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### Long on Cash, Short on Capacity: The Infrastructure Dilemma

Economic Development and Labor Track

Energy, Environment, and Transportation Track



Partnership Opportunities to Support Workforce Development for Infrastructure Law-Funded Projects

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Competitive Grants

- About \$124.4B available in competitive funding
- Asking transportation applicants—states, cities, transit agencies, ports, etc—to prioritize workforce development
- For most grants, project funding can be spent on workforce development if needed to support jobs on the project
- Biggest competitive grants
  - RAISE--\$7.5B (awards just released; next NOFO expected in January)
  - Nationally Significant Freight and Highway Projects (INFRA)-\$7.25B
  - Mega projects-\$5B
  - Port Infrastructure Development Program-\$2.25B

We have developed <u>examples of how all of these grants are being used for workforce</u>.

#### **Selection Criteria**

Department of Transportation

Office of the Secretary

Most DOT competitive grant programs have a selection criteria or priority consideration for job quality and workforce development. Specifically, applicants are asked to address:

- 1. Creating good-paying jobs with free and fair choice to join a union.
- 2. Expanding high-quality training and education programs to help train and place people in good-paying jobs, with a focus on women, people of color, and other populations facing systemic barriers to employment.
- 3. Implementing policies both during procurement and during project implementation that will promote the hiring and retention of underrepresented workers.

Look at our <u>Checklist for a Strong Workforce and Labor Plan</u>

#### Use of grants for workforce

 Most competitive DOT grants <u>can be used</u> on workforce development if related to jobs on the project.



#### Formula Funding

Most BIL funding can be spent on workforce development and education but is formula (\$466B). Accessing the funding depends on intentional action on the part of state and local transportation entities.

#### Two of the biggest programs are:

- States can use all of their major highway funding on workforce development (~\$50B per year). BIL specifically added eligibility for support to community colleges and vocational schools in addition to 4-year universities as well as apprenticeship, pre-apprenticeship, and on-the-job training. See the official guidance.
- 2. Up to 0.5% of FTA Urban Area Formula Program (Section 5307) (~\$6B per year)



#### **Opportunities for Direct funding for Workforce Development**

- **1.** Low or No Emission Vehicle Program
  - \$7.2 Billion dedicated over five years for transit agencies to purchase zero-emission fleets.5% of grant awards dedicated to workforce training to retrain existing workers and bring in new workers.
  - Awarded \$43M in workforce funds to 75 transit agencies in first round.
- 2. Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grants
  - \$5B over five years
  - Workforce only projects are eligible.
  - Two workforce awards (\$6 to \$8M) <u>made</u>: \$4.5M to University of Delaware for scaling Rail Engineering Program to HBCUs and \$8M to Amtrak for mechanic apprenticeship program.
  - Next NOFO coming out end of August.



- Convene workforce agencies and transportation agencies together and encourage them to:
  - Develop and understanding of the gaps in your regional training system.
  - Identify specific programs that could meet workforce needs for project owners and that they could help scale with limited funding.
  - Share information with one another—transportation agencies should let workforce partners know about their upcoming projects that will require workforce training.
- Develop ways for transportation and workforce agencies to leverage each other's funding—
  - Formula funds and competitive funds
  - Low/No grants
  - DOL formula funding and funding opportunities

# Infrastructure Three Ps

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#### What We Are Hearing

Three areas of focus are raised by nearly every infrastructure agency nationwide. All three are constraints on allocating funding or effectively executing projects with funding



Human Capital, organization strategy, workforce development, recruiting, and stakeholder engagement



Cyber and physical security, protecting against today's threats while preparing for tomorrow's



Holistic planning with a "dig once" mentality, leveraging technologies such as Digital Twins and Artificial Intelligence

#### People – Meeting Today's Project Needs and Preparing for Tomorrow's

The number one challenge we hear is People.

## (1)

#### Assessing Workforce Challenges and Opportunities

Identifying funding sources for skills development, 4-year and community colleges as well as K-12



Meeting Workforce Needs Today

- civil engineers, planners
- construction workers



How to address future disruptive changes – AI et al.

#### **Protection – Securing Infrastructure from Cyber and Physical Threats**

Critical infrastructure has a high risk-profile and must be shielded from malicious actors



#### Better Planning is Critical to effectively executing on Spending

Infrastructure has a lousy track record over the past 50 years. Better planning is the starting point.

#### Agreeing on what comes first

Identifying infrastructure priorities, securing funding sources, and aligning workforce goals is an essential first part of project planning



Focus on today's needs while preparing for tomorrow's

Infrastructure projects have workforce needs now, but also longterm needs that necessitate a strong talent pipeline **Driving Cross-Coordination** 

Workforce priorities in infrastructure require a whole of community approach and multiple funding sources, ensuring that all stakeholders have a seat at the table early is critical to success

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