



**Congressional Budget Office**

# **Issues in Infrastructure Investment**

**Joseph Kile**

**Assistant Director for  
Microeconomic Studies**

**National Tax Association Conference**

**September 26, 2008**



# Congressional Budget Office



- **Issues and Options in Infrastructure Investment**

<http://www.cbo.gov/doc.cfm?index=9135>

- **Trends in Public Spending on Transportation and Water Infrastructure, 1956 to 2004**

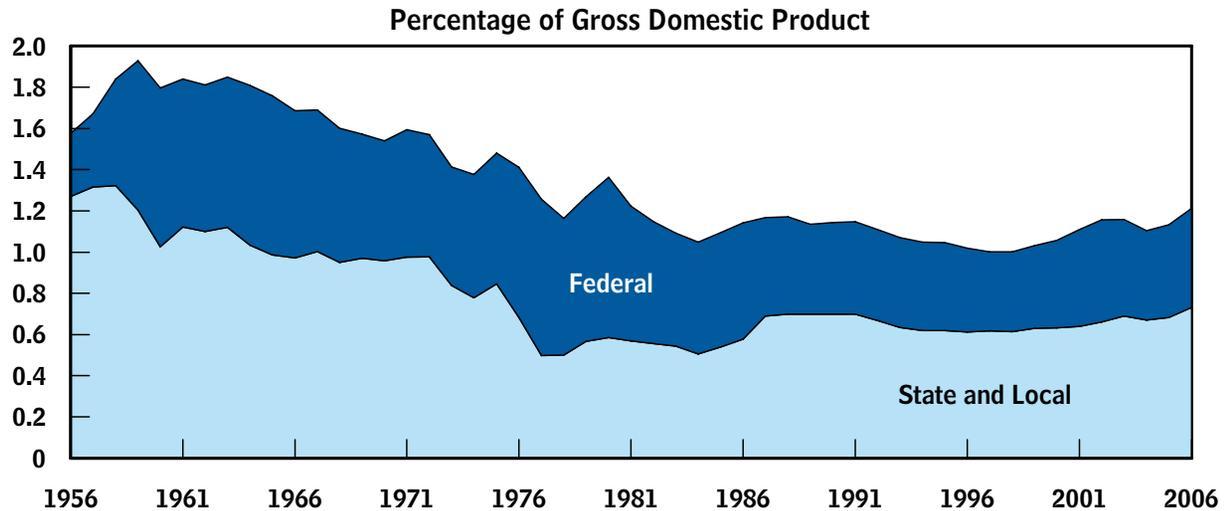
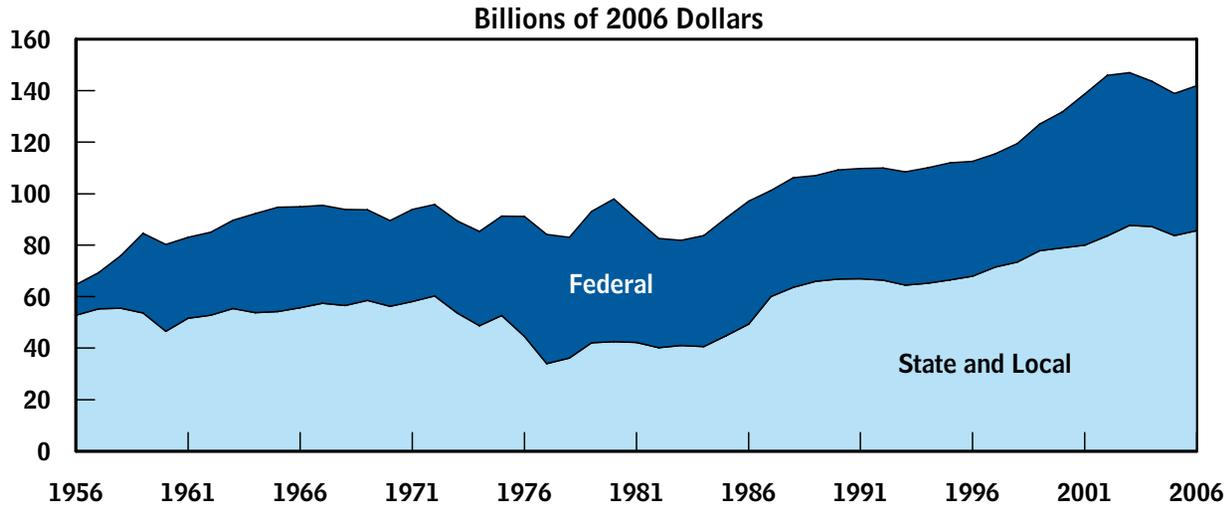
<http://www.cbo.gov/doc.cfm?index=8517>

