

Infrastructure

The Bipartisan “Physical” Infrastructure Law

Issue

In November 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (IIJA). In a rare show of bipartisan consensus, the House and Senate cleared the measure with Democratic and Republican support.

The IIJA is a historic, \$1 trillion+ bill that allocates \$550 billion in new spending to improve the nation’s “physical” infrastructure (transportation, water, sewer, electric grid, and broadband systems). The Roundtable strongly backed the IIJA as it moved through the legislative process. The Biden administration estimates it would create about two million jobs per year over the next decade. The law is a down payment on the long-term investments our country must make to productively move people, goods, power, and information from home to work, business to business, community to community, and building to building.

Throughout 2022, the administration has been focused on getting the IIJA money “out the door.” It has developed a guidebook focused on spending for transportation, energy, and broadband infrastructure for states and local governments to apply for federal grants, loans, and public-private partnership resources under more than 375 programs across the federal agencies.

The administration has also provided [a web-based interactive map](#) showing where IIJA funds have been disbursed in communities across the nation.

Talking Points

- **Investments in infrastructure make our local communities safe, productive, and support healthy real estate markets.** Investments in infrastructure and the strength of real estate markets have a synergistic, two-way relationship. Our tenants and employees depend on safe and efficient roads, bridges, and mass transit to commute. Our buildings depend on reliable supplies of water, power, and broadband to function. In turn, infrastructure depends on healthy real estate markets. Property taxes are the main revenue source for local investments in roads, schools, etc. Higher property values mean more tax revenues to help pay for more infrastructure.
- **The IIJA helps the U.S. play “catch-up” on infrastructure investments.** The U.S. ranks 13th in the world when it comes to the quality of our infrastructure. Public investments in infrastructure as a share of the economy have fallen more than 40% since the 1960s—when the Interstate Highway System was built. If we want to stay globally competitive, increase GDP, create jobs, and out-compete China the U.S. has to continue to invest in infrastructure in a serious, significant way.

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Talking Points (Continued)

- **The IIJA will boost Public-Private Partnerships (P3s).** Private sector capital must be tapped to help finance public infrastructure. There are simply not enough taxpayer resources to foot the entire bill for all of our nation’s infrastructure needs. The IIJA supports programs that deploy taxpayer “seed money” to leverage far greater amounts of private sector investments in a variety of infrastructure asset classes. Its provisions are geared to boost P3 investments in road, transit, rail, broadband, electric grid, and carbon sequestration projects.
- **The IIJA will make our roads and bridges safer.** The largest category of IIJA expenditures is \$110 billion to modernize roads and bridges. It represents the single largest dedicated bridge investment since the construction of the interstate highway system.
- **The IIJA helps build the high-speed rail network of tomorrow.** The new law makes the largest investment in intercity passenger rail since the creation of Amtrak. It devotes funds specifically to improve the Northeast Corridor route between D.C. and Boston.
- **The IIJA makes a massive investment in broadband.** It would devote \$65 billion with the goal to ensure that every American has access to reliable high-speed internet.
- **The IIJA makes the largest single investment in the electric grid in history.** \$65 billion goes to new transmission lines that facilitate widespread adoption of solar, wind, etc., so that clean energy can be transported over long distances.
- **The IIJA makes investments to replace the nation’s lead pipes.** \$55 billion is designated to provide clean drinking water for all Americans and eradicate the nation’s remaining lead pipes. Every \$5K investment to replace lead pipes results in \$22K in avoided health care costs, as per the White House.
- **The IIJA invests in public transit.** The new law’s mass transit investments total over \$39 billion to help modernize bus, commuter rail, and subway networks. Most of the money would go directly to support local transit agencies.
- **The IIJA jump-starts federal investments in EV charging stations.** \$7.5 billion is for construction of a national network of electric vehicle refueling properties. The goal is to make EV chargers as common as gas stations to minimize travelers’ “range anxiety” and provide greater surety that “clean cars” can be easily re-charged and travel over long distances.

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Talking Points (Continued)

- The IIJA helps streamline the cumbersome federal review process to approve projects. The new law codifies a 2-year federal permitting goal and establishes a “One Federal Decision” document to coordinate the environmental reviews of multiple agencies.

Additional Information

- [White House Fact Sheet, “The Bipartisan Infrastructure Deal](#) (Nov. 6, 2021)
- The Biden administration’s bipartisan infrastructure law [“spending guidebook”](#) from the Biden administration (released Jan. 31, 2022)
- [Interactive map “dashboard”](#) showing IIJA project funding across the U.S.