



# An Uncertain Yet Hopeful Legislative Outlook

BY STACY COLLETT

**HOW WILL A DEMOCRATIC-CONTROLLED HOUSE, A REPUBLICAN SENATE AND A TRUMP WHITE HOUSE MOVE FORWARD ON INDUSTRY ISSUES?**

**N**ovember's midterm elections ushered in a Democratic-controlled House, a Republican Senate and a White House embroiled in controversy for 2019. It also brought another round of uncertainty over what Congress can accomplish on major industry issues over the next two years.

Will Democrats and Republicans work together as promised? What will become of the Fixing America's Surface Transportation (FAST) Act, and what funding options have the best chance of passing both chambers of Congress?

Some Member Firms remain optimistic that industry goals can be achieved given the bipartisan support for national infrastructure that is in desperate need of repair. Many newly elected lawmakers are also eager to make their mark. With any administration, however, priorities can change quickly.

President Donald Trump planned to spend \$200 billion in federal funds to invest in the country's infrastructure, part of a \$1.5 trillion infrastructure proposal announced in February 2018, but the plan stalled by summer, with no progress made before the midterm elections.

Congress did manage to pass several key pieces of infrastructure legislation this year. The five-year FAA Reauthorization Act of 2018, signed in October 2018, provides \$3.35 billion annually for the Airport Improvement Program and creates a new \$1 billion grant program for small and medium-sized airports. The legislation keeps programs such as the \$36 billion NextGen air transportation system modernization program afloat and pays the FAA's 14,000 air traffic controllers. It also tweaks airline regulations, sets additional guidelines for drone aircraft, provides funding for the Transportation Security Administration, and even expands requirements for the use of Qualifications-Based Selection at the request of ACEC. America's Water Infrastructure Act of 2018, also signed in October 2018, authorizes water resource projects and policies nationwide to be administered by the U.S. Army Corps of Engineers and authorizes over \$6 billion in federal spending on ports, harbors and waterways. The bipartisan bill passed the Senate 99-1.

Transportation and other infrastructure program funding for 2018 got a big boost in 2016 when Republicans and Democrats agreed to increase the budget caps for both defense spending and



domestic spending. However that ends in 2019, leaving future transportation and infrastructure funding at the forefront of debate. The FAST Act, which passed by large majorities in both the House and Senate and was signed by President Barack Obama in December 2015, aims to provide federal funding for roads, bridges, transit and rail infrastructure. But the Highway Trust Fund, which funds FAST, is running out and needs funding sources.

Can the new Congress work together to move industry projects forward? *Engineering Inc.* spoke with government affairs leaders at ACEC Member Firms to gather some perspective.

### BIPARTISANSHIP IS KEY

"If there is an effort on bipartisanship, then infrastructure comes to the forefront. It is a bipartisan issue to begin with," says Cathy Connor, senior vice president and director of federal government affairs at WSP USA. "Everyone agrees on the magnitude of the needs, maybe not the priority of the needs, but the magnitude," she says.

The newly elected lawmakers are younger and more gender and ethnically diverse than the typical freshman class, Connor adds. "It seems to be a pretty energetic group of people who are going to want to come in and make some moves fairly quickly and show results."

According to Connor, transportation funding and the future of the FAST Act could play out in several different ways. "Will it be essentially an advanced FAST Act or doing the FAST Act early and pumping more money into the existing program with some level of tweaks?" says Connor. "Or are we talking about resurrecting the Trump administration's infrastructure proposal, which was a very different approach favoring state and local matching funds and limiting federal funds?"

If the reauthorization of surface transportation programs under the FAST Act does move forward, House and Senate members must agree on how to fund it, a perennial sticking point. There is a lot of renewed interest among some key Democrats to pass infrastructure funding, according to Connor. These include Rep. Earl Blumenauer, D-Ore., a member of the House Ways and Means



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Committee, and Rep. Peter DeFazio, D-Ore., incoming chairman of the House Transportation and Infrastructure Committee.

“These two key players have been talking about how they want to kick off a major effort to identify additional dedicated revenue for the Highway Trust Fund,” says Connor. “However, history tells us that the Democratic leadership in Congress has not been any more willing to vote for a federal gas tax increase than Republicans.”

### FEELING OPTIMISTIC

“We are getting a pretty consistent, optimistic view on at least a start on an infrastructure package from Congress,” says Brian Tynan, corporate vice president of government relations at AECOM. “The signals that we are getting from Republicans, President Trump and the incoming Democratic leaders in the House is that nearly everybody wants to do a big infrastructure package, but it may not look like the trillion-dollar package that was originally proposed because the FAA Reauthorization and Water Infrastructure bills were already passed,” he says.

“The fundamental challenge is to have a long-term, sustainable, user-oriented solution to the Highway Trust Fund, whether it is a gas tax or vehicle miles-traveled tax,” Tynan says. “Most folks in the transportation field recognize that there should be a user nexus or connection to the revenue stream coming in and not a revenue stream that has nothing to do with transportation,” he says.

If Congress reauthorizes the FAST Act, Tynan expects a focus on innovation. “We need to address issues such as connected and autonomous vehicles. It is an ever-changing issue that is almost impossible for legislation to stay ahead of, but where legislation can help foster it and allow it to grow and provide things like the spectrum that is necessary. That leads into other issues like safety.”

Is the new divided Congress, with many young freshman members, up to the challenge? “That remains to be seen,” Tynan says. “Some of that is dependent upon the industry getting out there and educating the new members of Congress and letting them know about the needs that exist, the challenges and the solutions. I am an eternal optimist, and I believe that the engineering and infrastructure community at large need to be optimistic and enthusiastic about moving the ball forward. If not us, then who?”

### FUNDING WILL COME FROM SEVERAL SOURCES

Advocating for funding of the Highway Trust Fund is a top priority for Jacobs Engineering Group, according to Matthew Chiller, vice



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JACOBS ENGINEERING GROUP

president of federal government relations. “We have to protect it and shore it up for the long run,” he says. Chiller hopes that there is a robust conversation that includes engineers and others to talk about the impact some of these different revenue-raising solutions would have and what they would mean for America’s transportation network.

Chiller believes that funding for the trust fund will come from several sources and not just one.

“It has to be a combination because there are so many critical stakeholders who have their own opinions and are going to push a wide variety of bond-related options and road-usage charge options, combined with folks who are looking to expand opportunities for public-private partnerships, infrastructure accelerators—I think you are going to see everything.”

Chiller says he supports a gas tax increase at a reasonable amount, for solvency. “It is too early to speak to whether or not we are going to see a gas tax increase in 2019 based on the conversations we are having with policymakers,” he says. “But a truly transformative infrastructure package is going to be funded through some sort of combination.”

He also supports the idea of a distance-based road usage charge. “We believe in ensuring that the state pilots are enabled and that states are given the money and freedom to pursue additional pilots,” says Chiller. “It is a viable option that is working all across the country, and many in Congress are working to push that forward.” ■

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### ACEC/PAC Raises Over \$1 million For Third Year in a Row

At the time of this printing, more than \$1 million in 2018 donations has been received by ACEC/PAC for the third consecutive year.

The March/April 2019 issue of *Engineering Inc.* will present its annual ACEC/PAC review, which will include final 2018 fundraising totals, innovative fundraising strategies used by state ACEC/PAC Champions, and a complete list of all 2018 ACEC/PAC contributors.