SUDDENLY, TRYING TO FIGURE OUT WHO TO BLAME FOR OUR CRUMBLING INFRASTRUCTURE SEEMS POINTLESS...
National Association of County Engineers
“The Voice of County Road Officials”
Transportation & Infrastructure Legislative Update
North Dakota Association of County Engineers

Kevan Stone
Executive Director
National Association of County Engineers
Advocacy

Representing county 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

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NACE FLY-IN
FEBRUARY 28, 2019

• USDOT
• HOUSE T&I
• SENATE EPW
NACE LEGISLATIVE PRIORITIES

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

<table>
<thead>
<tr>
<th>Program</th>
<th>New Funding Provided</th>
<th>Percentage of New Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentives Program</td>
<td>$100 Billion</td>
<td>50 percent</td>
</tr>
<tr>
<td>Rural Infrastructure</td>
<td>$50 Billion</td>
<td>25 percent</td>
</tr>
<tr>
<td>Transformative Programs</td>
<td>$20 Billion</td>
<td>10 percent</td>
</tr>
<tr>
<td>Expansion of Existing Loan Programs</td>
<td>$20 Billion</td>
<td>10 percent</td>
</tr>
<tr>
<td>Federal Capital Financing Fund</td>
<td>$10 Billion</td>
<td>5 percent</td>
</tr>
</tbody>
</table>
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.
Where We Stand Today....
U.S. House of Representatives

Democrat: 235
Republican: 199
Where we Stand Today....

United States Senate

Republican: 53
Democrat: 45
Independent: 2 (Both I’s caucus with Democrats)
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 then House Transportation Chairman Bill Shuster, President Trump floated a 50 cent increase in the gas tax.
- House T&I Chairman Peter DeFazio has proposed a 25 cent increase phased in over a 5-year period.
So What Does it All Mean?

- Divided (literally, and figuratively) Government
- House T&I Chairman: Rep. Peter DeFazio (Oregon)
- Senate Environment & Public Works Committee Chairman: Sen. John Barrasso (Wyoming)
- Senate Commerce, Science, & Transportation Chairman: Sen. Roger Wicker (Mississippi)
Infrastructure Bill?

• President Trump, House Democrats, and Senate Republicans have all expressed interest in an infrastructure bill.

• Senate Minority Leader Schumer has stated that climate change must be addressed in any potential infrastructure bill this Congress. Speaker Pelosi echoed those statements.
Reauthorization Bill

• Aside from a possible infrastructure bill, the current surface transportation bill (Highway Bill) expires in 2021.
• This year, the House and Senate will begin hearings on what should be revised, reformed and added.
• This is time to educate your state’s members of Congress and Senators on your priorities.
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THANK YOU!

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