

Strategies to renew American infrastructure

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OVERVIEW

As the 2016 presidential campaign nears its conclusion, the conversation has devolved to one with little clarity or substance. Infrastructure, however, continues to stand out as one of the few policy areas where the candidates find common ground. Hillary Clinton and Donald Trump have promised major reforms and hundreds of billions of dollars in new federal infrastructure investment. If implemented, these plans could serve as the initial steps toward a larger national effort to modernize aging roads, rails, ports, and other facilities crucial to a productive U.S. economy.

Before focusing on *how much* to invest, federal leaders must first recognize *where* to invest for best results. Focusing too much on aggregate dollar figures not only overlooks the range of infrastructure needs across the country, but also fails to consider the specific economic criteria and performance measures necessary to determine more precise returns on investment. The heightened focus on dollar amounts also discounts infrastructure's full impacts in the labor market. While policymakers often trot out the same tired figures—with every \$1 billion in federal spending supporting up to 13,000 jobs each year—infrastructure's greatest returns in the labor market are good-paying jobs, with minimal barriers to entry, and that last long after construction ends.

This policy brief lays out a blueprint for a modern federal infrastructure strategy. It begins to detail a broad array of short-term



strategies and long-term policy reforms necessary to build and maintain a strong system of infrastructure that supports sustained and broad-based economic growth.

POLICY RECOMMENDATIONS

The next administration and Congress should adopt a two-pronged infrastructure strategy to **(1) advance immediate proposals that build on existing reform efforts**, and **(2) begin to develop new platforms for long-term policy change**.

There are four major infrastructure priorities in this respect: transportation, water, broadband, and infrastructure workforce development. Although they do not cover all infrastructure sectors, these four priority areas demonstrate the need for additional federal investment, financial flexibility, and programmatic direction.

TRANSPORTATION

In the short term, federal legislators and DOT should design competitive and financially innovative programs, and then Congress should appropriate enough funding to execute them.

In the long term, the federal government must determine its 21st century priorities and develop dedicated revenue sources to pay for multimodal transportation needs.

WATER

In the short term, federal leaders should investigate additional funding options for regional water infrastructure. Although the country's water infrastructure needs are often highly fragmented and localized—and most federal agencies, including the EPA, tend to focus more on regulatory oversight—the growing number of local needs justify a clearer, more active federal role. The scale of needed infrastructure investment—up to \$1 trillion over the next two decades—combined with declining federal support is putting enormous pressure on states and localities to cover operational and capital improvements to water systems. As concerns over drinking water, wastewater, and stormwater grab headlines in Flint and other cities across the country, the moment is ripe for action.

In the long term, federal agencies, particularly the EPA, should provide greater programmatic direction, clearer technical guidance, and maintain closer working relations with regions about regulatory compliance and other available financing tools for water infrastructure.

BROADBAND

In the short term, the next administration and the Federal Communications Commission (FCC) must work collaboratively to continue expanding programs related to broadband adoption and digital skills training to address the digital divide.

In the long term, the next administration must focus on how to use new digital telecommunications to unlock economic opportunity and accelerate e-government transitions.

INFRASTRUCTURE WORKFORCE DEVELOPMENT

In the short term, the next administration should build on efforts at DOT, the Department of Labor, and the Department of Education, among other agencies, to expand workforce development throughout the infrastructure sector.

In the long term, a wide range of federal actors must develop more durable and sustainable pipelines of talent to fill infrastructure jobs over many decades.

Read the full proposal with detailed policy recommendations at <http://brook.gs/2eNY3m4>