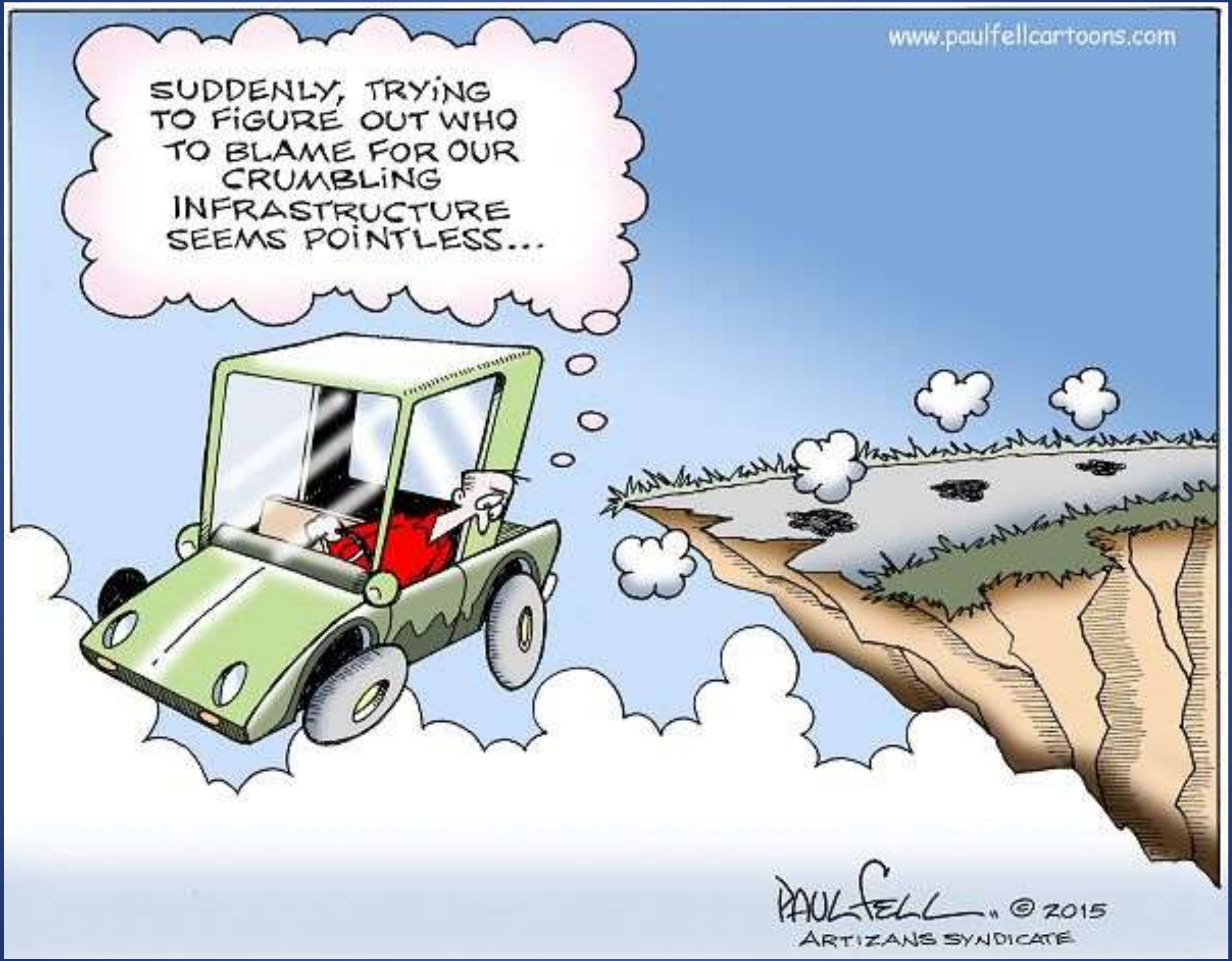

SUDDENLY, TRYING TO FIGURE OUT WHO TO BLAME FOR OUR CRUMBLING INFRASTRUCTURE SEEMS POINTLESS...
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ARTIZANS SYNDICATE

National Association of County Engineers

"The Voice of County Road Officials"

Transportation & Infrastructure Legislative Update

North Central Regional Local Road Conference

Kevan Stone
Executive Director
National Association of County Engineers

Strategic Plan Focus Areas

- Professional Development and Growth
- Influence through Advocacy
- Increasing Membership
- Continued Financial Stability/Sustainability
- Affiliates and Partnerships
- Increased Communication and Engagement

NACE 2019

INNOVATION • COLLABORATION

BRIDGING THE GAP

WICHITA, KANSAS

Advocacy

Representing county road superintendents, engineers and professional road managers nationally.

