

## AGC of America's Overview of the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Bill)

### ✓ BILL FEATURES ALIGNED WITH AGC OBJECTIVES

#### ✓ Provides a \$1.2 Trillion Investment in Physical Infrastructure

This bill is a first step towards enacting record levels of federal investment building and maintaining America's physical infrastructure including:

- \$66B for freight and passenger rail;
- \$65B to states for broadband deployment and broadband affordability;
- \$55B for water infrastructure;
- \$47B for roads and bridges (in addition to the reauthorization);
- \$73B for modernizing electric grid and clean energy transmission
- \$39B for transit;
- \$25B for airport projects; and
- \$17B for ports.

#### ✓ Includes the Surface Transportation Reauthorization Act

The 5-year Surface Transportation Reauthorization Act was unanimously passed by the Senate Environment and Public Works Committee and supported by AGC. This bill makes a \$311B investment in the nation's roads and bridges, \$85B more than the FAST Act. A state-by-state breakdown of funding can be found here.

#### ✓ Expedites the Environmental Review/Permitting Processes

Makes One Federal Decision, the President Trump executive order, permanent law by holding agencies accountable and requiring timelines and page limits on large environmental documents. It makes other improvements to the process by allowing utility relocation prior to the environmental reviews being completed and makes the federal permitting council established by the FAST Act permanent.

#### ✓ Allows States to Build New Roads

Does not include restrictions on or excludes eligibilities for expanding highway capacity – like was included in the House INVEST Act. AGC of America was opposed to this provision and led a coalition letter voicing our concerns.

#### ✓ Doesn't Increase Taxes on Construction Companies

Unlike prior proposals, like the American Jobs Plan, this does not include increases to the corporate tax rate which would have undermined the economic benefits that this investment would have provided.

### ✗ BILL FEATURES THAT CAUSE AGC CONCERN

#### ✗ Fails to Address the Long-Term Solvency of the Highway Trust Fund

The bill continues to rely on an assortment of pay-fors since the motor fuel taxes have not been increased since 1993 and were not indexed to inflation. However, AGC is encouraged by the inclusion of a **pilot program to demonstrate a national motor vehicle per-mile user fee**. The pilot will provide different methods that volunteer participants can choose from to track motor vehicle miles traveled, solicit volunteer participants from all 50 States, the District of Columbia, and the Commonwealth of Puerto Rico, ensure an equitable geographic distribution by population among volunteer participants, and include commercial vehicles and passenger motor vehicles.

#### ✗ Expands Buy America Requirements to Include Construction Materials

The bill adds construction materials to the Buy America requirements for federally funded projects. The **bill creates exemptions** for cement; aggregates like stone, sand and gravel; and aggregate binding agents or additives as inputs of construction materials. AGC has concerns about potential unintended consequences of this policy but supports the exemptions that are included.

#### ✗ Includes Local Hire Requirements

The bill allows a grant recipient discretion to implement a local or other geographical or economic hiring preference relating to the use of labor for construction of a project funded by the grant, including prehire agreements, subject to any applicable State and local laws, policies, and procedures.

#### ✗ Expands Davis Bacon Requirements

Requires that all energy related work be paid at the prevailing wage rate. This is an expansion of the Davis Bacon requirements into a new market. AGC opposes the expansion of Davis Bacon requirements beyond the status quo and advocates for sensible Davis Bacon reforms.

#### ✗ Gives Broad Discretion to Federal Agencies

Provides large sums of money to federal agencies to be distributed by discretionary grants. In many cases, this provides these agencies with the opportunity to prioritize additional requirements. In addition, many of these agencies will be tasked with implementation of these funds and could go beyond the scope of congressional intent.

Updated August 2, 2021  
\*\*\*Subject to Change\*\*\*



**☑ Invests in America's Energy Infrastructure**

Invests over \$100B in our Nation's energy infrastructure by including the bipartisan [Energy Infrastructure Act](#). This makes critical investments to provide resiliency for our energy grid, energy efficiency in buildings, investment in our water infrastructure.

**☑ Does Not Include the AGC-Opposed PRO Act**

Unlike other [proposals](#) that tie investment in infrastructure to passage of the PRO Act, this historic investment in our infrastructure will provide long-term certainty in the planning process for states and create good-paying construction jobs.

**☑ Invests in Water Infrastructure**

Includes over \$50B in investment in our nation's water infrastructure including the Drinking Water State Revolving Funds, Clean Water State Revolving Funds, and the Water Infrastructure Finance and Innovation Program. These programs are instrumental in providing low-cost and accelerated financing on a wide range of water infrastructure projects.

**☑ Substantial Investments in Direct Federal Construction**

Provides \$11.6B to the U.S. Army Corps of Engineers for construction, \$4B for operations and maintenance, and more than \$800 M for MR&T. Provides \$8.3B to Bureau of Reclamation for water infrastructure projects and grants. Provides General Services Administration and Customs and border protection more than \$740M for land ports of entry and border station infrastructure. Provides the Natural Resources Conservation Service more than \$800M for water and flood control operations.

**☑ Expands Opportunities for Young Truck Drivers**

Establishes an apprenticeship program in order to allow for the legal operation of a commercial motor vehicles in interstate commerce by commercial driver's license (CDL) holders under the age of 21. Currently, most states allow individuals to obtain a CDL at age 18, but federal law prohibits drivers from moving goods across state lines until they are 21 years old.