**Congress and the White House Agree to a 2-year Budget**

The agreement increases total spending over the next two years by $320 Billion. Both defense and non-defense spending will see an increase, with DOD receiving the larger increase. The agreement also prevents any policy riders which members on both sides like to include in appropriations bills.

Further details about how the additional spending is spread across the individual appropriations bills and the hundreds of programs will become more apparent once Congress returns to DC after the summer district work period. The House has passed most of its 2020 appropriations bills but the Senate has not moved a single bill, however, with this agreement in place it should make reaching a final agreement on the bill easier.

Current spending expires at the end of September but we expect a continuing resolution to keep the government open past then. The House has already passed the budget agreement and the Senate is expected to pass it as well. The President has said he would sign it.  The agreement would suspend the statutory limit on the public debt for two more years. The agreement does not repeal the $7.6 Billion rescission of contract authority included in the FAST Act.

The rescission is scheduled to take effect July 1, 2020. A bill to repeal the rescission has been introduced in both chambers.

**Senate Environment & Public Works Committee Plans to Move 5-year Surface Transportation Bill Before August**

This week the Senate EPW Committee briefed stakeholders on its plans to approve a 5-year surface transportation bill next week. Keep in mind that EPW’s jurisdiction is primarily over highways, and that at least three other Senate committees typically act before the full Senate votes on the next reauthorization bill.

Transit, rail, and additional safety measures come from other committees, and of course the all-important funding piece must be put together by the Finance Committee.  The House Committee on Transportation & Infrastructure continues to hold oversight hearings while it puts together the pieces of its surface transportation bill but they are not expected to move a bill until next year. There has been no agreement on how to pay for the next surface transportation bill but depending on how long the next bill runs (5-6 years) Congress may need $90 - $100+ Billion.

We will have a full analysis of the EPW once it becomes public.

**USDOT Announces INFRA Grant Awards**

USDOT has awarded over $855 million in INFRA grants to both large and small projects. The INFRA grants program was established in the 2015 Fixing America’s Surface Transportation (FAST) Act. USDOT administers the program.

<https://www.transportation.gov/briefing-room/4519>