- Legislative Priorities - NACE and NACo
- Influencing Policy makers and key stakeholders
- Testimony before Congress
- Visits on Capitol Hill and legislative fly-ins
- Information and alerts for individual call to action
- Increased Strategic Communications

@EngineersNACE

NACE LEGISLATIVE PRIORITIES

- Permit and Approval Process Streamlining
- Increased Federal Funding for county road infrastructure
- More Opportunities for Direct Funding
- **Safety**

Professional Development

- County Engineering 101
  - Webinars
  - Online training
  - Training thru LTAP’s, FHWA, NACE
  - Technical Sessions at NACE Annual Conference

Communication

- How can we better serve our members thru communication?
- How can we promote and increase exposure for the good work our members are doing?
- How can we effectively voice our priorities to elected officials and agency personnel?

President Trump Releases Legislative Outline for Infrastructure Plan

Highlights for Counties

- On February 12, 2018, the Trump Administration introduced long-awaited "expanded principles" outlining a vision for a new 10-year, $1.5 trillion federal infrastructure package. These principles, titled "Legislative Outline for Rebuilding Infrastructure in America," expand upon the "Infrastructure Initiative" white paper that accompanied President Trump's FY 2018 budget back in February of 2017. The administration has stated that this document is open to revisions by Congress as they look to craft legislation based off the administration's principles.

- In the proposal, President Trump states:
- *"To help build a better future for all Americans, I ask the Congress to act soon on an infrastructure bill that will: stimulate at least $1.5 trillion in new investment over the next 10 years, shorten the process for approving projects to 2 years or less, address unmet rural infrastructure needs, empower State and local authorities, and train the American workforce of the future."*

- As counties own 46 percent of the nation's roads, 38 percent of the nation's bridges and are involved in over one-third of the nation's airports and transit systems, increased attention from the White House is a welcome development. **Counties invest over $122 billion each year in construction, maintenance and rehabilitation of the nation's infrastructure network, but cannot address the substantial project backlog without a strong partnership with and assistance from the federal government.**

- The White House's infrastructure plan is comprised mainly of several new initiatives, modifications to existing programs and regulatory reform. Overall, the plan calls for $200 billion in new federal spending, with the goal of leveraging those dollars to yield a total of $1.5 trillion in new spending and financing for infrastructure projects across the country. New spending under the plan would be broken down according to the chart below:

Program	New Funding Provided	Percentage of New Funding
Incentives Program	$100 Billion	50 percent
Rural Infrastructure	$50 Billion	25 percent
Transformative Programs	$20 Billion	10 percent
Expansion of Existing Loan Programs	$20 Billion	10 percent
Federal Capital Financing Fund	$10 Billion	5 percent

The Plan Focuses Heavily on Regulatory Streamlining and Reform and Transfers Additional Regulatory Responsibility to States

In addition to the funding and financing components, the president's infrastructure plan focuses on regulatory reform. This is important to counties as regulatory hurdles and bureaucratic red-tape can increase project costs exponentially while causing major delays in project completion. Some of these reforms will originate at the federal level and some will be delegated to States.

- **The administration plans to introduce a "one agency, one decision" environmental review structure under which a lead federal agency would assume authority to greenlight permitting processes**: The president's plan calls for this to occur working collaboratively – not sequentially – with all other pertinent agencies to reach one decision before signing off. The plan calls for this process to take no longer than 21 months, with actual permits issued within 3 months after. This would equal the two-year maximum time for permit processes, reflecting a goal of the administration to shrink that timeline from what can sometimes be ten and even 20 years long.
- **The plan will require a single environmental review document and a single record of decision (ROD) coordinated by the lead agency:** This would result in having one ROD for each project, rather than having numerous ROD's on any given project. Additionally, National Environmental Policy Act (NEPA) reviews would not need to be completed before undertaking certain tasks, such as the installation of certain small cells and wi-fi infrastructure. Rail right-of-way executions would also be permitted before relevant NEPA reviews are conducted under the plan.
- **The plan calls reduced duplication and increased flexibility in establishing and using categorical exclusions (CE):** These exclusions are important to counties as they allow for quicker completion of projects by having certain NEPA requirements waived for smaller scale projects. NACE championed CE provisions in both MAP-21 and FAST Act reauthorization bills for federal surface transportation projects.
- **The plan directs the Council on Economic Quality (CEQ) to issue new regulations designed to streamline the NEPA process**: NACo has met with CEQ numerous times over the past year, recognizing the footprint the White House would have in environmental streamlining. This plan solidifies CEQ as a leading agency tasked with crafting the administration's regulatory plan.
- **The plan seeks to streamline regulations for highways:** Most notably, the plan states its desire to authorize utility relocation to take place prior to NEPA review completion. Other assistance is provided by reclassifying the threshold for large projects to $1 billion, allowing for smaller projects to navigate the regulatory landscape more quickly.

