

# Infrastructure – How badly do states want it?

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President Trump met Monday with governors, mayors and other local officials at the White House to roll out his infrastructure investment proposal – a refinement and expansion of ideas he expressed throughout his presidential campaign. Monday was the day transportation and infrastructure advocates have waited for a long time, and the day that begins the process toward future legislation.

Most folks in the infrastructure and transportation community know that this President is a candid communicator, and his welcoming message to his guests to the White House on Monday perfectly showed his thinking. The President said it was exciting to be talking about infrastructure, and then he offered a challenge to elected officials both in attendance and across the country. "Let's see how badly you want it, because if you want it badly you're going to get it; and if you don't want it that's o.k. with me too."

In the weeks and months ahead, state and local infrastructure planners will determine how badly they want it – how much skin they're willing to put in the game. The President's proposal forces states and local governments to decide if they want to dedicate revenue to infrastructure. Some officials may decide to raise taxes to match some portion of the \$200 billion pot of money the President's proposal would provide, while others may want to engage with the private sector through PPPs (public-private

partnerships). For states such as Georgia, the Amazon HQ2 will weigh heavy on this decision.

Much of the President's 55-page "Building A Stronger America" proposal was anticipated. It encourages the streamlining of environmental regulations to get projects into the construction phase sooner rather than later. These streamlining proposals build upon what Congress encouraged in the 2015 highway authorization bill. It also follows on executive orders President Trump has already signed.

President Trump's proposal includes five buckets of resources, money that states and local governments could "have at." The \$200 billion proposal includes \$100 billion to create an incentive program – a grant program where states would have to bring additional resources to the table; \$50 billion is dedicated to a new rural infrastructure program; \$20 billion is directed to a transformative projects program, mostly spearheaded by the U.S. Department of Commerce; \$20 billion is allocated to current infrastructure financing programs. Six billion dollars will be allocated toward private activity bonds, and \$10 billion is for a new federal capital revolving fund.

The President has certainly embraced infrastructure more than his predecessors, publicly citing infrastructure during his 2016 campaign, in his first address to a Joint Session of Congress in February 2017, and again during his first official State of the Union Address on January 30, 2018. The President was a builder in his private life, and wants to continue to be a builder in his public life.

Republicans, Democrats, and Independents agree that we have underinvested in our nation's roads, bridges, transit, airports, water, wastewater, rail, energy, and even broadband infrastructure. But, not everyone agrees on the proper path to making a large commitment and investment in this infrastructure, and navigating the multiple committees (as many as eleven) on Capitol Hill that could have jurisdiction over this type of legislation will be a hurdle unto itself. In the days, weeks, and months ahead we shall see if Congress will support President Trump's brand of infrastructure investment. There will be opposition to the proposal. Some folks are opposed to tolling. Some are opposed to using public-private partnerships, and some even oppose having local governments dig up even more revenue to even get a shot at a portion of the pot of money that might be on the table.

I recently visited the Ronald Reagan Presidential Library and Museum in Simi Valley, California, by way of the Ronald Reagan Freeway, and yes it was congested trying to get out of LA. One display at the museum caught my eye, given the tumultuous, partisan nature of the political world that impacts public policy in Washington these days. On display were two plaques President Reagan kept on his desk in the Oval Office, guiding him during negotiations with Democratic Speaker of the House Tip O'Neill. One plaque read, "There's no limit to what a man can do or where he can go if he does not mind who gets the credit." The second plaque read, "It CAN be done." We'll see if any of those Reagan tactics are employed by President Trump, Congress, and local government in order to move infrastructure along.

***The author is one of Washington's most knowledgeable transportation and infrastructure strategists. He recently joined Total Spectrum from the American Trucking Association, where he served as Sr. Vice President and Chief of Legislative Affairs.***