

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Finding the Revenues to Pay for Infrastructure.**

**The warring camps in Washington are unlikely to find a middle ground on their own. Governors and mayors need to take a seat at the adult tax-policy table.**

It's too early to predict which, how or whether any of the competing federal infrastructure proposals now bouncing between the White House and Capitol Hill will eventually become law. Perhaps a bipartisan deal can be reached on at least the physical infrastructure features that are of utmost importance to states and localities, but Senate GOP resistance to "pay-for" rollbacks of the 2017 corporate tax breaks could be a deal-killer. Republicans' recent shell-game pitch to fund \$300 billion worth of projects by "repurposing" aid committed to the states and municipalities in the American Rescue Plan Act has rankled most local officials as disingenuous.

As various counterproposals ping-pong up and down Pennsylvania Avenue, the partisan dynamics are clear: Democrats might be able to cram a bill through by using the budget reconciliation process, if they can hold together all 50 blue votes in the Senate. But if they are unable to take the reconciliation route, they will need at least 10 GOP senators' votes to achieve a bipartisan compromise.

If Democrats decide to go it alone, it's pretty clear that they will include a host of progressive tax features to pay for some or much of the deal. Meanwhile, GOP leaders aligned with business and wealth lobbyists oppose both a corporate tax hike and deficit financing for infrastructure.

[Continue reading.](#)

**governing.com**

June 8, 2021 • Girard Miller