# 21ST CENTURY NEW DEAL FOR JOBS

Debates over America's infrastructure often focus on productivity, growth, and costs, but can sometimes overlook the *human* dimension of the crisis. Lead-contaminated drinking water in Michigan; dilapidated public schools in Oklahoma; collapsing bridges in Minnesota; flooded cities in Texas; and inadequate and unaffordable housing in every community —each aspect of America's crumbling infrastructure harms real people and stifles human potential in the world's wealthiest country.

Countless personal stories behind America's deficient infrastructure contribute to a staggering economic and social toll. The scope of the problem ranges from the simple annoyance of bumper-to-bumper traffic, which amounts to billions of lost hours every year, to the tragic effect of air pollution, which causes hundreds of thousands of premature deaths annually and devastates the health of low-income neighborhoods and communities of color.

Government spending on infrastructure as a share of the economy has fallen to a two-decade low, yet for every \$1 invested in public-sector infrastructure, our economy would gain \$1.70 back through greater employment and efficiency. A vision for infrastructure that invests our resources in *people*—a plan that produces millions of family-sustaining jobs, raises living standards, reduces inequality, strengthens education, reduces poverty, and cleans our environment—is more urgent than ever. But President Trump and the Republicans are intent on pursuing the exact opposite approach.

The Republican agenda is a sham, hardly investing any new resources into infrastructure while aiming to slash existing federal programs. In reality, President Trump and Congressional Republicans are pushing a trillion-dollar corporate giveaway that would create tax incentives for Wall Street to privatize our roads, bridges, sanitation systems, and utilities, while raising tolls, fees, and bills—all through taxpayer subsidies. Even worse, their approach will leave the infrastructure that we depend on in utter disrepair unless it generates a profit for private investors.\*

The Congressional Progressive Caucus presents a real alternative, crafted in partnership with the grassroots: a  $21^{st}$  Century New Deal for Jobs, which aims to do no less than transform the foundations of America's economy.

Drawing on the legacy of President Franklin Roosevelt's bold vision and adapting it to a modern context, our 21<sup>st</sup> Century New Deal for Jobs makes Wall Street, big corporations, and the

<sup>\*</sup> All comparisons to White House and Congressional Republican infrastructure proposals refer respectively to "Trump Versus Clinton On Infrastructure" (Wilbur Ross, Peter Navarro, 10/27/16) and Speaker Paul Ryan's "A Better Way" (6/7/16).

wealthiest pay their fair share in order to put America back to work. It **invests \$2 trillion over 10 years**, **employing 2.5 million Americans in its first year**, to rebuild our transportation, water, energy, and information systems, while massively overhauling our country's unsafe and inefficient schools, homes, and public buildings. Yet the *New Deal for Jobs*' detailed plan to nurture a vibrant, 21<sup>st</sup> century economy goes much further than rapidly achieving full employment and sustaining it over a decade. It recognizes that plentiful, dignified jobs are not enough. They must be paired with an agenda that empowers women and communities of color while protecting the planet.

Unlike the Republican agenda, a 21<sup>st</sup> Century New Deal for Jobs puts real money in the pockets of ordinary workers and families. A New Deal for Jobs mandates local hiring in addition to raising the benchmark for locally prevailing wages in each area, increasing infrastructure workers' paychecks. The proposal further cements its commitment to working people by prioritizing the hiring of our veterans and demanding robust Buy America provisions in every federal procurement decision for labor and materials.

The 21<sup>st</sup> Century New Deal for Jobs combines strong job and wage growth with the fundamental principles of social and racial justice, targeting employment for those who have been systematically shut out of economic growth. This means that job training and local hiring will reflect the racial and gender diversity of the community's workforce and those seeking employment. Federal procurement will prioritize minority- and women-owned businesses, cooperatives and employee-owned firms, and community-owned and municipal enterprises. Recognizing the job-creating power of small businesses, we also aim to increase funds awarded through programs such as Historically Underutilized Business Zones.

Furthermore, the 21<sup>st</sup> Century New Deal for Jobs gives precedence to the infrastructure needs of people who are struggling the most. Lower-income people and communities of color coping with elevated unemployment—both rural and urban alike—will play a leading role in determining their own infrastructure gaps and solutions. It also calls for local and regional planning that considers equity of access to transportation across communities. The New Deal for Jobs marks a clear contrast with the infrastructure priorities of Republicans, who promote prisons and militarized border fences. Rather, a New Deal for Jobs improves Americans' quality of life by removing toxins like lead and asbestos; revitalizing parks and schools; expanding the supply of safe, decent and affordable housing; ambitiously connecting our entire country through affordable high-speed internet and high-speed rail; cleaning our air and water; and shortening our travels in public transit, cars, and planes.

Finally, the *New Deal for Jobs* invests the necessary resources into averting catastrophic climate change while generating millions of new jobs and positioning the United States as a global leader in the fast-growing industries and technologies of the future. New smart-grid strategies will revolutionize our outdated electricity transmission system and democratize energy production, promoting clean, carbon-free alternatives. Large-scale public financing for energy-efficiency retrofits in America's buildings will drastically minimize waste while saving families money. Crucially, a *New Deal for Jobs* prioritizes federally funded employment opportunities within this burgeoning new sector for workers and communities who currently depend on fossil-fuel production.

