

Q: Will there be a bipartisan infrastructure bill?

Brian Lockhart: This question would be a slam dunk in my opinion except for the little phrase “bipartisan.” I do expect an infrastructure bill to be passed this summer, and it would not be difficult to find several hundred billions of projects that really do need funding, given the deterioration of our country’s roads, bridges, water treatment plants, and such. However, Congress appears to splintered and it is hard to see both sides of the aisle coming together to agree on legislation everyone can agree is best for the country.

Politics used to involve the hard work of compromise and negotiation, but has devolved into press conferences, demonizing the other side, and tweets. Those on the fringes are often given the largest megaphones even though their ideas have very little mainstream support. The media prefers to report on every movement and conversation from Reps Greene or Cortez when in reality those two are unlikely to be responsible for any meaningful legislation.

I will be rooting for the passage of an infrastructure bill for the sole reason that with over \$5 trillion already spent in fiscal stimulus responding to the pandemic we have little or nothing to show for it. The additional debt will reduce future growth, but at least we will have better infrastructure for the next generation. Let’s hold out the smallest level of hope rational sides on both sides of the aisle will come together and surprise me.

Clint Pekrul, CFA: The White House set a deadline of Memorial Day – May 31st – for Congress to present an infrastructure bill for President Biden to sign. I doubt that is going to happen. While there was bipartisan progress, talks have seemed to break down recently amid disagreements around issues that have nothing to do with infrastructure. Both parties I believe want genuine progress on infrastructure. Rebuilding roads, bridges, airports, etc., is not where the contention lies. The Democrats, who control both chambers of Congress by narrow margins, want to push their agenda forward. Included in the bill are agenda items for police reform, tighter gun laws, and voting issues. Not surprisingly, these are issues on which the Republicans disagree. As a result, talks have stalled, and the bill is stuck in deliberations. I think Joe Biden wants both parties to come together, and he might be willing to make a deal on his own to avoid a path down partisan reconciliation. However, the president is feeling pressure from the far left progressive faction of the Democratic party to push through their agenda.

Interestingly, according to Fortune magazine, only about \$157 billion, or 7%, of the bill’s total cost has anything to do with traditional infrastructure. Unfortunately, this is how the legislative process works. It is no wonder bipartisan efforts are stalling.