



## SUMMARY OF KEY PROVISIONS OF PRESIDENT'S INFRASTRUCTURE PROPOSAL: "REBUILDING INFRASTRUCTURE IN AMERICA"

The President released his long-awaited infrastructure plan today with his FY 19 Budget proposal. Most of the core structure of the plan have been revealed over the last year, but to hit the highlights, here's the breakdown of the proposal in terms of funding, key policy proposals and workforce development provisions. Below is a summary of key provisions.

### **FUNDING PROVISIONS**

**\$200 billion in funding over 10 years, proposed to leverage a total of \$1.5 trillion:**

#### Incentive Program

**Funding:** \$100 billion

**Eligibility:** surface transportation (roads, bridges, transit) airports, passenger rail, ports, waterways, flood control, water supply, hydropower, water resources, drinking water facilities, wastewater facilities; stormwater facilities, Brownfield and Superfund sites;

**Lead Agencies:** DOT, Army Corps and EPA; \$100 billion would be divided amongst these three agencies but does not specify amounts; other agencies can petition these three to transfer funds

**Details:** competitive discretionary grant program; requires applicants to come to the feds with @80% of project funded with State, local or private sector funds; Federal government is a "completer" not a primary investor.

#### Rural Infrastructure Program

**Funding:** \$50 billion

**Eligibility:** surface transportation (roads, bridges, transit), airports, rail, maritime and inland waterway ports, broadband and other high speed data and communication conduits, drinking water facilities, wastewater facilities, stormwater facilities, land revitalization and brownfields, power and electric governmental generation, transmission and distribution facilities, water resources, flood risk management, water supply, waterways

**Lead Agency:** Commerce

**Details:** Block grants 80% to Governors and Territories by formula for projects in areas with population less than 50,000; 20% for rural performance grants, a discretionary grant program open to States; set-aside for tribes for tribal transportation program at DOT and DOI; .



## SUMMARY OF KEY PROVISIONS OF PRESIDENT'S INFRASTRUCTURE PROPOSAL: “REBUILDING INFRASTRUCTURE IN AMERICA”

### Transformative Projects

<b>Funding:</b>	\$20 billion
<b>Eligibility:</b>	transportation, clean water, drinking water, energy, commercial space and broadband but not limited to these categories. For bold, exploratory and groundbreaking projects that significantly improve performance, safety, reliability, frequency and service speed; substantially reduce user costs for services; introduce new types of services and improve services based on other related metrics. Three tracks of investment: demonstration (up to 30% of eligible costs); project planning (up to 50% of eligible costs) and capital construction (up to 80% of eligible costs).
<b>Lead Agency:</b>	Commerce with interagency selection committee of other agencies
<b>Details:</b>	competitive grants

### Infrastructure Finance Programs:

<b>Funding:</b>	\$20 billion (\$14 billion for expansion of existing credit programs; \$6 billion for expansion of PABs)
<b>Eligibility:</b>	Expansion of existing federal credit programs: <b>TIFIA</b> – Transportation Infrastructure Finance and Innovation Act – expanded to include waterways, ports and airports <b>RRIF</b> – Railroad Rehabilitation and Improvement Financing – expanded to include short line freight and passenger rail <b>WIFIA</b> – Water Infrastructure Finance and Innovation Act – expanded to include non-federal flood mitigation, navigation and water supply; remediation of water quality contamination at brownfield and superfund sites, and federal de-authorized water resources projects <b>RUS</b> – Rural Utilities Service Program – USDA lending program <b>PABs</b> – Private Activity Bonds – expands and modifies eligibility; expanded: docks, wharves, maritime and inland waterway ports, waterway infrastructure including dredging and navigation improvements, hydroelectric power generating facilities and three new categories; flood control and stormwater facilities, rural broadband service facilities and environmental remediation costs on brownfield and superfund sites. Require a public attribute test to get tax exemption; eliminate AMT preference on PABs, remove state volume caps on PABs Lead Agencies: DOT, Army Corps, EPA, Agriculture



## SUMMARY OF KEY PROVISIONS OF PRESIDENT'S INFRASTRUCTURE PROPOSAL: "REBUILDING INFRASTRUCTURE IN AMERICA"

### Federal Capital Financing Fund

**Funding:** \$10 billion to capitalize a revolving fund  
**Eligibility:** Federal agencies use funding to finance large dollar real property purchases; agencies repay the fund using discretionary appropriations; operates like capital budget but within traditional budget rules.

### Public Lands Infrastructure

**Funding:** From half of additional revenues from energy development on public lands to pay for capital and maintenance needs of public lands infrastructure up to \$18 billion to create an Interior Maintenance Fund.  
**Lead Agency:** Interior  
**Details:** Discretion of Interior to use funds to address deferred maintenance and capital needs for infrastructure for national parks and wildlife refuges.

### HIGHWAY TRUST FUND STABILIZATION

Proposal does not address the impending bankruptcy of the Highway Trust Fund in FY 2020. Accompanying FY 19 budget documents envision devolution of the Highway Trust Fund.

### PAY-FORS

The proposal does not propose any revenue raisers for the \$200 billion of Federal investment. The accompanying FY 19 budget document proposes cuts to domestic spending programs, including existing infrastructure programs such as Transit Capital Investment Grants and TIGER programs, to offset the proposed expenditure.

### POLICY PROVISIONS

**The proposal contains many provisions proposing policy changes to federal infrastructure development in surface transportation and aviation modes, water infrastructure programs, Superfund/brownfield reforms and flexibility to the Department of Veterans Affairs on use of real property and leases.**

#### Highlights:

Tolling Flexibility: allow States flexibility to toll existing Interstates and reinvest toll revenues in infrastructure  
Flexibility for States to Commercialize Interstate Rest Areas – currently prohibited; requires revenues to be reinvested in corridor in which they are generated  
Reducing Federal Requirements for Projects with Low Federal Share  
Provisions to expand utilization of State Infrastructure Banks



## **SUMMARY OF KEY PROVISIONS OF PRESIDENT'S INFRASTRUCTURE PROPOSAL: “REBUILDING INFRASTRUCTURE IN AMERICA”**

Allow accelerated construction with Airport Improvement Program (AIP) funds  
Authorize clean water revolving fund for privately owned treatment facilities  
Authorize user fee collection for no more than 10 Army Corps public facilities to incentivize infrastructure partnerships  
Create a Superfund Revolving Loan and Grant Program

### **FEDERAL PERMITTING REFORM PROVISIONS**

One Agency, One Decision Environmental Review structure  
Reducing inefficiencies in environmental reviews  
Streamline and Expand Delegation of NEPA to States  
Performance Based Pilot – up to 10 projects  
Reforms judicial review standards for environmental reviews

### **WORKFORCE DEVELOPMENT PROVISIONS**

Expand Pell Grant Eligibility to short term programs leading to certification or credential  
Reform Career and Technical Education (CTE) programs  
Reform Federal Work Study program for college students  
Reform licensing requirement for infrastructure project jobs