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The Bipartisan Infrastructure Plan Avoids Tax Increases, Undermines User-Pay Principle, and Misses Chance to Modernize Obsolete Programs.

The Senate has begun deliberations over a bipartisan plan to provide \$550 billion in new spending for a wide range of infrastructure projects, including roads, bridges, public transit, broadband, and the electrical grid. The good news is that lawmakers avoided raising taxes to cover the cost of the new spending and instead used some reasonable fees and asset sales. The bad news is that half of the offsets come from unused, debt-financed COVID-19 relief funds and the economic return on many of these investments is questionable.

Let's first review some of the budgetary offsets and then assess the economic value of the various infrastructure projects.

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