

At a Glance

Reconciliation Recommendations of the House Committee on Transportation and Infrastructure

As ordered reported on February 10, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	28,400	90,460	90,460
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	28,400	90,460	90,460

Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

CBO has not reviewed the legislation for effects on spending subject to appropriation.

* = between zero and \$500,000.

The legislation would

- Appropriate \$95.5 billion for a variety of transportation, economic development, and disaster relief programs
- Provide enhanced benefits to unemployed railroad workers through August 29, 2021
- Authorize additional civil and criminal penalties

Estimated budgetary effects would mainly stem from

- Spending of the funds appropriated under the legislation
- Spending of certain unobligated funds available under current law

Detailed estimate begins on the next page.

Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Transportation and Infrastructure approved legislation on February 10, 2021, with a number of provisions that would increase deficits.

The reconciliation recommendations of the House Committee on Transportation and Infrastructure would appropriate about \$95.5 billion to assist public and private entities prevent, prepare for, and respond to the coronavirus pandemic. The legislation also would provide enhanced benefits to unemployed railroad workers through August 29, 2021, and establish additional civil and criminal penalties.

Estimated Federal Cost

The estimated budgetary effect of the legislation is shown in Table 1. The costs of the legislation fall primarily within budget functions 400 (transportation), 450 (community and regional development), and 600 (income security).

Basis of Estimate

For this estimate, CBO assumes that the reconciliation recommendations will be enacted by the end of March 2021.

CBO estimates that enacting the reconciliation recommendations would increase direct spending by roughly \$90.5 billion over the 2021-2030 period and would increase revenues by an insignificant amount over the same period.

Subtitle A – Transportation and Infrastructure

To fund activities to prevent, prepare for, and respond to the pandemic, Subtitle A would appropriate:

- \$50 billion for the Federal Emergency Management Agency to respond to major disasters and to cover funeral expenses related to COVID-19, the disease caused by the coronavirus, beyond December 31, 2020, when authority to cover those expenses is set to expire;
- \$30 billion for the Federal Transit Administration to provide grants to transit agencies mostly for operating expenses to maintain payroll for employees and contractors;
- \$8 billion for the Federal Aviation Administration to provide grants to airports for operations and debt service costs, to relieve airport concessions from rent and minimum

annual guarantees, and to increase the federal cost share to 100 percent for airport development grants awarded in 2020 or 2021;

- \$3 billion for the Economic Development Administration to provide grants to economically distressed communities based on the economic injury resulting from the pandemic;
- \$1.5 billion for the Federal Railroad Administration to provide additional grants to the National Railroad Passenger Corporation; and
- \$1.5 million from the Harbor Maintenance Trust Fund for the Great Lakes St. Lawrence Seaway Development Corporation to conduct activities related to the Seaway International Bridge.

Based on historical spending patterns for similar activities, CBO estimates that implementing those provisions would increase direct spending by \$87.4 billion over the 2021-2030 period.

Subtitle B – Aviation Manufacturing Jobs Protection

Subtitle B would appropriate \$3 billion for the Department of Transportation to provide payroll support to eligible aviation manufacturers and maintenance firms for a period no longer than six months. In addition, section 7102 would authorize new civil and criminal penalties for businesses that provide false or misleading information under the program.

Based on historical spending patterns for similar activities, and using information from industry groups on employee compensation, CBO estimates that the payroll support program would increase outlays by \$3 billion over the 2021-2030 period.

CBO further estimates that any increases in collections of civil and criminal penalties (which are recorded in the budget as revenues) would be insignificant under the bill. Criminal penalties are deposited in the Crime Victims Fund and are later spent without further appropriation. CBO expects that any additional revenues and associated direct spending would not be significant in any year or over the 2021-2030 period because of the relatively small number of cases likely to be affected.

Subtitle C – Continued Assistance to Rail Workers

Subtitle C would provide enhanced benefits to unemployed railroad workers through August 29, 2021. Using information provided by the Railroad Retirement Board, CBO estimates that these benefits would be funded through unobligated balances. This subtitle also would appropriate \$28 million to the Railroad Retirement Board in 2021, primarily for information technology improvements and additional hiring as needed to administer the Railroad Unemployment Insurance Act. CBO estimates this subtitle would increase outlays by \$108 million over the 2021-2030 period.

