



FEDERAL LEGISLATIVE UPDATE

Week of April 5, 2021

HOUSE & SENATE FLOOR ACTION

The House and Senate are on recess this week.

BIDEN UNVEILS \$2.25 TRILLION INFRASTRUCTURE PROPOSAL

In a [speech](#) last week, President Joe Biden unveiled the framework for a wide-ranging infrastructure proposal that would fulfill a range of promises that he made during the campaign. The so-called *American Jobs Plan*, part of the administration's Build Back Better initiative, would invest \$2.25 trillion over the next eight years in transportation, renewable energy, manufacturing, and efforts to combat climate change. It should be noted that the president is expected to announce a second round of initiatives later this month that will focus on human infrastructure. The second package, which could cost upwards of \$1 trillion, will address health care costs, expand child care, and increase access to paid leave, among other things.

The cost of the *American Jobs Plan* would be offset through a series of corporate tax reforms. For starters, the White House has proposed increasing the corporate income tax to 28 percent (up from 21 percent) and imposing a 15 percent minimum tax on income reported to shareholders by large corporations. It also seeks a minimum tax on profits that U.S. corporations earn overseas. According to the White House, these changes – along with increased Internal Revenue Service (IRS) enforcement of corporate tax laws – would fully pay for the plan within 15 years.

While the president's infrastructure proposal was generally well received by Democratic lawmakers, it drew criticism from congressional Republicans and progressive Democrats. For their part, GOP leaders have stated their belief that the package is too broad and overly partisan. However, their main concern is that it would roll back the corporate tax cuts that were included in Trump's signature tax reform law (PL 115-97). At the same time, a number of progressive Democrats believe the package does not go far enough in providing investments in clean energy. With little margin for error in both chambers, it could prove more difficult to enact the *American Jobs Plan* than the \$1.9 trillion COVID-19 relief Act (PL 117-2).

In addition, the competing pressures could force Democratic leaders to split the package into two or more pieces of legislation that may ultimately differ significantly from the administration's plan. Some parts will need Republican support to make it through the Senate, while other provisions could advance through the budget reconciliation process, which would allow Democrats to bypass the need for Republican votes.

Despite the aforementioned challenges, House Speaker Nancy Pelosi (D-CA) has set an ambitious goal of July 4 for the legislation to clear the lower chamber. If the House does, in fact, meet this deadline, the Senate could begin consideration of the bill sometime in mid-July.

KEY HIGHLIGHTS FROM THE AMERICAN JOBS PLAN

Highlighted below are a few of the key elements of the *American Jobs Plan*. A detailed fact sheet prepared by the Biden administration can also be accessed [here](#).

Transportation

The plan would invest \$620 billion in the transportation sector, including \$115 billion to upgrade 20,000 miles of highways and roads, the ten most “economically significant” bridges in the country, and 10,000 smaller bridges – particularly those that provide critical connections to rural and tribal communities. The proposal also includes \$85 billion for transit, \$80 billion for rail, \$25 billion for airports, \$20 billion for road safety, and \$17 billion for ports, inland waterways and ferries. In addition, President Biden is calling on Congress to provide \$20 billion for transportation projects targeted toward disadvantaged communities, as well as \$25 billion to support large-scale projects.

The plan also includes \$50 billion in dedicated investments to improve infrastructure resilience, with the investments targeted to the most vulnerable communities. The funding would be provided through a range of new initiatives and existing programs – including FEMA’s Building Resilient Infrastructure and Communities (BRIC) program and the Community Development Block Grant (CDBG) program. Among other things, President Biden has specifically called on Congress to invest in resilience to extreme wildfires, sea-level rise, and drought.

Water Infrastructure

The *American Jobs Plan* would provide \$111 billion to improve water infrastructure, including \$56 billion in grants and low-cost loans to states, tribes, and disadvantaged communities to improve water systems, \$45 billion to replace lead water pipes nationwide, and \$10 billion to monitor and remediate contamination by per- and polyfluoroalkyl substances (PFAS) – also called “forever chemicals” – and for rural water systems.

