

Priority Actions for the Federal Government

BPC's Executive Council on Infrastructure released recommendations to achieve a *New American Model for Investing in Infrastructure*. This new model aims to increase the flow of private capital into U.S. infrastructure projects by:

- addressing the pervasive underappreciation of future infrastructure liabilities in America;
- encouraging partnerships with the private sector to share risks and maximize the value the public receives from infrastructure assets; and
- ensuring communities across the country have tools to make necessary investments.

The federal government plays a pivotal role in funding and financing infrastructure, and elevating and incentivizing best practices. The commitment of the president, federal agencies and Congress are essential for implementing the Executive Council's recommendations and creating the necessary conditions for private infrastructure investments and partnerships across the country. The following priority actions are the first steps toward achieving the new model.

Inventory All Public Assets

Federally-owned assets are diverse, from federal office buildings and courthouses to dams. Establishing a standardized inventory of the physical and economic condition of all federally-owned assets is critical to understanding and meeting infrastructure needs. Yet there is no single source in which this information is compiled and available for public review.

Incentivize Consideration of Delivery Alternatives

The federal government should incentivize states and localities to evaluate the full range of options for delivering infrastructure projects, including partnerships with the private sector. Many federal programs provide funds for infrastructure projects, generally on a limited and competitive basis. Federal agencies reviewing applications for funding should require a meaningful exploration of delivery alternatives as part of their evaluation for awarding funds.

Enforce Expedited Permitting and Review

The administration should implement and publicly report on the FAST Act's provisions related to environmental review and permitting, adopt simultaneous permitting processes, and designate lead agencies for multiagency reviews.

Audit and Amend Regulatory Impediments

The Administration should conduct an audit of tax regulations and other guidance to identify and amend any that inhibit private financing of infrastructure, while preserving the existing tax-exempt bond market.

Provide Long-Term Funding

Congress should take immediate action to provide long-term, stable funding for infrastructure. Bringing private capital into American infrastructure projects does not eliminate the need for robust public funding.

Leverage Existing Investment Vehicles

Real Estate Investment Trusts (REITs) and Master Limited Partnerships (MLPs) are widely used to enhance investment in real property and assets, and can already invest in certain segments of the infrastructure market. Congress and relevant federal agencies should expand the universe of projects that qualify.

Consolidate TIFIA, WIFIA, and RRIF

Congress should consolidate existing infrastructure financing programs—TIFIA, WIFIA and RRIF—into a single infrastructure loan program with terms modeled on TIFIA and credit scoring based on actual experience.

Authorize New Bond Programs

Congress should authorize a suite of bond programs—without a sunset date—to attract new investors, including Build America Bonds and private activity bonds such as QPIBs and Move America Bonds.

For more information, view the report:
bipartisanpolicy.org/library/modernize-infrastructure