

THE AMERICAN JOBS PLAN

Today, President Joe Biden unveiled the American Jobs Plan, his administration's proposal for investing in infrastructure – including clean energy, transportation, water, domestic manufacturing, climate response, conservation, and research & development. The plan proposes an investment of \$2.25 trillion over the next 8 years, which will be fully paid over the next 15 years by enhancing taxation mechanisms on corporations. Broadly, the proposal prioritizes funding for underserved populations, including rural communities and communities of color.

Republicans have expressed concerns with the initial proposal, especially around the policies that would increase existing taxes. Of course, the President's plan will influence Democratic leaders' infrastructure priorities, but Congress is expected to produce their own version that will be negotiated internally.

The procedural process is not yet known, but Republican opposition will increase the changes that Democrats move an infrastructure package (or at least part of it) forward through the reconciliation process. Democrats are likely to move legislation through the House and Senate early this summer. Administration officials have stated that they plan to unveil another proposal aimed towards overhauling healthcare and "human infrastructure" – spending geared more towards education, childcare, and other social programs – later on in April.





TRANSPORTATION

- ✓ \$115 Billion: Modernizing Roads & Bridges
- ✓ \$85 Billion: Modernizing Public Transit Systems
- ✓ \$80 Billion: Investing in Freight/Passenger Rail
- ✓ \$25 Billion: Renovating Airports
- ✓ \$25 Billion: Funding Shovel-Ready Projects with Economic Impact
- ✓ \$20 Billion: Reconnecting Neighborhoods with Transportation



TECHNOLOGY / R&D

- ✓ \$100 Billion: Revitalizing Broadband Infrastructure
- ✓ \$180 Billion: Investing in public research & development efforts
 - \$55 Billion: Climate Change-Focused Research
 - \$50 Billion: NSF
 - \$40 Billion: National Labs
 - \$30 Billion: R&D for Job Creation and Innovation
 - \$25 Billion: R&D and Innovation at HBCUs and MSIs



WORKFORCE

- ✓ \$100 Billion: Investing in Workforce Development
 - \$48 Billion: Workforce Development & Protections
 - \$40 Billion: Dislocated Workers Program
 - \$12 Billion: Ensuring Access for Women/People of Color
- ✓ \$30 Billion: Creating Manufacturing Jobs
- ✓ \$10 Billion: Investing in federal enforcement mechanisms



MANUFACTURING

- ✓ \$300 Billion: Improving the domestic manufacturing sector
 - \$52 Billion: Domestic Manufacturer Capital Access
 - \$50 Billion: New division in the Commerce Dept. for Domestic Manufacturing
 - \$50 Billion: Semiconductors
 - \$31 Billion: Small Businesses
 - \$30 Billion: Medical Countermeasures Manufacturing
 - \$20 Billion: Innovation Hubs



MISC. INFRASTRUCTURE

- ✓ \$111 Billion: Upgrading Water Infrastructure
- ✓ \$400 Billion: Investing in Community-Based Care
- ✓ \$213 Billion: Enhancing Housing
- ✓ \$112 Billion: K-12 & Higher Ed.
- ✓ \$50 Billion: Investing in Infrastructure Resiliency
- ✓ \$28 Billion: Modernizing Federal Facilities
- ✓ \$25 Billion: Upgrading Childcare



CLEAN ENERGY

- ✓ \$174 Billion: Advancing the Electric Vehicles (EV) Market
- ✓ \$100 Billion: Achieving 100% Carbon-Free Electricity by 2035
 - \$10 Billion: Creating a Civilian Climate Corps to advance conservation and resiliency
- ✓ \$46 Billion: Federal Buying Power Directed Towards Clean Energy Manufacturing
- ✓ \$27 Billion: Clean Energy & Sustainability Accelerator

THE PAY FOR: THE MADE IN AMERICA TAX PLAN

Corporate Tax Rate: **21.0%** —————> **28.0%**

This move will undo some of the corporate tax cuts from the 2017 tax reform bill, and increase corporate tax revenue.

Global Minimum Tax: **10.5%** —————> **21.0%**

The 2017 tax reform bill implemented a 10.5% minimum tax on profits earned abroad by U.S. companies. While this 21% rate is lower than the 28% domestic corporate tax rate, the administration is stating that this move will disincentivize moving operations overseas and encourage domestic activity.

Additional Proposed Tax Changes:

Making it more difficult for U.S. businesses to merge with foreign entities to avoid taxes.

Creating a tax credit for onshoring jobs and removing deductions for offshoring jobs.

Repealing the Foreign Derived Intangible Income tax deduction and incentivizing R&D.

Implementing a 15% minimum tax on "book income" for the largest U.S. corporations.

Providing enhanced enforcement tools to the Internal Revenue Service.

Removing all subsidies, loopholes, and special tax credits for fossil fuels and polluting.