



Analysis for the States: The American Jobs Plan Act

Overview of The American Jobs Plan

On Wednesday, March 31 President Biden announced his proposal the American Jobs Plan (Plan). In a press briefing the following day, White House Press Secretary Jen Psaki [described the plan](#) as a “once in a century capital investment that will meet our country’s infrastructure needs, invest in manufacturing, research and development and the care economy.”

According to an official fact sheet released by the [White House](#), **the Plan proposes an investment of \$2 trillion over the course of the next 15 years, consisting principally of one-time capital investments.** Funding sources include an increase in the corporate tax rate to 28% and efforts to better enforce global minimum tax rates on corporations.

As proposed, the Plan constitutes the most extensive federal investment in infrastructure, job and workforce development and technology research and development to date. Furthermore, the Plan is unique in its broad focus, including efforts to address climate change as well as long-standing racial injustice and gender inequity. Notably, **nearly 40% of the benefits of climate and clean infrastructure investments will be focused on disadvantaged communities.** Proposed advances in job development, specifically within STEM fields¹ and the care economy², also will directly benefit women and communities of color.

The remainder of this document breaks down the funding in the American Jobs Plan by its major components:

- [Transportation](#)
- [Building Upgrades, Modernization, and Repairs](#)
- [Jobs Investments](#)
- [Other Funding](#)

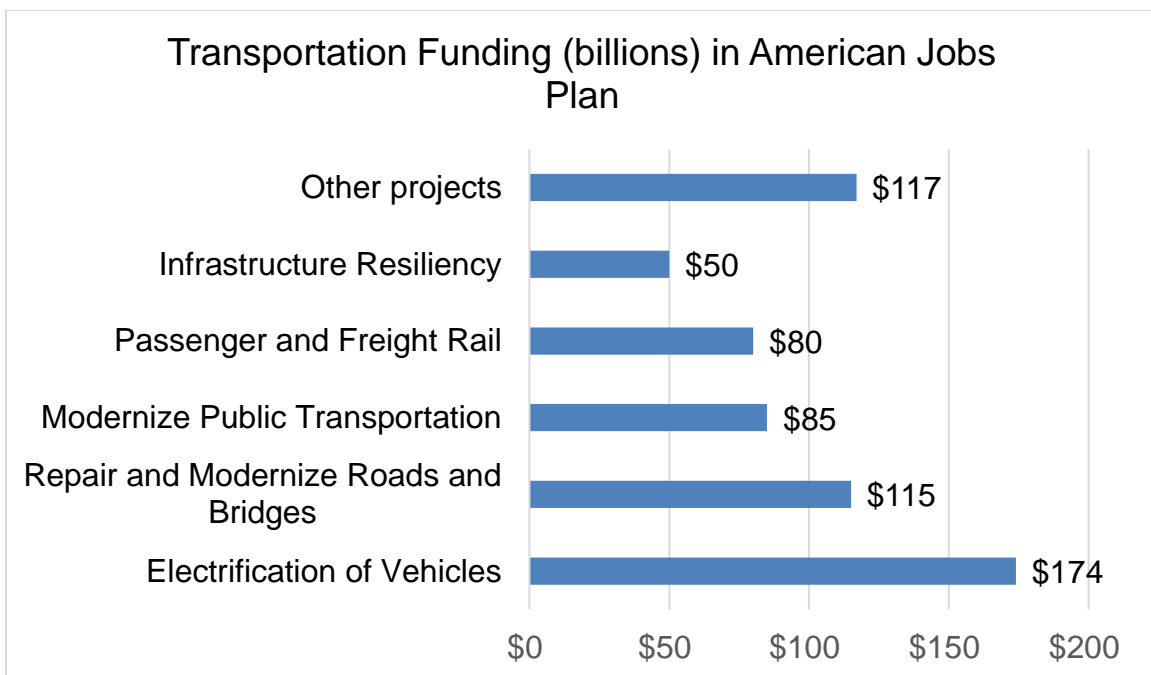
¹ STEM is an acronym used to encompass the fields of science, technology, engineering and math.

