Views and Estimates of the Committee on Transportation and Infrastructure for Fiscal Year 2025

Overview

Section 301(d) of the *Congressional Budget Act of 1974* (the *Budget Act*) and clause 4(f)(1) of House Rule X require committees to submit views and estimates to the Committee on the Budget.[1] The *Budget Act* also requires the completion of a budget resolution by April 15 of each year.[2] To assist the Committee on the Budget with meeting this deadline, we respectfully submit our views and estimates for Fiscal Year (FY) 2025 for programs under the jurisdiction of the Committee on Transportation and Infrastructure (Committee).

The *Infrastructure Investment and Jobs Act* (*IIJA*; P.L. 117-58) authorized and appropriated approximately $1.2 trillion over five years for infrastructure programs, including $661 billion administered by the Department of Transportation (DOT).[3] While *IIJA* provided historic levels of funding to address America's infrastructure needs, stakeholders have previously raised concerns that increased inflation has undermined those funding increased.[4] While inflation has moderated from the 40-year high reached in June 2022, stakeholders continue to cite elevated prices, including the cost of construction materials.[5] The Committee will conduct extensive oversight to monitor the disbursement of the *IIJA* funds to ensure the DOT complies with Congressional intent, as well as the effective and efficient use of taxpayer dollars.

This year the Committee will also focus on reauthorizing several key programs and will continue to conduct oversight on all programs within its jurisdiction. The Committee's bipartisan legislative activities include reauthorization of the Federal Aviation Administration (FAA), the National Transportation Safety Board (NTSB), the United States Coast Guard, the Maritime Administration (MARAD), and pipeline safety, and the authorization of a water resources development act. The Committee will also explore ways of modernizing permitting processes to expedite project reviews, reduce delays, and cut costs, while protecting the environment, encouraging local input, and creating jobs.

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[1] Congressional Budget Act of 1974, Pub. L. No. 93-344 § 301(d), 88 Stat. 297 [hereinafter Budget Act]; Rules of the House of Representatives, 118th Cong., Rule X, clause 4(f)(1).
[2] *Id*.
[3] IIJA, Pub. L. No. 117-58, 135 Stat. 429 [hereinafter *IIJA*].
[4] *See e.g. Reviewing the Implementation of the Infrastructure Investment and Jobs Act Before the Subcomm. on Highways and Transit. of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Mar. 28, 2023) (statement of Marc D. Williams, Member of the Board of Directors, AASHTO).
[5] *See* Press Release, UNITED STATES BUREAU OF LABOR STAT., *Consumer Prices Up 9.1 Percent Over the Year ended June 2022, Largest Increase in 40 Years*, (July 18, 2022), *available at* https://www.bls.gov/opub/ted/2022/consumer-prices-up-9-1-percent-over-the-year-ended-june-2022-largest-increase-in-40-years.htm; Press Release, UNITED STATES BUREAU OF LABOR STAT., *Consumer Price Index Historical Tables for U.S. City Average*, (last updated July 2023), *available at*https://www.bls.gov/regions/mid-atlantic/data/consumerpriceindexhistorical_us_table.htm.; and *see also Implementation of Buy America Provisions: Stakeholder Perspectives: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Feb. 15, 2024).

Cost Savings

The Committee intends to identify legislative opportunities to reduce, eliminate, or otherwise modify programs within its jurisdiction that are redundant, unnecessary, or inefficient. The Committee will review and consider the work and recommendations of the various Inspectors General and the Government Accountability Office (GAO). The Committee is aware of estimated improper or unknown payments reported in FY 2023 by agencies within its jurisdiction, including improper payments of $506.4 million made by the Federal Transit Administration (FTA) and $23.6 million by the Federal Highway Administration (FHWA), and an unknown payment of $530,000 by the Federal Emergency Management Agency (FEMA).[6] The Committee will conduct oversight over these improper payments. The Committee will also explore ways of modernizing permitting processes to expedite project reviews, reduce delays, and cut costs, while protecting the environment, encouraging local input, and creating jobs.