A program as sweeping and ambitious as the 21<sup>st</sup> Century New Deal for Jobs must be guided by an ethos of building smart. Our plan integrates high-quality planning, cost controls, and maintenance into all initiatives while allocating additional human and technical resources to manage community and environmental approval processes. A New Deal for Jobs build-smart philosophy also mandates state-of-the-art security measures to protect America's electrical grid, dams, broadband networks, and other vital infrastructure from cyber- and physical attacks.

Americans across the political spectrum are realizing that our country's infrastructure is in desperate need of overhaul. But the contrast between the Republican vision and our 21<sup>st</sup> Century New Deal for Jobs could not be starker in either size or scope. The Congressional Progressive Caucus forcefully rejects an infrastructure agenda that wastes tens of billions of dollars on useless projects such as a thousands-of-miles-long border wall that threatens human and environmental safety.

The 21<sup>st</sup> Century New Deal for Jobs lays out, in careful detail, a humane framework for revitalizing our infrastructure in service to the health of our people and planet. Our plan offers a path toward a fairer economy in which we can all thrive. It is proof that our country's complex infrastructure challenges can be guided by a simple principle: *public money should go toward the public good*.

## **INVESTING \$2 TRILLION OVER 10 YEARS**

Sector	First-year investment (in billions)	Jobs created in first year
Roads and Bridges	\$39	487,500
Pre-K – 12 Public Schools	\$10	125,000
Drinking Water and Wastewater	\$35	437,500
Energy	\$50	625,000
High-speed Broadband	\$10	125,000
Affordable Housing	\$6	75,000
Transit	\$35	437,500
Airports, Ports, and Waterways	\$6	75,000
Veterans Affairs Facilities	\$3	37,500
Indian Country and Public Lands	\$3.5	43,750
Building Resiliency, Protecting Infrastructure, and Increasing Cybersecurity	\$2.5	31,250
Totals	\$200	2,500,000

#### Roads and Bridges - \$39 billion and 487,500 jobs in the first year

Challenge: For years, the condition of America's roads and bridges has been rapidly declining. One in six bridges nationwide are old enough to qualify for Medicare. The American Society of Civil Engineers estimates that over one-third of our roads are in poor or mediocre condition; over 40 percent of our urban highways are considered congested. Each year, America's highway and public transportation facilities support more than 3 trillion vehicle-miles of travel and 10.6 billion transit trips, respectively. Before enactment of the FAST Act in 2015, The Highway Trust Fund continually faced a shortfall of billions of dollars since its primary funding mechanism, the gas tax, has not been updated since 1991. Since 2008, Congress has enacted six general fund transfers, totaling \$62 billion, to keep the Highway Trust Fund solvent. Republicans in Congress have proven themselves to be incapable of finding a solution to this persistent problem.

**Solution:** A *New Deal for Jobs* makes a \$390 billion investment in our nation's roads and bridges and seeks a long-term funding solution for the highway trust fund by creating a bipartisan, bicameral commission charged with determining a path forward for sustainable funding. These funds should support repair and rehabilitation of existing assets, improve resilience to more extreme weather, as well as support targeted expansions to reduce congestion, improve air quality, and enable growth. Further, we support maintaining existing limitations on truck weight and size to protect the longevity of our roads and bridges.

Over half the investment, \$200 billion, is targeted at improving main streets and rural communities across America. This will connect rural and low-income communities to economic opportunity, and provide planning funds to develop Smart Community proposals, which infuse equity, sustainability, and livability into city planning. We will ensure that all new bridge construction projects incorporate plans for regular maintenance, such as corrosion prevention, like scheduled repainting every 12 years. By investing up front in the regular care and maintenance of new bridges, we can significantly extend their lifecycles, in many cases doubling the years that they remain functional.

Direct investments—the most efficient method of financing infrastructure projects—are critical to ensuring both urban and rural communities across the United States can carry out new projects to update their roads and bridges. Public financing of these projects will achieve our shared goals without burdening American workers with toll hikes and other fees.

**Bigger and Bolder than the Trump-Ryan Plan:** Unlike ours, President Trump's infrastructure plan will provide no support for critical maintenance and reconstruction projects, leave behind rural communities, and raise taxes on working class American families via high-cost tolls and other user fees needed to satisfy equity investors. We cannot toll our way to a 21<sup>st</sup> century infrastructure system or rely on expensive private capital to make these important investments in our communities. Given the GOP's previous devolution plans and the tax proposals included in said plans, we can bet that Congressional Republicans do not see addressing infrastructure backlog as a priority.

#### Pre-K – 12 Public Schools - \$10 billion and 125,000 jobs in the first year

**Challenge:** A strong public education system is essential to allow individuals to reach their goals, grow the economy, and increase equity in the United States. While teachers and curricula are certainly key factors in improving student achievement, far too often we neglect the crucial impact of schools' physical infrastructure on learning. Students in America routinely attend classes with broken or non-existent air conditioning, heating, and ventilation, leaking roofs, and dangerous mold, moisture, lead, chemicals, and toxins. The Department of Education has found that 53 percent of schools need funding to make repairs, totaling \$197 billion, or \$4.5 million per school. Driven by a lack of state investment and income inequality, the American Society of Civil Engineers assigned our school infrastructure a "D+" grade.