- **Capital Budgeting**

<http://www.cbo.gov/doc.cfm?index=9167>

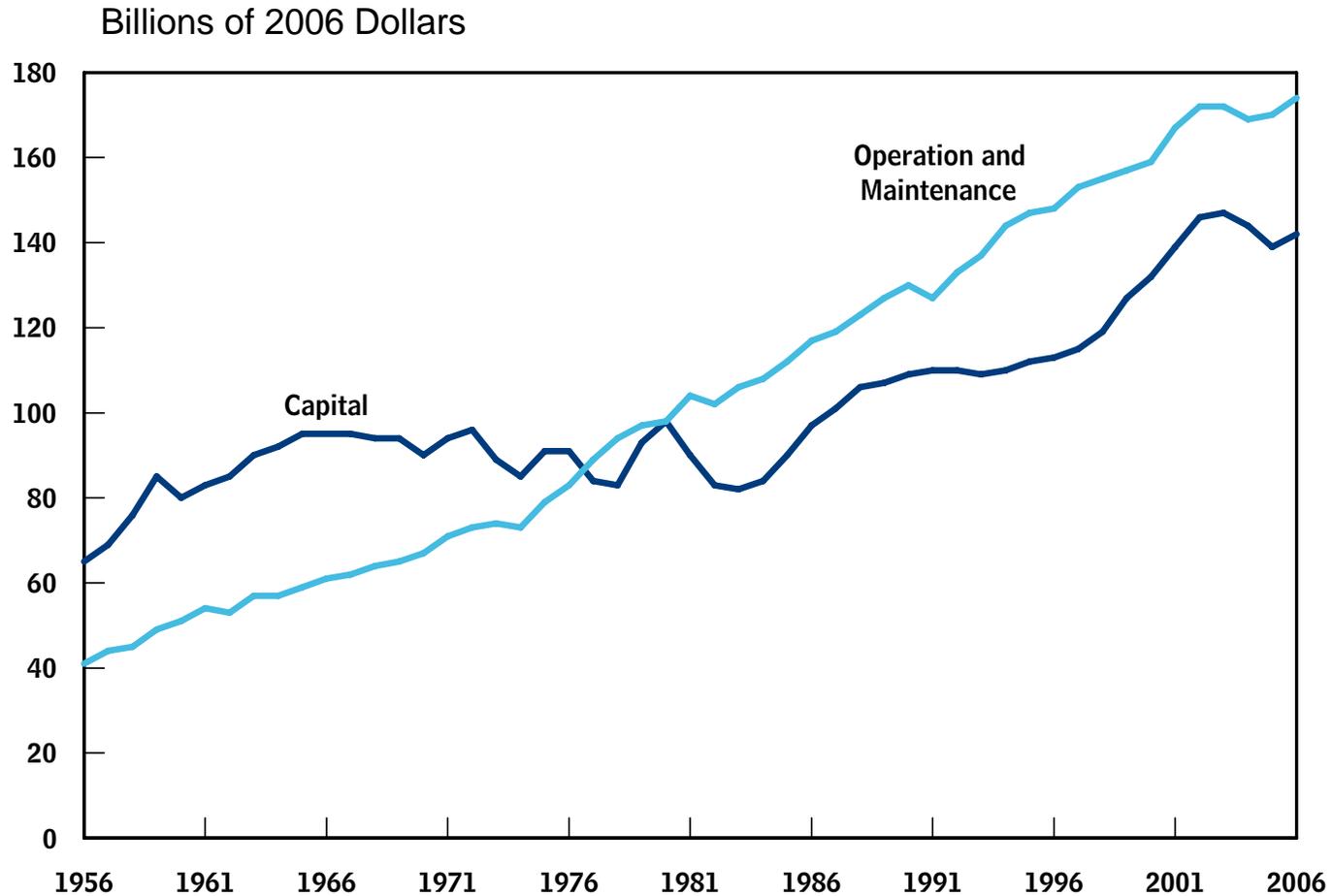


# Public Capital Spending on Transportation and Water Infrastructure, 1956 to 2006



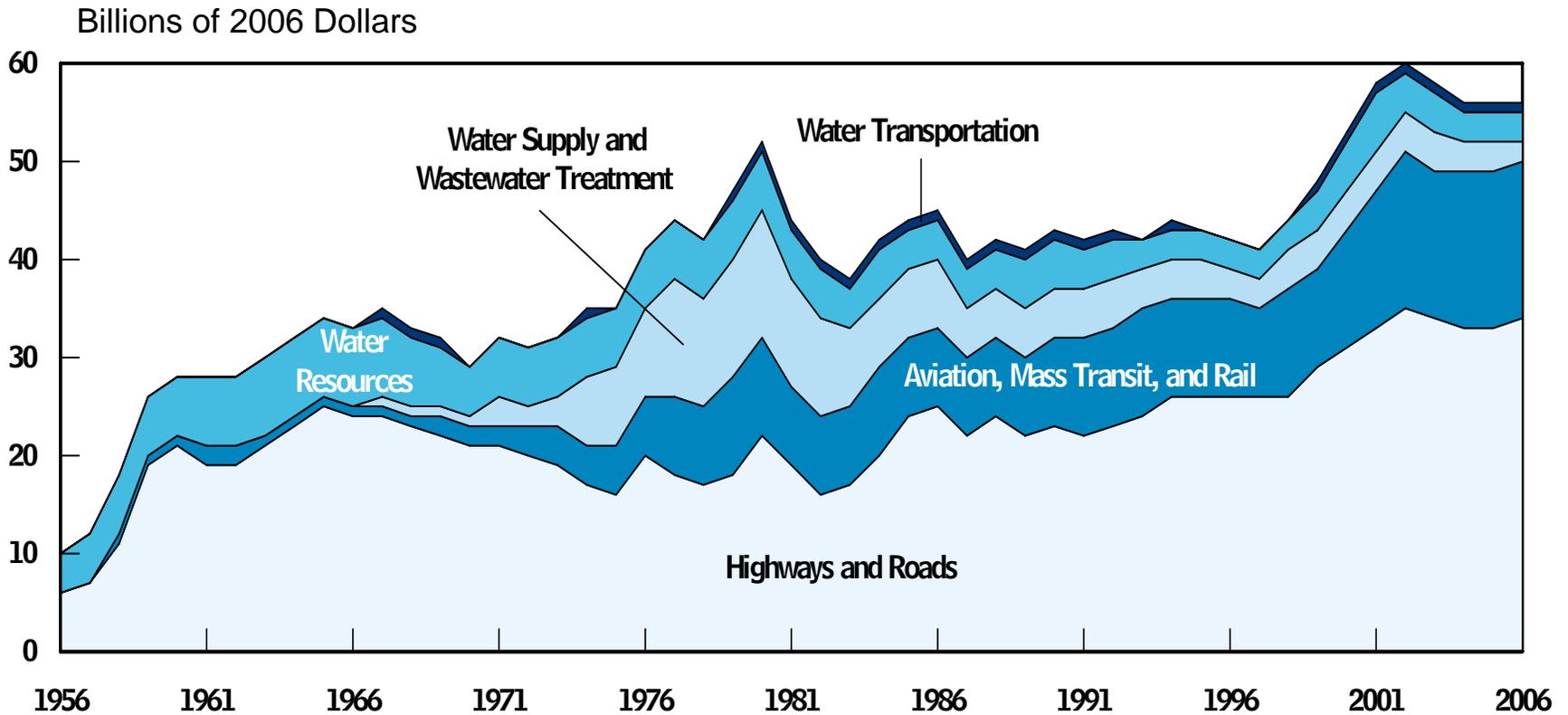


# Public Spending for Infrastructure Capital and Related Operation and Maintenance, 1956 to 2006



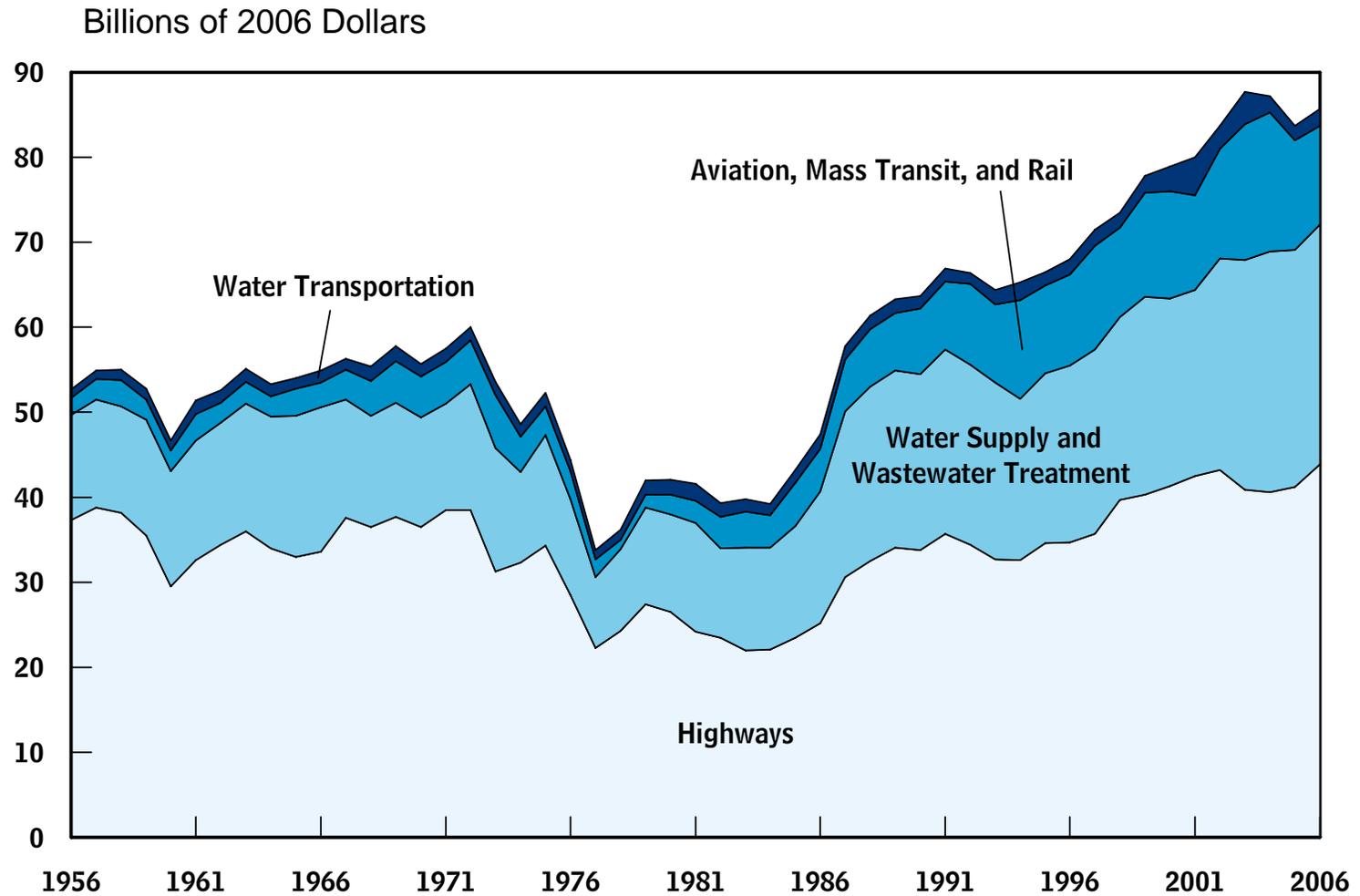


