



washington dc update

November 15, 2013

The BRIDGE Act, Another Infrastructure Bank Proposal—how does it compare to WIFIA?

There is now another measure calling for the creation of a \$10 billion infrastructure bank. A coalition of ten Senators led by Senator Mark Warner of Virginia introduced the legislation, the *Building and Renewing Infrastructure for Development and Growth in Employment Act*, aka the BRIDGE Act. WESTCAS has strongly supported the creation of alternative, innovative funding, including the recent WIFIA provision in S. 601, the Senate’s version of WRDA. In the past, there has been opposition in Congress to such measures, which is part of the reason that the *Water Infrastructure Finance and Innovation Act* (WIFIA) program is not included in the House version of WRDA.

The BRIDGE Act is aimed at addressing the nation’s alarming investment shortfall in maintaining and improving our transportation network, water and wastewater systems and energy infrastructure. The legislation would provide an additional financing tool for states and localities which can create new jobs here at home while also increasing our nation’s economic competitiveness.

“The BRIDGE Act is not a ‘silver bullet’ to magically close America’s infrastructure gap, but this bipartisan proposal creates smart new tools to help our states and localities unlock billions of dollars in additional private investments at a time of very favorable interest rates,” Sen. Warner said.

The BRIDGE Act will establish an independent, nonpartisan financing authority to complement existing U.S. infrastructure funding. The authority would provide loans and loan guarantees to help states and localities fund the most economically viable road, bridge, rail, port, water, sewer, and other significant infrastructure projects. The authority would receive initial seed funding of up to \$10 billion, which could incentivize private sector investment and make possible up to \$300 billion in total project investment. The authority is structured in a way to make it self-sustaining over time.

How does BRIDGE compare to WIFIA? The BRIDGE Act would create an Infrastructure Financing Authority that would provide loans and loan guarantees for infrastructure projects. WIFIA would be administered through the USACE and EPA. BRIDGE would finance many types of infrastructure—roads, bridges, trains, airports, energy infrastructure and, important to WESTCAS and the West, it would include water and wastewater systems. WIFIA as it is structured in Title X of WRDA would be available for water resources projects that include levees, dams, and flood control as well as water and wastewater systems. Finally, BRIDGE proposed infrastructure bank would be funded at level four times greater than WIFIA, \$10 Billion as compared to \$ 250 Million.

From discussions at the Legislative Workshop during last month’s Tucson Conference, WESTCAS is supporting Title X of the Senate version and will notify the Conferees of that position. But, we should keep an eye on BRIDGE with a very broad infrastructure eligibility—meaning more competition for Western water projects—but with a much larger funding amount.

For your information, attached is Senator Warner’s summary of the BRIDGE Act.

Summary & Take-Away .

Another Infrastructure Bank Proposal—the BRIDGE Act

Points for WESTCAS Consideration

Yesterday, Senator Warner and a group of ten Senators introduced the BRIDGE Act that would provide \$10 billion (yes, that is B—billion) in seed money for an infrastructure bank. All types of infrastructure would be eligible from airports to power plants, and including water and wastewater projects. BRIDGE provides a lot of funding but for a very diverse range of infrastructure types—will Western water projects do better with BRIDGE because of large funding amount or with the WIFIA bank with a fourth of the funding but targeted to water resources projects?

WESTCAS is supporting WIFIA; suggest that WESTCAS keep an eye on BRIDGE and consider supporting if there is an opportunity to “cross that bridge!”

