Business Roundtable

Reinvesting in American Infrastructure
Principles and Policies

Key components for reinvesting in American infrastructure include:

- **Significantly increase public investment** in those infrastructure systems that are primarily publicly funded – roads, bridges, transit, water and sewer systems, airports and air traffic control, dams, levees, ports, and inland waterways. The right level of investment would return these systems to a state of good repair, expand capacity to meet future demand, and fund innovative approaches to future infrastructure challenges.
  - Business Roundtable estimates it would take between $700-800 billion over the next 10 years in increased investment – from federal, state, local, and/or private sources – to achieve this.

- **Unlock the full potential of private investment** by lowering barriers that inhibit private investment in infrastructure and incentivizing the private sector to invest in projects that have broad public benefits.
  - Expanding financing tools, such as Private Activity Bonds and TIFIA, that incentivize the use of private financing in public infrastructure, is one way to achieve this goal.

- **Encourage increased state and local investment** by providing appropriate incentives and modifying regulations.
  - Cities and states that are creating new revenue, stretching tax dollars, attracting private capital or allocating more of their general budget spending to infrastructure should be rewarded.

- **Streamline the review and permitting processes** for projects, which would keep development costs down and accelerate project delivery. Properly implemented, this should achieve the President's objective of reaching a federal decision on any given infrastructure project within two years.

Key principles for reinvesting in American infrastructure include:

- <u>Economically sound.</u> Funding/financing mechanisms should be economically sound, such that they:
  - Complement – not counteract – the economic benefits of business tax reform.
  - Support and strengthen "user-pay" models - those who most benefit from a particular infrastructure asset should generally bear the cost of it. Businesses, as users, should pay their fair share for use of infrastructure. Federal motor fuel taxes are an example of a user-pay approach.

- <u>Long-term solutions.</u> Solve funding challenges for the long-term with clear, direct connections between revenue generated by user fees and the construction and maintenance of infrastructure assets. Ensure that those revenues are dedicated to their intended purposes.

- <u>Maximum impact.</u> Focus and prioritize government resources on programs and projects that will have the greatest economic impact and promote the most long-term economic growth.