



STATE OF WASHINGTON
— OFFICE OF GOVERNOR JAY INSLEE —

April 2, 2021

The Honorable Patty Murray
U.S. Senator
154 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Maria Cantwell
U.S. Senator
511 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Suzan DelBene
U.S. Representative
2330 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Rick Larsen
U.S. Representative
2163 Rayburn House Office Building
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The Honorable Jaime Herrera Beutler
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The Honorable Dan Newhouse
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The Honorable Cathy McMorris Rodgers
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The Honorable Derek Kilmer
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The Honorable Pramila Jayapal
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The Honorable Adam Smith
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The Honorable Marilyn Strickland
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Dear Washington Congressional Delegation Members:

Thank you for your swift action to pass the American Rescue Plan Act. As the implementation of this law proceeds, I am pleased to see attention turning to consideration of a wide-ranging, transformative package that comprehensively addresses America's unmet infrastructure needs. President Biden's "American Jobs Plan," to spur America's economic recovery, has provided a strong foundation for building Congressional legislation. I strongly agree that by closing the gap

between our infrastructure needs and investment, and taking an inclusive view of those needs, we can prepare our country to take advantage of the economic opportunities ahead of us.

I have asked my staff, our Cabinet, and executive branch agency leaders to identify strategic investment priorities to address unmet infrastructure needs in Washington State. They identified the following 13 areas as priorities:

- Broadband
- Building Construction and Retrofits
- Clean Water Infrastructure
- Climate and Clean Energy
- Communities and Housing
- Early Learning and Education Facilities
- Food Security
- Forest, Watershed Health and Water Resources
- Hazard Mitigation and Resilience
- Labor and Workforce
- Public and Behavioral Health
- Salmon and Orca Recovery
- Transportation

The need for an infrastructure and jobs package is clear – not only due to the extraordinary crisis of the COVID-19 pandemic, but also decades of deferred investments and the increasingly devastating physical and health impacts of climate change. The latest quadrennial report from the American Society of Civil Engineers (ASCE) shows that, while America’s infrastructure has seen “incremental progress” since the last report, most measured categories earn a grade in the “D” range: “poor,” “of serious concern,” and posing a “strong risk of failure.”ⁱ Continued neglect of our nation’s infrastructure is estimated to cost us over 3 million new jobs by 2040 and trillions of dollars in potential gross domestic product (GDP) gains.ⁱⁱ

There are an estimated 706,000-777,000 direct and indirect jobs that can be created in Washington State through a national infrastructure package.ⁱⁱⁱ Preservation and maintenance of our roads, bridges, transit, and water systems represents a significant component of our infrastructure need. Yet, in addition to these traditional categories, our state faces new challenges caused by the COVID-19 pandemic, including decreased childcare provider capacity and deep setbacks to our workforce, particularly among women. The pandemic has also underlined the importance of correcting underinvestment in public health, resilience, and telecommunications infrastructure to ensure our country is as prepared as possible for the next emergency.

We must seize this once-in-a-generation opportunity to take a transformative step to defeat climate change. The American Jobs Plan recognizes that this is our moment to make bold steps that are appropriately scaled to meet the climate crisis. I applaud the inclusion of a federal clean electricity standard and a goal of 500,000 electric vehicle (EV) charging stations by 2030, alongside strong investment in clean buildings, clean water, a clean energy economy that

provides family-wage union jobs, and greater environmental justice. I am especially pleased that President Biden has recognized the interconnected nature of the challenges posed by climate change, emphasizing the opportunity for investment in climate and environmental justice solutions throughout. Washington State is a model for what this approach can accomplish, and I hope you will consider our analysis as a guide for building on state successes and implementing these concepts at the national level.

Our strategic priorities represent traditional infrastructure needs as well as those that would benefit strongly from renewed federal investment. In each area, we welcome one-time funding, and identify throughout where new or increased sustained funding for annual programs and policy reforms can contribute to economic recovery, provide public benefit, and help address persistent systemic inequities. We have highlighted areas where federal investment can accelerate near-term projects and advance worthwhile concepts towards construction through dozens of state capital programs. Each of these strategic priorities would benefit from resources to help communities of all sizes undertake pre-engineering work that sustainable infrastructure relies on.

Washington State is ready to act quickly upon the availability of federal dollars, and I urge your strong consideration of these strategic investment priorities as you shape legislation. These thirteen categories represent our highest priorities in this process, though they are not intended to diminish other worthy proposals you may receive in the months ahead. I am particularly pleased that President Biden will make additional proposals in the coming weeks to aid workers, families, and children, and strongly support their inclusion in infrastructure legislation. We also welcome the opportunity to discuss proposals you may be developing in areas of shared interest.

