THE
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5 Things To Know About Biden's Bloated Infrastructure Package

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The $1.2 trillion infrastructure bill, signed into law by President Joe Biden on Monday, is expected to add billions to the national deficit while expanding Washington's influence in a flood of unnecessary spending.

The Infrastructure Investment and Jobs Act overcame hurdles in Congress with the help of 19 Republicans in the Senate and 13 more in the House, allowing the Biden administration and Democrats to claim a political victory on infrastructure.

"And I will tell you, in the House, for the House Republicans who voted for this, Joe Biden and the Democrats, their agenda was on the rails. It was failing. It was on the way to going down," Sen. Ted Cruz (R-TX) said on Sunday, a day before the bill's signing. "And what those Republicans did is they breathed life into it; they gave Joe Biden a political win. He'll now go across the country touting, look at this big bipartisan win."

Biden has touted the legislation as "truly historic" and necessary to "rebuild the backbone of this nation," the middle class. Republicans and other critics claim that the bill is generally wasteful and a vehicle for expanding Biden's climate change agenda to transform the U.S. economy. Here are five of the most prominent criticisms of Biden's Infrastructure Investment and Jobs Act:

The legislation adds up to $340 billion to the national deficit

Democrats have touted the infrastructure bill as a massive investment into the U.S. transportation system paid for without a single tax increase. According to the Congressional Budget Office, the legislation is set to add at least $340 billion to the national deficit and potentially more as time continues. As the nonpartisan Committee for a Responsible Budget reports:

The Congressional Budget Office (CBO) just published its score of the recently unveiled bipartisan Infrastructure Investment and Jobs Act. Though its estimates are complicated to decipher, they show the legislation would directly add over ***$340 billion*** *to the*

*deficit and cost nearly **$400 billion** when including indirect effects from a higher transportation spending baseline; neither figure includes interest.*

Proponents of the bill claim that the added spending has been covered through a series of "pay-fors," or other means of increasing federal revenue without directly increasing taxes, such as selling oil out of the strategic reserve or reappropriating COVID-19 relief funds. Such strategies are generally unsuccessful at raising the amount of money lawmakers claim, however. As The Heritage Foundation reports:

The bill includes many provisions designed to pay for the spending spree, which are dubious, inappropriate, or both.

This includes a laundry list of tired budget gimmicks, including the sale of oil from the Strategic Petroleum Reserve, extending long-standing fees, and spectrum sales. Many of these gimmicks have a history of falling short of expectations.

Another gimmick, known as "interest rate stabilization" (or "pension smoothing") would allow corporations to reduce pension contributions and increase their profit margins, leading to more revenue from the corporate income tax. This would shortchange the pension funds by roughly $9 billion for the sake of less than $3 billion in additional tax revenue. …

The bill also repurposes hundreds of billions worth of funds that were originally passed in COVID-19 relief bills. The vast majority of this amount (such as states turning down harmful unemployment benefit expansions) would not have been spent, meaning this represents fake savings.

A vehicle for Biden's climate change agenda

The legislation is a vehicle for Biden's climate change agenda and efforts to force the U.S. economy away from carbon-based fuels to renewables such as wind and solar, despite the costs and dependability problems that would come with such a transition. As Heritage reports:

The climate section of the bill expands the size and scope of the federal government with alternate fuel corridors, grants for electric and alternative vehicle refueling stations, cost-sharing for weather resistant infrastructure, workforce training programs, and even grants for reflective sidewalks and tree planting.

By and large, these are highly local projects that should be paid for by residents and users, and in some cases (such as electric vehicle charging stations) duplicate what states and the private sector are already doing.

The bill also requires state transportation agencies to develop a "carbon reduction strategy" for highway transportation, but the goals are vague and each plan must be approved by the Department of Transportation under Secretary Pete Buttigieg.

Spends billions on unpopular modes of transportation

Playing into Biden's climate agenda, the bill allocates billions of dollars toward some of the least popular means of transportation in the U.S., such as Amtrak. The Cato Institute reports:

The infrastructure bill is really two bills in one: first, a reauthorization of existing federal spending on highways and transit; and second, brand-new spending on highways, transit, Amtrak, electric vehicles, airports, ports, clean water, clean energy, and broadband. This entirely new spending is almost entirely unnecessary as the infrastructure crisis was mostly fabricated in order to get Congress do what it always does, which is throw money at problems that are perceived to exist, whether they are real or not.

About half of the transportation dollars in the bill are dedicated to Amtrak and urban transit, modes of transportation that carry less than 1 percent of passenger travel and no freight. While the other half appears to be dedicated to highways, much of that will be spent on projects that will reduce, not maintain or increase, roadway capacities.

All of this is based on a presumption that automobiles are evil and the primary goal of government should be to wean Americans off the automobile and get them into various forms of government-owned mass transportation. Even if you believe that automobiles are a major contributor to global climate change, many states and cities have made enormous efforts to get people to reduce their driving since 1970, and all of them have failed.

Concentrates power in Washington

Finally, the bill concentrates power over U.S. transportation in Washington and with Buttigieg, in particular. The legislation creates a slew of transportation grants that Buttigieg and his officials at the Department of Transportation will be responsible for doling out with an eye toward "equity" over impact. As The Daily Signal reports:

The Senate infrastructure bill creates dozens of programs where Buttigieg and Transportation Department bureaucrats get to decide how to distribute over $100 billion worth of infrastructure grants. Buttigieg has emphasized that he will prioritize progressive goals related to race and "equity" in such decisions.

Most insidious of all is when the federal government elbows its way into the private sector. The Senate bill does so in two key areas: energy and broadband internet. A combined $138 billion would go toward a variety of subsidies, mandates, and government-operated enterprises competing with private providers.

Cryptocurrency

The infrastructure bill also installs new reporting requirements for cryptocurrencies. The requirements, critics say, will dampen growth in a breakout industry for little benefit. Cruz has introduced a bill to repeal the crypto reporting requirements from Biden's infrastructure package.

"The Lone Star State has quickly emerged as the main hub for the cryptocurrency industry, and that exciting industry is now in danger of being stifled and driven overseas by an overreaching provision in this newly-signed, reckless spending package," Cruz said in a statement Tuesday. "As a deliberative body, the Senate should have done its job and held hearings to properly understand the consequences of legislating on this emerging industry before we risked the livelihoods and privacy of participating Americans. I urge my colleagues in the Senate to repeal this harmful language that will create regulatory uncertainty and in turn an unnecessary barrier to innovation."