

NORTH AMERICA'S BUILDING TRADES UNIONS



North America's **Building Trades** Unions

Value on Display. Every Day

NATIONAL COORDINATING COMMITTEE FOR MULTIEMPLOYER PLANS

PANEL DISCUSSION

**BIPARTISAN INFRASTRUCTURE LAW, JOB CREATION
AND LABOR FRIENDLY INVESTMENT PARTNERS**

Infrastructure Investment and Jobs Act and...

CHIPS and Sciences Act

Inflation Reduction Act

INFRASTRUCTURE INVESTMENT AND JOBS ACT

Roads, Bridges and Major Projects:
\$326.27 billion

Passenger and Freight Rail:
\$63 billion

Ports and Waterways:
\$16.67 billion



Public Transportation:
\$82.59 billion

Airports and FAA Facilities:
\$25 billion

Energy and Minerals:
\$90 billion plus

Broadband:
\$65 billion

Over 90 percent of the programs in IJA require prevailing wage

New \$52 billion Department of Commerce grant program to fund new builds and build outs of semiconductor manufacturing plants otherwise known as “fabs”

Prevailing wage is required

Project Labor Agreement (PLA) on Ohio Intel fab

Nine fabs planned for Texas alone



INFLATION REDUCTION ACT

Over \$300 billion in clean energy tax incentives, and prevailing wage plus registered apprenticeship utilization on all*

Nuclear Power Production Credit (45U)

Advanced Energy Project Credit (48C)

Hydrogen Production Credit (45V)

Energy Efficient Commercial Buildings Deduction (179D)

Clean Electricity Investment Credit (48D)

Carbon Capture and Sequestration Credit (45Q)

Energy Efficient for New Home Credit (45L)

Investment Tax Credit (Sec. 45)

Alternative Fuel Refueling Property Credit (30C)

Production Tax Credit (Sec. 48)

Implementation and labor standards

Types of IIJA funding

Notable provisions impacting private sector investment

FUNDING - Infra. Investment and Jobs Act

Direct: funding to fed agencies for infra projects

Grant: funding to local, states, or private sector for infra project

Formula: funding to local or state for infra project

Loan Programs: Transportation Infrastructure Finance and Innovation Act, Railroad Rehab Improvement Financing, RLFs

Private Activity Bonds: tax-exempt financing for P3 projects.

EXAMPLE: USACE and pre-existing P3 Pilot Program

- TX: \$68M IIJA dollars to deepen the only deep-water port on the US-Mexico border, Brazos Island Harbor Channel
- CO: South Platte River improvements in Denver
- MN/ND: \$437M for flood mitigation on Red River
- CA: \$28M for improving water quality in LA

USACE looking for 6-7 other project candidates for the program and will likely want pilot program to be permanent.

EXAMPLE: DOT grants that public and private entities are eligible for funding for infra projects.

Terminal Grant Program: \$5B per year over 5 yrs.

Port Infrastructure Development Program: \$2.25B over 10 yrs.

Nat'l Electric Vehicle Infrastructure (NEVI): \$5B funds may be used to pay private sector groups to install, operate and maintain publicly accessible EV charging facilities.

More examples of Dept. of Transportation grant programs that may impact/open opportunity for private sector investment

- Capital Investment Grants: rapid, light and commuter rail plus ferries and busses, \$8B over 5 years
- Bridge Investment Program: \$12.2B
- RAISE Grants: \$7.5B for road, rail, transit
- INFRA Grants: \$8B freight, highway projects of reg./natl signif.
- MEGA Grants: \$5B for projects of reg./natl. signif.

** Doesn't include Dept. of Energy, Commerce or Interior grants **

EXAMPLE: DOE's Hydrogen Hubs Program

\$8B for Dept. of Energy- increase production of hydrogen energy

IIJA requires at least 4 hubs nationwide, but DOE wants to create 6-10 in regions across the country.

Minimum DOE investment will be \$400M - \$500M, max \$1.25B

IIJA says hubs must have minimum 50% non-federal cost share

Prime opportunity for private sector investment

LOAN PROGRAMS

TIFIA - \$250M in credit asst. per yr. for 5 yrs; est. \$14 to \$20 per dollar in credit assistance = \$3.5B to \$5B lending authority per year

RRIF - \$50M in credit asst. per yr. for 5 yrs., but no more than \$20M can be allocated to single loan or loan guarantee

New Revolving Loan Fund - \$2.5B for DOE P3 Transmission Facilitation Program to expand high voltage transmission;

PABs

IIJA expanded the federal cap from \$15B to \$30B and also the scope of projects that could be funded by PABs to not only include surface transportation projects but also broadband and carbon capture projects

Value-for-Money Analysis

IIJA requires public sector applicants for TIFIA and RRIF loans for any project that has an estimated total project cost exceeding \$750 million, and is located in a state that has passed P3 authorizing legislation, to conduct a value-for-money analysis to consider the relative merits of a P3 against traditional modes of project delivery.

Encouraging More P3 Projects

IIJA requires DOT to establish a program that will help public entities with technical assistance and other tools to increase P3 use.

Permitting

Requires two-year limit (“One Federal Decision”) for NEPA review and permitting for major infrastructure projects.



Thank You
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