Broadband

President Biden’s plan proposes \$100 billion for broadband infrastructure improvements. The investment would help expand high-speed broadband internet access to unserved and underserved communities. It also prioritizes support for broadband networks owned, operated by, or affiliated with local governments, non-profits, and co-operatives. Additionally, the plan includes measures to make pricing more transparent and competitive and includes short-term subsidies for low-income households.

Power Infrastructure

The plan includes \$100 billion to build a more resilient electric grid and for initiatives to expand renewable energy production, with a goal of achieving 100 percent carbon-free electricity by 2035. Among other things, this funding includes \$5 billion for the remediation and redevelopment of Brownfield and Superfund sites, as well as related economic and workforce development. The proposal also would dedicate \$10 billion for a new Civilian Climate Corps that would be responsible for conserving the nation’s public lands and waters, bolstering community resilience, and advancing environmental justice.

Housing

The president’s plan calls for investing \$213 billion to produce, preserve, and retrofit more than two million affordable and sustainable homes. The initiative would create or renovate more than one million affordable housing units, using targeted tax credits, grants and project-based rental assistance. The administration also proposes building and rehabilitating more than 500,000 homes for low- and middle-income homebuyers by urging Congress to adopt legislation (S 98) that would offer \$20 billion worth of tax credits over five years.

Additionally, President Biden is calling upon Congress to invest \$40 billion to improve the infrastructure of the nation’s public housing. The package proposes to “eliminate exclusionary zoning and harmful land

use policies,” asserting that zoning laws – such as minimum lot sizes, mandatory parking requirements, and prohibitions on multifamily housing – have increased construction costs and locked some families out of communities. To incentivize zoning changes, the plan calls on Congress to enact a competitive grant program to award flexible and attractive funding to jurisdictions to eliminate zoning barriers for affordable housing.

Child Care

The American Jobs Plan proposes to invest \$25 billion to upgrade child care facilities and increase child care slots in high need areas. Funding would be provided through a *Child Care Growth and Innovation Fund* for states to increase the supply of child care. The Plan also proposes an expanded tax credit to encourage businesses to build child care facilities at places of work. Employers would receive a 50 percent tax credit of the first \$1 million of construction costs per facility.

Home and Community-Based Services

The administration’s proposal would provide \$400 billion toward expanding access to quality, affordable home- or community-based care for aging relatives and people with disabilities. Funding would expand access to services under Medicaid and extend the federal Money Follows the Person program which enables Medicaid-eligible persons to receive appropriate and necessary long-term services and supports in the setting of their choice. The initiative would support well-paying caregiving jobs that include benefits and the ability to collectively bargain.

Workforce Development

The American Jobs Act includes \$100 billion for workforce-development programs, including training for those who have lost their jobs, as well as apprenticeship initiatives. The plan would invest \$100 billion in workforce development programs targeted at underserved groups and high school students before they graduate. Included in the proposal is a new \$40 billion dislocated workers program that would provide wrap-around services, income supports, counseling, and case management, paired with training and partnerships between educational institutions, unions, and employers. In addition, \$12 billion would target individuals who were formerly incarcerated and justice-involved youth. The plan also proposes a new subsidized jobs program, though no additional details have been provided. Finally, President Biden would allocate \$48 billion to build the capacity of the existing workforce development and worker protection systems, including creating one to two million new registered apprenticeships slots.

GRANT OPPORTUNITIES

Port Infrastructure Development Grants – This program is intended to improve the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports and provides funding for development phase and construction activities. More information on this funding opportunity is available [here](#). Applications are due on May 31, 2021.

National Fish Passage Program – This program provides direct technical and financial assistance to maintain or increase fish populations in order to improve ecosystem resiliency and to provide quality fishing experiences to the public. More information on this funding opportunity is available [here](#). Applications are due December 31, 2021.