



BIPARTISAN POLICY CENTER

June 16, 2020

The Honorable Peter DeFazio
Chairman
House Committee on Transportation and Infrastructure
Washington, DC 20515

The Honorable Sam Graves
Ranking Member
House Committee on Transportation and Infrastructure
Washington, DC 20515

Dear Chairman DeFazio and Ranking Member Graves:

The Bipartisan Policy Center (BPC) has issued several reports on how best to fund, finance, and improve America's infrastructure systems—from highways to water to broadband.¹ With the committee poised to act to reauthorize federal surface transportation programs, we have identified several priorities we recommend for inclusion as this important legislation moves forward.

First, we commend the Chairman for including the following provisions in the draft bill, intended to:

Boost overall funding levels. The bill proposes \$494 billion in total funding from fiscal year 2021 to fiscal year 2025 for highway, highway safety, transit, and passenger rail programs, including \$411 billion in contract authority out of the Highway Trust Fund. Such stable, long-term funding is urgently needed to tackle deferred maintenance and modernize critical transportation systems. As the legislation moves forward, it is important that increased funding be coupled with pay-fors.

Make critical investments to decarbonize transportation systems and promote resiliency.

Transportation is the largest source of greenhouse gases in the country, the vast majority of which come from personal cars and trucks. The scientific consensus is that the United States must rapidly decarbonize to avoid worse climate-related impacts than those already underway. The INVEST in America Act rightly recognizes this imperative and proposes several solutions—grant programs for investments that reduce emissions, flexibility to use federal funds for electric vehicle charging infrastructure, funding for zero emissions bus grants, and much more. It would also provide funding for resilience projects, including \$6.3 billion for a formula program to fund resilience and emergency evacuation needs. In this new program, states and metropolitan planning organizations would be required to develop “infrastructure vulnerability assessments” that guide their investments. In sum, these measures clearly make emissions reductions and climate resilience key transportation priorities.

Assist in the COVID-19 recovery. With the most severe economic disruption since the Great Depression and continuity of state transportation improvement programs in doubt, the case for Congress to deliver a robustly funded infrastructure bill has never been stronger. For the first year of the proposed bill, the federal government would provide \$83.1 billion to ensure that states, cities, tribes, territories, and transit agencies can continue to administer their programs, advance projects, and preserve jobs in the aftermath of the COVID-19 pandemic. As state departments of transportation cope with severe near- and long-term revenue losses due to the COVID-19 outbreak and hemorrhage state and local government employees, this funding would preserve essential services and protect public health and the economy. Moreover, this “year one” funding would be made available at 100 percent federal share,

with about a quarter of total funding available for additional eligibilities. Such measures would help provide a strong foundation for our economy to recover and give transportation systems the resources needed to protect the public until the health threat of COVID-19 diminishes.

Connect housing and transportation. The INVEST in America Act calls for the creation of a new Office of Transit-Supportive Communities within the Federal Transit Administration to coordinate transit and housing projects within DOT and across the federal government. Given the affordable housing crisis we face, spurring increased housing development around transit hubs, particularly developments that can capture the land value of transit-oriented development, is long overdue.

Pilot congestion pricing. The bill includes a provision that allows the conversion of non-tolled lanes to variable tolling lanes if certain conditions are met and provides guardrails for the implementation of congestion pricing. With traffic buildup posing significant issues in cities across the country, advancing congestion pricing as a better alternative to standard tolling is worth the committee's continued focus and efforts.

However, while the bill would make significant progress in addressing climate change and building more resilient infrastructure, among other key priorities, we suggest several ideas to improve the proposal:

Permanently authorize FAST-41. As you know, FAST-41 created the Federal Permitting Improvement Steering Council, an interagency council empowered with new tools and resources to improve the timeliness, predictability, and transparency of federal project approvals. FAST-41 also requires the use of the online Permitting Dashboard, a website to transparently track project permits and reviews, helping hold agencies accountable to the public. Congress should remove a provision that sunsets FAST-41 in 2022. The looming uncertainty is already causing concern, creating a disincentive for project sponsors to utilize this voluntary, coordinated process.