At the direction of the House and Senate Budget Committee Chairmen in the 117th Congress, the Congressional Budget Office (CBO) extrapolated funding in its baseline for *IIJA*'s emergency-designated advance appropriations.[7] As a result, current spending projections assume in most cases that this temporary supplemental spending will continue beyond FY 2026, the final year of *IIJA's* authorization. CBO estimates that DOT programs would receive an additional $321 billion between FY 2027 through FY 2034 if Congress continued *IIJA's* approach of providing advance funding.[8] The Committee will thoroughly review the needs of the programs that received supplemental dollars in IIJA.

The President's FY 2025 Budget

The Committee will examine and evaluate the President's FY 2025 budget proposals for the agencies and programs within the Committee's jurisdiction once the President provides a budget to Congress. To ensure the efficient and responsible use of taxpayer dollars, the Committee will review agency plans for allocating funding and disbursing grants and other awards to eligible entities. The Committee will communicate its analysis and findings to the Committee on the Budget.

Water Resources Development Act

The Committee will consider a bipartisan *Water Resources Development Act* (*WRDA*) for 2024. The Committee is currently engaging with Member offices, stakeholders, and interested parties to solicit priorities, policies, and recommendations for inclusion in the upcoming bill. Congress has passed a WRDA bill every two years since 2014. Most recently, Congress passed the *Water Resources Development Act of 2022* (*WRDA 2022*) as part of the *James M. Inhofe National Defense Authorization Act (NDAA) for Fiscal Year 2023* (P.L. 117-263), and the

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[6] PAYMENT ACCURACY, *Annual Improper Payments Datasets: 2023 Dataset*, (last updated Jan. 23, 2024), *available at* https://www.paymentaccuracy.gov/payment-accuracy-the-numbers.
[7] CBO, *The Budget and Economic Outlook: 2024 to 2034*, (Feb. 2024), *available at* https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf.
[8] CBO, *Feb. 2024 Base vs Feb. 2024 Base w/o Extrap* (Feb. 9, 2024, 5:04 p.m.), (on file with Comm.) [hereinafter *IIJA* Spending Projections].

Committee supports funding at the levels authorized.[9] The Committee will carefully review the Army Corps of Engineers (Corps) implementation of provisions of previous *WRDAs*, including *WRDA 2022*, which were intended to improve the efficiency of the project planning and project delivery process.

The Committee will also continue to monitor implementation of bipartisan language included in *WRDA 2020* (P.L. 116-260; Division AA), which provided Congress with a new budget tool to increase Federal investment in United States ports and harbors by allowing allocation of Harbor Maintenance Trust Fund (HMTF) dollars for maintenance dredging activities outside discretionary budget limitations. The Committee is concerned that this new budget tool remains underutilized by Congress and the Administration to address the backlog of harbor maintenance needs at ports throughout the United States, which would enhance the ability of United States ports to efficiently utilize its maritime transportation capabilities. The Committee strongly believes the additional funds made available by the new budget mechanism should be provided in addition to regular appropriations and that the additional funds for maintenance activities should not be shifted among different Corps accounts.

IIJA provided hundreds of billions of dollars in advance funding including more than $27 billion for the Corps.[10] If the Committee's 2024 *WRDA* bill authorizes appropriations for purposes similar to purposes specified in *IIJA*, as is common for the Committee to do in its role as an authorizer, CBO may estimate the bill as increasing direct spending outlays within the ten-year budget window. This spending effect would occur because projects would be eligible for *IIJA* funding. For example, CBO's non-extrapolated baseline assumes that of the $11.6 billion appropriated to the Corps for construction in *IIJA*, only $4.8 billion will outlay by the end of FY 2034.[11] When considering actual spending for FY 2022 and FY 2023 plus projected spending between FY 2024 through FY 2034, approximately $6.8 billion in potential spending exists beyond the baseline's ten-year window.[12] This trend is largely due to the slow rate of spending associated with construction projects, and authorizing appropriations for similar purposes makes these projects eligible for *IIJA* funding, thereby accelerating spending into the budget window.[13] The Committee requests a reserve fund to accommodate the budgetary effects of legislation with provisions authorizing but not appropriating additional funding for the study, construction, replacement, rehabilitation, and modification of water resources projects.

