

## Introduction to the American Jobs Act of 2011

By Michael Bosse | September 15, 2011

On September 12, President Obama sent his American Jobs Act of 2011 to Congress. When the president addressed the nation last week, the details of the act were still in flux; we now have greater details on the proposed \$105 billion for infrastructure improvements. Current proposals for the construction industry include:

**Tax Relief for Workers and Businesses (Title 1):** Tax relief in the form of an extended and expanded temporary payroll tax, a temporary tax credit for increased payroll that matches the employer social security tax, and an extension of the temporary 100 percent immediate bonus depreciation for certain business assets.

**Rebuilding Public Schools (Title 2 Subtitle D):** \$25 billion for obligation until September 30, 2012 to modernize, renovate and repair 35,000 elementary and secondary school buildings in public school districts, including some community colleges.

**Immediate Infrastructure Investments (Title 2 Subtitle E):** Immediate transportation infrastructure investments including \$27 billion for highway restoration, repair and construction projects, \$4 billion for airport development grants, \$2 billion for intercity passenger rail projects, \$2 billion to upgrade Amtrak infrastructure and \$5 billion to metropolitan areas for surface transportation projects.

**The Building and Upgrading Infrastructure for Long-Term Development (BUILD) Act (Title 2 Subtitle F):** \$10 billion for longer term infrastructure development and creation of the American Infrastructure Financing Authority to distribute funding. This is the so-called "Infrastructure Bank."

**Project Rebuild (Title 2 Subtitle G):** \$15 billion in investments to put construction workers to work immediately rehabilitating and refurbishing vacant and foreclosed homes and businesses, which will include some measure of private investment funding.

Bernstein Shur's Construction Law Practice Group will analyze the 155-page proposed act and provide further details about how the act (and competing congressional proposals) may impact the construction industry and construction unemployment in New England and beyond.

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