



2550 M Street NW
Washington, DC 20005
jgarbuckle@2025lawandpolicy.com



anand@sinfpi.org

January 22, 2025

A Note from Blueprint 2025 and The Strategic Infrastructure Performance Institute Financing Public Infrastructure – The Trump I Precedent

U.S. Infrastructure development policies historically have relied heavily on federal funding and federal-level oversight as the primary driving forces for development of needed public infrastructure – the highways, bridges, waterworks and other basic necessities that provide the foundation for the country’s development and the living standards of its people. However, the first Trump Administration recognized that the infrastructure policy that built these basic necessities would not be adequate to support maintenance and upgrading of that system, much less the addition of the more modern infrastructure that the 21st century requires. It saw the need to accommodate and attract investments from the private sector --including trillions of dollars in pension and other private funds which seek reliable returns from safe investments. Such an alternative approach was laid out in the Trump Infrastructure Plan of 2018 and added upon in subsequent years during that Administration. Unfortunately, there was resistance from those who saw federal funding as the only way to get facilities built and the federal government as the essential source of intelligence regarding the fulfillment of public needs. The approach proposed in the Trump I plans, which would have empowered States, communities and the private sector to upgrade and modernize infrastructure without creating unsustainable debt levels has never been fully funded or aggressively advanced.

This note concludes that the policy enunciated in Trump I merits careful consideration as a path forward in the current Administration.

The Trump I Infrastructure Planⁱ

The Trump Infrastructure Plan first put forward in 2018 was a significant departure from the old idea that public infrastructure had to be conceived and publicly funded at the federal level. It proposed to generate \$1.5 trillion in infrastructure investment with the investment of \$200 billion in public funds and it proposed to empower States, communities and the private sector to design the approaches which would most reliably fund projects which would bring the greatest benefits to the communities that supported the projects and most effectively promote private investments in those projects.

The proposal met with derision at that time, from those who believed that the federal government was the only source of expertise regarding public infrastructure and that the control inherent in federal funding was essential to prevent failures. The recent election calls those premises into question. States, communities and the private sector do have the expertise to make the right project decisions and to apply modern technology and more creative approaches to develop projects which require less public funding and yield superior results.

The Premises

The Trump I plan to create the infrastructure needed to enable effective U.S. participation and leadership in the “Fourth Industrial Revolution” was based on recognition of the following principles

1. Infrastructure is not just Roads, Streets, Bridges, Sewers and Waterworks. It is all of the systems which underpin U.S. innovation, leadership and quality of life. At this point in time, the most important new U.S. infrastructure will be that which supports digitization, analytics, artificial intelligence and the technologies which are driving leadership and innovation in the 21st century.
2. There will never be enough federal money to maintain and upgrade conventional infrastructure –much less to support the new age infrastructure needed to bring us into the 21st century. Federal funding and incentive programs must leverage federal investments and participation to encourage big multipliers from private sector investments and engagement. As our railroads were funded by the development of adjacent properties, the development and maintenance of transportation-related resources can be funded from planned development of rights of way and other adjacent properties. The new dynamics of development for the digitized infrastructure of the future make this a realistic possibility.
3. To attract private investments, development plans need to focus on projects which will generate broad community benefits and be perceived as so doing. This means that development must be multi-purpose rather than single function. Communities and their leaders, along with the private sector investor/developers, need to be fully engaged in the development dialog and broad community benefits must be the projects’ currency. The measure of infrastructure must be the public good and the affected public is the appropriate determiner of what that is.
4. There should be continuous and effective collaboration among the affected communities and institutions. The RELLIS research and innovation campus at Texas A & M University is an example of the kind of engine for innovation and profit that this kind of collaboration can generate. Failure to promote this kind of dialog leaves tremendous opportunities on the table.
5. Effective engagement with State, regional and local governments can create regulatory and policy climates conducive to proper development. Virginia’s experience with data centers illustrates the advantages of effective State policy and planning.

6. Development plans should bundle complementary technologies to achieve optimal public benefits from the resources used and, as a result, maximum return on investment. Attachment A illustrates the bundle visualized for the Ohio Route30 Opportunity Corridor—a kind of bundle which should be extremely appealing to national policymakers, but, more importantly, to the folk in the region that will need to accept and support the projects and the private investors that will help fund them.
7. A private financing institution focused on infrastructure development – a federally chartered *Federal Infrastructure Bank* can be a source of expertise and a promoter of the sort of collaboration that is needed to promote the objectives of the Trump I plan.
8. Infrastructure development in this century should consist of well-designed bundles of projects and services likely led by data analytics and energy generation and transmission, combined with elements which provide obvious public benefits. Data centers, energy providers and other developers will face challenges if they elect to stand alone. Continued public acceptance will depend in large part on the mix of projects put forward and the public’s perception of their impacts and benefits.