Aviation

The Committee supports enactment of a bipartisan, long-term reauthorization of the Federal Aviation Administration (FAA) and other Federal civil aviation programs. The previous long-term authorization expired on October 1, 2023, and Congress has extended current FAA authorities under a series of short-term extensions in light of Senate inaction. The most recent extension expires on March 8, 2024. Short-term extensions fail to provide the FAA, its

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[9] James M. Inhofe NDAA for FY 2023, Pub. L. No. 117-263, Division H, Title LXXXI, 1136 Stat. 3691.
[10] *IIJA*, *supra* note 3.
[11] *IIJA* Spending Projections, *supra* note 8.
[12] *Id*.
[13] *See e.g.* CBO, *Cost Estimate - S. 4136, the Water Resources Development Act of 2022*, (June 21, 2022), *available at* https://www.cbo.gov/system/files/2022-06/s4136.pdf.

workforce, and the aviation industry with the certainty that each requires to conduct their work. Furthermore, clean extensions do not address systemic problems identified throughout the aviation system over the last few years, including the need to adopt long overdue changes to the DOT's and FAA's policy and regulatory requirements to ensure American aviation remains a global leader.

In June 2023, the Committee unanimously approved a long-term comprehensive reauthorization, H.R. 3935 - the *Securing Growth and Robust Leadership in American Aviation Act* (*SGRLAA*), and the House passed the bill the following month by a recorded vote of 351 yeas to 69 nays.[14] Now that the Senate Committee on Commerce, Science, and Transportation successfully reported their version of a long-term reauthorization, the Committee looks forward to rectifying the differences between the two versions to ensure enactment of a long-term FAA bill. The House bill would modernize the outdated National Airspace System (NAS) and airport infrastructure, and provide additional funding for FAA programs, including the Airport Improvement Program (AIP).[15] Contract authority for AIP has remained flat at $3.35 billion for more than a decade, and both the House and Senate bills increase AIP contract authority to $4 billion annually.[16] The Committee requests a reserve fund to accommodate the budgetary effects of legislation that includes provisions making significant and historic investments in our Nation's airports. These critical investments will contribute to macroeconomic growth and help build a 21st century aviation system.

IIJA provided $25 billion in supplemental multiyear funding for United States aviation infrastructure with $20 billion of this funding to support airport infrastructure improvements and $5 billion in supplements to the FAA's capital budget, also known as the Facilities and Equipment (F&E) budget, which funds air traffic control facilities and other essential NAS infrastructure.[17] Even including this supplemental funding, however, the F&E budget has received $841 million less in appropriations compared to amounts authorized by the Committee over the last five fiscal years.[18]

Certain Federal aviation programs are user-fee financed through Federal excise taxes levied on passenger travel, aviation fuel, and use of international air facilities.[19] Revenues from these user fees are deposited into the Airport and Airway Trust Fund (AATF) and are used for designated FAA grants and activities.[20] The Committee will continue to monitor the status and solvency of the AATF, which CBO projects will carry a healthy balance over the next decade.

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[14] *See* House Roll Call Vote No. 364 (July 20, 2023) (on Passage of the *SGRLAA*; passed 351 yeas to 69 nays).
[15] Securing Growth and Robust Leadership in American Aviation Act, H.R. 3935, 118th Cong., (2023) [hereinafter *SGRLAA*].
[16] *See id*.; FAA Reauthorization Act of 2023, S.1939, 118th Cong., (2023).
[17] *IIJA*, *supra* note 3.
[18] *Compare* 49 U.S. Code § 48101 to *Infrastructure Investment and Jobs Act,* Pub. L. No. 117-58, 135 Stat. 429; *Consolidated Appropriations Act, 2023*, Pub. L. No. 117-328; *Consolidated Appropriations Act, 2022,* Pub. L. No. 117-103, 136 Stat. 49; *Consolidated Appropriations Act, 2021*, Pub. L. No. 116-260, 134 Stat. 1182; *Further Consolidated Appropriations Act, 2020*, Pub. L. No. 116-94, 133 Stat. 2534; and *Consolidated Appropriations Act, 2019*, Pub. L. No. 116-6, 133 Stat. 402 (showing statutorily authorized levels of funding compared to actual appropriations over the previous five fiscal years).
[19] FAA, *Airport & Airway Trust Fund (AATF)*, (last updated Feb. 21, 2023), *available at* https://www.faa.gov/about/budget/aatf.
[20] *Id*.

