



PORTS-TO-PLAINS ALLIANCE

Securing the Benefits of Commerce to
North America's Energy & Agricultural Heartland

Staff Congressional Visit Washington, D.C. March 7 - 9, 2017

UPDATE ON STATUS OF CORRIDOR

- State Segment
- Overall Corridor

PORTS-TO-PLAINS ALLIANCE CAUCUS

- Joint House-Senate Caucus
- Valuable means of sharing information
- Helpful for joint activities
- Not time consuming
- Sends good message on importance of P-to-P Alliance Corridor
- *Ports-to-Plains Alliance urges you to join*

ISSUES FOR 115TH CONGRESS

- Fast Act Implementation
- Highway Trust Fund Insolvency
- Trump Infrastructure Proposal
- Importance of Trade to the Economy

FAST ACT IMPLEMENTATION

- No pressing issues at this point
- But we may come back in the coming months to ask for help if problems arise

HIGHWAY TRUST FUND INSOLVENCY

- Highway Trust Fund is insolvent--current user revenues cannot support current spending
- FAST ACT contained another temporary general fund bailout
- A long-term, sustainable HTF fix is a P-to-P priority
- Congress should look for opportunities in 115th Congress to fix the HTF
 - Possible legislative vehicles: big tax reform bill, modest tax reform bill, infrastructure bill, any omnibus-type budget/spending bill
- *P-to-P Urges Congress to fix the HTF this year*
- *P-to-P supports new highway user fees or increased user fees (e.g., gas tax increase) dedicated to HTF*
- *P-to-P will speak out in support of Members who take the tough vote to fix the HTF by increasing user fee revenues*

TRUMP INFRASTRUCTURE PROPOSAL

- President Trump made infrastructure a priority before the election.
 - \$1 trillion over 10 years in "core infrastructure"
 - Deficit-neutral
 - No federal funding
 - Instead, private sector financing incentivized by tax credits



- His “state-of-the-union” address last week reaffirmed his commitment to a \$1 trillion initiative to build a 21st century infrastructure
 - One noteworthy change: The President indicated that *public* and private funding would be needed
- *P-to-P supports increased investment in infrastructure*
- One major concern: as originally proposed, the Trump plan would not help rural areas
 - By relying on private sector financing, a project will need to be able to generate a revenue stream to pay back the private investors so that they can recoup their investments
 - On transportation projects, this means tolls
 - Typically, only high-volume projects in dense urban areas will be able to generate sufficient revenue through tolling
 - This means projects in rural areas will generally not qualify because rural projects won't be able to generate sufficient revenue to repay investors
 - This must be fixed
- *The original Trump Infrastructure Initiative must be modified to ensure that rural areas receive their fair share of the investment*
- *There should be an emphasis on multi-state corridors connecting rural America to urban centers and the 21st century national economy*
- It will most likely take a public investment component to make this happen
 - The President's mention of public funding in his speech is a step in right direction
- *Please urge the House/Senate leadership and the House T&I Committee/Senate EPW Committee leadership to ensure that rural areas receive a fair share of any increased infrastructure investment and that it be targeted to multi-state rural corridors*

IMPORTANCE OF TRADE TO THE ECONOMY

- Canada and Mexico were America's two top export markets
 - P-to-P states have seen an 89% increase to Mexico and 52% increase to Canada in the value of truck exports since 2004
 - \$1.3 trillion worth of trade depends on Canada and Mexico
- Agriculture relies on exports
 - U.S. agricultural exports are projected to account for 32.6% of gross cash earnings in 2016
 - The top three markets for U.S. agricultural exports are China, Canada, and Mexico ... are expected to account for 47% of total U.S. agricultural exports in FY2016
- *As Trade and Trade Agreements come before Congress, please carefully evaluate the impact on U.S. exporters.*

Ports-to-Plains Alliance Staff:

Michael Reeves	President P: 806-775-2338 michael.reeves@portstoplains.com
Duffy Hinkle	Vice President of Membership & Marketing P: 806-775-3373 duffy.hinkle@portstoplains.com
Joe Kiely	Vice President of Operations P: 719-740-2240 joe.kiely@portstoplains.com
Deb Cottier	Board of Directors Heartland Expressway Association P: 308-432-4023 dcottier@gpcom.net
Cal Klewin	Executive Director Theodore Roosevelt Expressway P: 701-523-6171 cal@trexpressway.com
Mike Varney	Wyoming Representative P: 307-532-1059 mvarney@torringtonwy.gov
Jack Schenendorf	Covington & Burling LLP Federal Consultant P: 202-662-5321 jschenendorf@cov.com