

February 26, 2014, 06:00 am

Obama's \$300B infrastructure plan

<http://thehill.com/blogs/blog-briefing-room/news/199275-obamas-300b-infrastructure-plan>

By Justin Sink

President Obama will announce his plan to spend more than \$300 billion over the next four years to fix the nation's crumbling roads and bridges during a trip to Minnesota on Wednesday.

The proposal would represent a significant hike in expenditures on highways and mass transit, and comes as the Congressional Budget Office warned that the federal gas tax is not bringing in enough revenue to pay for road and transit projects.

ADVERTISEMENT

Obama will call on Congress to pay for the aggressive new transportation spending with \$150 billion in new revenue generated through business tax reform. The proposal is likely to be included in the president's budget proposal, slated to be released next week.

The White House said Obama's plan will "address the funding crisis facing our surface transportation programs and to increase infrastructure investment."

"This vision will show how we can invest in the things we need to grow and create jobs by closing unfair tax loopholes, lowering tax rates, and making the system more fair," the White House said in a statement.

But the White House also said the president is "open to ideas" and willing to work with lawmakers on alternative funding sources.

Both highway spending and reforming the corporate tax code have been regular hobbyhorses for the president, although so far, Congress has been reluctant to embrace his proposals. Obama has argued that investing in infrastructure projects would boost the economy in the short-term by creating jobs for construction workers, while helping long-term growth by speeding shipping times.

"We can take the money we save with this transition to tax reform to create jobs rebuilding our roads, upgrading our ports, unclogging our commutes — because in today's global economy, first-class jobs gravitate to first-class infrastructure," Obama said in his State of the Union address last month.

While in St. Paul, Obama will tour the Metro Transit Light Rail Operations and Maintenance Facility and deliver remarks at Union Depot, a multimodal transit hub for the Twin Cities. The station, which services buses, Amtrak and light rail, was refurbished in 2012.

Obama will also announce a new \$600 million competition for TIGER grants, a program created as part of the stimulus program to fund transportation infrastructure projects.

According to the White House, the administration will prioritize projects that “make it easier for Americans to get to jobs, school, and other opportunities, promote neighborhood revitalization and business expansion, and reconnect neighborhoods that are unnaturally divided by physical barriers such as highways and railroads.”

The government has awarded \$3.5 billion in TIGER grants to 270 programs in all 50 states, the White House said.