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The Infrastructure Investment and Jobs Act: A Big Boost to the Construction Industry



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Mike Clowser is Executive Director of the Contractors Association of West Virginia (CAWV), an organization he has served since 1979 and whose members build West Virginia's roads, bridges, schools, hospitals, water and wastewater treatment facilities, airports, and other infrastructure projects that add to the quality of life for all West Virginians. Clowser served on Charleston City Council and the Charleston Coliseum and Convention Center Board of Directors from 2003 to 2019. He currently serves as chairman of the West Virginia Business & Industry Council.

The Infrastructure Investment and Jobs Act (IIJA), passed in November 2021, is the largest U.S. infrastructure package in decades and provides over \$6 billion in funding for West Virginia's roads, bridges, water and sewer treatment facilities, abandoned mine land (AML) reclamation projects, airports, broadband, and other infrastructure improvement projects.

The IIJA will provide over \$3 billion for West Virginia highways and over \$500 million for bridges over the next five years. This represents nearly a 44 percent funding increase over the previous five-year highway bill. The bill also provides hundreds of millions of dollars to improve water and water systems in communities across the state, and \$600 million for rural broadband, which will

infrastructure, it turns over five times. Spending money on meaningful infrastructure investment will create thousands of good paying construction jobs and improve the quality of life in all areas of our state.

The Contractors Association of West Virginia thanks Senator Shelley Moore Capito and Senator Joe Manchin, who were instrumental in crafting the bipartisan bill which passed the U.S. Senate 69 – 30. Thanks, too, to Congressman David McKinley, P.E., who was one of 13 Republicans in the U.S. House to vote for the bill; without their support, the infrastructure bill would not have passed. The leadership they showed will fund significant upgrades to infrastructure in West Virginia, which is very much needed.

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connect and give all West Virginians access to telehealth, online education, and other benefits. Flood mitigation, weatherization, and funding for utility companies to shore up the electric grid are also part of the bill.

This new infrastructure investment will provide a much-needed boost to the construction industry while growing West Virginia's economy over the next decade. It is proven that for every dollar spent on

According to a report by the West Virginia Section of the American Society of Civil Engineers in 2020, West Virginia received a “D” grade on its infrastructure report card, saying the state's infrastructure “needs immediate attention.” Of the state's 7,295 bridges, 1545 – or 21.2 percent – are structurally deficient.

The infrastructure report also gives a “D” for West Virginia's drinking water and wastewater needs. More than 400 public drinking water

systems serving 1.5 million West Virginians require nearly \$2 billion in repairs. There are 293 public water systems that serve more than 440,000 residents that require at least \$12 billion in upgrades and extensions.

The reason the Bipartisan Infrastructure Bill passed in the House is because a majority of representatives understand that this measure will provide significant, tangible improvements to the lives of their constituents and the success of their local employers. Now the work begins.

Federal agencies will have to oversee the surge in funding, including administering new grants and designing new programs. The CAWV looks forward to working with state and local agencies – from our transportation department to local water and sewer utilities – who will have to identify and execute the needed projects. And this federal, state, and local coordination all comes amid continued construction material shortages, unprecedented price escalations, and other challenges CAWV members are experiencing due to the COVID pandemic.

The new infrastructure bill will demand more workers, too. Public agencies will be competing for scarce talent along with private sector contractors. The CAWV's Workforce Development Task Force has been working to enhance career and technical training programs to create a future workforce for the construction industry. The task force has developed a program called "BuildWV" to provide students, parents, and guidance counselors with information on construction training, education, and on why construction is an excellent career option.

The Infrastructure Investment and Jobs Act features construction industry-championed reforms to speed up project delivery, offers new opportunities for private sector project financing where appropriate, facilitates enhanced worker safety, and bolsters investment in research and education programs. The bill also codifies a Trump administration directive, seeking to reduce the time it takes federal agencies to issue environmental approvals for major infrastructure projects, which could help speed completion of major highway projects such as Corridor H and Coalfields Expressway in southern West Virginia.

The positive impacts from IIJA-related construction activity will be felt quickly in West Virginia as work gets underway. A September 2021 report by global forecasting leader, IHS Markit, quantifies the initial outcomes:

- IIJA investment to fix West Virginia's roads and transit system will add an additional \$678 million in state gross domestic product each year.

- The increased economic activity will benefit West Virginia residents – disposable income will increase by \$249 million each year, an average of \$332 per household.
- State and local tax receipts will increase by an average of \$118 million per year. This is additional income that can be reinvested in the state, without any increase in tax rates.

The Bipartisan Infrastructure Bill will create many opportunities for West Virginia and a better quality of life for our citizens. The members of the Contractors Association look forward to working with our partners in the private and public sectors to build a better West Virginia. 

