

A \$1 Trillion Infrastructure Package Will Only Get You \$500 Billion Worth of Stuff Without Permitting Reform

Tuesday, President Donald Trump released his FY 2018 budget. Within the budget the administration included a [fact sheet](#) containing key principles for the president's \$1 trillion infrastructure plan. On a call with reporters, Transportation Secretary Elaine Chao said the administration expects more details to be forthcoming, including a legislative package later this year, but described the fact sheet as "the main key principles." Within the fact sheet, the president proposes overhauling the nation's permitting process. Reforming the federal permitting process is a key tenet in achieving the president's \$1 trillion infrastructure goals. The Trump administration and Congress are beginning discussions about how and when to move forward with an infrastructure package. Permitting reform is crucial for this type of pro-growth legislation.

Delays in project delivery due to lengthy administrative procurers contribute directly to the American Society of Civil Engineers rating the status of our nation's infrastructure as a D+. For example, in 1931 the Empire State Building in New York City was fully constructed in one year and 45 days. Yet, 83 years later in 2014 it took eight years of wrangling for the City and County of Denver to finally secure a permit under the National Environmental Policy Act (NEPA) to revitalize Denver's Union Station. Delays like the ones in Denver have significant impacts on both public and private dollars invested in infrastructure. Direct project costs creep upward if the cost of labor, services and materials go up during times of permit application. Additionally, a significant amount of resources are often spent defending a project in litigation for alleged environmental impacts it could cause. A report by the nonprofit organization [Common Good](#) estimated the cost of delaying the start of all U.S. public infrastructure projects by six years to be \$3.7 trillion. Additionally, there are nonmonetary public costs associated with permitting delays for infrastructure projects. Older existing facilities can be less environmentally responsible and are prone to maintenance issues. The Bipartisan Policy Center (BPC) recently held a discussion entitled "\$1 Trillion for Infrastructure? Balancing Public and Private Sources." During the program, American Investment Council (AIC) President and CEO Mike Sommers, a panelist in the discussion, stated several times he sees backlogs in the federal permitting process being the largest barrier to private investment in U.S. infrastructure.

Health care and immigration are deeply partisan issues. However, infrastructure investment has historically generated bipartisan buy-in. Both parties have supported major infrastructure packages and committed to finding new ways of advancing improvements to our transportation networks. If President Trump and the congressional leadership are serious about getting the most bang for their buck in infrastructure spending, they'll include substantive reforms to the federal permitting process in the forthcoming legislative package. Below are a few recommendations for Congress and the administration on how to improve the federal permitting process:

1. [Make simultaneous application review the norm, rather than an exception.](#)
2. [Consider reasonable and measured approach to citizen suit reform to prevent misuse of environmental laws.](#)
3. [Provide additional federal matches for states, localities or projects that expedite the approval process.](#)

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