- **The plan requests reforms to certain parts of the Clean Air Act and Federal Power Act:** These reforms are offered with the goal of reducing inefficiencies, duplication, and uncertainty across regulatory efforts. The plan's goal is also to steer U.S. Army Corp of Engineer projects away from EPA and NEPA regulations, redirecting them to the Secretary of the Army. Further, certain regulatory and environmental review responsibilities are delegated to the states under the plan.
- **The plan instructs FHWA to delegate certain responsibilities for approving right-of-way acquisitions to states.** Counties could benefit from this as it removes a sometimes duplicative process that causes delays and increased costs waiting for federal approvals.
- **The plan also calls for USDOT to assign to states the responsibility to assume "project-level transportation conformity determinations regarding flood plain protections and noise policies as part of the NEPA assignment program":** These actions would hasten project implementation and delivery. Counties could be beneficiaries to such a reform, eliminating a time barrier in the review process. Less time waiting equals financial savings for projects.
- Pilot programs are also introduced within this plan: All designed to expedite the environmental review process and allow for quicker project completion, a performance based pilot as well as a negotiated mitigation pilot are listed as areas for testing within the plan. The performance based pilot would aim to replace "environmental impacts" with "environmental performance measures." The negotiated Mitigation Pilot would "experiment with negotiation of mitigation as an alternative decision-making process in lieu of NEPA.
- The plan calls for Judicial reform dealing with the statute of limitations of permits needed to fulfil NEPA requirements: Reforms are designed to provide injunctive relief as well as address current issues arising from statute of limitation expiration of infrastructure permits and how they pertain to certain NEPA requirements. These delays are known to cause substantial delays, costing billions of dollars across the country.
- The plan calls for the elimination of duplicative reviews of historic property impacts for transportation projects: Currently, two provisions, one the National Historic Preservation Act and another in the FAST Act, inadvertently require essentially the same historic impact review to occur twice. The President's plan eliminates the FAST Act language creating the redundancy.

FY 2018 Omnibus: U.S. Department of Transportation (DOT)

INFRASTRUCTURE PROGRAMS IN FY18 OMNIBUS	INCREASE
DOT FEDERAL TRANSIT ADMINISTRATION’S CAPITAL INVESTMENT GRANTS	$2.6 BILLION
DOT DISCRETIONARY HIGHWAY FUNDING	$2.5 BILLION
DOT TIGER GRANTS	$1 BILLION
DOT HIGHWAY TRUST FUND	$1 BILLION
USDA RURAL BROADBAND PILOT PROGRAM (NEW)	$600 MILLION
USDA WATER AND WASTE GRANTS AND LOANS	$500 MILLION
HUD COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	$300 MILLION
HUD HOME INVESTMENT PARTNERSHIPS PROGRAM	$412 MILLION
DHS ELECTION INFRASTRUCTURE	$380 MILLION
EPA CLEAN WATER REVOLVING FUND	$300 MILLION
EPA DRINKING WATER REVOLVING FUND	$300 MILLION

- The FY 2018 omnibus provided $70.3 billion for the U.S. Department of Transportation (DOT), a $12.65 billion increase above FY 2017. Much of this increase was designed as part of a $10 billion infrastructure boost included in the Congressional budget agreement reached in February 2018.

