

POLICY BRIEF December 17, 2021

WORKFORCE TRAINING PROVISIONS IN THE INFRASTRUCTURE INVESTMENT AND JOBS ACT AND THE "BUILD BACK BETTER ACT"

Together, the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA) and the proposed \$1.75 trillion Build Back Better (BBB) reconciliation package are estimated to add 2.4 million jobs to the economy by 2025. The IIJA alone is expected to create nearly 850,000 infrastructure-related roles, for example to improve roads and bridges, lay down fiber optic lines for broadband, and implement innovative green technologies and power systems.

According to one <u>study</u>, with some training, workers with less than a two-year college degree could fill up to three-quarters of these new infrastructure jobs. For example, among those jobs that would require at most a high school diploma, about two-thirds could be done with 6 months of training or less. The IIJA thus has the potential to provide alternative career pathways—with minimal training investment—for workers with lower levels of education who have been hardest hit by job losses during the pandemic.

However, the IIJA includes smaller-scale, targeted, workforce skills initiatives.

In contrast, the BBB proposal includes a sweeping array of workforce development and education programs totaling about \$40 billion² and representing an 80 percent increase in annual funding for training initiatives compared to actual spending in 2020.

The following summarizes the workforce training provisions in the Infrastructure Investment and Jobs Act and the Build Back Better reconciliation package, as it currently stands. Many newly created jobs will require investments in training and workforce development to ensure workers have the required skills.

Infrastructure Investment and Jobs Act

To strengthen the transportation workforce, the IIJA contains about \$65 million, plus a fraction of funding dedicated to larger infrastructure programs, that may be used for workforce development. For example, of the \$2.75 billion committed to expand digital equity (Table 1), much of that will likely be spent on devices with a smaller portion going to digital skills training. Many other infrastructure projects (not in Table 1) similarly include "workforce development and training" as allowable uses of funding, but likely represent marginal amounts and therefore are not captured in the \$65 million noted above.

However, IIJA training provisions do include digital literacy training, targeted skill training in specific industries or occupations (see Table 1), and a wider scope of allowable uses of transportation funds for workforce development, training, and education needs.³ Provisions in this latter vein include allowing states greater flexibility to obligate transportation funds for:



- Pre-apprenticeships, apprenticeships, on-the-job training, and vocational school support;
- New, innovative training grants beyond the development of new curricula and education programs, including expanding eligibility to educational institutions other than institutions of higher education; and
- Engagement with workforce development boards, and coordination and partnership with industry, labor organizations, and government agencies to address workforce gaps.

Targeted funding programs under IIJA are highlighted in Table 1.

Build Back Better Proposal

While BBB is still under negotiation, multiple provisions currently included contribute to the training and development of the US workforce at historic levels of funding support. Yet different observers identify workforce-related provisions differently. One issue in categorizing provisions in the bill is in determining where the line should be drawn between *job creation* and *job training*. This makes citing a total funding amount for workforce training subject to interpretation as it may or may not include a broad range of activities under general education or employment and job retention services. For example, free community college, a provision which is no longer included, is squarely education spending but would have nonetheless provided elements of workforce training.

Further, we cannot be certain of the contents of the bill until the Senate passes its version, which (if the bill does become law) almost certainly will be the final version. At that point, the bill will be subject to formal scoring by the Congressional Budget Office and observers can come to a consensus on how the job training and workforce development spending adds up.

At this time, however, the consensus view of the bill is that it includes about **\$40 billion** under the broad umbrella of workforce development, including:

- About \$20 billion in public workforce development programs, including paid job training opportunities and career navigation and wraparound support services
- **About \$20 billion** to fund a Civilian Climate Corps to create service opportunities and job training programs to address the climate crisis

Specific funding programs currently included under BBB are highlighted in Table 2.