**Solution:** Our *New Deal for Jobs* calls for \$100 billion to construct, renovate, repair and modernize our schools. In addition to providing funds directly to states and local education agencies, we support initiatives such as the Qualified Zone Academy Bonds (QZABs), which serve schools in low-income areas, including proposals to make QZABs more accessible to more low-income schools; the Secure Rural Schools Act, which supports rural communities; and, the Qualified Energy Conservation Bonds, which are aimed at lowering energy consumption in public buildings. In addition, we support initiatives that incentivize states to increase their investment in school infrastructure, create mandatory regulations to ensure healthy and safe schools for students, empower school districts to develop long-range, comprehensive facilities master plans, and develop a national database of the conditions of public school facilities so that students, teachers, families, and taxpayers know the quality of our school infrastructure.

In improving public schools, we should also focus on the relevance of infrastructure to providing learning opportunities in career growth areas. For example, by investing in state-of-the-art labs, students, particularly girls and people of color, can receive cybersecurity education and industry-required certifications. Our plan supports public school partnerships in economically distressed areas to build cybersecurity labs that train kids on skills that make them immediately employable upon high school graduation as well as qualified for college scholarships. Additionally, our plan supports programs that foster apprenticeships and internship programs between high schools and higher education institutions including community colleges, technical and vocational schools, and minority-serving institutions.

**Bigger and Bolder than the Trump-Ryan Plan:** President Trump's infrastructure plan fails to mention the word "education" even once. Any mention of schools by his administration has focused on voucher programs rather than ways to strengthen the public education system. In lockstep, House Republicans narrowly focus on regulations and "school choice," ignoring the importance of school environment. We should strengthen, not attack, our public schools by ensuring that every child attends a public school with safe facilities that contribute to a high-quality education for all students.

#### Clean Drinking Water and Safe Wastewater - \$35 billion and 437,500 jobs in the first year

Challenge: The revelations in 2015 that residents of Flint, Michigan, were being poisoned by lead-contaminated water stunned the entire country. Yet long after this story receded from national headlines, the majority-Black community members of Flint now confront the shocking injustice of paying the full cost of their water bills even as their tap water has not yet been declared safe to drink without a filter. Flint is not an isolated incident: in the world's richest and most powerful country, more than 18 million people receive their drinking water from 5,300 water systems that violated the federal rules governing lead testing in 2015.

The decrepit and dangerous state of this infrastructure—the overwhelming majority of which was built over a half-century ago—is not exclusive to drinking water. Sanitation systems in 32 states and the District of Columbia spew a combined 850 billion gallons of raw sewage and contaminated storm water annually into our rivers, lakes, and oceans, leading to disease and environmental damage. According to the EPA, we must invest more than \$655 billion over the next twenty years to keep pace with projected investment needs, and these improvements cannot be allowed to come from just user fees, which fall disproportionately on working-class families.

**Solution:** A 21<sup>st</sup> Century New Deal for Jobs creates a clean water trust fund that dedicates \$35 billion a year to our nation's critical water infrastructure projects, prioritizing investments in communities most in need, ensuring that all communities can begin making a feasible plan to update their water and wastewater systems. The annual investment focuses on the Clean Water and the Drinking Water State Revolving Funds, with at least half going toward grants and other additional subsidization to communities whose water infrastructure is nearing crisis.

**Bigger and Bolder than the Trump-Ryan Plan:** Unlike our *New Deal for Jobs*, President Trump's plan would line the pockets of Wall Street investors with working-class Americans' hard-earned dollars. It would drive up costs for state and local governments by 300 to 500 percent by pushing them to use Wall Street investments instead of municipal bonds and would provide no local water-bill relief for working families. Further, the GOP's consistent attacks on the Clean Water Act suggest that their priorities remain in lockstep with their moneyed allies, who seem to believe only the 1 percent deserves access to safe drinking water.

### 21st Century Energy Infrastructure - \$50 billion and 625,000 jobs in the first year

**Challenge:** We must move decisively to stabilize the climate while putting millions of Americans to work with an eye toward redressing the disparities that have long impacted women, rural communities, and people of color. If left unchecked, a 2°C rise in pre-industrial temperatures will create billions of dollars in damages annually, concentrating its effects on low-income communities that are most afflicted by the health and economic problems associated with our fossil-fuel economy.

America's system for electricity generation and transmission has become antiquated, leading to blackouts and congestion. Moreover, our current grid represents a major obstacle to the adoption of new technologies that can make the economy more dynamic, productive, and efficient. America's buildings—homes, schools, offices—consume more energy than any other sector of

the U.S. economy, while far too many still pose health hazards. Finally, two-thirds of our energy production comes from climate-threatening fossil fuels. Without a major overhaul, our outdated energy sector will continue to generate massive economic and environmental challenges.

