

American Jobs Plan of 2021: Summary

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President Joe Biden on March 31, 2021, introduced the [American Jobs Plan of 2021](#). The plan requests \$2 trillion over eight years to modernize the nation's infrastructure. This infrastructure includes roads, bridges and ports, but also addresses resiliency, the climate crisis, broadband access, waterways and housing. To pay for the plan, the president suggests a corporate tax hike over 15 years, among other modifications to the tax code.

President Biden called on Congress to enact the American Jobs Plan to create jobs, rebuild the country's infrastructure, and position the United States to compete against China. The plan includes provisions on wages for essential home care workers, job training, public school buildings and lead pipe replacement. The ambitious plan is likely to change and meet resistance as Congress develops legislation over the weeks and months ahead. While House Speaker Nancy Pelosi (D-Calif.) has said that she wants to pass the package by July 4, 2021, it is likely to slip late into the summer or early fall.

President Biden unveiled his plan at Carpenters Pittsburgh Training Center in Pittsburgh, Pennsylvania. During his speech, President Biden portrayed his vision of the American Jobs Plan, saying the plan will "create the strongest, most resilient, innovative economy in the world." He further expressed his intent to implement his plan with American products and services by adding, "When we make all these investments, we're going to make sure, as the executive order I signed early on, that we buy American. That means investing in American-based companies and American workers. Not a contract will go out, that I control, that will not go to a company that is an American company with American products, all the way down the line, and American workers."

The American Jobs Plan is the first of a two-part package. The second package, the American Families Plan, is expected to be released in the next few weeks. The following chart highlights some of the noteworthy provisions.

Key Provisions of American Jobs Plan

Bridges, Roads and Highways

Repair roads and bridges

- \$621 billion
 - \$115 billion to modernize bridges, highways, roads and main streets in need of critical repair
 - Includes funding for air quality, emissions and congestion
 - Modernize 20,000 miles of highways
 - Fix the most economically significant large bridges in need of reconstruction
 - Repair 10,000 smaller bridges, including those that provide critical connections to rural and tribal communities
 - \$20 billion to improve road safety
 - Includes increases to existing safety programs
 - Creates a new Safe Streets for All program to fund state and local "vision zero" plans to reduce crashes and fatalities, especially for cyclists and pedestrians

Public Transit

Modernize public transit

- \$85 billion to modernize existing transit and help agencies expand their systems to meet rider demand
- U.S. Department of Transportation (DOT) estimates a repair backlog of more than \$105 billion – more than 24,000 buses, 5,000 rail cars and 200 stations, as well as thousands of miles of track, signals and power systems in need of replacement

Ports, Waterways and Airports

Improve ports, waterways, and airports

- \$25 billion for airports, this includes funding for:
 - The Airport Improvement Program (AIP)
 - Upgrades to Federal Aviation Administration (FAA) assets that ensure safe and efficient air travel
 - A new program to support terminal renovations and multimodal connections for convenient, car-free access to air travel

	<ul style="list-style-type: none"> • \$17 billion for inland waterways, coastal ports, land ports of entry and ferries. <ul style="list-style-type: none"> ○ This includes a Healthy Ports program to mitigate the cumulative impacts of air pollution on neighborhoods near ports, often communities of color
<p style="text-align: center;">Rail and Freight</p>	<p><u>Invest in reliable passenger and freight rail service</u></p> <ul style="list-style-type: none"> • \$80 billion for rail, this includes funding for: <ul style="list-style-type: none"> ○ Addressing Amtrak's repair backlog ○ Modernizing the high-traffic Northeast Corridor ○ Improving existing corridors and connect new city pairs ○ Enhancing grant and loan programs that support passenger and freight rail safety, efficiency and electrification
<p style="text-align: center;">Electric Vehicles</p>	<p><u>Create good jobs electrifying vehicles (EV)</u></p> <ul style="list-style-type: none"> • \$174 billion investment to win the EV market • Enable automakers to spur domestic supply chains from raw materials to parts, retool factories to compete globally and support American workers to make batteries and EVs • Give consumers point-of-sale rebates and tax incentives to buy American-made EVs, while ensuring that these vehicles are affordable for all families and manufactured by workers with good jobs • Establish grant and incentive programs for state and local governments and the private sector to build a national network of 500,000 EV chargers by 2030, while promoting strong labor, training and installation standards. • Replace 50,000 diesel transit vehicles and electrify at least 20 percent of the yellow school bus fleet through a new Clean Buses for Kids Program at the U.S. Environmental Protection Agency (EPA), with support from the U.S. Department of Energy (DOE) • Utilize the tools of federal procurement to electrify the federal fleet, including the U.S. Postal Service (USPS)

