FACT-CHECKING TRUMP ADMINISTRATION CLAIMS REGARDING INFRASTRUCTURE ENVIRONMENTAL REVIEW AND PERMITTING

Prepared by Committee on Transportation and Infrastructure Democratic Staff

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MYTH: The permitting process for infrastructure projects takes 10 years to complete.

- "We're really speeding up the process. We're going to try to take [the highway environmental review and permitting] process down from a minimum of ten years down to one year."
 - —President Donald Trump, April 4, 2017
- "It should not take ten years to get approvals for a very small, little piece of infrastructure. And it won't because under my Administration, it's not going to happen like that anymore."
 - —President Donald Trump, June 7, 2017
- "[T]he President has also made it very clear that he would like to reduce the infrastructure regulatory process from ten years to two years."
 - -Secretary Elaine Chao, June 15, 2017
- "President Trump's regulatory reforms will spur growth and investment. In order to jumpstart investment, the President aims to dramatically reduce permitting time for these infrastructure projects from ten years to two years and to get a "yes" or "no" quickly by slashing regulations."
 - —White House Blog, President Trump's Plan to Rebuild America's Infrastructure

FACT: The permitting process for infrastructure projects does not take <u>anywhere close</u> to 10 years to complete.

According to the Council on Environmental Quality (CEQ), the overwhelming majority of federal projects that require environmental review—approximately 95 percent—proceed under a Categorical Exclusion (CE), and are exempt from the most rigorous types of environmental review. Less than one percent of projects require the preparation of an Environmental Impact Statement, the most detailed review document. Even among the less than one percent of projects that require detailed environmental reviews, the average time to complete these reviews is less than five years. For the few projects that require the most detailed level of environmental review, the average review time is less than half of what the Trump Administration claims. For the remaining 99% of projects, the process is significantly shorter.³

³ Ibid.

¹ Whitehouse.gov Blog. "President Trump's Plan to Rebuild America's Infrastructure." June 8, 2017.

https://www.whitehouse.gov/blog/2017/06/08/president-trumps-plan-rebuild-americas-infrastructure

² U.S. Government Accountability Office. "National Environmental Policy Act: Little Information Exists on NEPA Analyses. April 2014. http://www.gao.gov/assets/670/662543.pdf

MYTH: Environmental regulations and permitting, rather than a lack of funding, are the biggest impediments to infrastructure investment in the United States.

- "[T]he problem is not money. It's the delays caused by government permitting processes that hold up projects for years, even decades, making them risky investments. That's why a critical part of the President's infrastructure plan will include common-sense regulatory, administrative, organizational, and policy changes that will encourage investment and speed project delivery."
 - —Secretary Elaine Chao, March 29, 2017
- "The biggest problem on infrastructure right now is not the money, it's the regulatory issues. Things are just stuck in either a state system or a federal system." 5
 - —Treasury Secretary Steve Mnuchin, March 24, 2017

FACT: A lack of adequate government funding is, by far, the biggest barrier to rebuilding America's infrastructure.

Infrastructure experts agree that the primary barrier to rebuilding the Nation's decaying infrastructure is a lack of funding. Study after study has found that <u>environmental regulations are not the problem; lack of funding is the problem</u>. A 2016 report, commissioned by the U.S. Department of the Treasury, identified 40 economically significant transportation and water projects whose completion has been slowed or is in jeopardy. The report found that "a lack of public funding is <u>by far</u> the most common factor hindering the completion of transportation and water infrastructure projects" (emphasis added). Further, the report found that delays resulting from environmental review and permitting were identified as a challenge to completing less than a quarter of the projects.

Studies by the American Society of Civil Engineers⁷, American Water Works Association⁸, and National Waterways Foundation⁹, among others, all focus on the lack of funding as a major barrier to investment in our Nation's infrastructure. None of those studies cites environmental review or permitting as the primary barrier to investment.

2

⁴ Transportation.gov. "Remarks Prepared for Delivery by U.S. Secretary of Transportation Elaine L. Chao, U.S. Department of Transportation, 50th Anniversary Open House." March 29, 2017.

⁵ Politico. "Morning Transportation," March 23, 2017. http://www.politico.com/tipsheets/morning-transportation/2017/03/what-the-health-care-implosion-means-for-infrastructure-219441

⁶ AECOM, Compass Transportation Inc., Raymond Ellis Consulting, and Rubin Mallows Worldwide Inc. "40 Proposed U.S. Transportation and Water Infrastructure Projects of Major Economic Significance". Fall 2016.

⁷ American Society of Civil Engineers, "2017 Infrastructure Report Card." https://www.infrastructurereportcard.org

⁸ American Water Works Association. "Buried No Longer: Confronting America's Water Infrastructure Challenge." http://www.awwa.org/Portals/0/files/legreg/documents/BuriedNoLonger.pdf.

⁹ National Waterways Foundation. "Costs of Project Delays. An Estimate of Foregone Benefits and Other Costs Related to Schedule Delays of Inland Waterway Projects."

http://www.nationalwaterwaysfoundation.org/study/HDRstudy.pdf

MYTH: Gutting environmental protections will save hundreds of billions of dollars in government waste.

- "Economists say cutting the time to make decisions on roads, bridges, and ports from ten years to two could reduce costs by as much as \$427 billion over six years." 10
 - —Secretary Elaine Chao, April 5, 2017

FACT: The claim that \$427 billion will be saved by cutting the environmental review process is not supported by any serious economic analysis.

The phony cost "savings" cited by President Trump and members of his Administration are based on a misleading September 2015 report, "Two Years Not Ten Years: Redesigning Infrastructure Approvals". This report, the assumptions and conclusions of which are wildly inaccurate, was not produced by academic research, rather it was developed by anti-regulatory lawyer Philip Howard, who is employed by the lobbying law firm Covington & Burling.

Transportation and Infrastructure Committee Ranking Member Peter DeFazio requested a review of "Two Years Not Ten Years" by the Congressional Research Service (CRS) in order to examine some of the report's most outrageous claims. The full CRS analysis is available here.

In fact, the six-years of "avoidable" environmental review delays, which "Two Years Not Ten Years" assumes that every project experiences, simply does not exist. In its analysis, CRS determined that "there is no evidence that infrastructure projects or some proportion of most projects are delayed by six years." ¹¹

In addition, the report's assumptions about the causes of congestion, the permitting process, and costs attributed to delays demonstrate a profound misunderstanding of the infrastructure approval process in the United States. A full account of the myriad of inaccuracies contained in the "Two Years Not Ten Years" calculation is available on page 7 of the CRS analysis.

¹⁰ Transportation.gov. "American Association of Port Authorities Federal-State Relations Meeting, Remarks Prepared for Delivery by U.S. Secretary of Transportation Elaine Chao." April 5, 2017.

< https://www.transportation.gov/briefing-room/04052017-american-association-port-authorities-federal-state-relations-meeting>

¹¹ Congressional Research Service Memorandum, "Questions regarding the report Two Years Not Ten Years: Redesigning Infrastructure Approvals." June 7, 2017.