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From:	Senator Blunt Press Office
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UNITED STATES SENATOR FOR MISSOURI

For Immediate Release
June 16, 2015

Contact: Press Office, (202) 224-1403

U.S. SENATE

Senators Blunt, Warner Introduce Bipartisan Infrastructure Bill

WASHINGTON, D.C. – U.S. Senators Roy Blunt (Mo.) and Mark Warner (Va.) led a bipartisan coalition of 11 Senators in introducing legislation to establish a new infrastructure financing authority to help states and localities better leverage private funds to build and maintain the nation's outdated infrastructure.

The *Building and Renewing Infrastructure for Development and Growth in Employment (BRIDGE) Act* helps to address the nation's alarming investment shortfall in maintaining and improving our transportation network, water and wastewater systems, and energy infrastructure. The legislation would provide an additional financing tool for states and localities to create new jobs here at home while also increasing our nation's economic competitiveness.

"Infrastructure has long been an integral part of our economy. Across Missouri and the nation, our farmers, ranchers, manufacturers, and workers rely on strong infrastructure and transportation systems to move goods and services as quickly as possible," Blunt said. "By working together on this bipartisan legislation, we can provide a new tool to help finance infrastructure projects, create good-paying jobs, and position American businesses, large and small, to succeed in the global market."

The BRIDGE Act, introduced by lead sponsors Blunt and Warner, is co-sponsored by U.S. Senators Richard Blumenthal (Conn.), Chris Coons (Del.), Kirsten Gillibrand (N.Y.), Lindsey Graham (S.C.), Mark Kirk (Ill.), Amy Klobuchar (Minn.), Claire McCaskill (Mo.), Thom Tillis (N.C.), and Roger Wicker (Miss.). The legislation has the support of a wide variety of stakeholders and industry groups, including the Transportation Construction Coalition, American Association of Port Authorities, American Trucking

Association, American Society of Civil Engineers, and the Bipartisan Policy Center.

America currently spends only 2 percent of its GDP on infrastructure – about half what it did 50 years ago. By comparison, Europe spends around 5 percent and China spends 9 percent of GDP on infrastructure. According to the World Economic Forum's Global Competitiveness Report, the United States currently ranks 12th among 144 developed countries in overall infrastructure compared to our global competitors.

The American Society of Civil Engineers estimates that we need to invest an additional $1.6 trillion in our nation's infrastructure to bring it to a good state of repair. For example, as of 2012, of the more than 600,000 bridges in the U.S., 24.9 percent were either functionally obsolete or structurally deficient. Nationally, our bridges are, on average, 42 years old, and need an estimated $76 billion to repair and replace. Similarly, the average age of the 84,000 dams in the country is 52 years old, and the Association of State Dam Safety Officials estimates that aging and high-hazard dams require an investment of $21 billion to repair.

Likewise, the Federal Highway Administration reported in 2012 that approximately one-fifth of our nation's major highways – 182,872 miles' worth of road – were in poor or mediocre condition and in need of repaving or even more substantive repairs. According to ASCE, 42 percent of our major urban highways are congested, which costs the economy an estimated $101 billion in wasted time and fuel annually. Currently, the Federal Highway Administration estimates that $170 billion in capital investment would be needed on an annual basis to significantly improve conditions and performance.

To help address this funding shortfall for our nation's transportation, water and energy infrastructure, the BRIDGE Act will establish an independent, nonpartisan financing authority to complement existing U.S. infrastructure funding. The authority would provide loans and loan guarantees to help states and localities fund the most economically viable road, bridge, rail, port, water, sewer, and other significant infrastructure projects. The authority would receive initial seed funding of up to $10 billion, which could incentivize private sector investment and make possible $300 billion or more in total project investment. The authority is structured in a way to make it self-sustaining over time without requiring additional federal appropriations.

<u>Key Provisions in the BRIDGE Act:</u>

The BRIDGE Act establishes independent, non-partisan operations:

Having project finance experts in-house will help states and localities go toe-to-toe with private sector partners to ensure that taxpayers are getting good value for our investments through public-private partnerships. The Authority would operate independently of existing federal agencies, led by a Board of Directors with seven voting members and a CEO, all of whom would be required to demonstrate proven expertise in financial management and be confirmed by a vote of the Senate.