<p>Clean Water</p>	<p><u>Replace 100 percent of the nation's lead pipes and service lines</u></p> <ul style="list-style-type: none"> • \$45 billion for the EPA's Drinking Water State Revolving Fund (SRF) and Water Infrastructure Improvements for the Nation Act (WIIN) grants, with a goal to eliminate all lead pipes and service lines in the country <ul style="list-style-type: none"> ○ This investment also will reduce lead exposure in 400,000 schools and childcare facilities <p><u>Upgrade and modernize America's drinking water, wastewater and stormwater systems; tackle new contaminants; and support clean water infrastructure across rural America</u></p> <ul style="list-style-type: none"> • \$56 billion to scale up existing, successful programs <ul style="list-style-type: none"> ○ These funds will be in the form of grants and low-cost flexible loans to states, tribes, territories and disadvantaged communities • \$10 billion to monitor and remediate per- and polyfluoroalkyl substances (PFAS) in drinking water and invest in rural small water systems and household well and wastewater systems, including drainage fields
<p>Broadband and Digital Infrastructure</p>	<p><u>Affordable, reliable, high-speed broadband</u></p> <ul style="list-style-type: none"> • \$100 billion to build high-speed broadband infrastructure to reach 100 percent coverage • Build "future proof" broadband infrastructure in unserved and underserved areas to reach 100 percent high-speed broadband coverage • Prioritize support for broadband networks owned, operated by or affiliated with local governments, nonprofits and co-operatives <p><u>Promote transparency and competition</u></p> <ul style="list-style-type: none"> • Promote price transparency and competition among internet providers <ul style="list-style-type: none"> ○ This includes lifting barriers that prevent municipally owned or affiliated providers and rural electric co-ops from competing on an even playing field with private providers, and requiring internet providers to clearly disclose the prices they charge

	<p><u>Reduce the cost of broadband and promote widespread adoption</u></p> <ul style="list-style-type: none">• Ensure that every American who wants to can afford high-quality and reliable broadband internet• Reduce internet prices for all Americans, increase adoption in both rural and urban areas, hold providers accountable and save taxpayer money
<p>Power Infrastructure</p>	<p>President Biden is calling on Congress to invest \$100 billion to reenergize America's power infrastructure.</p> <p><u>Build a more resilient electric transmission system</u></p> <ul style="list-style-type: none">• Create a targeted investment tax credit that incentivizes the buildout of at least 20 gigawatts of high-voltage capacity power lines and mobilizes tens of billions in private capital off the sidelines• Establish a new Grid Deployment Authority at the DOE that allows for better leverage of existing rights-of-way (along roads and railways) and supports creative financing tools to spur additional high priority, high-voltage transmission lines <p><u>Spur jobs modernizing power generation and delivering clean electricity, moving toward 100 percent carbon pollution-free power by 2035</u></p> <ul style="list-style-type: none">• 10-year extension and phase down of an expanded direct-pay investment tax credit and production tax credit for clean energy generation and storage<ul style="list-style-type: none">○ These tax credits will be paired with strong labor standards to ensure the jobs created are good-quality jobs with a free and fair choice to join a union and bargain collectively• Mobilize private investment to modernize the power sector• Support state, local and tribal governments through clean energy block grants that can be used to support clean energy, worker empowerment and environmental justice• Use the federal government's purchasing power to drive clean energy deployment across the market by purchasing 24/7 clean power for federal buildings

- Establish an Energy Efficiency and Clean Electricity Standard (EECES) aimed at cutting electricity bills and electricity pollution, increasing competition in the market, incentivizing more efficient use of existing infrastructure, and continuing to leverage the carbon pollution-free energy provided by existing sources such as nuclear and hydropower
 - Ensure that these facilities meet robust and rigorous standards for worker, public and environmental safety as well as environmental justice

Transition energy industry workers to plug wells and clean up mines

- \$16 billion investment to plug orphaned oil and gas wells and abandoned mines
- Create jobs in hard-hit communities restoring and reclaiming abandoned coal, hard rock and uranium mines
- Reduce methane and brine leaks from these wells, while simultaneously reducing leaks from other sources such as aging pipes and distribution systems

