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Public Works, Private Benefit.

President Trump's infrastructure plan is turning out to be a mirage. He had talked about a \$1 trillion, 10-year effort. But the White House now proposes allocating only \$200 billion, which would come from cutting aid to states and localities and giving it to Wall Street investors as tax credits, which it hopes will attract \$800 billion in investment for big projects that would turn a profit through tolls and user fees. As an opening act, for example, Mr. Trump is [pushing privatization](#) of the nation's air traffic control system, which could jack up the price of air travel for passengers.

But most of the nation's unmet infrastructure needs involve smaller projects to operate, maintain and upgrade — not only highways, but also water, sewer and other systems that are of no interest to private investors. In Ohio, where Mr. Trump went on Wednesday to deliver a campaign-style speech about his plan, more than 1,500 highway projects to be completed over four years have an average cost of only \$9.2 million, according to research by the Center for American Progress. That's far too little to attract huge investment funds that are the presumed recipients of the tax credits.

Since 1995, 14 of 36 privately financed highway projects across the nation have been completed, with mixed results, according to a 2015 Congressional Budget Office [report](#). The C.B.O. found that private investments did not increase the amount spent or reduce costs — two supposed goals. It simply substituted for money that could otherwise have been raised through low-cost municipal bonds.

As to whether private financing resulted in more reliably completed and maintained projects, the C.B.O. found that it sometimes could be arranged more quickly than public financing, which allowed some projects to be completed sooner. But three of the projects went bankrupt and one required a public buyout of the private partners.

In recent years, investor risk in privately financed projects has been reduced through heavier public subsidies, federal tax breaks, federal loans or state and local grants. But the more public backing there is for any given deal, the greater the chance that taxpayers will ultimately bear excessive costs — including debt, cost overruns and litigation. In effect, when private partnerships with significant public backing go well, investors reap most of the reward; when they go badly, taxpayers take a hit.

A case in point is the South Bay Expressway in California, an \$828 million private project whose financing included a \$140 million federal loan. Completed in 2007, the project filed for bankruptcy protection in 2010. When the bankruptcy court imposed a new financing and ownership structure the following year, taxpayers essentially had to forfeit \$73 million in loan principal and accrued interest, in all, a loss of 42 percent of the investment.

It's bad enough that Mr. Trump is not tackling the nation's critical infrastructure needs. It's worse that he seems determined to use the limited funds he has scrounged to enrich private investors at taxpayers' expense.

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