Table 1. Infrastructure Investment and Jobs Act Training Provisions

Amount (in millions)	Program	Description
\$2,750	Expanding Digital Equity	To promote digital inclusion and equity for communities that lack the skills, technologies, and support needed to take advantage of broadband connections. Grants can be used to accelerate the adoption of broadband through digital literacy training, workforce development, devices access programs, and other digital inclusion measures.
\$40	Energy Auditor Training Grant Program	Grants to states to train individuals to conduct energy audits or surveys of commercial and residential buildings.
\$10	Building, Training, and Assessment Centers	Grants to institutions of higher education to establish training centers to educate and train building technicians and engineers on implementing modern building technologies.
\$10	Career Skills Training: Commercial Building Energy Efficiency	Grants to support career skills training programs under which students concurrently receive classroom instruction and on-the-job training for the purpose of obtaining an industry-related certification to install energy efficient buildings technologies.
\$5	Innovative Water Infrastructure Workforce Development Program	Grant program to promote workforce development in the water and wastewater utility sectors, including the promotion of diversity, training programs, retention efforts, and community resources.
n/a	Promoting Women in the Trucking Workforce	Support for women pursuing careers in trucking including training and outreach programs.
n/a	Low-No Program	Workforce training to ensure that diesel mechanics and other transit workers are not left behind in the transition to low-emission and zero-emission transit buses.
n/a	Transportation Resilience and Adaptation Centers of Excellence	Workforce development and training related to improving the resilience of regions of the United States to natural disasters, extreme weather, and the effects of climate change on surface transportation infrastructure and infrastructure dependent on surface transportation.

Note: "n/a" indicates that specific funding amounts are not available. In these cases, workforce training provisions are included as part of larger infrastructure-related grants or programs of which training is just a part.

Source: "Bipartisan Infrastructure Investment and Jobs Act Summary"



Table 2. Build Back Better Training Provisions

Amount (in millions)	Program	Description
\$15,000	Civilian Climate Corps	To create climate-focused public service opportunities, carried out through AmeriCorps.
\$10,000	Industry or Sector Partnership Grants	Competitive grants to eligible partnerships for the purposes of expanding workforce development and employment opportunities for high-skill, high-wage, or in-demand industry sectors or occupations, including information technology, clean energy, arts and entertainment, infrastructure and transportation, advanced manufacturing, health care, public health, home care, and early childhood care and education.
\$9,054	Youth Workforce Investment Activities	To provide opportunities for in-school youth and out-of-school youth to participate in paid work experiences, authorized under the Workforce Innovation and Opportunity Act (WIOA)
\$5,000	Registered Apprenticeships, Youth Apprenticeships, and Pre-Apprenticeships	To create or expand registered apprenticeships, youth apprenticeships, and pre-apprenticeships through public-private partnerships with business, labor, state government, or other intermediaries
\$4,000	Workforce Development in Support of Climate Resilience and Mitigation	To prepare workers for good paying jobs in emerging fields to help address the climate crisis, carried out through the Department of Labor
\$3,600	Re-Entry Employment Opportunities	For competitive grants for activities that prepare young adults with criminal records, young adults who have been justice system-involved, or young adults who have dropped out of school or other educational programs for employment, authorized under WIOA
\$2,000	Community College and Industry Partnership Grants	Competitive grants to eligible institutions to expand workforce development and employment opportunities in high skill, high-wage, or in-demand industry sectors or occupations
\$500	Youthbuild Program	A pre-apprenticeship program providing job training, educational opportunities, and support services for at-risk youth ages 16-24 who have previously dropped out of high school. Funds would improve and expand access to services, stipends, wages, and benefits, authorized under WIOA

Note: Funding amounts total more than \$40 billion as many of these workforce provisions are not limited to skills training and may include a broader range of activities under general education or employment and job retention services.

Source: Holland & Knight

¹ Mark Zandi and Bernard Yaros, "<u>Macroeconomic Consequences of the Infrastructure Investment and Jobs Act & Build Back Better Framework</u>," Moody's Analytics, November 4, 2021.

² Holland & Knight, "Workforce Training Provisions & Workforce Programs in the BBB Bill," December 1, 2021.

³ "Bipartisan Infrastructure Investment and Jobs Act Summary"