**Solution:** Our 21<sup>st</sup> Century New Deal invests \$50 billion a year in public funds to transform our energy infrastructure and create hundreds of thousands of jobs, with strong employment growth for electricians, roofers, steel workers, machinists, engineers, truck drivers, research scientists, lawyers, accountants, and administrative assistants. For every dollar spent, our green-growth plan produces triple the number of jobs compared to the same amount of money invested in our fossil-fuel infrastructure. Further, equity concerns will be integrated into our energy agenda and we will ensure that our hard-working men and women employed in the oil, coal, and gas sectors will be given robust financial support and top priority in the millions of resulting employment opportunities in the green-growth economy.

First, our vision creates a 21<sup>st</sup> century smart grid that can draw in and efficiently distribute decentralized and abundant clean power from a variety of sources, including renewable energy from private homes. Second, a suite of federal policy tools, including direct public investment, will spur a fourfold expansion of clean, carbon-free energy while dramatically raising efficiency standards in heating and cooling our buildings, creating massive employment in weatherization and retrofitting.<sup>†</sup>

**Bigger and Bolder than the Trump-Ryan Plan:** Trump's plan provides no direct spending on improving energy infrastructure. By emphasizing tax incentives for fossil-fuel corporations and creating schemes that benefit Wall Street investors, Trump's plan leaves utility ratepayers on the hook with higher electric bills, dirtier air, and fewer jobs. Similarly, House Republicans have long denied the scientific fact of climate change and the proven economic power of public investment in creating a greener and more prosperous America.

#### <u>High-speed Broadband – \$10 billion and 125,000 jobs in the first year</u>

**Problem:** High-speed broadband is essential to economic development, public safety, and a vibrant quality of life. Unfortunately, not only does the digital divide between rural and urban America persist, but by many measures it continues to grow. Roughly 40 percent of rural America and those on tribal lands lack access to advanced broadband. Bringing greater access to remote communities and supporting adoption of new technology should be a cornerstone of our national infrastructure policy and a chief element of rural economic development.

Moreover, for lower-income communities that already have access to high-speed internet, the major problem is affordability and adoption. Supply-side solutions such as tax credits and interest-free loans for broadband deployment can effectively subsidize telecommunications and cable firms' existing buildout plans rather than ensuring that all Americans have access to an increasingly indispensable resource for human development, civic engagement, and economic advancement.

<sup>&</sup>lt;sup>†</sup> The *21st Century New Deal for Jobs* adopts policy guidelines and public-expenditure recommendations of Robert Pollin, Heidi Garrett-Peltier, James Heintz, and Bracken Hendricks, "Green Growth: A U.S. Program for Controlling Climate Change and Expanding Job Opportunities," Center for American Progress, Sept. 2014.

**Solution:** The 21<sup>st</sup> Century New Deal for Jobs for broadband starts with an investment in human capital, addressing both the deployment needs in underserved rural areas while targeting families struggling to afford broadband services that are often just outside their doors—and their budgets. We invest \$100 billion in broadband technology, targeting both adoption and deployment needs.

First, to close the "adoption gap," the *New Deal for Jobs* creates a \$40 billion fund over 10 years to grant a \$100 annual tax credit for high-speed internet to the approximately 45 million households across America whose incomes fall below \$35,000 a year.

Next, the *New Deal for Jobs* creates a \$30 billion broadband infrastructure initiative with provisions for direct funding and incentives including accelerated depreciation and tax credits. To ensure the fund is not effectively subsidizing previously planned investment by private entities, we propose stringent, targeted geographic requirements on buildout areas, such as high-density, low-income housing developments or low-population rural areas. Additionally, our approach vigorously rejects state-level efforts to curb municipal broadband, which is high-speed internet provided either fully or partially by a local government. We believe that municipalities that invest in their own infrastructure, including wireless public networks, can help create competition, improve reliability, and boost economic development.

Drawing on President Roosevelt's legacy of electrifying rural America through establishing cooperative electric power companies, the 21<sup>st</sup> Century New Deal for Jobs provides \$20 billion in support to electric cooperatives to bring world-class internet to rural America while ensuring equity and affordability. Through federal loan guarantees for long-term, low-interest loans, rural electric cooperatives will be able to expand their services to communities in need across America. This financing will emphasize fiber deployment to benefit of both households and public institutions like schools, libraries, and civic centers.

Finally, \$10 billion will be invested in an ambitious pilot program to provide blazing-fast optic fiber access to the residents of 10 American cities. In short, the *New Deal for Jobs* will make all necessary investments to guarantee high-quality, affordable internet as the right of both rural and urban Americans of all backgrounds.

**Bigger and Bolder than the Trump-Ryan Plan:** President Trump's proposed "trillion-dollar" infrastructure plan discusses job creation in the telecommunications sector, but does not address broadband technology. Similarly, *A Better Way* plan fails to address broadband technology, let alone the nuances of balancing buildout needs with changing market forces and demand-side assistance.

#### Providing Affordable Housing - \$6 billion and 75,000 jobs in the first year

**Challenge:** The lack of affordable rental housing affects low-income families in *every* state, yet fewer than 25 percent of eligible families receive housing assistance. Half of rental households pay more than 30 percent of their gross income on rent and utilities. As many as one in four rental households pay more than 50 percent. A minimum-wage worker in the United States, even working 40 hours per week, cannot afford the cost of a one-bedroom apartment at fair-

market rent anywhere in the country. Extremely low-income families face an affordable housing shortage of 7.4 million apartments or homes.

