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Trump Plans to Shift Infrastructure Funding to Cities, States and Business.

WASHINGTON — President Trump will lay out a vision this coming week for sharply curtailing the federal government's funding of the nation's infrastructure and calling upon states, cities and corporations to shoulder most of the cost of rebuilding roads, bridges, railways and waterways.

He will also endorse a plan to privatize and modernize the nation's air-traffic control system. That plan, which is to be introduced on Monday at the White House and the subject of a major speech in the Midwest two days later, will be Mr. Trump's first concrete explanation of how he intends to fulfill a campaign promise to lead \$1 trillion in United States infrastructure projects. The goal is to create millions of jobs while doing much-needed reconstruction and updating. But the actual details of the initiative are unsettled, and a more intricate blueprint is still weeks or even months from completion.

What the president will offer instead over the coming days, his advisers said, are the contours of a plan. The federal government would make only a fractional down payment on rebuilding the nation's aging infrastructure. Mr. Trump would rely on a combination of private industry, state and city tax money, and borrowed cash to finance the rest. It would be a stark departure from ambitious infrastructure programs of the past, in which the government played a major role and devoted substantial resources to paying the cost of large-scale projects.

"We like the template of not using taxpayer dollars to give taxpayers wins," said Gary Cohn, director of the National Economic Council and an architect of the infrastructure plan, in an interview Friday in his West Wing office.

His language evoked the corridors of Wall Street, where he previously worked. "We want to be in the partnership business," Mr. Cohn said. "We want to be in the facilitation business, and we're willing to provide capital wherever necessary to help certain infrastructure along."

As a model for the approach, Mr. Trump plans on Monday to send a proposal to Congress for overhauling the nation's air-traffic control system. He would spin it off into a private, nonprofit corporation that would use digital satellite-based tracking systems, rather than land-based radar, to guide flights in the United States. There would be no cost to the government, Mr. Cohn said, because a newly formed corporation would finance the entire enterprise, using loans to handle the initial costs of equipment and other needs.

On Wednesday, Mr. Cohn said, the president will travel to the banks of the Ohio River to deliver a speech about overhauling the nation's infrastructure, including the inland waterways that are in dire need of attention.

The philosophy undergirding the speech, administration officials said, is that melding public and private forces to rebuild the nation's physical backbone will vastly expand the resources available to pay for doing it. The concept — a discussion of which helped cement Mr. Cohn's hiring by Mr. Trump late last year — has driven infrastructure policy in the United States for many years. But Mr. Trump is proposing a far smaller federal investment than many Republicans and Democrats have long

thought is necessary.

Mr. Trump is “trying to figure out, How do I get the most infrastructure improvements for the American citizens in the quickest fashion I can with the best return on investment for the U.S. taxpayers,” said Mr. Cohn, a former Goldman Sachs executive. “It’s sort of a businessman’s model.”

The White House has said Mr. Cohn will recuse himself from matters pertaining to Goldman, but it is unclear how that decision will affect any future plans by the company to bid for government partnerships in infrastructure. The White House noted on Saturday that the proposed air-traffic control corporation would be governed by independent directors with a fiduciary duty to the new entity.

On Thursday, Mr. Trump will hold listening sessions at the White House with a group of mayors and governors. On Friday, he plans to cap off what members of the administration are calling “infrastructure week” with a visit to the Transportation Department, where he will discuss drastically reducing the time it takes to obtain federal permits for projects.

The Trump administration clearly hopes the infrastructure rollout will provide a sorely needed policy victory. Its first attempt to overhaul the Affordable Care Act was so unpopular, even among Republicans, that House Speaker Paul Ryan called off a planned vote and began a rewrite. Senate Majority Leader Mitch McConnell recently said he was uncertain whether he could find a majority to move a health care bill through his chamber.