² According to the International Labor Organization, the “care economy” broadly consists of looking after the physical, psychological, emotional and developmental needs of one or more other people.



Transportation

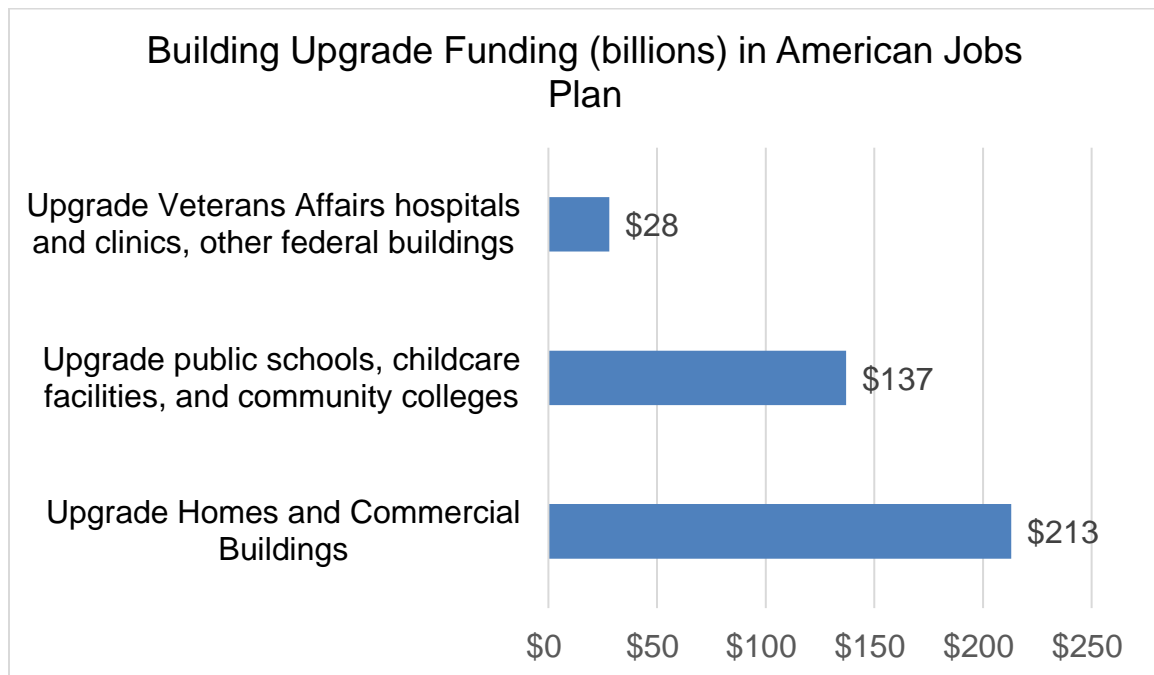
The largest component The American Jobs Plan focuses on transportation. In total **\$621 billion will be devoted to the transformation of the nation's transportation infrastructure**, including \$50 billion to enhance the resiliency of electric grids and food systems, especially within vulnerable communities. These efforts are intended to improve the overall quality of American infrastructure and address discrepancies in access to transportation, housing and internet experienced by historically disadvantaged communities.





