



March 31, 2021

Interim Update - Biden Infrastructure Plan

This afternoon in Pittsburgh, President Biden will announce a major infrastructure initiative – a **\$2 trillion, eight-year** “American Jobs Plan” which includes funding not only for the traditional surface transportation programs (highways, transit, rail) but also for water, broadband, electrification, power grid, housing, schools, federal buildings and other programs.

The White House is presenting it as a plan that is fully paid for over 15 years including through **tax hikes on corporations**. The proposed corporate tax hike would reverse a portion of the Trump administration’s tax cut on businesses, raising it from 21 percent to 28 percent, while strengthening the global minimum tax on multinational corporations. These revenue sources will likely be problematic for Republicans and even some Democratic Members of Congress.

Here is a [link](#) to a Fact Sheet on the plan.

Some highlights:

- \$621 billion for **transportation** (this is supposedly in addition to a surface transportation reauthorization bill)
 - \$115 billion for bridges, highways and roads
 - \$20 billion for roadway safety
 - \$85 billion for transit to modernize existing public transportation and for transit expansion
 - \$80 billion for Amtrak and other passenger and freight rail to improve the rail network by addressing Amtrak’s repair backlog, modernizing the Northeast Corridor, improving other existing corridors and boosting existing grant and loan programs for both freight and passenger rail
 - \$174 billion for domestic investments in electric vehicle and battery manufacturing, including tax incentives and grants for state and local government and the private sector in support of the installation of 500,000 new electric vehicle charging stations by 2030
 - \$25 billion in airport improvements
 - \$17 billion for inland waterways, coastal ports, land ports of entry, and ferries, including a “Healthy Ports” program to mitigate the cumulative impacts of air pollution on communities near ports



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- \$20 billion for a new equity program that provides transportation accessibility for disadvantaged areas (addressing discrimination in transportation construction both historically and into the future)
- \$25 billion for a dedicated fund to support large projects that have tangible benefits to the regional or national economy but are too large or complex for existing funding programs
- \$50 billion for infrastructure resilience including rail, roads and other transportation assets
- Other provisions include:
 - \$111 billion to ensure clean, safe drinking water and upgrade and modernize wastewater and stormwater systems - including replacing 100% of the nation's lead pipes and service lines and increasing the Drinking Water State Revolving Fund by \$45 billion
 - \$100 billion for affordable, reliable, high-speed broadband infrastructure
 - \$100 billion to build a more resilient electric transmission system, modernize power generation, and promote clean electricity
 - \$213 billion for affordable and low to middle-income housing
 - \$100 billion to modernize public schools and community college infrastructure
 - \$28 billion to modernize VA hospitals and other federal buildings
 - Funding to remediate and redevelop idle real property

Under the infrastructure umbrella, the plan reflects several of Biden's major priorities, including **combating climate change** and dedicating aid under certain programs to **disadvantaged communities** to help narrow inequality. The climate aspects include a **call to end fossil fuel subsidies** and the investment in vehicle electrification, which would involve at least 20 percent of school buses and the entire federal vehicle fleet. It would also target 40 percent of the benefits of its investments in clean infrastructure and climate to disadvantaged areas.

It will now be **up to Congress to decide how to proceed, to write actual legislation, to identify funding sources**, and to determine whether the bill can be passed using "regular order" or will need to use the controversial budget reconciliation process in order to pass the Senate.

Later this month, Biden is expected to unveil the second part of his "Build Back Better" plan, called the "American Families Plan", which will propose significant federal funding for health care and other social programs and improved wages for essential workers.