

AASHTO SUMMARY OF CHAIRMAN BILL SHUSTER'S INFRASTRUCTURE PROPOSAL

On July 23, 2018, Bill Shuster, Chairman of the House Transportation and Infrastructure Committee, released his infrastructure proposal as a discussion draft. His intent is to use the draft as a way to further the discussion on the stalled federal infrastructure package by addressing difficult issues around revenues/funding and outlining his policy priorities.

This discussion draft is not intended to be introduced as a bill, Chairman Shuster himself has said, "This discussion draft does not represent a complete and final infrastructure bill. It is meant to reignite discussions amongst my colleagues, and I urge all Members to be open-minded and willing to work together in considering real solutions that will give America the modern day infrastructure it needs."

With this in mind, full information about the proposal can be found on the House T&I Committee webpage at <https://transportation.house.gov/>, and the proposal package comprises:

- 108-page text of the [discussion draft](#)
- Three-page [vision statement](#)
- [Section-by-Section summary](#)
- Joint Committee on Taxation [estimates of certain revenue provisions](#)
- [Infographic](#) on milestones of American infrastructure
- [Video](#) on history of American infrastructure

Three key elements of Chairman Shuster's proposal include:

Highway Trust Fund Reform

The proposal seeks to permanently address revenue shortfalls in the Highway Trust Fund by creating a commission whose recommendation would receive an automatic vote in Congress. This commission shares similarities with both the SAFETEA-LU commissions (first on [policy and revenue](#) and second on [finance](#)) on policy and the Base Realignment and Closure (BRAC) Commission on binding legislative mechanism.

Increased Surface Transportation Funding

In addition to extending the FAST Act by one year, the proposal would repeal the \$7.6 billion rescission of unobligated highway contract authority scheduled for July 2020. In terms of revenue, it seeks to increase federal motor fuel taxes on gasoline and diesel by 15 and 20 cents, respectively, then indexing for inflation. These taxes would be completely phased out after ten years and replaced with a mechanism recommended by the Commission. There would be new levies on electric vehicles and bicycles, and revocation of fuel tax exemptions from transit vehicles. On the spending side, the plan permanently authorizes the TIGER/BUILD discretionary grant program, authorizes general fund support for surface transportation seen in FY 2018 appropriations, creates additional project-specific grant programs that receive Congressional approval like INFRA, ensures spending levels are brought up to receipts out of the Harbor Maintenance Trust Fund, and provides \$10 million in seed money for a national-level VMT/RUC pilot program.

Streamlining Project Delivery and Creating New Financing Programs

The proposal seeks to continue improvements in project delivery by speeding up the environmental review and permitting process. It enshrines the “One Federal Decision” [executive order](#) from the Trump Administration, and seeks to expand categorical exclusion under NEPA to apply to all transportation projects (beyond just highway and multimodal projects). In addition, the proposal aims to increase the number of financing tools by setting up a public-private partnership framework and a revolving fund for federally-owned assets, and allowing some of the TIGER/BUILD monies to be used as “bonus payment” in asset recycling deals. It would also put the Build America Bureau at USDOT in charge of both federal financing support and overseeing project delivery.

Beyond the specifics on revenue mechanisms, many of the key concepts examined in Chairman Shuster’s proposals—fixing the Highway Trust Fund permanently, increasing surface transportation investment and repealing the rescission, and further improving project delivery—are consistent with [AASHTO’s policy positions](#), and would represent critical features of any successful infrastructure solution at the federal level.