

A Build the Era First Look at the American Jobs Plan

We hope you all enjoyed yesterday's blog post, and hopefully, you either saw the message in blue or figured it out before too long. Unfortunately, while there is no ROUND program in the American Jobs Plan for a massive expansion of roundabouts, there is still \$621 billion in transportation spending that will help America build back better (and still will likely be used to build many roundabouts). However, it may fall short of the transformative package that so many were expecting.

So, what is actually in the package for transportation?

Here's a quick list of initiatives from the [fact sheet](#) released by the White House:

- \$115 billion to modernize the roads and bridges that need the most critical repair, including the 10 most economically significant bridges and 10,000 of the worst condition smaller bridges
- \$20 billion to improve road safety for all users, including a new "Safe Streets for All Program" to fund state and local "Vision Zero" plans

- \$20 billion for a new program for reconnection of neighborhoods cut off by previous highway projects and ensure new projects increase opportunity, racial equity, and environmental justice
- \$25 billion for transformative “shovel-ready” investments that will benefit the regional or national economy but are too large/complex for current funding programs
- \$85 billion to modernize and expand existing transit systems to meet demand
- \$80 billion for Amtrak’s backlog of repairs, to improve and modernize certain corridors, and to create new connections between cities
- \$25 billion to improve airports, including a new program to support terminal renovations and connections for affordable car-free access
- \$17 billion for waterways, coastal ports, land ports of entry, and ferries

- \$50 billion for infrastructure resiliency which will be distributed to a variety of agencies, including USDOT

At first glance, this seems like a historic package, and it is for transit and rail investment especially. However, [the backlog for roads and bridges is estimated by the American Society of Civil Engineers to be nearly \\$800 billion alone](#), so \$115 billion is a good start. Still, there is a long way to go.

That is probably the way to characterize this entire package. There isn't anything transformational in terms of new initiatives for federal transportation programs. For example, there's nothing specifically earmarked for high-speed rail projects, but lives will indeed be transformed by some of the programs and investments proposed.

The other caveat is that some new programs that are proposed may not be part of the American Jobs Plan in its final form if it passes Congress. Senate Minority Leader Mitch McConnell [has already signaled his caucus won't vote for the Plan](#), so Democrats will need to use the reconciliation process to pass it. Because of certain limitations of that process, that means that new programs may need to be stripped out, or the surface transportation reauthorization may have to be the first bill passed to create the new programs before the American Jobs Plan.

Does that mean that the infrastructure package as proposed will be smaller than advertised?

Not necessarily. It was also reported by Sam Mintz of POLITICO [on Twitter](#) that the next surface transportation reauthorization bill will have the same budget as the last reauthorization bill, the FAST Act of 2015. This is essentially flat funding, and the FAST Act only had funding of around \$300 billion, or about \$200 billion less than the INVEST Act proposed by the House in 2020.

However, if these new programs of the American Jobs Plan are added, it would increase the spending to be similar to the INVEST Act, and the total package of the American Jobs Act and the reauthorization bill would come to just short of \$1 trillion which is aligned with what the Trump Administration had proposed. It suggested a similar investment level; however, the federal commitment was only \$200 billion with private funding for the rest, and their actual plan, of course, was non-existent and therefore never got a vote in Congress.

It also isn't guaranteed that all the new programs added to any reauthorization bill would survive as they are currently proposed because any bill would need to be bipartisan with 60 votes needed to avoid a filibuster in the Senate. Republicans may not support some of the climate, equity,

and environmental justice programs in the package, for instance.

More details will be forthcoming as the Administration, Congress, and Secretary Pete shape both bills in the upcoming months. Still, the phasing of the two spending packages in Congress and their integration will be fascinating to follow.

We will also be breaking down the American Jobs Plan into components for future Learn About DOT sessions, so be sure to [join Build the Era](#) and follow all our accounts so you don't miss any upcoming webinars.