The Committee will also consider the long-term solvency of the AATF as it rectifies differences between chambers and seeks to enact a long-term FAA reauthorization.

National Transportation Safety Board

The National Transportation Safety Board (NTSB) is an independent agency tasked with investigating civil aviation accidents in the United States and major accidents in other modes of transportation. The *FAA Reauthorization Act of 2018* (P.L. 115-254) authorized NTSB programs through FY 2022 and included provisions to improve transparency of the NTSB's investigations and enhance the public's understanding of the Board's safety recommendations.[21] The Committee will conduct oversight of NTSB's implementation of the 2018 law and evaluate whether the intended objectives are achieved. The Committee included an NTSB reauthorization in the *SGRLAA*, and the House passed the bill the following month by a recorded vote of 351 yeas to 69 nays.[22] The *SGRLAA* authorized appropriations totaling $753 million over five years for the NTSB, and the Committee supports funding the agency at the authorized levels in the bill.[23]

Surface Transportation

IIJA represented the largest Federal investment in domestic infrastructure and included a five-year surface transportation reauthorization that provides funding for roads, bridges, transit, motor carriers, railroads, and safety, among other infrastructure programs. Specifically, *IIJA* authorized $303.5 billion for programs from the highway account of the Highway Trust Fund (HTF) and $69.9 billion for programs from the mass transit account of the HTF over the authorization period.[24] Division J of *IIJA* also provided $66.3 billion in advance supplemental appropriations from the General Fund for various highway and multimodal programs, $21.3 billion in advance supplemental appropriations from the General Fund for transit programs, and $2.3 billion in advance supplemental appropriations from the General Fund for traffic safety and motor carrier safety and operations programs.[25]

The Committee intends to oversee the implementation of *IIJA* to ensure that this substantial investment in the Nation's surface transportation network is done in a way that adds capacity and improves mobility, including access to jobs and essential services in both urban and rural areas; promotes innovation; enhances safety; and continues the longstanding partnership between the Federal Government, states, and local governments with respect to surface transportation programs. Implementation of *IIJA* should be consistent with the law and Congressional intent.

During periods of high inflation, stakeholders raised concerns about supply chain challenges and the negative effects inflation has in eroding what some of the *IIJA*'s funding

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[21] FAA Reauthorization Act of 2018, Pub. L. No. 115-254, Division C, 132 Stat. 3429.
[22] *SGRLAA*, *supra* note 15.
[23] *Id*.
[24] *IIJA*, *supra* note 3.
[25] *Id*.

increases can deliver.[26] Therefore, the Committee will continue to hold hearings on supply chain challenges, the cost impact of inflationary pressures on construction materials costs, and other impacts to our Nation's transportation network. The Committee intends to continue to offer legislation that will reduce regulatory burdens, invest in supply chain infrastructure, and create good-paying jobs in the transportation workforce.

To ensure the efficient and effective use of taxpayer dollars, the Committee will also conduct extensive oversight to monitor the distribution of *IIJA* funds to ensure DOT complies with the statutory requirements during its grant processes and through its competitive programs.

<u>Highway Trust Fund</u>

Federal highway, highway safety, and mass transit programs are largely funded through the collection of user-fees in the form of Federal excise taxes on motor fuels and other highway related products, such as tires and commercial motor vehicles, that are deposited in the Highway Trust Fund (HTF). *IIJA* authorized $382.9 billion over five years from the HTF for Federal-aid highways, transit, and highway safety programs.[27] The Committee acknowledges that increased HTF spending coupled with stagnant fuel tax rates and declining gasoline tax revenues, among other factors, have contributed to the HTF's solvency issues. Increased fuel efficiency as well as the prevalence of electric vehicles (EVs), have reduced overall fuel consumption, driving down gasoline tax receipts. Inflation – which reached a 40-year high of 9.1 percent in June 2022, but is down to 3.1 percent in January, 2024 – continues to affect the purchasing power of highway funding.[28]

CBO's May 2023 baseline projected post-*IIJA* net gasoline tax receipts decreasing by between 1.3 percent and 1.5 percent annually.[29] However, CBO's updated February 2024 projections show these same receipts declining by between 2.8 and 4.5 percent annually.[30] CBO indicates the largest contributing factor in reduced gasoline tax collections is the Environmental