# Federal Capital Spending for Infrastructure, by Type, 1956 to 2006



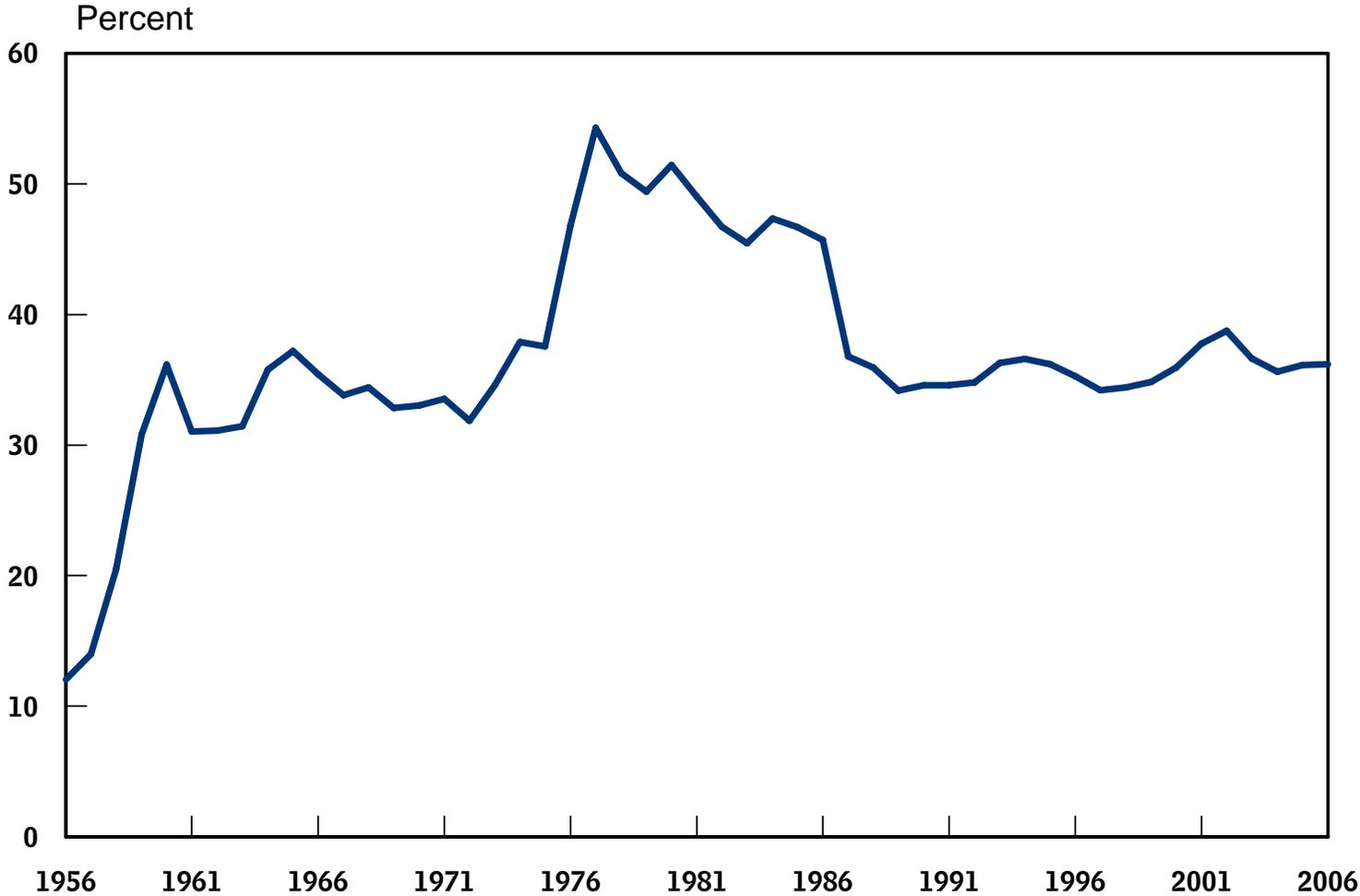


# State and Local Capital Spending for Infrastructure, by Type, 1956 to 2006



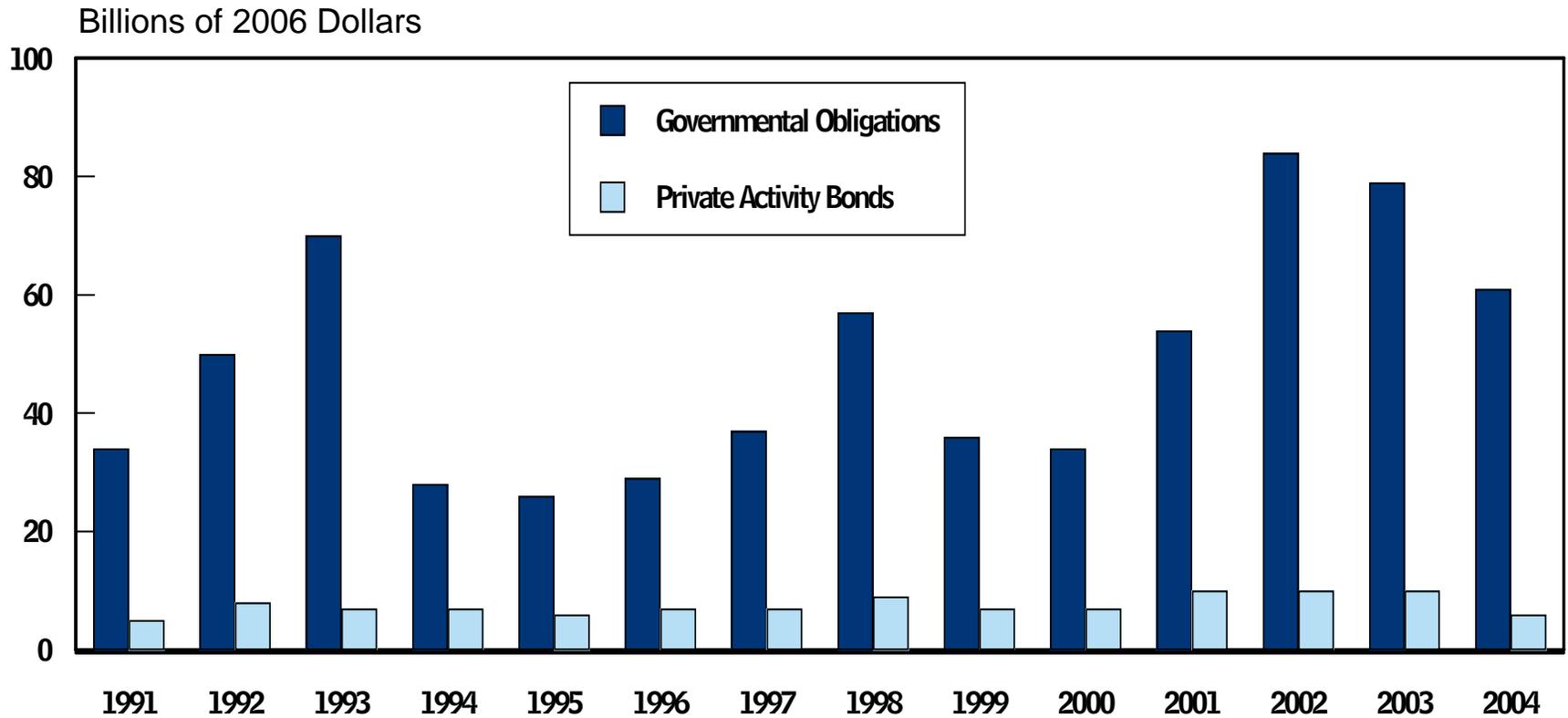


# Federal Grants and Loan Subsidies as a Share of State and Local Governments' Capital