Inadequate resources lead to long waiting lists and life on the edge for more than 11 million families, while families who earn six figures a year receive generous benefits for homeownership. For every \$1 we spend in federal dollars benefitting rental-housing tenants, we spend \$4 on homeownership benefits. Only 25 percent of federal housing subsidies go to those with the clearest and greatest need. We need to invest more resources in order to address our affordable rental housing crisis.

**Solution:** Our *New Deal for Jobs* calls for \$6 billion to expand the supply of desperately needed affordable housing; \$3 billion to construct, renovate, repair and modernize housing for people with extremely low incomes through the National Housing Trust Fund and \$3 billion to repair outdated public-housing buildings. In both cases, the adoption of sustainable building practices such as high-efficiency heating, cooling lighting, and renewables will be prioritized to create more jobs and ensure lower long-term costs.

**Bigger and Bolder than the Trump-Ryan Plan:** President Trump's budget disregards millions of low-income families, seniors, veterans, and other vulnerable populations that are struggling to find affordable housing. The President's budget eliminates the National Housing Trust Fund, the HOME program, the Community Development Block Grant Program and other housing programs at the U.S. Department of Housing and Urban Development and U.S. Department of Agriculture. The President's proposed budget will make our affordable-housing shortage worse by taking housing assistance from 250,000 low-income elderly, people with disabilities, veterans and families with children currently receiving it. Taking away housing assistance will lead to worse conditions including increases in inequality, poverty, homelessness and decreases in mobility. The number of extremely low-income renters increased 63 percent from 2001 to 2015. With the President's proposed cuts to housing, this number will increase drastically in the coming years.

# 21st Century Public Transit System and Intercity Passenger Rail - \$35 billion and 437,000 jobs in the first year

**Challenge:** In contrast with much of the industrialized world, which has pursued path-breaking innovations in public transportation, the United States has fallen behind, saddled with an outdated and overburdened transit network in desperate need of reinvestment. Increasing support for public transit systems and passenger rail throughout the country not only empowers communities, but also brings America in line with other advanced economies, strengthening our competitive edge in a global economy and spurring growth.

Our national passenger-rail system connects Americans from all stretches of the country, providing a vital service to countless smaller communities and connecting large cities to rural America. Passenger rail also reduces congestion, helping people move between densely populated cities more easily. Expanding this service and making it affordable for passengers requires major investments. For instance, the Northeast Corridor alone needs reinvestments estimated at \$20-\$50 billion over the next 20 years to ensure its infrastructure can safely support

growing demand. Investing in rail not only improves passengers' quality of life, but also contributes to local economies, as Amtrak and its passengers generate economic impacts of nearly \$8 billion annually.

On a local level, repair and expansion of our public transit systems have not kept up with a nearly 40 percent increase in ridership over the past twenty years. Only 25 percent of transit-rail infrastructure in our country is rated "good" or "excellent," and rail service disruptions cost \$500 million a year. The U.S. Department of Transportation estimates that America needs \$90 billion just to address the backlog of repairs on these systems, and will need yet more to expand these and other modes of transportation, including expanded bus and rail lines as well as bike and pedestrian pathways. Public transit is a lifeline for many families, getting them to work and school daily and creating access to opportunity.

**Solution:** The *New Deal for Jobs* invests \$350 billion in our public transportation network to update and expand national passenger rail and public transit systems. This will include strong federal funding for grant programs such as Amtrak, the Consolidated Rail Infrastructure and Safety Improvement program, the Federal-State partnership program, and Restoration and Enhancement grants, all of which support intercity passenger rail service. This investment also includes support for the Capital Investment Grant program, which plays a vital role in meeting transportation challenges.

Within these funds, \$250 billion will repair and improve our public transportation systems, which will create hundreds of thousands of jobs. This investment, which prioritizes high-poverty areas and projects with partial funding from local funds, will help us erase the repair backlog and get to the important, forwarding-thinking work of building out our transportation system to meet 21<sup>st</sup> century demands. Our plan will allocate the remainder into deploying cutting-edge technology to connect America's cities and regions through high-speed rail, beginning with high-volume routes and shovel-ready areas. The use of U.S. steel and American know-how in building high-speed trains and railways will create a manufacturing boom in industrial towns across the country. In order to make sure our investments are spent wisely, we also endorse the creation of a federal performance measure that calls on local and regional planners to consider equity of access and multimodal choice in transportation planning. Our plan also considers the need for greater funds for operating assistance in an effort to keep transit service on the road, ensuring that people can still get to work and avoiding route cuts or eliminations and fare increases.

**Bigger and Bolder than the Trump-Ryan Plan:** Congressional Republicans have repeatedly worked to cut investments in both intercity passenger rail and public transit. The Trump infrastructure plan conforms to this agenda by focusing on short-term gain for investors rather than long-term investment in our communities. By prioritizing revenue-generating projects, the Trump-Ryan plan does almost nothing to fund desperately needed transit projects. And if the GOP insists on putting profits over the public good, any rail or transit projects will impose unaffordable ridership costs on ordinary people.