Highway Funding

- The omnibus bill allocated $45 billion from the Highway Trust Fund to be spent on the Federal-Aid Highways Program, which is $3.5 billion above FY 2017 levels. This funding matches the levels authorized in the "Fixing America's Surface Transportation Act" (FAST Act), enacted in 2015. Counties rely on this funding to maintain a strong federal-state-local partnership for the building and maintenance of American's infrastructure. Key highway programs the received funding include:
  - **Major increase to TIGER Grant program**: The omnibus tripled funding for National Infrastructure Investment Grants (also known as TIGER grants), making $1.5 billion available until September 30, 2020. The omnibus strictly prohibits these funds from being "obligated for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations." Slated for elimination in the president's FY 2018 and 2019 budget requests, TIGER Grants have a direct impact on counties' ability to utilize federal dollars within communities.
  - **Funding for Road and Bridge Projects Increased**: The omnibus provided $1.98 billion to fund road and bridge projects that qualify for the surface transportation block grant program. The bill funds Surface Transportation Block Grant Program at $11.67 billion, $242 million over the FY 2017 levels. This will provide added federal capital that will allow counties to address the renovation, expansion and rehabilitation of bridges.
  - **New Bridge Bundling Programs**: The omnibus provided $225 million for a new discretionary competitive grant program for a highway bridge program for States that have a population density of less than 100 individuals per square mile. The funds will allow for highway bridge replacement or rehabilitation projects on public roads that demonstrate cost savings by bundling multiple highway bridge projects. Counties have utilized state bridge-bundling programs in the past, and this new federal investment will allow counties to pool their resources for greater buying power, providing much needed cost-savings for bridge projects.
  - **Transportation, Planning, Research, and Development**: The omnibus provided $14 million for planning, research and development activities, which includes $1.5 million for the creation of a new office, the Interagency Infrastructure Permitting Improvement Center (IIPIC). This builds upon the administration's goal of streamlining the permit processing process, saving time and money for counties obtaining necessary federal permits to begin projects.

What is the BUILD Transportation Discretionary Grant Program?

•The Consolidated Appropriations Act, 2018 appropriated $1.5 billion, available for obligation through September 30, 2020, for National Infrastructure Investments previously known as TIGER grants, and now renamed BUILD Transportation grants.

•As with previous rounds of TIGER, funds for the FY2018 BUILD Transportation program are to be awarded on a competitive basis for projects that will have a significant local or regional impact. Funding provided under National Infrastructure Investments have supported capital projects which repair bridges or improve infrastructure to a state of good repair; projects that implement safety improvements to reduce fatalities and serious injuries, including improving grade crossings or providing shorter or more direct access to critical health services; projects that connect communities and people to jobs, services, and education; and, projects that anchor economic revitalization and job growth in communities.

•DOT intends to award a greater share of FY2018 BUILD Transportation grants to projects located in rural areas that align well with the selection criteria than to such projects in urban areas.

TIGER vs. BUILD

TIGER	BUILD
Merit criteria *Primary criteria* • Safety • State of Good Repair • Economic Competitiveness • Environmental Sustainability • Quality of Life *Secondary criteria* • Innovation • Partnership *Other criteria* • Demonstrated Project Readiness • Project Costs and Benefits • Cost Sharing or Matching *Additional considerations* • Geographic diversity among recipients	**Merit criteria** • Safety • State of Good Repair • Economic Competitiveness • Environmental Protection • Quality of Life • Innovation • Partnership • Non-Federal Revenue for Transportation Infrastructure Investment **Other criteria** • Demonstrated Project Readiness • Project Costs and Benefits **Additional considerations** • Geographic diversity among recipients

To Raise or not to Raise, that is the Question……

- Trump on the gas tax: President Donald Trump told Bloomberg in early 2017 that he "would certainly consider" raising the gas tax, noting that truckers trade association is in favor of it.
- For Chairman of the National Economic Council Gary Cohn floated the idea of a 7-cent increase in the gas tax in a meeting with House Republicans in late 2017.
- In a 2018 Meeting with House Transportation Chairman Bill Shuster, President Trump floated a 50 cent increase in the gas tax.

SO WHATS NEXT???

- WRDA - Passed
- FAA - Passed
- Chairman Shuster's Infrastructure Bill
- Committee Leadership
- House and/or Senate Flip?

Chairman Shuster's Vision Statement: Infrastructure Discussion Draft

- Reforming the Highway Trust Fund (HTF) but temporarily raising the gas tax before eliminating it completely.
- Strengthening Investment
- Utilizing Innovative Financing
- Accelerating Project Delivery

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THANK YOU!

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