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How to Make Private Investment in Infrastructure Really Work.

PPPs hold big promise for projects in urban America—if Congress eliminates regulations and perverse incentives.

During the 2016 presidential campaign, Donald Trump—like his opponent Hillary Clinton—spoke glowingly about infrastructure spending, alluding to Franklin Roosevelt’s Works Progress Administration and Dwight Eisenhower’s Interstate Highway System as examples of how spending on roads, bridges and airports helped unite the country. For 2017, the American Society of Civil Engineers has given America’s infrastructure an overall grade of D+, estimating it would cost more than \$4 trillion to upgrade properly. But President Trump’s \$1 trillion dollar, 10-year infrastructure plan has so far moved along at a halting pace.

This tortoise-like progress may offer an opportunity to think more strategically about the means and ends of infrastructure—and increase the chances of final passage down the road. The odds are still good that Congress will act, since infrastructure spending is the closest thing to a free lunch in American politics.

If done right, the sky is the limit for U.S. infrastructure. Smart grid technologies, buried electrical lines and well-designed mechanical back-ups could advance both grid resiliency from future hurricanes and the growing threat from cyber-terrorism. New highway construction should help the country transition to electric vehicles and driver automation in the coming decades. Upgraded air traffic control systems could increase the nation’s air capacity by 50 percent, while shortening flights and saving passengers money.

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