The BRIDGE Act addresses current gaps in infrastructure financing:

The infrastructure financing authority would finance no more than 49 percent of the total costs of the project in order to avoid crowding out private capital. It would offer low-interest loans and loan guarantees, subject to modest additional fees that would allow the Authority to quickly become self-sustaining over time.

The BRIDGE Act includes broad eligibility for funding:

All modes of transportation infrastructure would be eligible to apply for financing, as well as projects in the water/sewer and energy transmission sectors. Projects would have to be at least $50 million in size, and be of national or regional significance to qualify.

The BRIDGE Act would include strong rural protections:

Five percent of the financing authority's overall funding would be dedicated to projects in rural regions, and rural projects would only be required to be $10 million in size. In addition, this legislation would create an Office of Technical and Rural Assistance (OTRA) as well as regional infrastructure accelerator programs to help identify potential projects that could receive financing and build out a pipeline of viable projects. OTRA would also serve as a resource to localities seeking assistance in how to maximize public benefit of innovative financing tools.

The BRIDGE Act would streamline the permitting process for approved projects:

The legislation would direct the President to establish and update a permitting timetable for projects receiving financing through the infrastructure financing authority, and to coordinate all relevant agencies to conduct permitting reviews in concurrent fashion, thereby accelerating the approval process.

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This release was sent by the office of U.S. Senator Roy Blunt (Mo.), and therefore paid for by taxpayer dollars.

Politico: Highway cliff vexes Republicans
Burgess Everett
June 18, 2015
http://www.politico.com/story/2015/06/highway-cliff-vexes-republicans-transportation-119138.html?hp=t2_r

Congress is hurtling toward an imminent funding cliff for highways and bridges with no apparent plan to avoid a summertime construction shutdown.

There are emerging divisions between House and Senate GOP leaders, who now have fewer than six weeks to deal with a vexing highway problem that's been unsolved for seven years and costs billions just to keep on life support past July 31.

In the House, Republicans have basically given up on finding the tens of billions of dollars they'd need for a long-term fix for the nation's crumbling roads and bridges. Instead, they're mulling how to pay for the latest punt. But on the other side of the Capitol, Senate Republicans refuse to admit defeat, even though they have yet to come up with the huge sums of money they'd need for a major extension.

But blowing the deadline, which would shut down road and bridge construction projects across the nation, isn't an acceptable option for GOP leaders. So top Republicans have started combing the budget, trying to squeeze out any savings to cobble together a bill that would at least put the highway trust funds on firmer financial ground for a year or two, perhaps longer.

"There's a pathway to get this done so we don't do it again in December. It's not going to be a six-year bill, if we can do three or four years, it will be a big improvement over what we're doing," said Sen. John Thune of South Dakota, a member of party leadership who also chairs the Senate Commerce Committee.

It won't be easy. Republicans need to come up with $11 billion just to get from August until the end of year. Even then, the GOP would have to revisit highway money in the heat of the presidential race, when raising new taxes or making major spending cuts would be extraordinarily difficult.

Senior lawmakers say they are aiming for a funding bill that covers up to four years, which would cost as much as $60 billion just to extend current highway spending levels. But Democrats, along with some Republicans, argue a flat funding extension isn't nearly enough money to repair the nation's aging infrastructure.

But even extending current spending levels for a few years would be a major accomplishment and Republicans want to to avoid kicking the highway can down the road. Senate GOP leaders reason it may make more sense to take their lumps now and knock another troublesome deadline off their calendar after Homeland Security funding and the PATRIOT Act deadline tripped up Republican leaders.

But nothing is easy when lawmakers are talking about a highway and public transportation program that spends more than $50 billion a year — or about $15 billion more than the federal gas tax brings in.

Congress has failed to address that shortfall since it began in 2008, and lawmakers have instead relied on short-term patches and stopgaps. No one on Capitol Hill wants to raise the gas tax, save for a bipartisan clutch of lawmakers like Sens. Bob Corker (R-Tenn.) and Chris Murphy (D-Conn.), so how exactly Congress can find tens of billions remains the biggest problem.

Senate Republicans from a quartet of committees have been meeting privately for months in an effort to spread the burden of finding new savings beyond just the Senate Finance Committee and come up with a long-term fix.

But Republicans are unwilling or unable to share what money they have come up with thus far, beyond vague promises that there is enough money in the federal budget that can be reprogrammed or reprioritized to support the federal infrastructure program without raising taxes.