

# **Bond Case Briefs**

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## **Caucus Asks to Work With Trump on Infrastructure, Tax Reform Legislation.**

DALLAS - A bipartisan group of lawmakers is asking President Trump for a meeting to discuss how they can work together to build consensus on infrastructure investment and tax reform legislation.

"With a new president and Congress, Washington has the opportunity to show the American people that we understand their frustration and are committed to addressing their concerns," the 35-member Problem Solvers Coalition said. "We are Democrats and Republicans who are eager to accomplish this task."

The letter was sent just before an analysis of federal highway data by the American Road & Transportation Builders Association found that cars, trucks, and school buses cross almost 56,000 structurally compromised bridges some 185 million times each day.

The ARTBA review of data provided to the Federal Highway Administration by state transportation departments show that 28% of U.S. highway bridges are at least 50 years old and have never had any major reconstruction work.

The report showed Iowa has the largest number of structurally deficient bridges, at 4,968 -20.5% of its total inventory of bridges. Rhode Island's 192 structurally deficient bridges had the highest percentage, 24.9%, of a state's total bridges. California's problem bridges were the most traveled, with Interstate 110 in Los Angeles logging 273,760 daily crossings.

"America's highway network is woefully underperforming," said Alison Premo Black, ARTBA's chief economist who conducted the analysis. "It is outdated, overused, underfunded and in desperate need of modernization."

ARTBA's analysis came as President Trump discussed tax reform and infrastructure on Wednesday with executives from eight major retailers, including Target, Walgreens, J.C. Penney, and Best Buy.

The Problem Solvers Caucus, led by Rep. Tom Reed, R-NY, and Josh Gottheimer, D-N.J., wrote in their letter, "We are willing to work with you to find the issues ripe for bipartisan agreement and to turn them into law .... History shows that the most consequential and long-lasting reforms are usually bipartisan." The group was founded just before the midterm elections in November 2014.

Addressing infrastructure investments and tax reform on a broad bipartisan basis "could give a significant boost to our economy and provide Americans with confidence that government can work for them," they wrote.

The \$1 trillion, 10-year infrastructure plan proposed by Trump before the election would provide no new federal funding. Instead, it calls for \$137 billion of federal tax credits designed to spur private investments in roads, bridges, and other infrastructure with a revenue stream.

The linking of tax reform with infrastructure investments could be an "immediate win for our

country,” the caucus said earlier in a Jan. 8 letter to Trump before the inauguration.

“America’s aging surface, water, and energy infrastructure combining with our complex and non-competitive tax code are huge barriers to investment and to hiring,” the pre-inauguration letter said.

“The logic of combining tax and infrastructure reform in one package is compelling,” the caucus said. “Common sense and comprehensive tax reform could free up significant capital for infrastructure.”

The recent collapse of the spillway at California’s Oroville Dam that forced the evacuation of almost 200,000 residents was cited on Tuesday by Trump press secretary Sean Spicer as an example of the nation’s infrastructure problem.

“The situation is a textbook example of why we need to pursue a major infrastructure package in Congress,” Spicer said at the daily press briefing.

“Dams, bridges, roads and all ports around the country have fallen into disrepair,” he said. “In order to prevent the next disaster, we will pursue the president’s vision for overhaul of our nation’s crumbling infrastructure.”

An “infrastructure czar” is needed to coordinate Trump’s proposed public works program, according to attorney Barry LePatner.

“We lack the political will and the political leadership to address this problem in a comprehensive way,” LePatner said during an interview Tuesday on the CNBC cable channel. “Somebody has to take responsibility at the political level and provide the leadership and the willpower.”

## **The Bond Buyer**

By Jim Watts

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