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[26] *See e.g. Reviewing the Implementation of the Infrastructure Investment and Jobs Act Before the Subcomm. on Highways and Transit. of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Mar. 28, 2023) (statement of Marc D. Williams, Member of the Board of Directors, AASHTO); *see* Press Release, UNITED STATES BUREAU OF LABOR STAT., *Consumer Prices Up 9.1 Percent Over the Year ended June 2022, Largest Increase in 40 Years*, (July 18, 2022), *available at* https://www.bls.gov/opub/ted/2022/consumer-prices-up-9-1-percent-over-the-year-ended-june-2022-largest-increase-in-40-years.htm; Press Release, UNITED STATES BUREAU OF LABOR STAT., *Consumer Price Index Historical Tables for U.S. City Average*, (last updated July 2023), *available at*https://www.bls.gov/regions/mid-atlantic/data/consumerpriceindexhistorical_us_table.htm.; and *see also Implementation of Buy America Provisions: Stakeholder Perspectives: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Feb. 15, 2024).
[27] *See* DOT, *IIJA*, *Authorized Funding FY 2022 to FY 2026*, *available at* https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf.
[28] *See* Economic News Release, UNITED STATES BUREAU OF LABOR STAT., *Consumer price index summary - 2024 M01*, *available at* https://www.bls.gov/news.release/cpi.nr0.htm; *see also* Noel Fletcher, *FHWA Says Highway Construction Costs Continue to Soar*, TRANSPORT TOPICS, (Nov. 20, 2023), *available at* https://www.ttnews.com/articles/fhwa-highway-costs-soar.
[29] Jeff Davis, *New Forecast Shows Short-Term Good News, Long-Term Bad News for Highway Trust Fund*, ENO CENTER FOR TRANSP., (Feb. 9, 2024), *available at* https://enotrans.org/article/new-forecast-shows-short-term-good-news-long-term-bad-news-for-highway-trust-fund.
[30] *Id*.

Protection Agency's (EPA's) proposed rule on more stringent vehicle emissions standards.[31] CBO projects that the highway and mass transit accounts of the HTF will exhaust in FY 2028.[32] The Committee will continue to explore long-term funding solutions for the HTF by evaluating the current funding mechanisms and considering alternative funding options.

Federal Railroad Administration (FRA)

IIJA authorized more than $36 billion for Amtrak and rail infrastructure and safety programs through FY 2026.[33] It also appropriated $66 billion over five years for similar programs.[34] The Committee plans to conduct oversight and review of actions taken by the Federal Railroad Administration (FRA), freight railroads, Amtrak, and the Surface Transportation Board (STB). Specifically, the Committee will closely monitor implementation of the programs, grants, policies, and funding authorized in *IIJA*, as well as other regulatory actions to ensure that funds are used responsibly.

Pipeline Safety Programs

In December 2023, the Committee favorably reported the *Promoting Innovation in Pipeline Efficiency and Safety Act of 2023*" or the "*PIPES Act of 2023",* which reauthorizes the Pipeline and Hazardous Materials Safety Administration's (PHMSA's) pipeline safety program through FY 2027.[35] This program, which is funded primarily from fees levied on pipeline and underground natural gas storage facility operators and a contribution from the Oil Spill Liability Trust Fund, supports efforts to ensure the safety and reliability of pipelines in the United States. The Committee will also continue to monitor the implementation of the previous authorization law, the *Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020* (P.L. 116-260) including tracking updates on the completion of outstanding mandates.

In addition to the program's annual appropriations, *IIJA* appropriated $1 billion over five years to PHMSA for Natural Gas Distribution Infrastructure Safety and Modernization Grants, which the Committee will closely monitor.[36]

Coast Guard and Maritime Transportation

The Committee supports reauthorizing appropriations for the United States Coast Guard (Coast Guard or Service), one of the Nation's six armed services, and the non-defense programs in the Maritime Administration (MARAD). In June 2023, the Committee favorably reported the *Coast Guard Authorization Act of 2023,* which authorizes $14.24 billion in funding for the Coast Guard for FY 2024 and $14.78 billion for FY 2025.[37] The Committee supports enactment of this legislation and for Congress to fund the Coast Guard at the levels authorized in this bill.