#### Airports, Ports, and Waterways Modernization - \$6 billion and 75,000 jobs in the first year

#### Aviation - \$30 billion over 10 years

Challenge: More people in the United States travel by air than in any other country in the world, but our aviation system lags behind other nations in major performance indicators. Decreased investments in development projects and insufficient funds for operations and maintenance contribute to airport delays and other inefficiencies in our system. Funding for the Federal Aviation Administration's (FAA) facilities and equipment alone have fallen by \$328 million since 2010, creating a severe maintenance backlog of over \$5 billion.

Our aviation system also needs strong personnel standards that attract an experienced and consistent workforce. Too many airport workers are hired under weak contracting standards and struggle to make ends meet, which results in high turnover and financial instability. This threatens our national security, efficiency of our airports, and the safety of both passengers and workers.

**Solution:** Our *New Deal for Jobs* makes a major increase in FAA appropriations for expanded and updated facilities and new equipment through the Airport Improvement Program, and accelerated investment in the Next Generation Air Transportation System (NextGen) program.

Our plan also establishes rigorous personnel standards for airport workers to strengthen the safety, security, and efficiency of our airports. These requirements include wage and benefit levels consistent with the Service Contract Act; training that meets or exceeds Transportation Security Administration (TSA) standards; retention standards that maintain a trained and experienced workforce; strong whistleblower protections for employees; and a permitting process that guarantees contracts only go to upstanding and responsible providers.

Bigger and Bolder than the Trump-Ryan Plan: Neither President Trump nor Speaker Ryan have presented any meaningful plans to modernize our aviation systems, despite frequently comparing America's airports to their counterparts in developing countries.

#### Ports, Waterways, Dams, and Levees - \$30 billion over 10 years

**Challenge:** American ports and waterways are key drivers of economic growth, allowing for the movement of goods and good-paying jobs. In its latest *Infrastructure Report Card*, the American Society of Civil Engineers assigned inland waterways a "D" grade and ports a "C+" grade. Today the Army Corps of Engineers has a backlog of authorized projects requiring between \$20 billion and \$80 billion.

Despite the importance of ports of entry to our nation's security and economy, port-of-entry modernization efforts have been significantly underfunded. Customs and Border Protection (CBP) staffing has not kept pace with growing demand. Poor infrastructure and inadequate staffing at ports of entry stunt our economic competitiveness. According to a study by the University of Southern California, adding one CBP officer to each of the study's land-passengervehicle crossings (ports of entry) would inject \$17 million into the economy.

Further, the average dam in the National Inventory of Dams is 56 years old and more than 15,000 are classified as high-hazard. The recent crisis at the Oroville Dam in California, which forced 188,000 residents to evacuate, highlighted the pressing need to better inspect and repair dams to prevent disasters from occurring. Also critical to controlling water flows is the network of 30,000 miles of levees traversing the country. Hurricanes and other extreme weather events in the southern regions of the United States have too often exposed the deficiencies in levee safety. Similar to dams, existing levees have an average age of 50 years.

**Solution:** A *New Deal for Jobs* invests \$30 billion in U.S. ports, waterways, dams, and levees. To support the Army Corps of Engineers, the funds will be targeted to dredging ports and waterways, rehabilitating inland and coastland navigation channels, and enabling new construction and current maintenance projects. To maximize job creation and facilitate the efficient movement of goods throughout our nation's supply chain, our plan prioritizes full use of the Harbor Maintenance Trust Fund and provides some degree of donor port equity to those who contribute the most to the fund. Also included in these funds is \$500 million into Customs and Border Protection to help modernize and expand border infrastructure and transportation at land ports of entry, but not for a nonsensical southern border wall.

Our plan makes significant investments to repair and manage dams and levees as well. Given that most dams are not federally owned, it is critical to help state and local governments as well as private owners by supporting the National Dam Safety Program and directly fund qualifying nonfederal, high-hazard dam rehabilitation projects. In the same vein, we provide funds for the National Levee Safety Program to improve levee safety in states and to projects in need of repair.

**Bigger and Bolder than the Trump-Ryan Plan:** President Trump's campaign infrastructure plan and Speaker Ryan's *A Better Way* fails to address ports and waterways. These elements of infrastructure are critical to maintaining our security and moving goods easily, and they should not be ignored by our leaders. It is clear Democrats have better ideas to fix our water infrastructure.

#### <u>Veterans Affairs Facilities – \$3 billion and 37,500 jobs in the first year</u>

Challenge: Across the country more than 1,800 Veterans Affairs facilities serve veterans who have put their lives on the line to defend our country. However, as we have too often seen in recent years, many of their facilities are in a state of disrepair. It is estimated that the average age of Veterans Health Administration buildings is 52 years old. In comparison, the average age of a not-for-profit hospital is 10.5 years. The VA recently released its 10-year Strategic Capital Investment Plan, which evaluated facility efficiency, space needs, and energy goals. The plan showed that the VA needs to invest \$51 billion in infrastructure, including \$46 billion for new projects and \$5 billion for on-going projects. However, if recent funding levels remain constant, the deficit will remain at approximately \$31 billion over 10 years.

