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Trump Wants States and Cities to Pay More for Infrastructure.

The White House said this week that it also aims to cut red tape. Many state and local officials like the idea of less regulations but fear less funding.

The White House envisions that a long-promised infrastructure package would streamline the federal approval process for major projects and also require states and localities to shoulder more of the financial burden for building them. It's a shift in focus from the Obama administration, which had pledged to increase infrastructure funding but never came up with a long-term solution.

"I can assure you that building a road, building a bridge, building a sewer plant, is the easy part," said Mick Mulvaney, director of the Office of Management and Budget to a gathering of 150 state and local transportation leaders on Wednesday. "Getting permission to build it is the really, really hard part."

Mulvaney not only said they wanted to reduce Washington's role in state and local projects but also offer new "incentives" to help them complete projects.

"We're trying to figure out how to use a little bit of [federal] money to generate a lot of money, to give state and locals the incentives to do stuff you might not otherwise do," he said.

One East Coast governor told Mulvaney, for example, that his state needed another \$20 million to complete a \$200 million road project.

"That's the kind of thing that we want to put at the top of our list, where our money gets you over the edge," Mulvaney said.

The administration called the group to Washington to gather ideas and feedback for the infrastructure bill that President Trump has talked about since his campaign. Over the last year, though, Trump and his team have provided few concrete details about the proposal.

While many state transportation leaders welcome streamlined regulations, nearly all of them also worry about federal funding for future projects. The federal highway trust fund — the main source of transportation funds — is running a deficit because Congress hasn't raised the gas tax since 1993. Those fears were compounded by Trump's budget proposals, which called for cuts in transportation spending, particularly grants to launch new transit systems and other big-ticket projects.

The president insists infrastructure is one of his top priorities, but it is on the legislative backburner for now. Congress must deal with several time-sensitive issues, like hurricane relief, raising the debt ceiling and passing a federal spending plan for the fiscal year starting in October. Republican leaders have also said they would like to overhaul the country's tax code — no easy task — before moving onto infrastructure.

Trump himself has tried to stoke interest in a new infrastructure initiative. He appeared at Trump

Tower earlier this month with a flowchart meant to show the complexities of the federal approval process for major infrastructure projects. He signed an executive order to encourage agencies to speed up their decision-making, by, for example, issuing rulings on environmental issues within two years, on average. The order also instructs the government to designate one lead federal agency to shepherd all of the needed approvals for a project and come up with a single federal decision on whether it can proceed.

Many state and local officials praised those changes, but they were overshadowed when Trump used the press conference announcing them to revive a debate over his response to the white supremacist rally in Charlottesville, Va.

The same executive order has also come under scrutiny, especially since Hurricane Harvey hit Texas and the Gulf Coast, because it revoked a federal flood management standard established by the Obama administration that would require officials to plan for climate change.

At the White House meeting, U.S. Transportation Secretary Elaine Chao said the country needs a new approach for dealing with aging, congested and technologically lagging infrastructure.

“Previous attempts to address this problem relied upon massive borrowing and top-down federal control. This administration takes a different approach,” she said, repeating the administration’s pledge that it will use \$200 billion in new federal spending to generate \$1 billion over the next decade.

“To avoid saddling future taxpayers with unsustainable debt, the plan seeks to unleash billions of dollars in private capital for infrastructure investment,” she said.

Along with new incentives, the administration plans on pushing for dedicated funding for infrastructure improvements in rural areas because sparsely populated areas would generally have a harder time coming up with money to match federal dollars, Mulvaney said.

The White House will also push for greater use of loan programs and investments in “transformative” technologies that could make infrastructure projects cheaper in the future. Mulvaney gave the example of NASA’s move to privatize missions to Low Earth orbit using prizes and federal contractors.

“We should see if there’s not new ways to build bridges, new ways to build tunnels, new ways to build ports and improve the stuff we have,” he said.

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BY DANIEL C. VOCK | AUGUST 31, 2017