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[31] *IIJA* Spending Projections*, supra* note 7.
[32] CBO, *Highway Trust Fund Accounts*, (Feb. 2024), *available at* https://www.cbo.gov/system/files/2024-02/51300-2024-02-highwaytrustfund.pdf.
[33] *IIJA*, *supra* note 3.
[34] *Id*.
[35] *Promoting Innovation in Pipeline Efficiency and Safety Act of 2023*, H.R. 6494, 118th Cong., (2023).
[36] *IIJA*, *supra* note 3.
[37] *Coast Guard Authorization Act of 2023*, H.R. 2741, 118th Cong., (2023).

In 2022, Congress also passed the *Ocean Shipping Reform Act of 2022* (P.L. 117-146), which strengthened the supply chain, addressed prohibited shipping practices, and authorized funding for the Federal Maritime Commission (FMC) for FY 2023 through FY 2025.[38] The Committee will oversee FMC's implementation of the law and ensure improvements are made to international shipping practices and the overseas supply chain and to that end, last year the Committee favorably reported H.R. 1836, the *Ocean Shipping Reform Implementation Act of 2023* and supports passage of the bill in the House.

IIJA included supplemental appropriations of $433 million for the Coast Guard and nearly $2.3 billion for MARAD.[39] The Committee will conduct oversight over these funds and ensure the programs are operating effectively and are consistent with statute.

<u>Federal Emergency Management Agency</u>

The Federal Emergency Management Agency (FEMA) supports state, local, tribal, and territorial governments and manages and coordinates the Federal response to, and recovery from, major domestic disasters and emergencies of all types, in accordance with the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (*Stafford Act*; P.L. 93-288, as amended).[40] FEMA is tasked with preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or manmade.[41]

FEMA draws from the Disaster Relief Fund (DRF) to fund response and recovery efforts, which has recently and notably been used during the COVID-19 pandemic.[42] The Committee is concerned about the balance of the DRF, and the Committee will conduct oversight over these funds and evaluate the needs and authorities of FEMA. It will also review and analyze the rising costs of disasters and work to identify opportunities to reduce future losses and increase efficiencies. However, the Committee is also very concerned about CBO's scoring of legislative items intended to reduce regulatory burdens and ensure disaster victims receive the help they need and will continue working with the Budget Committee on this issue.

The Committee will continue to offer assistance and guidance to Members whose districts have been impacted by disasters.

<u>General Services Administration</u>

The GAO's "High Risk List" has included Federal real property management for the last two decades.[43] One major issue is an overreliance on leasing to meet long-term space needs and underused or vacant space. COVID-19 has had deep implications that affect the needs of the Federal workforce, and the amount and type of space that General Services Administration

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[38] *Ocean Shipping Reform Act of 2022*, Pub. L. No. 117-146, (2022), 136 Stat. 1272.
[39] *IIJA*, *supra* note 3.
[40] Stafford Act, Pub. L. No. 93-288, as amended, 88 Stat. 143.
[41] *Id*.
[42] FEMA, DISASTER RELIEF FUND: MONTHLY REPORTS, (Feb. 9, 2024), *available at* https://www.fema.gov/about/reports-and-data/disaster-relief-fund-monthly-reports.
[43] GAO, *High Risk List*, (last visit Feb. 16, 2024), *available at* https://www.gao.gov/high-risk-list.

(GSA) tenants require.[44] However, even prior to COVID-19, excess space existed across government, adding to the cost to the taxpayer.[45] GSA faces significant challenges due to an aging inventory, insufficient funding from the Federal Buildings Fund (FBF), increased maintenance costs, and difficulties disposing of excess property.[46] The Committee recognizes these challenges and will continue to examine GSA's management of its maintenance portfolio and whether GSA is sufficiently prioritizing maintenance requests.