Codify "One Federal Decision." In Executive Order 13807, the Trump administration outlined best practices for environmental reviews and permits in which a single lead agency is responsible for shepherding projects through multiagency reviews and keeping agencies to one timetable. As part of this initiative, the Office of Management and Budget was directed to set a Cross-Agency Priority goal on modernizing the process, including a new target of two years or less for processing approvals for major infrastructure projects. This includes projects across infrastructure sectors that require an environmental impact statement, need approvals from multiple agencies, and have reasonably identified requisite funding. The order also included provisions to assess process deficiencies at each agency, develop remedial action plans, bring transparency to the costs of reviews and approval delays, and add projects to the online Permitting Dashboard. The Council on Environmental Quality was made responsible for mediating interagency disputes and ensuring that multiagency reviews and authorizations are conducted simultaneously. We encourage you to codify these critical changes in your legislation and urge find common ground in commonsense permitting process reforms and improvements that do not jeopardize longstanding environmental protections.

Address the need for technical support with a capacity-building fund. Lack of capacity at the state and local levels is one of the primary barriers to adopting emerging best practices and advancing alternative methods of developing and delivering infrastructure projects. To assist applicants for federal funding and financing in meeting regulatory requirements, Congress should enact a capacity building fund of \$20 million annually.

Improve project delivery and asset management. The infrastructure crisis we face today stems from a collective and chronic failure to adequately fund, manage, and operate critical infrastructure assets, including roads, bridges, transit systems, water utilities, and other systems. Spreading best practices in project delivery and asset management could change that, generate savings, and lead to better infrastructure projects. As such, we encourage you to consider requiring applicants of federal infrastructure funding and financing to conduct comprehensive asset inventories, fully account for project life-cycle costs (including assessments of the costs and risks inherent in construction, operations, and maintenance), and analyze all potential project delivery options to assess which offers the best value for taxpayers.

Additionally, committee members have recently proposed many thoughtful amendments to improve this legislation. We wish to highlight a handful that merit your consideration and support:

- Spano Amendment 33, which would incorporate H.R. 7130, the “One Federal Decision Act,” into the legislation
- Pence Amendment 39, which would add a two-year goal for the completion of environmental impact statements
- Stauber Amendment 48, which would add a sense of Congress section relating to the need for lifecycle cost analyses
- Garcia Amendment 63, which would require certain benefit-cost analyses to take into account lifecycle maintenance costs
- DeSaulnier Amendment 89, which would establish voluntary and consensus-based value capture standards
- DeSaulnier Amendment 92, which would provide for more transparent, data-driven, and depoliticized project prioritization
- Rouda Amendment 105, which would require DOT to study the procurement of construction materials (including how such materials affect overall project lifecycle costs, sustainability, and resilience)
- Garamendi Amendment 128, which would require DOT to issue a final rulemaking related to a previously authorized pilot program to eliminate duplicative environmental rules

Perhaps most importantly, we encourage you to continue the longstanding tradition of passing bipartisan infrastructure bills. History has shown, working together to develop a single proposal—one that can garner the support of both Democrats and Republicans on your committee—greatly increases the likelihood of becoming law.

Thank you for your time.

Sincerely,

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ⁱ For reference, see: Bipartisan Policy Center, “A Roadmap for the Last Gas Tax Increase,” January 2020. Available at: <https://bipartisanpolicy.org/report/a-roadmap-for-the-last-gas-tax-increase/>; Bipartisan Policy Center, “Bridging the Gap Together: A New Model to Modernize U.S. Infrastructure,” May 2016. Available at: <https://bipartisanpolicy.org/report/modernize-infrastructure/>; Bipartisan Policy Center, “Putting Private Capital to Work in Rural Infrastructure,” September 2017, Available at: <https://bipartisanpolicy.org/report/putting-private-capital-to-work-in-rural-infrastructure/>; Bipartisan Policy Center, “Safeguarding Water Affordability,” September 2017. Available at: <https://bipartisanpolicy.org/report/safeguarding-water-affordability/>.