**Solution:** A *New Deal for Jobs* calls for \$30 billion of investments at our VA facilities over the next 10 years. We will work with state and local governments to ensure that funding is sent to facilities with the greatest need. Additionally, our plan encourages the VA to improve its project selection processes and ensure staff members have the necessary resources to evaluate and approve new infrastructure projects.

**Bigger and Bolder than the Trump-Ryan Plan:** Despite his purported support for veterans and military personnel, President Trump's campaign infrastructure plan does not include any investment in VA facilities for our servicemembers. Speaker Ryan's plan references ideas to change VA hospital operations and study health issues, but includes no mention of repairing facilities in need.

#### <u>Indian Country and Public Lands - \$3.5 billion and 43,750 jobs in the first year</u>

**Challenge:** Public lands—from Hawai'i Volcanoes National Park to the Appalachian Trail—belong to all of us. Yet we risk passing on our national treasures to future generations in worse condition than we received them. The National Park Service faces a deferred maintenance backlog of \$12 billion.

Moreover, the federal government's inattention to the acute needs of Indian Country, which has long faced some of the highest unemployment and poorest health outcomes in America, remains a stain on our national conscience. Indian Health Service estimates that \$10 billion is needed for critical renovations of Indian Health Service facilities. Significant backlogs exist at the Department of Interior and throughout the federal government where a strong and consistent commitment is needed to fix tribal schools, roads, bridges, housing, water, and sewer systems that serve communities most in need.

**Solution:** Our *New Deal for Jobs* invests \$20 billion in federal funding to public lands infrastructure directed through four federal land management agencies: the National Park Service, the U.S. Forest Service, the Bureau of Land Management, and U.S. Fish and Wildlife, strengthening America's outdoor industry, which contributes \$646 billion to our economy and supports 6 million direct jobs. Most importantly, these investments will ensure that our public lands are widely enjoyed by Americans for generations to come.

Our plan also puts Indian Country to work, prioritizing good jobs for the community members who have had to make do with substandard services for generations. A *New Deal for Jobs* invests \$10 billion toward addressing the critical renovations of Indian Health Service facilities, with \$1.5 billion for repair and maintenance of existing Bureau of Indian Education (BIE) schools and \$1.5 billion towards constructing much needed new schools. Our *New Deal for Jobs* also reserves \$2 billion specifically for tribal transportation needs.

**Bigger and Bolder than the Trump-Ryan Plan:** The plans put forward by the President and Speaker Ryan ignore the federal trust responsibility that our Congress and this President owe to tribal governments and tribal citizens. To ignore tribal programs in any infrastructure package would result in Indian Country falling further behind. The GOP's support for cuts to agencies protecting the environment, initiatives allowing increased oil and gas drilling, and general disregard for science surely indicate they will do little to protect public lands.

# <u>Building Resiliency, Protecting Infrastructure, and Increasing Cybersecurity - \$2.5 billion</u> and 31,250 jobs in the first year

**Challenge:** We know that it is not enough to provide money for infrastructure improvements. We must also ensure that new and upgraded facilities and projects are of the highest quality. In recent years, the United States has been home to worsening floods, hurricanes, wildfires, and

tornadoes. Even high temperatures and ice damage roads and bridges. These disasters are costly to clean up. For example, the Congressional Research Service estimated that power outages resulting from storms cost the United States between \$20 and \$55 billion annually. That is doubly concerning given the increasing frequency of extreme weather events due to climate change.

As we integrate resiliency into our built infrastructure, we also must consider other vulnerabilities. In the 21<sup>st</sup> century it is possible that our electric grid, dams, and broadband networks will be exposed to cyber or physical attacks. We need proactive and forward-thinking investments to prevent such attacks.

**Solution:** Our *New Deal for Jobs* calls for an investment of \$25 billion to create more resilient communities and protect infrastructure. Rather than spending exorbitant amounts of money to repair communities destroyed by disasters, it makes better sense to invest in resilient infrastructure at the outset. Building resiliency will require that projects are constructed using high-quality materials and that existing structures are maintained—whether that means painting bridges regularly or promoting natural infrastructure near waterways. It also requires better planning and, to that end, our plan will ensure that federal agencies consider and prioritize climate impacts in decision-making related to infrastructure. Our plan also encourages states and cities to develop resiliency and mitigation plans that meet the specific needs of their communities.

To strengthen security and defend against potential attacks, we also recognize the need to fully support the Office of Infrastructure Protection within the Department of Homeland Security. Additionally, we will create a competitive grant program for local and state governments as well as institutions of higher education and community organizations to prepare for any attacks on infrastructure and develop new resilience technologies.

#### Wages, Workers, Workplace Safety, and Buy America

**Challenge:** Since 1975, gains in economic productivity have not been widely shared throughout the economy. In the decades since, these gains have increasingly gone to the wealthiest few. This was largely the result of political decisions made in Washington, in state houses and governors' mansions across the country, and in board rooms from Miami to Seattle. As it relates to infrastructure, Buy America provisions have been watered down over the last 30 years, with Republicans systematically weakening federal Buy America purchasing preference provisions. President Reagan also significantly lowered the Davis Bacon rate that ensured a strong local wage for projects that were partially funded by the federal government.