The Promises and Problems

Digitization, Data Analytics, AI and the other new technologies create major new opportunities and have generated a rush which will undoubtedly result in profits. As with other rushes, however, we are seeing and will continue to see pushbacks and setbacks. States and Communities are increasingly seeing that the Data Centers which lead many projects will eat the public’s power and may not return obvious community benefits. Utilities are seeing the stresses on their generation and delivery capabilities and are asking the PUCs and PSCs for authority to impose additional charges and increased rates on Data Center and other high-energy-use customers. High energy users are increasingly finding it difficult to find locations with access to power and other necessary resources. Moreover, the power that they do find may be subject to rate variability, long-term commitment requirements, etc. which impede capital formation and could endanger profitability over the long term.

The appropriate response is well planned collaboration and bundling of services including carefully designed long-term energy plans. That approach, in addition to enhancing the security of investments, offers multiple profit centers, enhanced public buy-in and real community benefits. In short, the development of data centers, other digital and AI technologies and other high-use-developments is not business as usual. There must be serious planning, outreach and detailed consultation at the State and local level based on full appreciation of the special dynamics of these new technologies. The Trump I approach – empowering States, communities and the private sector to develop multi-function plans to optimize both community benefits and overall profitability seems better adapted to progress than the old way of single purpose,

federally funded and dominated projects. It needs another try – with less embedded resistance and fewer silos.

The Path Forward

Although DOT’s BUILD, RAISE and TIGER grant programs were intended to demonstrate the viability of local empowerment and leveraging public funding to generate private investment, there was opposition to these initiatives from those seeking to maximize federal control and reliance on traditional approaches to get dirt moved and cement poured at early project phases. As a result, there has been little enthusiasm within the traditional branches of the traditional agencies for the kind of planning and up front support required to make non-traditional projects like innovation and research corridors feasible and financeable. Successful public/private projects have been largely limited to those with obvious revenue streams like tollways, toll bridges and airports. The more innovative projects, such as those described in the attachment, have not been prioritized. As a result, transportation projects, and public infrastructure projects in general have been relatively unsuccessful in generating the kind of high-tech multi-purpose development exemplified by the RELLIS campus. Nothing near the \$200 billion proposed in the Trump I plan has been provided and the leverage offered by the plan has not been achieved.

Since enactment of the Emergency Relief, Inflation Reduction and CHIPS Acts, the U.S.’ primary tool for advancement of new, cutting-edge technologies has been the grant of tax credits and similar incentives to selected developers in selected industries and it is reported that more than \$600 Billion in revenues has been devoted to that effort. Though that approach has clearly created value, it has also raised questions that the incoming Administration is addressing, and it is likely that refocusing will be required.

Moreover, since the IIJA/IRA/CHIPS subsidization approach does not address the needs which would be advanced by a revitalization of the Trump I approach –empowering States, communities and the private sector, using federal funding to leverage private investment in public infrastructure projects and encourage creative multipurpose bundling to make public infrastructure an engine for community development and new creative enterprise—the IIJA/IRA/CHIPS approach should not be treated as a substitute for the Trump I approach or allowed to supplant it.

We recommend that the State, community and private sector empowerment approaches put forward in Trump I be revisited and fully funded. The leveraging emphasis put forward in programs such as RAISE, BUILD and TIGER should be restored and reemphasized. Efforts like those of the Department of Transportation’s Build America Bureau, which seek to promote innovation and multidisciplinary approaches to their missions should be emphasized and elevated. Siloed functions at both federal and State levels which lock us into single purpose approaches which impede progress should be revisited and revised.

Conclusion

To summarize, the U.S.' ability to fulfill the infrastructure needs of this 21st century can be significantly enhanced through the empowerment and leveraging approach proposed by the first Trump Administration – allowing and assisting States, communities and the private sector to develop well-designed bundles of projects and services and bring in private investments in those projects. This approach, exemplified by the Ohio Route 30 Opportunity Corridor, the Texas Route 30 Corridor and the West Virginia Advanced Technology Corridor, can maximize public benefits, ensure greater return on both private and public investment, and gain the necessary public and private sector support. This policy for advancement of public and community benefits through new technologies brings both opportunities and challenges, necessitating collaborative planning and tailored long-term energy strategies.

The historical reliance on single-purpose, federally controlled projects must give way to empowered State, community, and private sector initiatives. DOT programs like BUILD, RAISE, and TIGER can develop ways to leverage public funds to attract private investments, though to date siloed thinking, resistance to non-traditional projects and embedded regulatory policies has limited their progress. Revisiting, resurrecting and fully funding the State, community, and private sector empowerment approaches advanced in the Trump I infrastructure plans emphasizing the kind of multidisciplinary approaches which that and revising siloed functions at federal and state levels will be key to fostering innovation and comprehensive community development.

