



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 29, 2020
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2 - Moving Forward Act

The Administration opposes House passage of H.R. 2, the Moving Forward Act. The Administration strongly supports improving the Nation's infrastructure, but this bill is problematic for several reasons. It is heavily biased against rural America. It also appears to be entirely debt-financed. And it fails to tackle the issue of unnecessary permitting delays, which are one of the most significant impediments to improving our infrastructure. Further, instead of taking a balanced approach that would benefit more Americans, H.R. 2 is full of wasteful "Green New Deal" initiatives that would impede economic growth and impose unnecessary mandates, hindering innovation and driving up costs for the American people.

The proposals in H.R. 2 significantly favor America's cities at the expense of rural America. The centerpiece of this legislation is a nearly \$500 billion, five-year surface transportation reauthorization that is heavily skewed toward programs that would disproportionately benefit America's urban areas. The bill would divert more Highway Trust Fund resources to non-highway projects and provide its largest funding increases to transit and rail programs, which have seen declining market shares in recent years. It would also limit the ability to build new roads and bridges or rebuild and modernize existing road and bridge capacity, while at the same time creating numerous other programs that benefit only urban areas.

Second, the proposals in H.R. 2 appear to be financed solely by the government taking on additional debt. The Administration supports some of the bill's investments in transportation and broadband infrastructure. It is concerned, however, about how the Government would pay for the suite of proposals set forth in H.R. 2. In the President's Budget, the Administration signaled a willingness to work with Congress to offset the cost of bipartisan infrastructure legislation. H.R. 2, however, lacks reference to any of the Budget's numerous cost-saving proposals to address ineffective, inefficient, or outdated programs.

Third, H.R. 2 does not address one of the biggest roadblocks to improving the Nation's infrastructure: unnecessary permitting delays. Many projects involving the construction of roads, bridges, highways, transmission lines, conventional and renewable energy projects, broadband deployment, and water infrastructure must undergo multi-year Federal environmental reviews before they can proceed. For highway projects, it takes more than seven years to complete these reviews, on average, and many projects have involved permitting processes that have taken more than a decade to complete. Unnecessary delays increase costs, imperil

financing, threaten jobs for American workers, and deprive hardworking families in communities across the Nation of the benefits that modernized infrastructure could bring, such as safer roads and bridges, reduced congestion, expanded access to job markets, improved air and water quality, and economic growth.

Finally, this bill's creation of numerous new transportation grant programs would roll back cost-saving program consolidations and take Federal transportation policy in the wrong direction. Several of these new grant programs would tie funding to implementation and reporting requirements for which many States lack the resources, and they would also roll back the flexibility and streamlining gains of recent infrastructure legislation.

Infrastructure has traditionally been an issue where both parties have found common ground. As recently as last year, the Senate Environment and Public Works Committee unanimously passed a highway reauthorization bill. The Nation needs a back-to-basics, bipartisan plan to move its infrastructure into the 21st century, one that focuses on streamlining project delivery; providing flexibility for States, localities and the private sector; providing long-term funding certainty; accelerating innovation; and right-sizing the Federal role. The Administration continues to stand ready to work with Congress to pass much needed bipartisan infrastructure legislation.

President Trump has consistently supported bold new investment to rebuild and modernize the Nation's infrastructure, strengthen our economic competitiveness, and support well-paying jobs. During his Administration, he has repeatedly called on Congress to send him bipartisan infrastructure legislation. Unfortunately, H.R. 2 is not a serious proposal and fails to answer his call.

If H.R. 2 were presented to the President, his advisors would recommend that he veto the bill.

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