Building Upgrades, Modernization, and Repairs

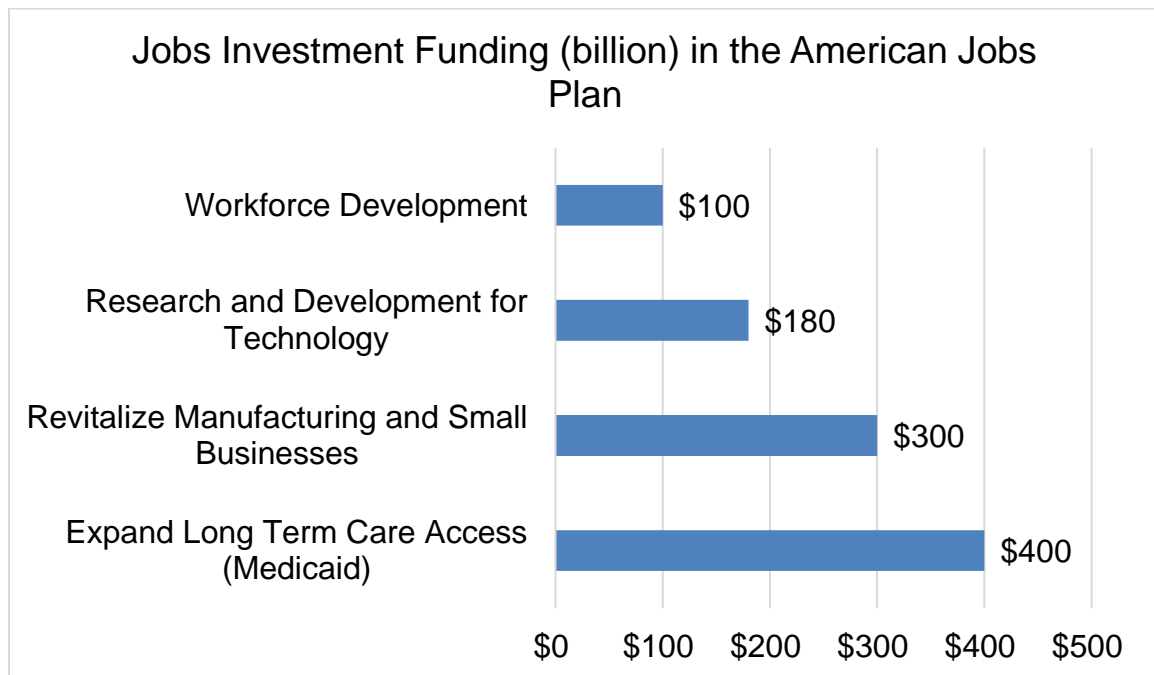
Approximately **\$378 billion** will be appropriated to repair and upgrade **homes, community buildings, learning facilities, veterans' hospitals and federal buildings**. These efforts address the affordable housing crisis, expand the supply of childcare and ensure workers hired for these projects receive adequate wages and benefits.





Jobs Investments

The remaining **\$980 billion** is intended to improve the number of **good-quality, high-wage jobs available, with an enhanced focus on these efforts within the care economy**. The Plan also will prioritize research and development (R&D) of innovative, future-oriented technologies and support training programs for Americans seeking to enter these fields.





Other Funding

An additional **\$311 billion will be allocated for efforts to rebuild clean water infrastructure, renew the nation’s electric grid and expand broadband access to all communities.** These efforts are expected to improve the health of children and communities of color, employ American workers within relevant industries and reduce disparities in internet access.

State Programs

The plan also includes funds specifically for new state-run programs, including:

- A new “Safe Streets for All” program to fund state and local “vision zero³” plans and other improvements to **enhance road safety.**
- Grant and incentive programs for state and local governments and the private sector to **increase the number of electric vehicle chargers.**
- Allocation of \$45 billion for the Environmental Protection Agency’s Drinking Water State Revolving Fund and the Water Infrastructure Improvements for the Nation Act grants to **eliminate lead in pipes and service lines.**
- Investment in the U.S. Department of Housing and Urban Development’s **Community Development Block Grant Program and the Federal Emergency Management Agency’s Building Resilient Infrastructure and Communities program.**
- New clean energy block grants to **support clean energy and workforce development.**
- Additional investment in the Appalachian Regional Commission’s Partnership for Opportunity and Workforce Economic Revitalization ([POWER](#)) **grant program**, the U.S. Department of Energy **retooling grants for idled factories** and dedicated funding for new grants to **support “community-driven environmental justice efforts.”**

³ “Vision Zero” planning in communities hinges around achieving the goal of zero traffic deaths or severe injuries. To achieve this, communities commit to Vision Zero planning which constitutes a fundamental shift in how communities approach traffic safety. To learn more visit <https://visionzeronetwork.org/roadmapforaction/>.