

Biden's farcical infrastructure bill

There is widespread support for using federal money to improve the nation's infrastructure. Donald Trump favored doing so, but never put forth legislation.

Now, Joe Biden has unveiled an infrastructure bill of sorts. Unfortunately, his proposal is so bad that even [the Washington Post](#) has noticed. The first problem with Biden's bill is that it isn't much about infrastructure. The Post reports:

*Many economic experts agree that significant investments in roads, bridges and other infrastructure is necessary for the country's long-term health, and spending when interest rates are this low is a wise idea. But some were surprised to see that **only about 5 percent of the bill is directed toward roads and bridges**, and they question why the administration is mixing other types of policies into a bill designed to upgrade the nation's infrastructure.*

I think we know why.

Here's where some of the remaining 95 percent of the money goes?

[N]early 20 percent of the bill goes toward expanding caregiving for the elderly and disabled by building more care centers and expanding access to home-based care, and another 13 percent goes toward boosting the U.S. manufacturing sector with large investments in semiconductors and green energy. Those investments aren't typically seen as traditional infrastructure.

Of course they aren't. Infrastructure consists of roads, bridges, and the like. Biden's bill is a fraud. So is his method of paying for it. Again, from the Post:

[The White House has] said corporate tax changes would "more than pay for the mostly one-time investments in the America Jobs Plan." But there's a catch: The \$2.3 trillion in spending would take place over the next eight years. It would take until 2036 — 15 years — for President Biden's proposed corporate tax hikes to generate that much revenue.

"Paying for eight years of spending with 15 years of taxes is a classic Washington gimmick that always ends up proving to not work," said Brian Riedl, a top budget

adviser to the GOP presidential campaigns of Sens. Mitt Romney (Utah) and Marco Rubio (Fla.). “By that logic, you can make the same argument that the 2017 GOP tax cuts are paid for.”

Here’s an idea. Appropriate only the five percent of the money that will go to infrastructure. Then, the problem of paying for it becomes solvable without fakery.

Biden wants to pay for his by raising the corporate tax rate from 21 percent to 28 percent. As just noted, that hike wouldn’t be nearly sufficient under an honest accounting.

But the hike might well harm the economy by [undermining U.S. competitiveness](#). According to the [U.S. Chamber of Commerce](#), raising the federal rate to 28 percent would give the United States the highest *combined* corporate tax rate in the OECD.

It probably would be better to pay for infrastructure the traditional way, mainly through fees on users (such as tolls) and/or the gas tax. And again, the best idea is to spend only the five percent earmarked for actual infrastructure.

Due to the miracle of reconciliation, the Senate can pass this type of legislation with only 50 votes. However, the Post speculates that it may still be difficult to get this particular bill through the Senate.

Let’s hope so.

<https://www.powerlineblog.com/archives/2021/03/bidens-farcical-infrastructure-bill.php>