The Senate Committee on Environment and Public Works on May 23, 2021, released the bipartisan legislative text of the Surface Transportation Reauthorization Act of 2021 (STRA21). The 5-year, $303.5-billion surface transportation bill incorporates the final Republican offer to the Biden Administration on funding for highways, roads, and bridge programs from 2022 to 2026. Full text of STRA21 can be found here. Additional materials include a section-by-section and tables for apportionments and authorizations.

Under STRA21, the Federal Highway Administration would be provided $303.5 billion in contract authority from the Highway Trust Fund over a 5-year period as follows (in billions):

<table>
<thead>
<tr>
<th></th>
<th>FY21 (actual)</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$46.4</td>
<td>$57.7</td>
<td>$58.9</td>
<td>$60.1</td>
<td>$61.2</td>
<td>$62.5</td>
</tr>
</tbody>
</table>

Of the $303.5 billion, $274 billion would be allocated to the states by formula as follows:

**Funds Distributed via Formula**
- National Highway Performance Program
- Surface Transportation Block Grant Program
- Highway Safety Improvement Program
- Formula Safety Incentive Program (new)
- Railway-Highway Grade Crossings
- Congestion Mitigation & Air Quality Program
- Metropolitan Planning Program
- National Highway Freight
- Transportation Alternatives
- Carbon Reduction Program (new)
- PROTECT Resilience Program (new)
- Ferry Boats & Facilities

**Formula Resilience Program (new)**
The bill defines “resilience” as, among other things, *the ability to rapidly recover from disruptions*. States may spend 3% of their allocation on projects that improve resiliency. If the highway agency develops a “resiliency improvement plan,” the non-federal share of the project cost may be reduced by up to 10%. The program is funded at $15 billion annually. The bill also makes projects that address “resiliency” eligible for funding under the existing core highway programs.

**Formula Carbon Reduction Program (new)**
The bill establishes a carbon reduction program to fund projects that reduce transportation emissions. Under the program, states have two years to develop a carbon reduction strategy that includes quantifying the total carbon emissions from the production, transport, and use of materials used in the construction of projects. The program is funded at $1.25 billion annually.
Safety Contingency Funds for Work Zone Enhancements

The bill includes NAPA’s recommendation to allow states to use safety contingency funds to incorporate safety enhancements to work zones prior to or during roadway construction activities.

Accelerated Implementation and Deployment Pavement Technology (AID-PT) Program

As recommended by NAPA, the bill reauthorizes the AID-PT program at $12 million annually to deploy asphalt and concrete pavement technologies. The bill also expands the mission of the AID-PT program to include deploying technologies that address the “energy efficiency of the production of paving materials to enhance the environment and promote sustainability.”

Congestion Relief Program

The bill relaxes the ban on placing tolls on the Interstate Highway System by allowing the Secretary of Transportation to approve up to 10 toll projects in urbanized areas. NAPA supports the provision.

Healthy Streets Program

The bill establishes a new discretionary grant program to deploy “cool pavements and porous pavements” to mitigate the impacts of urban heat islands and improve air quality. The program is funded at $300 million annually.

Highway Funding Allocations by State under STRA21

For more information contact Jay Hansen or Ashley Jackson.