ⁱ Endnote

By 2016, the year of Donald Trump's first election, our founder Norman Anderson had been a thought leader in the infrastructure community for over thirty years. Frustrated with the inability of that era's policy makers to understand and deal with the demands of 21st century infrastructure, he reached out to the incoming Trump Administration in the hope that a businessman President without preconceived attitudes would be able to reformulate infrastructure policy to focus it toward the future, make it more nimble and efficient, effectively engage the private sector and otherwise do what is necessary to return the U.S. to its proper position as the country with the worlds' most efficient, most productive and most sustainable infrastructure. He established the *Strategic Infrastructure Performance Institute* as a sort of think tank to support the development of those policies and started the *Blueprint 2025 Initiative* to give voice to his extensive network of infrastructure professionals regarding the pressing policy issues of that time. His infrastructure policy thoughts—enhanced by engagement with Trump infrastructure advisors—are embodied in his book [Vision: Our Strategic Infrastructure Roadmap Forward](#). Since Norman's untimely passing in December of 2021, his companies, friends and colleagues have been working together to perfect the *Vision* and carry it forward. This note, based on the *Institute's* experience with projects such as the *Ohio Opportunity Corridor*, the *Texas SH 130 Corridor* and the *West Virginia High Tech Corridor* -- which embody the *Vision* concepts, lays out a path forward to a better infrastructure future.

VISION



Norman F. Anderson
with Seth Kaufman



Excerpts from Norman Anderson book: *Vision*, discussing prospects for the Ohio Route 30 Opportunity Corridor

There is a winding highway from Canton, Ohio, to the Pennsylvania border just north of Pittsburgh. It travels through some of the poorest counties in America but sits on top of the third-largest pool of natural gas in the world—right on top of the Utica Shale and Marcellus Shale. The highway is dangerous, and slow. It takes more than two hours to drive from Pittsburgh to Canton, less than 90 miles away. At the same time, like the rest of forgotten America, it is rich in talented people and world-class businesses—Smucker's, Kenan Advantage in northern Canton (the largest fuel-delivery company in America), Beaver Excavating (the seventh-largest excavation company in the U.S.), and First Energy's regional energy business, providing electricity all the way from Toledo, Ohio, to Maryland and New Jersey. Is the region a backwater, or a powerhouse? Is it the heart of America, or a place where Wall Street can make money?

What if those businesses were connected through a single world-class logistics system uniting agriculture, transportation, energy, services and manufacturing?

The expansion and straightening of U.S. 30 will create not only a logistics platform from Canton to Pittsburgh, and a model for an investor-owned corridor between the Midwest and the East, but it will also create the smartest highway infrastructure in the U.S. Let me give you a glimpse of the benefits. The highway would be 5G-enabled throughout its 83-mile stretch, providing schools, homes, medical facilities and businesses with high-speed internet. It will have a utility corridor down the center—fiber optics, natural gas, water, high-

voltage electricity-all leaseholders, providing services to farmers, the dynamically increasing number of local businesses, and trucks and people driving through. Remember that cars and trucks will be increasingly electric, and will need either high-voltage charging stations, or their batteries will be charged by the high-voltage highway as they roll toward their destinations.

Next, look at something we'll call 5 G Logistics. What's really happening is that U.S. 30 is a digital highway. Trucks are autonomous, so crossing from Pennsylvania to Ohio, sensors seamlessly pick them up and provide vehicles the information they need to travel rapidly and efficiently, likely stopping at the-also automated-intermodal facility north of Pittsburgh to drop off and pick up cargo, and doing the same just outside of Canton.

And every "touch" is producing new public and private revenue. The trucking companies pay a small amount for sensor interactivity, charging and 5G guidance. Businesses along the way pay for new services that are available. And all of this-perhaps even a digital tax-pays for local public services and provides dividends to the highway's owners. Take note that this logistics platform is seamlessly connected to the new U.S. coast-to-coast logistics network, and thus local businesses are no longer in the middle of nowhere, but are at the heart of everywhere.

Finally, the really good part-since the above is nice, but somewhere between plausible and alarming -this platform will drive the high-velocity reshoring of the U.S. manufacturing base. The giant sucking sound we heard 20 years ago as U.S. jobs were whooshed to China will be heard again as 3D printing, price-accounting that weighs carbon emissions, and the advantages of local production make it a no-brainer for businesses to create manufacturing facilities across in the U.S. (And with an optimized ecosystem like the one projected for U.S. 30, the economies of the Midwest would rise from the dead.)

These are the jobs of the future, not just processing data, but creating whole new businesses, products and user experiences based on the 5G ecosystem. As long as you have a node-and U.S. 30 is a super node-you can dream up a business and have the same chance of success as anyone else anywhere in America.

This kind of planning is happening across the country, from Innovation Park outside of Reno, through the Great Lakes Basin integrated highway, rail and airport project creating a world-class logistics platform around Chicago, uniting the interrupted network in northern Indiana, northern Illinois and southern Wisconsin.