STAND FOR AMERICA

Biden's "Infrastructure" Plan: Bad for Workers, Bad for the Economy, Bad for America

- The American "Jobs" Plan would reduce employment, wages, and investment in the United States. It would burden hard-working Americans with increased taxes and union costs as our economy emerges from the pandemic.
- Less than 6% of the funding in the $2.25 trillion plan would go towards transportation-related infrastructure like roads and bridges. The rest is a vehicle for liberal pet projects, big government, and corporate welfare.
- The PRO Act that Biden endorses would create a union-industrial complex, eliminating the freedom of 166 million Americans in 27 states to choose whether or not they want to be in a labor union.
- Biden's claim that nobody making under $400,000 would see an increase in taxes is false, as this proposal would raise taxes on middle-class Americans saving for retirement.

This Isn't "Infrastructure"

Less than 6% Goes Towards Traditional Infrastructure Like Roads & Bridges

- Only $115 billion of the $2.25 trillion[i] proposed in Biden's "infrastructure" plan would be spent on bridges, highways, and roads that are in critical need of repair. That amount would fix less than 1% of the roads that are in poor condition in the U.S.[ii]
- Compare that to $174 billion for investments into electric vehicles, $80 billion for Amtrak, $50 billion for a new Department of Commerce facility, $50 billion for National Science Foundation "research infrastructure"[iii] and $10 billion for a "Civilian Climate Corps" whose duties include "advancing environmental justice."[xxvi]

This Would be the Most Expensive Legislation in American History

- If enacted, Biden's plan would have the biggest price tag of any piece of legislation in American history.[iv]
- Before the pandemic, the United States never had an annual budget deficit of more than $1.4 trillion. With Congress spending $5.7 trillion in only 12 months during the pandemic, the 2020 deficit reached $3.1 trillion.[vi]
- The CBO already projects that the 2021 federal deficit will reach $2.3 trillion, a figure that would skyrocket if Biden's plan passes.[vii]

The Debt Still Matters, Now More than Ever

- Top economists warned even before the COVID-19 pandemic started that the federal deficit was on an "unsustainable path."[viii]
- The federal debt was equivalent to 35% of the nation's GDP in 2007; it has now climbed over 100%, **close to the largest in American history**.[ix]
- The CBO warns that on this current path, the debt will reach approximately 200% of GDP by 2050 with most of our spending going towards interest payments on the debt.[x]

The American Anti-Jobs Plan

Workers Will Bear the Consequences of Biden's Tax Plan

- Approximately 70% of the burden of taxes on business and corporations are levied onto American workers, including those making under $400,000 a year.[xi]
- Biden's proposed increase in corporate taxes from 21% to 28% would hurt jobs in fields that provide opportunities for low- and moderate-income workers.[xii]
- This type of tax increase on businesses has proven to reduce workers' wages in both the short and long term.[xiii]

America Will Become Less Competitive for Business and Investment

- Biden's tax increases would slow down the economic recovery from the pandemic and hurt the U.S.'s global competitiveness.[xiv]
- The proposed 28% corporate tax rate is well above the 23.5% OECD average, and above the tax rates of Communist China (25%), the United Kingdom (19%), Ireland (12.5%), Denmark (22%), and Finland (20%). [xv] Such a high corporate tax rate would make it much more difficult to attract foreign investment.
- The 2017 Republican tax cuts made the U.S. more competitive in manufacturing and helped contribute to a $671 billion *increase*[xvii] in American manufacturing investment from 2014-2019.

Increases Taxes on Retirement and Main Street

Middle-Class Retirement Savings will be Reduced

- 53% of American households own some form of stock[xviii], 80 to 100 million Americans have money vested in a 401(k)[xix], and 46.4 million households own an IRA.[xx]
- Corporate tax increases hurt those investing in these plans, reducing their retirement savings.

Eliminates Freedom of Choice for Workers

Union Interests over Worker Freedom

- Currently, 166 million Americans in 27 states[xxi] are protected by Right to Work laws, which give workers the ability to work or start a business without being forced to join a labor union.
- The PRO Act, which Biden endorses in his American Jobs Plan, would eliminate this freedom of choice for millions of Americans, forcing workers to join unions against their will.
- This would subject workers to union corruption, harassment, special interests, and additional costs.

Another Cost to Workers Making Under $400,000

- Most workers that would be affected by the PRO Act make well under $400,000 and would be forced to pay unwanted union dues.
- These dues would give unions even more money to send to liberal special interest groups like Planned Parenthood and the Clinton Foundation.[xxii]
- The PRO Act would create $47 billion[xxiii] in additional annual costs for employers that would be passed down to workers through lower wages and fewer job opportunities.

Right to Work States Perform Better than Forced-Union States

- States that have Right to Work laws outperformed forced-union states in both employment growth (8.8% vs. 4.2%) and manufacturing growth (5.5% vs. 1.7%) between 2007 and 2017.[xxiv]
- Forced-union states saw their net migration decrease by 7.4% between 2007 and 2017, while right to work states grew by 1.6%.[xxv]

Endnotes

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