

STATEMENT OF CHAIRMAN ROB PORTMAN
U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
Oversight of Federal Infrastructure Permitting and FAST-41
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Our nation's construction projects play a critical role in every American's day-to-day life.

It's the ports and waterways we use for international commerce.

It's other water resource projects to stop flooding from storm surges.

It's energy construction, from solar power plants to pipelines to nuclear power plant construction.

It's coastal restoration that supports the environment.

It's also broadband internet access throughout the country, which allows many Americans to advance their education and rise in the workforce.

Delays and lack of investment in national infrastructure and construction projects have a number of damaging consequences.

It means fewer jobs.

It means a weaker economy and a reduced standing in the world.

It means we are not making progress on major projects and capital is going elsewhere.

It's hurting our economy and our ability to create good-paying jobs.

And one of the reasons we're having so much trouble is our outdated process for granting federal permits for large scale projects.

Everyone is desperate to find federal dollars for infrastructure. Reducing the inefficiencies in permitting is a smart way to stretch the dollars we invest.

The World Bank ranks the United States 26th in the world for dealing with construction permits.

That puts us behind Lithuania and Tonga.

That's better than 39th, which is where we were two years ago—before FAST-41 was fully implemented—but that's still a long way from number one.

Similarly, in its *2017 Infrastructure Report Card*, the American Society of Civil Engineers gave the United States a “cumulative GPA” of D+ ranging “from a B for Rail to D for roads.”

One reason we are behind is that it takes so long to permit a project in the United States.

We can do better than this. And we have to do better. Otherwise, capital will continue to go elsewhere.

Let me be clear: We can fix the permitting process without necessarily changing the underlying environmental and safety standards.

Protecting the environment and protecting people who use our infrastructure is critical.

We need strong standards.

But the process we use to meet those standards has become too complicated and outdated.

Almost 10 years ago, I learned how complicated the process can be.

I heard from a company called American Municipal Power, or “AMP” in Ohio.

AMP was working on a hydropower project on the Ohio River.

They told me that the agencies reviewing their permit applications didn’t talk to each other, resulting in mistakes, delays, and redundancies.

It took AMP 10 years to get the permits they needed to move forward with their hydropower project. Ten years!

Capital just isn't that patient—no one wants to invest in a project that won't be shovel ready for a decade.

So I reached out to Senator McCaskill and we did what legislators are supposed to do: we worked closely with each other and the whole array of stakeholders who have interests in the permitting process.

We worked with environmental groups like the NRDC to business groups like NAM, to labor groups like the AFL-CIO Building Trades Council.

We introduced a bipartisan bill called the Federal Permitting Improvement Act, which is now called FAST-41.

FAST-41 created the Federal Permitting Improvement Steering Council, which is comprised of representatives from all of the major permitting agencies.

Large projects apply to get help from the Council in navigating the permitting process.

The agencies involved in that project designate a lead agency so a project sponsor can have a single point of contact. And the agencies come up with a Coordinated Project Plan.

That plan sets out each permit, all the studies needed, and a timeline for completion.

And then, as the process moves along, the Council's Executive Director—who's here with us today—resolves conflicts that arise between the agencies.

The law gives accountability, too.

Agencies have to post a project's plan on the online Permitting Dashboard so the public can see how the permitting process is going.

And by the way—FAST-41 doesn't guarantee a project will be approved.

It just helps them get an answer, one way or the other.

It also reduces the statute of limitations for lawsuits. The NEPA statute of limitations for most projects is six years—that means that for six years after permits are granted, the project can't really get started because a lawsuit might stop it.

For covered projects, it's two years—which is still longer than the 150 days for some transportation projects. Both the FAST-41 two year limitation and the MAP-21 150-day statute of limitation were carefully crafted, bipartisan agreements signed into law under the Obama Administration.

And I've got good news: FAST-41 is working.

Over the last few years, the Council has saved projects more than \$1 billion in avoided delays. There are now **40 projects** on the Permitting Dashboard, and more new sponsors are interested in participating.

The Council has helped electricity transmission and pipeline projects, as well as several major environmental restoration projects.

Today, we'll hear from Laura Abram from First Solar, about how the Council assisted the Desert Quartzite project move forward with a 450-megawatt solar power development in California. First Solar, by the way, already has a big factory in Ohio, and it's building the second largest solar factory the western hemisphere in Lake Township, Ohio.

I'm also looking forward to hearing from Mike Knisley [*Nis-lee*], the Executive Secretary and Treasurer of the Ohio Building Trades. The union has been incredibly supportive of FAST-41, and we are grateful for that support.

I'm glad to see after a few years of delays that FAST-41 is going full steam ahead. I'm especially glad that the President appointed Alex Herrgott [*Her-got*] as Executive Director. After a 21-month gap in appointed executive directors, it is good to have an enthusiastic and energetic leader for the Permitting Council. And he is taking FAST-41 to the next level.

We wanted to make sure it would work, so we put a seven-year sunset clause in the original bill.

Now that it is working, Senator McCaskill and I introduced a bill last Congress to remove the sunset and give the Council's executive director the ability to give advice to other projects when asked.

It also would set a two-year goal for agencies to finish the permitting process for these projects.

It's not a hard and fast deadline; sometimes projects take longer.

But setting a goal helps inject accountability into this process.

Even with its slow start, after just three years, FAST-41 is yielding results. These results mean certainty for project sponsors, which means more certainty for investors, and more certainty that projects will be built.

That means more jobs for the people who build these projects, and it means better roads, ports, and energy transmission—all of which spur more economic growth.

It means being able to move forward faster with much-needed environmental restoration projects, like the coastline restoration projects in Louisiana, and renewable energy projects like First Solar's Desert Quartzite projects.

Thank you all for being here today. I am looking forward to hearing the witnesses' testimony about how FAST-41 is improving the process, and what we can do better going forward.