



## THE OPPORTUNITY

# The Next Great Infrastructure BOOM is Coming

## Introduction

### The Stakes

When Joe Biden announced a January stop in Pittsburgh to promote the recently passed Infrastructure Investment and Jobs Act, locals expected a routine photo op. Instead, just hours before the president's speech, a snow-covered bridge on the city's Forbes Avenue collapsed — injuring ten people, and serving as an unfortunate symbol of the nation's pressing infrastructure needs.

The Pittsburgh span was at least **50 years old, just like over two fifths of the nation's bridges**, according to the American Society of Civil Engineers' 2021 Report Card for America's Infrastructure. **Some 178 million vehicles cross structurally deficient bridges every day**, while improvements have slowed, with the national backlog of bridge repair needs standing at around \$125 billion.

The rest of the ASCE report card tells a similar story, giving **our national infrastructure a near-failing grade of 'C-'**. Poor roadways, aging water systems, sluggish broadband and expensive energy outages are endemic. And the growing risks of climate disasters like winter storms and wildfires will only make these shortcomings more costly.

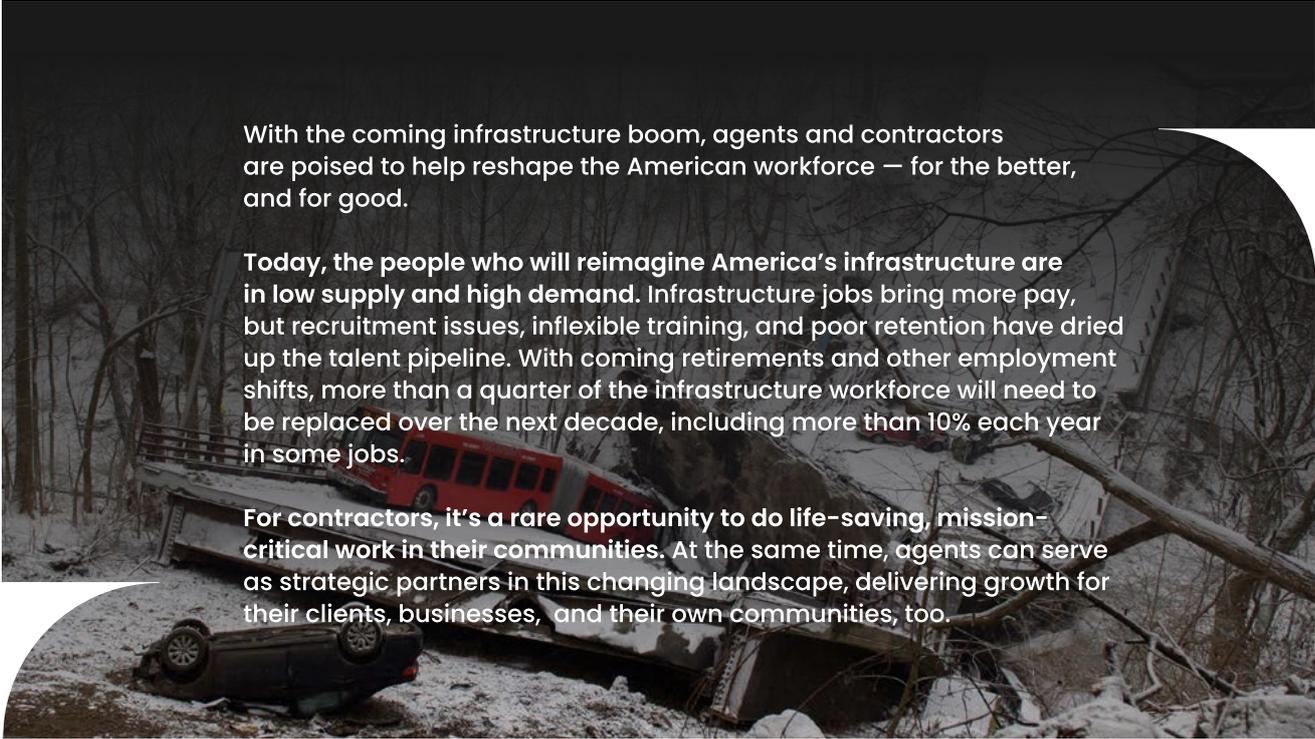
### The Context

To meet these challenges, the Infrastructure Investment and Jobs Act (IIJA) delivers a **5-year, \$1.2 trillion** plan for reimagining our national infrastructure.

It represents the biggest such investment in nearly a century, revitalizing not just bridges and roads but entire energy, transportation, water and broadband systems. And to make it happen, the IIJA will help create an entire generation of over 2 million industrial jobs during the next 5 years.

Four months after it was signed into law, IIJA implementation is gathering steam, with over **\$80 billion in funds already announced or allocated**.

But as the Pennsylvania bridge collapse reminds us, rebuilding our infrastructure demands an investment not only of funding, but of time and planning. **A sea change at this scale brings a more complex regulatory and insurance environment, for which agents and contractors need to prepare.**



With the coming infrastructure boom, agents and contractors are poised to help reshape the American workforce — for the better, and for good.