Remediate and redevelop idle real property and reinvest in distressed and disadvantaged communities

- \$5 billion for remediation and redevelopment of Brownfield and Superfund sites in rural and urban communities and bring new critical physical, social and civic infrastructure into these communities
 - Invest in the U.S. Economic Development Administration's (EDA) Public Works program (while lifting the cap of \$3 million on projects) and in "Main Street" revitalization efforts through the U.S. Department of Housing and Urban Development (HUD) and U.S. Department of Agriculture (USDA).
 - Target sustainable, economic development efforts through the Appalachian Regional Commission's (ARC) POWER grant program, DOE retooling grants for idled factories, and dedicated funding for community-driven environmental justice efforts

Build next generation industries in distressed communities

- Pair investment in 15 hydrogen demonstration projects in distressed communities with a new production tax credits to spur capital-project retrofits and installations

	<ul style="list-style-type: none"> • Establish 10 pioneer facilities that demonstrate carbon capture retrofits for large steel, cement and chemical production facilities, while ensuring that overburdened communities are protected from increases in cumulative pollution • Support large-scale sequestration efforts that leverage the best science and prioritize community engagement • Reform and expand the Section 45Q tax credit, making it direct pay and easier to use for hard-to-decarbonize industrial applications, direct air capture, and retrofits of existing power plants <p><u>Mobilize the next generation of conservation and resilience workers</u></p> <ul style="list-style-type: none"> • \$10 billion for a new, diverse generation of Americans to work in the conservation of public lands and waters, bolstering community resilience and advancing environmental justice through a new Civilian Climate Corps
<p>Other Provisions</p>	<p><u>Inequities in transportation infrastructure</u></p> <ul style="list-style-type: none"> • \$20 billion for a new program to reconnect neighborhoods cut off by historic investments and ensure new projects increase opportunity, advance racial equity and environmental justice, and promote affordable access • \$25 billion for a dedicated fund to support projects that have tangible benefits to the regional or national economy but are too large or complex for existing funding programs
<p>Infrastructure Resiliency</p>	<p><u>Make infrastructure more resilient</u></p> <ul style="list-style-type: none"> • \$50 billion in dedicated investments to improve infrastructure resilience • Safeguard critical infrastructure and services and defend vulnerable communities • Increase resilience in essential services, including the electric grid, food systems, urban infrastructure, community health and hospitals, and roads, rail and other transportation assets • Target investments to support infrastructure in those communities most vulnerable physically and financially to climate-driven disasters and to build back above existing codes and standards

	<ul style="list-style-type: none"> • Maximize the resilience of land and water resources to protect communities and the environment <ul style="list-style-type: none"> ○ Protect and, where necessary, restore nature-based infrastructure resources ○ Invest in protection from extreme wildfires, coastal resilience to sea-level rise and hurricanes, support for agricultural resources management and climate-smart technologies, and the protection and restoration of major land and water resources such as Florida's Everglades and the Great Lakes. ○ Provide funding for the western drought crisis by investing in water efficiency and recycling programs, Tribal Water Settlements and dam safety ○ Empower local leaders to shape these restoration and resilience project funds in line with the Outdoor Restoration Force Act
<p style="text-align: center;">Retrofitting Homes and Commercial Buildings</p>	<p><u>Build, preserve and retrofit more than 2 million homes and commercial buildings to address the affordable housing crisis</u></p> <ul style="list-style-type: none"> • \$213 billion for affordable housing, that includes funding for: <ul style="list-style-type: none"> ○ Construction and preservation of affordable housing ○ \$40 billion for the public housing capital backlog ○ \$20 billion in new federal tax credits to spur the construction and rehabilitation of 500,000 homes for low- and middle-income homebuyers ○ Creation of new competitive grant program to induce state and local governments to pare back costly zoning and land-use policies
<p style="text-align: center;">Essential Home Care Workers</p>	<p><u>Invest in the infrastructure of care</u></p> <ul style="list-style-type: none"> • \$400 billion toward expanding access to quality, affordable home- or community-based care for aging relatives and people with disabilities <p><u>Expand access to long-term care services under Medicaid</u></p> <ul style="list-style-type: none"> • Expand access to Home and Community-Based Services (HCBS) • Extend the Money Follows the Person program that supports innovations in the delivery of long-term care