Spending for Infrastructure, 1956 to 2006





# Governmental Obligations and Private Activity Bonds to Finance Public Infrastructure, 1991 to 2004





# Capital Spending on Infrastructure in 2004, by Category

Billions of 2004 Dollars

	Public		Total		
	Federal	State and Local	Public	Private	Total
Highways	30.2	36.5	66.7	n.a.	66.7
Mass Transit	7.6	8.0	15.5	0	15.5
Rail	0.7	0	0.7	6.4	7.1
Aviation	5.6	6.8	12.4	2.0	14.4
Water Transportation	0.7	1.7	2.4	0.1	2.5
Utilities and Other	17.6	117.2	134.9	165.0	299.9
<b>Total</b>	<b>62.4</b>	<b>170.2</b>	<b>232.6</b>	<b>173.5</b>	<b>406.1</b>



# Annual Spending on U.S. Transportation Infrastructure

Billions of 2004 Dollars

	Current Spending (Total column, previous slide)	Spending to Maintain Current Level of Service	Economically Justifiable Investment	Other
Highways	66.7	78.8	131.7	*
Mass Transit	15.5	15.8	21.8	*
Freight Rail	6.4	10.7	12.3	*
Passenger Rail	0.7	0.5	n.a.	2.1
Aviation	14.4	17.9	18.9	*
Water Transportation	2.5	2.7	n.a.	7.9
<b>Total</b>	<b>106.2</b>	<b>126.5</b>	<b>184.8</b>	