creation Act of 2021^e	0	*	-5	-24	-65	-129	-207	-290	-359	-401	-419	-223	-1,898
DIVISION I—Assistance, Quality, and Affordability Act of 2021^e	0	*	-7	-33	-89	-177	-289	-415	-549	-686	-825	-306	-3,070
Total Changes in Revenues	0	*	-12	-57	-154	-306	-496	-705	-908	-1,087	-1,244	-529	-4,968

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

Components may not sum to totals because of rounding; assumed enactment near the end of fiscal year 2021.

ADHS = Appalachian Development Highway System; RRIF = Railroad Rehabilitation and Improvement Financing; DOT = Department of Transportation; JCT = Joint Committee on Taxation; PFAS = perfluoroalkyl and polyfluoroalkyl substances; UMRA = Unfunded Mandates Reform Act; * = between -\$500,000 and \$500,000.

Sections 4406, 5308, 9514, and 9605 would authorize new civil penalties for violating the requirements of those sections; civil penalties are classified in the budget as revenues. CBO expects that any such violations would occur infrequently and that the resulting revenues would total less than \$500,000 over the 2021-2031 period. Division E would have an insignificant effect over the 2021-2031 period on the amount and timing of spending for sport fish restoration and boating safety activities and associated administrative costs. Those amounts are not included in this table.

The bill would impose intergovernmental and private-sector mandates as defined in UMRA. CBO estimates that the aggregate cost of the mandates would exceed the annual thresholds established in UMRA (\$85 million for intergovernmental mandates and \$170 million for private-sector mandates in 2021, adjusted annually for inflation). Those mandates include new requirements on commercial drivers and manufacturers; increases in fees paid by companies that transport hazardous material; prohibitions on the transportation of liquified natural gas by rail; new regulatory and administrative requirements on Amtrak, rail freight carriers, and rail passenger carriers; new vehicle safety standards for cars and limousines; requirements on car manufacturers to install new technologies; and requirements on all public and private water systems to test, monitor, and treat for certain chemicals. Grants authorized in divisions D and I would offset some of the costs associated with implementing those requirements.

- a. Spending from contract authority is controlled by obligation limitations specified in annual appropriation acts; therefore, the outlays for most surface transportation programs are considered discretionary. CBO estimates that those outlays would total \$407.1 billion over the 2021-2031 period.
- b. Section 1611 would allow Appalachian states to use funds that were previously provided to build the ADHS for a broader set of transportation projects, as long as all the required ADHS roads in a state have been completed and are open to traffic. CBO expects that 6 of the 13 Appalachian states will complete their ADHS roads over the 2021-2031 period, will have funding left over, and would use those funds (which would otherwise not be spent over the 2021-2031 period) for purposes authorized under this section.
- c. Section 8101 would increase annual spending by about \$6 million for programs operated by the Pipeline and Hazardous Materials Safety Administration to provide grants to states, territories, and tribes to increase emergency preparedness in the transport of hazardous materials. However, that program is subject to sequestration, which reduces available amounts by 5.7 percent each year through 2030. CBO expects the agency would increase authorized fees to offset that gross increase in grant spending, excluding the effects of sequestration.

Table 2.
Changes in Direct Spending and Revenues Under Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act, Including Manager’s Amendment (DeFazio 161, Version 1)

		By Fiscal Year, Millions of Dollars										2021-	2021-	
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2026	2031
d.	For loans made after enactment, section 9104 would require DOT to refund up-front premiums paid by RRIF borrowers once those loans are repaid. Those premiums are collected under current law and reduce the cost to the government of making those loans. If, however, the premiums do not fully cover the costs of the loans and loan guarantees, the government is not authorized to collect additional funds to make up the shortfall. Because of that asymmetry, CBO expects that under H.R. 3684, the RRIF program probably would cost the government, on net, at least 1 percent of future loan volume over many years. Consistent with the requirements of the Federal Credit Reform Act, CBO estimates those additional costs would be recorded at the time a loan is disbursed. Over the 2022-2031 period, CBO expects that lending under the RRIF program that requires upfront premiums would total \$1.4 billion. Under current law, the program has \$25 million in unobligated budget authority provided in previous appropriations that CBO expects would be used for the cost of the changes to RRIF loans made under H.R. 3684.													
e.	JCT expects that some of the funds authorized in divisions H and I would be used by state and local governments to leverage additional funding through tax-exempt bonds. JCT estimates that implementing those provisions would reduce federal revenues by about \$5 billion over the 2021-2031 period.													