Today, the people who will reimagine America's infrastructure are in low supply and high demand. Infrastructure jobs bring more pay, but recruitment issues, inflexible training, and poor retention have dried up the talent pipeline. With coming retirements and other employment shifts, more than a quarter of the infrastructure workforce will need to be replaced over the next decade, including more than 10% each year in some jobs.

For contractors, it's a rare opportunity to do life-saving, mission-critical work in their communities. At the same time, agents can serve as strategic partners in this changing landscape, delivering growth for their clients, businesses, and their own communities, too.



**To fully take advantage, contractors and agents will have to collaborate more closely and adapt swiftly to changing circumstances. Here are the questions contractors and agents should be asking each other as they gear up for the Great American Infrastructure Boom.**

Contractors

## What to ask your agent?

**The largest infrastructure investment in a quarter century presents contractors with a huge opportunity, but also uncertainty.** Federal agencies will have to manage funding grants and create new programs, while state and local governments identify needs in their communities and mobilize resources. In many places, it will take years for IIJA projects to be realized. As the law is implemented, there are four questions contractors can ask agents to help best position themselves.

### ***Is there a clear path to access the funds through projects?***

This is probably the hardest part of capturing this opportunity. While the dollars have been allocated, the systems to get them up and running aren't in place yet. What is clear, however, is that collaboration with local municipalities is going to be a difference maker in identifying projects that meet IIJA requirements. Now is a great time to talk to your agent about how they will be leveraging their network actively to push forward opportunities as they evolve.

### ***Is there a certain profile of organization that will benefit from the release of funds?***

A few themes are emerging in programs that are currently up and running. The IIJA has allocated \$65B to build broadband networks and provide more affordable services throughout the country. \$42.5B is earmarked for unserved rural areas first, with current speeds under 25/3 Mbps, then underserved areas with speeds under 100/20 Mbps. IIJA stipulates each state will receive at least \$100M under the Broadband, Equity, Access and Deployment (BEAD) program.

### ***Opportunity notwithstanding, what can I do to right-size my safety and insurance budgets to ensure I'm not overpaying?***

With rapid growth on the horizon, contractors need to make sure that the IIJA boom is a safe one. Working with agents to understand what's required in project applications and on the job can help keep those budgets as robust as needed.



## Agents

### What to ask your client?

We believe the IIJA era will be just as transformative for agencies. The most successful agents will embrace a shift to the role of partner and consultant, helping clients manage risk and maximize growth. To develop these partnerships, agents can ask their clients four questions:

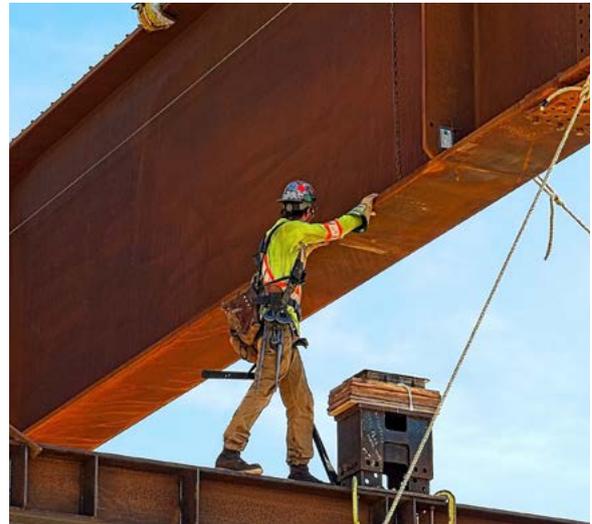
#### ***What is your plan to take advantage of these IIJA dollars?***

An opportunity of this scale calls for a strategic, long-term plan. Contractors who rush into applying for IIJA projects can miss out on the opportunities that are best for them. It's also key for agents to work proactively with their clients to help them stay on top of how the dollars are being spent. This is the case with respect to the geography of dollars as well as the industry.

Preparing to take advantage of the funds also means preparing to grow. As contractors prepare for the infrastructure boom, they are at a key inflection point in the demand for the skilled workers they will need for these contracts. Therefore, as companies prepare for the investment, they need to also be putting plans in place to grow the number of employees they have. Many of the target projects are both dangerous and complex. This presents an opportunity for agents to help their clients vet the skills of their workforce and put effective training and safety practices in place that are going to be crucial not just to the wellbeing of their workers but to the growth of the businesses and the successful completion of the IIJA projects.

#### ***What part of the IIJA can I help you better understand or navigate?***

The IIJA is a massive work of legislation, in both breadth and depth. Clients expanding broadband access will have different questions than those laying new bike lanes, and agents should get up to speed on the law's relevant pieces.



### Our Role

As these questions demonstrate, partnerships will be at the heart of the country's renewed infrastructure and the workforce that's building it.

We believe Insurate will be the hub for these partnerships — empowering agents to be consultants and drivers of growth for their clients, and helping contractors find the tools and training to act on their agents' advice. Working with partners like the marketplace Yellowbird, we're bringing useful safety and compliance consulting to policyholders.

In initiatives to come, we'll work with agents to deliver virtual safety trainings, helping them become local connectors between opportunities and the talents who can meet them.

The coming infrastructure boom will spread billions of dollars across hundreds of projects in communities across the country. Contractors and agents who can evolve and rise to the occasion will help reshape how America works. **We're here to help you navigate these challenges.**

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