The president’s principles for a “massive” tax cut, encapsulated in what appeared to be a hastily written one-page document issued in April, were widely ridiculed for a lack of specifics and their underlying economic-growth assumptions, which many economists and policy experts considered overly rosy. And Mr. Trump has been roundly chastised for his recent decision to withdraw from the Paris climate agreement, a multinational plan to limit global warming through curbs on emissions that Mr. Cohn and many prominent corporate executives supported.

Despite the public push to promote the infrastructure package, Mr. Cohn acknowledged that the White House did not have a detailed proposal ready to release. He said, for example, that no decision had been made on whether the infrastructure plan would ultimately be married to a tax measure. Republicans and Democrats tried such a step during the Obama administration, in a plan that would have used revenue from repatriating corporate profits parked overseas to finance projects to improve roads, bridges, waterways, broadband and other areas.

“It’s undetermined yet,” Mr. Cohn said. “It may come before. It may come during. It may come after.”

Mr. Trump said in an interview with CBS News in April that his infrastructure bill was “largely completed, and we’ll be filing over the next two or three weeks, maybe sooner.”

Mr. Cohn blamed the delay on lawmakers, saying the White House was reluctant to send its proposal to Congress until progress had been made on the health care bill, a budget bill, legislation to raise the debt ceiling and the as-yet-unformed tax bill.

“If we thought it was the time to release an infrastructure bill, we would release an infrastructure bill,” Mr. Cohn said. “We just can’t keep throwing stuff on Congress. We actually need them to get legislation done. And as they start getting legislation done, we’ll come back with infrastructure.”

When that happens, the package is likely to meet with substantial criticism from Democrats, who were heartened to hear Mr. Trump focus on infrastructure spending during his presidential

campaign but crestfallen to see the budget he unveiled last month. The proposed spending plan devoted only one-fifth of the money that he had spoken of for building and improving infrastructure.

“When Trump talked during the campaign about \$1 trillion for infrastructure, people were taking him at his word that it would be \$1 trillion,” said Sarah Feinberg, a former senior official at the Transportation Department in the Obama administration. Mr. Trump’s budget proposal to spend \$200 billion in the next 10 years falls far short of what is needed, she said.

“The idea that this really minimal amount of federal investment will spur that level of private investment is hopeful but not realistic,” Ms. Feinberg said. “The reality is, the state of infrastructure has become an existential threat to huge portions of the economy.”

For now, Mr. Trump is focused on popular ideas that have been discussed by members of both parties for years. At the Transportation Department on Friday, he will pitch what Mr. Cohn called his “10-to-two plan,” an effort to cut permitting requirements so the process takes only two years instead of a decade. The current sluggish pace has prompted frequent complaints from construction and financing companies, who say the excessive bureaucracy that surrounds major infrastructure projects can be a costly and sometimes insurmountable hurdle.

Mr. Trump’s air-traffic control privatization plan is based on a bill sponsored by Representative Bill Shuster, Republican of Pennsylvania and chairman of the Transportation and Infrastructure Committee. It has drawn criticism from Representative Peter DeFazio of Oregon, the ranking Democrat on the panel, who has said it would cater to large airlines at the expense of smaller operators.

Jonathan Root, a senior credit officer for the ratings agency Moody’s, said privatizing air-traffic control could be a welcome change. “The expectation is that a private organization will complete the modernization much quicker than if it remains with the F.A.A.,” he said.

Although many of the details of the privatized air-traffic control system are far into the future, administration officials said they did not anticipate higher airline-user fees or increases in ticket prices.

In a statement, Thom Metzger, a spokesman for the National Air Traffic Controllers Association, expressed cautious optimism about the air-traffic control reforms, which have been widely telegraphed in Mr. Trump’s public comments and at White House gatherings. “Natca considers the status quo to be unacceptable,” Mr. Metzger stated, adding that the group shares “the administration’s commitments to infrastructure modernization.” It supports the notion of privatizing air-traffic control, he said, but only in a nonprofit entity.

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