#### Buy America

The Congressional Progressive Caucus' 21<sup>st</sup> Century New Deal for Jobs strengthens and simplifies the procurement policies for materials purchased directly by the federal government. It will:

- Increase transparency and standardization of government procurement, allowing the manufacturing industry to identify products and materials that are in high demand and seek opportunities to work with the federal government to sell their products
- Clearly define the conditions under which Buy America requirements apply
- Put American manufacturing on a level playing field with foreign competitors by allowing them to exclude start-up costs for new bids

While the Buy American Act applies to direct procurements by agencies, the federal government also administers a number of grant programs which provide funding for states, localities and non-profits. These projects are still using taxpayer dollars, and represent broad opportunities for the manufacturing industry. A *New Deal for Jobs* will also:

- Require a 15-day notice and comment period
- Apply Buy America to projects funded by the Railroad Rehabilitation and Improvement Financing program
- Expand the application of Buy America requirements to a number of grantmaking programs at agencies like USDA, Department of the Interior, and the Economic Development Administration.

Additionally, our *New Deal for Jobs* closes a loophole in domestic content requirements for the Department of Homeland Security. While DHS is subject to certain procurement requirements, the secretary has broad discretion to waive them. This plan dramatically rolls back this authority.

#### On wages and workplace safety

The 21st Century New Deal for Jobs will also subject all infrastructure projects over \$10 million to the standards set forth in President Obama's Executive Order 13502—Use of Project Labor Agreements for Federal Construction Projects, and will furthermore reestablish his Fair Pay for Safe Workplaces Executive Order to ensure that workplace safety and compliance with federal labor law are prioritized for projects that use federal funds. In addition, the 21st Century New Deal for Jobs will attach Service Contract Act labor standards to the operation and maintenance of any project or infrastructure constructed with federal funds.

CPC plan also reinstates the Department of Labor's pre-1982 three-step process for determining the prevailing wage for each classification of worker:

- (1) If any single wage is paid to a majority of workers in a class, that wage is deemed the prevailing wage
- (2) If, however, there is no single wage paid to a majority of workers, any single wage paid to at least 30 percent of the workers is the prevailing wage
- (3) If no single wage is paid to 30 percent of the workers, then a weighted average becomes the prevailing wage

For public transportation, the CPC Infrastructure Plan calls for funds to flow through existing bus and rail formula and discretionary grant programs at the Federal Transit Administration, ensuring that so-called Section 13(c) transit labor protections will apply.

Under the *New Deal for Jobs*, employees or any person aggrieved by Davis Bacon violations may pursue a private right-of-action. Specifically, the plan establishes that an employee or any person aggrieved by a violation of the DBA has a right to file an administrative **or** civil action to redress alleged violations of the Act. A complainant need **not** exhaust administrative remedies in order to pursue a court action. Remedies shall include back pay, treble damages, reasonable attorney's fees and costs. The CPC plan reverses the Reagan Administration decision to cut Davis Bacon rates, restoring the rate to the top 30 percent of local wages surveyed, as opposed to the median threshold established by President Reagan.

In addition, the 21<sup>st</sup> Century New Deal for Jobs would attach Service Contract Act labor standards to the operation and maintenance of any project or infrastructure constructed with federal funds, and would reinstate the record-keeping rule at the Occupational Safety and Health Administration to ensure that all employers are working to reduce workplaces injuries.

Lastly, our plan would make certified payroll records available for public inspection without a formal FOIA request, so long as the personally identifying information of employees, such as names and home addresses, are not disclosed.

#### **Paying for Our Investments in America**

The critical investments included in our *New Deal for Jobs* are fully paid for by closing corporate tax loopholes and ensuring that Wall Street contributes its fair share toward rebuilding America. Currently, businesses can defer paying taxes on their overseas profits until that money is repatriated to the United States, often prompting these firms to hold the money abroad indefinitely. Our plan requires companies to pay U.S. taxes on these profits by closing this tax "deferral" loophole and the active financing exemption, while also removing this incentive for American corporations to hide money in tax havens abroad. *New Deal for Jobs* also establishes a tax on Wall Street transactions, bringing the United States in line with more than 30 other countries that impose this type of fee while reducing risky speculation. These commonsense provisions will raise the revenue necessary to rebuild our crumbling infrastructure and reinvest in the American people.

## **Conclusion**

American infrastructure is clearly in need of an overhaul, and for years, progressives have led the charge to invest in a more dynamic and efficient economy that improves the lives of our people and the health of our planet. We believe the fiscally sound agenda detailed in these pages tackles our current crises, presents bold proposals to adapt our economy to future, and maintains its focus on human development and community uplift.

President Trump has suggested that he will address the infrastructure gap. But beneath this sensible veneer lies a radical agenda that wastes resources on border walls, provides tax breaks for the wealthiest, privatizes our shared resources, and leaves ordinary Americans behind. The Congressional Progressive Caucus's 21<sup>st</sup> Century New Deal for Jobs provides a crystal-clear alternative: to solve our infrastructure needs, America must ensure that public money goes toward the public good.