Pay-As-You-Go Considerations:

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

Increases On-Budget Deficits in any Year after 2030: No.

Mandates: None.

Estimate Prepared By

Federal Costs:

Meredith Decker for Railroad Retirement
Aaron Krupkin for aviation-related proposals
Dan Ready for Railroad Retirement
Robert Reese for transportation programs
Jon Sperl for economic development and federal emergency management

Mandates:

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Table 1.

Estimated Budgetary Effects of the Reconciliation Recommendations of the House Committee on Transportation and Infrastructure

	By Fiscal Year, Millions of Dollars											2021- 2030	2021- 2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
Increases in Direct Spending													
Subtitle A - Transportation and Infrastructure													
Sec. 7001 - FEMA Appropriation													
Budget Authority	50,000	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Estimated Outlays	11,480	10,980	7,940	4,900	3,430	2,550	2,220	1,700	1,000	800	0	47,000	47,000
Sec. 7003 - Economic Adjustment Assistance													
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000	3,000
Estimated Outlays	750	1,000	500	400	150	100	100	0	0	0	0	3,000	3,000
Sec. 7004 - GLS Development Corporation Operations & Maintenance													
Budget Authority	2	0	0	0	0	0	0	0	0	0	0	2	2
Estimated Outlays	2	0	0	0	0	0	0	0	0	0	0	2	2
Sec. 7005 - Grants to the National Railroad Passenger Corporation													
Budget Authority	1,500	0	0	0	0	0	0	0	0	0	0	1,500	1,500
Estimated Outlays	1,350	150	0	0	0	0	0	0	0	0	0	1,500	1,500
Sec. 7006 - FTA Grants													
Budget Authority	30,000	0	0	0	0	0	0	0	0	0	0	30,000	30,000
Estimated Outlays	10,100	9,700	7,300	400	200	100	50	0	0	0	0	27,850	27,850
Sec. 7007 - Relief For Airports													
Budget Authority	8,000	0	0	0	0	0	0	0	0	0	0	8,000	8,000
Estimated Outlays	2,640	4,320	880	120	40	0	0	0	0	0	0	8,000	8,000
Total Subtitle A													
Budget Authority	92,502	0	0	0	0	0	0	0	0	0	0	92,502	92,502
Estimated Outlays	26,322	26,150	16,620	5,820	3,820	2,750	2,370	1,700	1,000	800	0	87,352	87,352
Subtitle B - Aviation Manufacturing													
Jobs Protection^a													
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000	3,000
Estimated Outlays	2,000	1,000	0	0	0	0	0	0	0	0	0	3,000	3,000
Subtitle C - Continued Assistance to Rail Workers													
Budget Authority	28	0	0	0	0	0	0	0	0	0	0	28	28
Estimated Outlays ^b	78	11	6	5	5	3	0	0	0	0	0	108	108
Total Direct Spending													
Budget Authority	95,530	0	0	0	0	0	0	0	0	0	0	95,530	95,530
Estimated Outlays	28,400	27,161	16,626	5,825	3,825	2,753	2,370	1,700	1,000	800	0	90,460	90,460

FEMA = Federal Emergency Management Agency, FTA = Federal Transit Administration, GLS = Great Lakes St. Lawrence Seaway Development Corporation

- a. Section 7102 of Subtitle B would authorize new civil and criminal penalties for businesses that provide false or misleading information under the program. Civil and criminal fines are recorded as revenues in the budget. Criminal fines are also deposited into the Crime Victims Fund and are eligible to be spent without further appropriation. CBO expects that any increases in revenues and associated direct spending would not be significant in any year or over the 2021-2030 period because of the relatively small number of cases likely to be affected.
- b. Sections 7201-7203 of subtitle C authorizes the Railroad Retirement Board to use available balances already provided to administer certain provisions in this title; thus, spending of those amounts affects outlays only.