The Committee is concerned that GSA has generally not had full access to the annual revenues and collections in the FBF since 2011, when appropriators began using the FBF to offset other unrelated spending in the Financial Services and General Government appropriations bill.[47] Rental receipts in the FBF have been constrained by more than $11.8 billion over the last 15 years due to this funding limitation mechanism.[48] As a result, GSA has been unable to properly maintain and reinvest in its Federally owned inventory and address its growing backlog of deferred maintenance. GSA reported in its 2022 financial report approximately $3.13 billion in estimated costs of deferred maintenance and repairs for its building inventory, which was a 20.8 percent increase from FY 2021 and a 159 percent increase from FY 2016.[49] Continued deterioration and limited funds to either purchase, repair or construct buildings is unsustainable, increases costs to the taxpayer, and deters GSA and its tenant agencies from acting strategically to reduce Federal real estate costs.[50] The Committee believes that all funds paid into the FBF in a given fiscal year should be made available for GSA to fully utilize and effectively manage our Federal real estate.

At the request of the Committee, GAO conducted a study on office space utilization rates across the 24 Chief Financial Officer (CFO) agency headquarters to better understand how the Federal government is utilizing its real estate portfolio.[51] GAO found that on average, 17 of the 24 CFO agency headquarters were at 25 percent or less utilization.[52] Additionally, the Committee will continue oversight of the Public Buildings Reform Board created by the *Federal Assets Sale and Transfer Act of 2016* (P.L. 114-287), which is charged with developing recommendations for the sale or redevelopment of high value real estate assets. Last year, the Committee sent 14 letters to GSA's largest Executive branch tenant departments and agencies requesting documents related to utilization rates, telework policies, capital plans and details of

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[44] *When the Lights Are On but No One's Home: An Examination of Federal Office Space Utilization: Hearing Before the Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt. of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (July 13, 2023).
[45] *Id*.
[46] *Id*.
[47] GSA, FBF, FY 2024 CONG. JUSTIFICATION, (2023), *available at* https://www.gsa.gov/cdnstatic/02_FY2024_CJ_FBF_Narrative_Final-1.pdf.
[48] *Id*.
[49] GSA, 2023 AGENCY FINANCIAL REPORT, available at https://www.gsa.gov/system/files/GSA_AFR_FY_2023_508_compliant.pdf.
[50] *GSA Tenant Agencies: Challenges and Opportunities in Reducing Costs of Leased Space, Hearing before the Subcomm. on Econ. Dev., Pub. Buildings, and Emergency Mgmt. of the H. Comm. on Transp. and Infrastructure,* 113th Cong. (2014), *available at* https://www.govinfo.gov/content/pkg/CHRG-114hhrg20638/html/CHRG-114hhrg20638.htm.
[51] Letter from Peter DeFazio, Chairman, H. Comm. on Transp. and Infrastructure, et. al. to Gene Dodaro, Comptroller General, GAO, (Nov. 10, 2021) (on file with Comm.).
[52] Briefing from Staff, GAO, to Staff, H. Comm. on Transp. and Infrastructure (June 26, 2023, 11:00 am EST).

any campuses (see Appendix 1). The Committee will continue to examine current space utilization and work to reduce real estate costs, thereby saving taxpayer dollars.

The Committee will also evaluate alternative solutions to leverage private investment in capital projects, including public private partnerships, to reduce the costs to the American taxpayer, ensure buildings are properly maintained, and address problems with deferred maintenance.

Economic Development

The Committee will work to ensure economic development programs leverage private dollars through infrastructure improvements to attract new jobs to distressed communities. In addition, the Committee intends to assess the existing regional commissions, including the Denali Commission, the Delta Regional Authority (DRA), the Northern Border Regional Commission (NBRC), the Southeast Crescent Regional Commission (SCRC), and the Southwest Border Regional Commission (SBRC). *IIJA* provided advance appropriations for several regional commissions. This supplemental funding includes $1 billion over five years to ARC and one-time payments in FY 2022 of $150 million for the DRA, $75 million for the Denali Commission, $150 million for the NBRC, $5 million for the SCRC, and $1.25 million for the SBRC.[53] The Committee will conduct oversight over the annual and advance appropriations these commissions receive.

The *Research and Development, Competition, and Innovation Act* (P.L. 117-167; Division B) authorized appropriations of $10 billion for a new Regional Technology and Innovation Hubs program and $1 billion for a new Recompete pilot program for economically distressed areas.[54] The Committee will continue its oversight of new Economic Development Administration (EDA) authorities and of funds appropriated to the EDA programs to assist communities impacted by natural disasters and the COVID-19 pandemic.

