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Obama Proposes Tapping Private Investors to Fund Infrastructure Projects.

WASHINGTON — The White House unveiled a tax proposal and administrative actions on Friday that are aimed at promoting private investment in roads, bridges, water systems and broadband networks.

The plans are an attempt to find ways to finance the vast backlog of American infrastructure projects without using any new federal money.

President Obama has repeatedly said that a broad effort to address the nation's infrastructure needs is a potential area of agreement between his administration and the Republican Congress, although deep divisions remain on how to handle such projects.

Vice President Joseph R. Biden Jr. is scheduled to discuss the plans here on Friday afternoon at the construction site of the Anacostia River Tunnel, which would handle the two billion to three billion gallons of contaminated sewage water that pour into the river each year.

One proposal that could draw bipartisan backing would create so-called qualified public infrastructure bonds that could be issued to finance airports; roads; mass transit, water and sewer systems; and other projects. They would be the first type of municipal bonds available for public-private partnerships and would be exempt from the alternative minimum tax.

The White House did not detail the cost of Mr. Obama's bond proposal, which officials said would be included in his budget, or how it would be paid for.

The Environmental Protection Agency and the Agriculture Department will also use existing federal funds to encourage private investors to finance infrastructure projects, including drinking-water and wastewater systems and rural energy and broadband projects, White House officials said.

On top of those public-private initiatives, Mr. Obama's advisers said the president still wanted Congress to increase federal financing for highways, bridges and transit projects along the lines of legislation he proposed last year that would authorize \$300 billion for the work over four years.

"Private capital is not a substitute for public investment," the White House said in a fact sheet outlining the plan. "But in the absence of Congress acting on this common-sense proposal, the president will continue to do whatever he can through his own authority to promote American economic growth where there is need or opportunity. And right now, there is a real opportunity to put private capital to work in revitalizing U.S. infrastructure."

The announcements come at the end of a week during which Mr. Obama has previewed a number of domestic proposals that will be featured in his State of the Union address on Tuesday. They include new policies on paid family leave, broadband access and cybersecurity. Last week, he outlined a plan to make community college tuition-free.

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