	<p><u>Create jobs with a free and fair choice to join a union</u></p> <ul style="list-style-type: none"> • The HCBS expansion under Medicaid can support well-paying caregiving jobs that include benefits and the ability to collectively bargain, and build state infrastructure to improve the quality of services and to support workers
<p>Manufacturing, Supply Chain</p>	<p><u>Retool and revitalize American manufacturers and small business</u></p> <ul style="list-style-type: none"> • \$300 billion in investment focused on American manufacturing and domestic supply chain, with the goal of increasing American competitiveness across numerous economic sectors, across programs including: • \$50 billion to create a new office within the U.S. Department of Commerce focused on supply chain for critical goods • \$50 billion in semiconductor manufacturing and research as called for in the bipartisan CHIPS Act • \$30 billion over four years in pandemic prevention research and development (R&D) • \$46 billion authorization for federal procurement of clean energy technologies and infrastructure • \$20 billion in regional innovation hubs and a Community Revitalization Fund to leverage private investment in R&D • \$14 billion for National Institute of Standards and Technology (NIST) to coordinate technology R&D for future competitiveness • Increase funding for the Manufacturing Extensions Partnership • \$52 billion in domestic manufacturing investment, with specific support for modernizing supply chains through programs such as the 48C tax credit • \$31 billion to support small business access to credit, venture capital and R&D dollars • \$5 billion for Rural Partnership Program for rural regions, including tribes, to support local-led planning and capacity building efforts <p><u>R&D and the technologies of the future</u></p> <ul style="list-style-type: none"> • Invest \$180 billion across programs including:

	<ul style="list-style-type: none"> ○ \$50 billion for the National Science Foundation (NSF) for a technology directorate focused on semiconductors, advanced computing, advanced communications technology, advanced energy technology and biotechnology ○ \$30 billion for R&D across federal agencies to spur innovation and job creation, including in rural areas ○ \$40 billion in research infrastructure and laboratories allocated across R&D agencies with half funds reserved for Historically Black College and Universities (HBCUs) and other Minority Serving Institutions (MSIs) ○ \$35 billion for climate research including the launch of an Advanced Research Projects Agency – Climate (ARPA-C) ○ \$15 billion for demonstration projects for climate R&D priorities, including utility-scale energy storage, carbon capture and storage, hydrogen, advanced nuclear, rare earth element separations, floating offshore wind, biofuel/bioproducts, quantum computing and electric vehicles ○ \$10 billion for R&D at HBCUs and MSIs ● \$15 billion in creating up to 200 centers of excellence and research incubators at HBCUs and MSIs
<p style="text-align: center;">Workforce Development</p>	<p><u>Invest in Workforce Development</u></p> <ul style="list-style-type: none"> ● \$100 billion investment in workforce development programs including: <ul style="list-style-type: none"> ○ \$40 billion in a new Dislocated Workers Program and sector-based training, with a specific focus on high demand sectors including clean energy, manufacturing and caregiving ○ \$12 billion for workforce development targeting underserved communities, including \$5 billion over eight years in support of evidence-based community violence prevention programs ○ Investment in job training for formerly incarcerated individuals and justice-involved youth and for public safety ○ Eliminate sub-minimum wage provisions in the Fair Labor Standards Act and expand access to fair wages for workers with disabilities

	<ul style="list-style-type: none"> ○ \$48 billion in investment for American workforce development and worker protection, including registered apprenticeships <p><u>Create good jobs</u></p> <ul style="list-style-type: none"> ● President Biden is calling for investments tied to Project Labor, Community Workforce, local hire and registered apprenticeships, and other labor or labor-management training programs so that federal investments support good jobs and pathways to the middle class
<p style="text-align: center;">Schools and Child Care Centers</p>	<p><u>Modernize schools and early learning facilities</u></p> <ul style="list-style-type: none"> ● \$100 billion to upgrade and build new public schools <ul style="list-style-type: none"> ○ \$50 billion in direct grants ○ \$50 billion leveraged through bonds ○ Invest in cutting-edge, energy-efficient and electrified, resilient and innovative school buildings with technology and labs ○ Reduce schools' greenhouse gas emissions and become environments of community resilience with green space, clean air and safe places to gather, especially during emergencies ○ Improve school kitchens and go green by reducing or eliminating the use of paper plates and other disposable materials <p><u>Invest in community college infrastructure</u></p> <ul style="list-style-type: none"> ● \$12 billion to address funding inequities in community college facilities and technology: <ul style="list-style-type: none"> ○ States will be responsible for using the dollars to address existing physical and technological infrastructure needs at community colleges and identifying strategies to address access to community college in education deserts <p><u>Upgrade child care facilities and build new supply in high need areas</u></p> <ul style="list-style-type: none"> ● \$25 billion to help upgrade child care facilities and increase the supply of child care in areas with the greatest shortage of child care slots <ul style="list-style-type: none"> ○ Funding via a Child Care Growth and Innovation Fund for states to build a supply of infant and toddler care in high-need areas