Environmental Protection Agency (EPA)

IIJA reauthorized the Clean Water State Revolving Fund (CWSRF) through FY 2026.[55] The Committee will oversee the implementation of these funds to ensure that all communities have access to clean, affordable wastewater infrastructure. *IIJA* also provided a supplemental $1.5 billion appropriation for the Brownfields program and $3.5 billion for the Superfund program.[56] The Committee supports investments in critical EPA programs like the CWSRF and the Superfund and Brownfields programs. These activities are important for sustainable long-term economic growth and provide considerable returns on investment.

The Committee will continue to conduct oversight on the implementation of the revised WOTUS definition by EPA and the Corps following last year's Supreme Court ruling in *Sackett v. EPA* (598 U.S. 651). The Committee is aware that EPA and the Corps must implement the

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[53] *IIJA*, *supra* note 3.
[54] *Research and Development, Competition, and Innovation Act*, Pub. L. No. 117-167, (2022), 136 Stat. 1366.
[55] *IIJA*, *supra* note 3.
[56] *Id*.

definition consistent with current law, including recent judicial decisions, and expects the agencies to provide direction and clarity on the scope of the *Clean Water Act* following the *Sackett* decision while upholding the environmental protection goals of the *Act*.

Conclusion

This report was circulated to all Members of the Committee for their review and comment and was approved in a Full Committee meeting on February XX, 2024. While the report reflects a bipartisan effort, the Committee wishes to emphasize that not all Members of the Committee necessarily agree with every aspect of the report. Accordingly, the Committee reserves its flexibility to determine program needs, and recognizes the potential for funding changes as the Committee and Congress work their will through the legislative process. The Committee looks forward to working with the Committee on the Budget in its preparation of the FY 2025 budget.

APPENDIX I

1. National Archives and Records Administration[57]
2. Department of Commerce[58]
3. Department of Homeland Security[59]
4. Department of Defense[60]
5. Department of Energy[61]
6. Department of Justice[62]
7. Department of the Interior[63]
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[57] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to Debra Steidel Wall, Acting Archivist, Nat'l Archives and Records Admin., (Mar. 30, 2023) (on file with Comm.).

[58] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Gina Raimondo, Sec'y, Dep't of Commerce, (Mar. 30, 2023) (on file with Comm.).

[59] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Alejandro Mayorkas, Sec'y, Dep't of Homeland Security, (Mar. 30, 2023) (on file with Comm).

[60] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Lloyd J. Austin III, Sec'y, Dep't of Defense, (Mar. 30, 2023) (on file with Comm.).

[61] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Jennifer Granholm, Sec'y, Dep't of Energy, (Mar. 30, 2023) (on file with Comm.).

[62] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Merrick Garland, Sec'y, Dep't of Justice, (Mar. 30, 2023) (on file with Comm.).

[63] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Deb Haaland, Sec'y, Dep't of the Interior, (Mar. 30, 2023) (on file with Comm.).

[64] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Janet Yellen, Sec'y, Dep't of the Treasury, (Mar. 30, 2023) (on file with Comm.).

[65] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Janet Yellen, Sec'y, Dep't of the Treasury, (Mar. 30, 2023) (on file with Comm.).

[66] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Xavier Becerra, Sec'y, Dep't of Health & Human Serv., (Mar. 30, 2023) (on file with Comm.).

[67] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to Kilolo Kijakazi, PhD, Acting Commissioner, Social Security Admin., (Mar. 30, 2023) (on file with Comm.).

12. Department of State[68]
13. Department of Veterans Affairs[69]
14. Department of Agriculture[70]

[68] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Antony Blinken, Sec'y, Dep't of State, (Mar. 30, 2023) (on file with Comm.).
[69] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Denis McDonough, Sec'y, Dep't of Veterans Affairs, (Mar. 30, 2023) (on file with Comm.).
[70] Letter from Sam Graves, Chairman, H. Comm. on Transp. and Infrastructure and Scott Perry, Chairman, Subcomm. on Economic Development, Public Buildings, and Emergency Mgmt, H. Comm. on Transp. and Infrastructure to The Hon. Thomas Vilsack, Sec'y, United States Dep't of Agriculture, (Mar. 30, 2023) (on file with Comm.).