

# Chart of the Day



On Friday, the House passed the \$1.2 trillion bipartisan “hard infrastructure” bill in a 228 - 206 vote, largely along Party lines. Having passed the US Senate in early August by a more bipartisan 69-30 vote, President Biden is expected to sign the bill into law imminently.

In addition to a five year re-authorization of an existing \$650 billion highway bill, the legislation also includes \$550 billion of “new” infrastructure spending (see chart below for breakdown). The economic multiplier effect of this new bill is likely to be less than prior COVID rounds of fiscal stimulus, in particular since the spending outlays will take place over a 10 year period.

Looking ahead, Democrats will now look to pass the \$1.5 - 2 trillion “soft” infrastructure “Build Back Better” (BBB) bill via budget reconciliation, and likely without Republican support, before year-end. As discussed in our note last week, a series of modest US tax code increases are expected to fund the new social and climate related provisions of this bill.

The \$1.2 trillion bipartisan “hard” infrastructure bill includes a re-authorization of an existing 5 year highway bill, and \$550 bn of new spending broken down as follows:

Roads, bridges & major projects \$70 bn 	Power Grid Modernization \$73 bn 	Climate change & cyber resilience \$50 bn 
Bridge repair & replacement \$40 bn 	Amtrak maintenance & upgrades \$66 bn 	Public transit modernization \$39 bn 
Water infrastructure \$55 bn 	Broadband internet \$65 bn 	Environmental remediation \$21 bn 
Airports \$25 bn 		Ports & Waterways \$17 bn 
		Transportation safety \$11 bn
		Other \$3bn
		EV charging stations \$7.5 bn
		Buses & Ferries \$7.5 bn

Source: Bloomberg Government “What’s in the \$550 Billion Bipartisan Infrastructure Deal”. Veda (Henrietta Treyz). White House “Fact Sheet: Historic Bipartisan Infrastructure Deal”.

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