	<ul style="list-style-type: none"> • Expand tax credit to encourage businesses to build child care facilities at places of work <ul style="list-style-type: none"> ○ 50 percent of the first \$1 million of construction costs per facility will go to employers <p><u>Upgrade U.S. Department of Veterans Affairs (VA) hospitals and federal buildings</u></p> <ul style="list-style-type: none"> • \$18 billion for the modernization of VA hospitals and clinics • \$10 billion for the modernization, sustainability and resiliency of federal buildings: <ul style="list-style-type: none"> ○ Include a Federal Capital Revolving Fund to support investment in a major purchase, construction or renovation of federal facilities ○ Utilize tools of federal procurement to purchase low carbon materials for construction and clean power for these newly constructed VA hospitals and federal buildings
<p style="text-align: center;">The Made in America Tax Plan</p>	<ul style="list-style-type: none"> • Increase the corporate tax rate from 21 percent to 28 percent, which is widely viewed as a starting point for negotiations • Amend the global intangible low-taxed income (GILTI) regime to increase the global minimum tax to 21 percent on a country-by-country basis, while also eliminating the rule allowing exemption on the first 10 percent of foreign investments (QBAI). Note the announcement is silent on the treatment of foreign tax credits in the GILTI basket. • Seek a global agreement on minimum taxation, while denying deductions for payments made to a corporation based in a country that does not adopt the agreement. This provision would revise the base erosion and anti-abuse tax (BEAT) to conform with the Organisation for Economic Co-operation and Development's (OECD) Inclusive Framework, Pillar 2. • Seek policies to deter and prevent inversions. Likely would reduce the thresholds for inversions under Internal Revenue Code Section 7874, as well as changes to further reduce the benefits of inversions. • Eliminating deductions related to "offshoring" jobs • Eliminating tax incentives related to foreign derived intangible income (FDII), and retasking related revenue to R&D investment incentives

	<ul style="list-style-type: none"> • Creating a 15 percent minimum tax on corporate "book income" • Eliminating all tax preferences for the fossil fuel industry and a restoration of payments to the Superfund Trust Fund • Increased enforcement resources and capabilities to the Internal Revenue Service (IRS), which will lead to higher audit rates for corporations
<p>Tribal Provisions</p>	<p><u>Repair American roads and bridges</u></p> <ul style="list-style-type: none"> • \$115 billion to modernize the bridges, highways, roads and main streets that are in most critical need of repair • Commits to repairing the worst 10,000 smaller bridges, including bridges that provide critical connections to tribal communities <p><u>Invest resources wisely to deliver infrastructure projects that produce real results</u></p> <ul style="list-style-type: none"> • Provide training, technical assistance and procurement best practices for tribal governments <p><u>Maximize the resilience of land and water resources to protect communities and the environment</u></p> <ul style="list-style-type: none"> • \$50 billion for investments to improve infrastructure resilience • Includes resources for tribal water settlements <p><u>Build high-speed broadband infrastructure to reach 100 percent coverage</u></p> <ul style="list-style-type: none"> • \$100 billion for broadband infrastructure investments • Sets aside funding for broadband infrastructure on tribal lands • Ensure that tribal nations are consulted <p><u>Spur jobs modernizing power generation and delivering clean electricity</u></p> <ul style="list-style-type: none"> • \$100 billion for reenergizing America's power infrastructure

- Support efforts of tribal governments choosing to accelerate power generation modernization through clean energy block grants that can be used to support clean energy, worker empowerment and environmental justice

Produce, preserve and retrofit more than a million affordable, resilient, accessible, energy efficient and electrified housing units

- \$213 billion to produce, preserve and retrofit more than a million affordable and sustainable places to live
- Extend affordable housing rental opportunities to underserved communities nationwide, including tribal areas through targeted tax credits, formula funding, grants and project-based rental assistance

Partner with rural and tribal communities to create jobs and economic growth in rural America

- Recognizes that despite the fact that rural and tribal communities across the country are asset-rich, more than 8 in 10 persistent poverty counties fall outside of a metropolitan area

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