Summary: The Moving Forward Act

On June 22, House Democrats introduced H.R. 2, the Moving Forward Act, a $1.5 trillion transportation and infrastructure bill, which is set to be brought to the House floor the week of June 29.

H.R. 2 combines the text of the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act with other provisions. The INVEST in America Act re-authorizes funding for federal aid for transportation related activities during the 5-year period of fiscal years (FYs) 2022-25; it was approved by the House Transportation and Infrastructure Committee on June 18.

In addition to the FGR analysis of H.R. 2 below, the House Transportation and Infrastructure Committee released a press release, fact sheet and section-by-section analysis.

While H.R. 2 is likely to be approved in the House, it remains uncertain whether further action will occur this year in Congress on transportation re-authorization legislation or an infrastructure package.

H.R. 2, the Moving Forward Act

The bill combines the INVEST in America Act with new provisions, which are below:

Revenue Provisions/Infrastructure Financing

- Credit to issuer for certain infrastructure bonds – The bill provides issuers of certain infrastructure bonds with the ability to receive tax credits, which would allow state and local governments to claim credits. This provision is intended to build off of Build America Bonds, which were initially created a part of the American Recovery and Reinvestment (ARRA) Act of 2009.
- Advance Refunding Bonds – The bill reinstates Advance Refunding Bonds, which were repealed as part of the Tax Cuts and Jobs Act (TCJA). The reinstatement of Advance Refunding Bonds is helpful for UC and will allow for the refinancing of existing bonds.
- The bill also includes tax provisions related to providing for changes to allowable expenses related to municipal bonds:
  - To increase certain caps on private activity bonds;
  - To change the exemptions for uses of certain property to expand exempt facility bonds for zero-emission vehicle infrastructure purposes; and
  - To improve school infrastructure bond arrangements.
- Additional provisions are included to promote tax incentives related to the New Markets Tax Credit; improvements to the Historic Rehabilitation Tax Credit (HTC), including related to the tax-exempt uses of HTC properties.
Health Care Infrastructure

- The bill includes $10 billion in Hospital Infrastructure grants for FY 2021-25 for the construction and modernization of hospitals. Grants are made available under the Public Health Services Act to “increase capacity and update hospitals and other medical facilities in order to better serve communities in need...” The bill gives priority to certain projects: “In awarding grants under this subsection, the Secretary shall give priority to applicants whose projects will include, by design, public health emergency preparedness or cyber security against cyber threats.”
- This bill includes a Community Health Center Capital Project Funding provision, which authorizes $10 billion in funding for grants from FY 2021-25. This section amends the Patient Protection and Affordable Care Act to authorize funding to be appropriated to the Community Health Centers (CHC) Fund to be transferred to the secretary of Health and Human Services (HHS) for capital projects of the community health center program. Grants are to be made available for projects that are designed to increase energy efficiency.
- The bill creates a Pilot Program to Improve Laboratory Infrastructure, a provision that provides grants to states or political subdivisions of states to support the improvement, renovation or modernization of infrastructure at clinical laboratories.
- The bill also creates a Pilot Program to Improve Community Based Care Infrastructure, a proposal that provides $500 million in funding for grants related to improving centers. There may be eligibility for “teaching health centers and behavioral health centers...” The grants under this section are intended to be for projects designed to improve energy efficiency.

Investment in Water Resources and Water Related Infrastructure

- The bill incorporates the Water Infrastructure Investment, Job Creation, and Economic Stability Act, which includes critical water resources investments, including providing funding for U.S. Army Corps of Engineers water-related projects.
- The bill also makes critical clean water investments, including for the San Francisco Bay Restoration Grant Program.

Broadband Infrastructure

- This section focuses on broadband infrastructure enhancements to improve high-speed broadband Internet access.
- The bill creates a new Office of Internet Connectivity and Growth, which is intended to conduct outreach to communities in need of better access to broadband services, and will also coordinate broadband infrastructure efforts, including with other federal agencies, and will focus on efforts to improve federal subsidies to households for broadband access.
- This section also includes digital equity programs, including ones focused on creating a State Digital Equity Capacity Grant Program, to assist states with broadband related activities. It also includes a Digital Equity Competitive Grant Program to award grants to local entities, as well as "educational entities" and other types of organizations.
- The bill also establishes a “broadband benefit program that entities households with a member who qualifies for Lifeline, free/reduced school lunch, or are recently unemployed to receive a benefit to put toward the price of internet service.”
- Additional support is also provided related to the E-Rate program for schools and libraries to fund access for students and teachers "in the digital classroom."
• The bill also creates the "Broadband Infrastructure Financing Innovation (BIFIA) program," to provide state and local governments and certain other entities with loans for broadband related projects.

Energy and Environment Infrastructure

• This bill provides assistance for water utilities related to treatments for PFAS chemicals; as well as Grid Security and Modernization provisions; and other provisions to expand access to sustainable energy; to promote the installation of solar technologies in under-served areas, and additional provisions to provide further grants for smart communities related activities and for the Clean Cities Coalition Program.
• The bill also provides for energy efficiency retrofits; the establishment of a Home Energy Savings Retrofit Rebate Program; related to energy efficient public buildings; energy retrofitting and efficiency improvements and renewable energy assistance for school facilities. Weatherization assistance is also included for residences; as well as vehicle infrastructure enhancements.

Green Energy

• The bill enhances green energy-related incentives through the inclusion of the Growing Renewable Energy and Efficiency Now (GREEN) Act of 2020.
• This section would also renew the 179D energy efficient commercial buildings tax deduction through 2025.

Financial Services

• The bill includes provisions focused on enhancing public housing and housing related programs.

Reopen and Rebuild America’s Schools Act of 2020

• This bill includes $100 billion in funding for the improvement of public-school facilities at the K-12 level.

Public Lands, Tribal Communities and Resilient Natural Infrastructure.

• This section includes water related infrastructure and drought resiliency provisions. There is an X prize established for water technology breakthroughs and provisions made to the Water Resources Research Act.
• The bill funds shovel ready restoration and resiliency grant program provisions related to coastal and Great Lakes resiliency and restoration.

Disaster and Resiliency/Housing

• The bill includes disaster resiliency and housing provisions aimed at allowing homeowners to not count in their gross income certain grants received from states for types of home improvements, as well as incentives to increase opportunities for the development of low-income housing.
Aviation

- The bill includes language focusing on airport and airway infrastructure, such as to support airport planning and the development programs and airport climate resiliency projects.
- This bill includes provisions focused on aviation and the environment, including provisions related to authorizing funding for an Alternative Fuel and Emissions Aviation Technology Program, which allows the Department of Transportation to award grants for projects to develop low-emission aviation technologies, or to develop sustainable aviation fuels, or for other purposes.
- The bill asks the National Academies of Sciences to conduct a study on climate change mitigation efforts related to aviation.