Table 3.
Contract Authority for Programs Funded by the Highway Trust Fund as Provided Under Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act, Including Manager’s Amendment (DeFazio 161, Version 1), Relative to CBO’s Baseline

	By Fiscal Year, Millions of Dollars										2022-	2022-
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2026	2031
Contract Authority Assumed to Continue in CBO’s Baseline^a												
Contract Authority	58,609	58,609	58,609	58,609	58,609	58,609	58,609	58,609	58,609	58,609	293,043	586,086
Contract Authority Under H.R. 3684												
Contract Authority	75,844	86,606	87,417	88,930	90,351	0	0	0	0	0	429,149	429,149
Contract Authority Assumed to Continue ^a	0	0	0	0	0	90,351	90,351	90,351	90,351	90,351	0	451,757
Total Contract Authority	75,844	86,606	87,417	88,930	90,351	90,351	90,351	90,351	90,351	90,351	429,149	880,906
Increase in Contract Authority Under H.R. 3684, Relative to CBO’s Baseline												
Increase in Contract Authority ^b	17,236	27,998	28,809	30,321	31,743	31,743	31,743	31,743	31,743	31,743	136,106	294,821

Components may not sum to totals because of rounding; assumed enactment near the end of fiscal year 2021.

Current law permanently provides contract authority each year for emergency relief grants to states for highways; H.R. 3684 would not change that authorization.

- a. Consistent with rules in the Balanced Budget and Deficit Control Act of 1985, CBO’s baseline incorporates the assumption that the amount of contract authority provided in the final year of authorization for the programs funded by the Highway Trust Fund continues in each subsequent year. Under the current surface transportation authorization (division B of the Continuing Appropriations Act, 2021 and Other Extensions Act), contract authority is provided for the programs funded by the Highway Trust Fund through 2021. H.R. 3684 would provide contract authority through 2026.
- b. This line is equal to the sum of the lines entitled “Contract Authority for Programs Funded by the Highway Trust Fund” in Table 2.



Table 4.

**Estimated Spending From the Highway Trust Fund
Under Rules Committee Prints 117-8 and 117-9, H.R. 3684, the INVEST in America Act,
Including Manager’s Amendment (DeFazio 161, Version 1)**

	By fiscal year, millions of dollars					
	2021	2022	2023	2024	2025	2026
Highway Account						
Start-of-Year Balance	12,541	7,759	103,621	84,234	60,213	33,086
Flexed Balances ^a	-1,200	-1,440	-1,521	-1,320	-1,240	-1,232
Revenues and Interest ^b	32,914	37,873	38,468	38,478	38,499	38,290
Intragovernmental Transfers ^c	10,400	109,000	0	0	0	0
Outlays	46,896	49,572	56,334	61,179	64,385	67,047
End-of-Year Balance	7,759	103,621	84,234	60,213	33,086	3,098
Transit Account						
Start-of-Year Balance	5,126	5,291	41,267	36,077	27,573	17,350
Flexed Balances ^a	1,200	1,440	1,521	1,320	1,240	1,232
Revenues and Interest ^b	4,584	5,266	5,346	5,390	5,414	5,333
Intragovernmental Transfers ^c	3,200	39,000	0	0	0	0
Outlays	8,819	9,730	12,056	15,214	16,877	18,074
End-of-Year Balance	5,291	41,267	36,077	27,573	17,350	5,841

Components may not sum to totals because of rounding; assumed enactment near the end of fiscal year 2021.

- a. Flexed balances represent amounts transferred from the highway account to the transit account. CBO’s baseline projections reflect an assumption that about \$1.2 billion in such transfers occur each year. Additionally, section 103 would authorize funding for specific projects, which also would be funded through the highway account and transferred to the transit account; the contract authority for the projects that CBO expects would be funded in this way also is incorporated into the flexed balances amounts.
- b. Some of the taxes that are credited to the Highway Trust Fund are scheduled to expire on September 30, 2022, including taxes on tires and all but 4.3 cents of the federal tax on motor fuels. However, under the rules governing baseline projections, these estimates reflect the assumption that all of the expiring taxes credited to the fund will continue to be collected after fiscal year 2022.
- c. Section 1204 of the Continuing Appropriations Act, 2021 and Other Extensions Act required certain intragovernmental transfers from the general fund of the Treasury to the Highway Trust Fund in 2021. Also, upon enactment, section 11002 of H.R. 3684 would authorize additional transfers from the general fund to the Highway Trust Fund.