Enclosed with this letter, please find a detailed overview of each of these strategic priorities. Agency staff stand ready to provide specific, operational project data to assist you in crafting relevant legislative language. I have directed my Washington, D.C. Office to coordinate follow-up to this letter and to ensure your needs are met throughout this infrastructure process. They can be reached at Morgan.Wilson@Gov.Wa.Gov and Geoff.Potter@Gov.Wa.Gov.

Very truly yours,



Jay Inslee
Governor

Enclosure

Strategic Investment Priorities on Infrastructure for Washington State

❖ BROADBAND

Congress has appropriated large sums for broadband connectivity during the COVID-19 pandemic, and these funds have been essential during the public health emergency. But far too many people have weathered this last year with poor or non-existent access to the Internet, which has become one of the most basic infrastructure needs in the world today. Existing inequities and inefficiencies in broadband investment meant that the learning loss impacts of COVID-19 were spread inequitably, hitting already disadvantaged communities the hardest. An infrastructure package that seeks to effectively address broadband must include reforms that ensure broader access in addition to affordability, more complete adoption, and a more inclusive definition of who is unserved and underserved.

Continued federal funding is necessary, particularly through expansions of the E-Rate program, and Congress should consider ways to centralize and coordinate existing funding streams across agencies. But states must also be recognized as central conveners that provide technical assistance and can effectively coordinate with non-eligible telecommunications carriers (ETCs) like public utility districts (PUDs). Resources should be provided to fund planning and feasibility assessments, as well as accurate, granular data collection and evaluation tools to ensure investments support defined needs, provide the highest returns, and serve the most people. We also encourage Congress to establish block grants that provide discretionary allocations to states that can support reducing “last mile” costs, to transition loan programs that exclude participants towards grant-based models, reform outdated application processes, and waive matches for communities of need, including older Americans and tribes.

Congress should utilize investments to drive adoption and meaningful access for low-income communities and among those with economic, cultural, and linguistic barriers. Ensuring that broadband installations are integrated into transportation investments, new and retrofitted buildings, public health facilities, and electric transmission infrastructure is also a vital opportunity to expand coverage. Investments should support not just anchor institutions but their surrounding regions and provide future-proof systems that deliver the speeds necessary for access to modern devices. Remote work and learning will likely be incorporated into post-pandemic life and improving equity of access through investments for consumers and communities to schools, telemedicine, and government services is a necessity. Such an approach could include purchasing hardware for staff of public-facing agencies to improve service delivery.

❖ BUILDING CONSTRUCTION AND RETROFITS

America’s building stock deserves systemic attention in an infrastructure package. Clean building and energy standards lock in reduced emissions levels and operating cost savings for the life of newly constructed buildings, and strong federal investments now will help lay the groundwork for zero-emission new construction. We encourage Congress to provide not only funding for construction but also for resources like training and technical assistance, decarbonization strategy development, environmental justice planning tools and metrics, as well

as education tools and change management resources. Finally, rectifying the underfunding of staff positions relevant to building construction at the Department of Energy (DOE) will help to ensure effective implementation of clean building standards for new and existing buildings. Collectively, this approach can result in a rapid mobilization of the workforce across our state to fill demand for newly constructed and retrofitted buildings.

Federal dollars will offer substantial value to Washington State by filling gaps where state dollars cannot reach. Many of the needed modernization and retrofit projects require substantial up-front investment, and communities unable to secure local funding are disadvantaged in competing for limited state funds. Federal investment will act as a “booster” for many communities with significant needs so that they can realize the long-term benefits that offset initial investments. There are over fifty capital programs identified by Washington State’s Office of Financial Management that could benefit from flexible federal infrastructure dollars targeted to address this need, from state veterans’ homes to educational Skills Centers^{iv} to the Home Rehabilitation Loan Program (HRLP).^v

Healthcare buildings, community and technical schools, juvenile facilities, single and multi-family residential buildings, and other facilities are all candidates for retrofits, preservation, resilience, and decarbonization work. Newly constructed behavioral health facilities and residential habilitation centers can embrace decentralized care strategies as promoted by the Substance Abuse and Mental Health Services Administration (SAMHSA). Nursing care experiences could be improved by pursuing a “Green House Model”, and Adult Family Homes (AFH) can benefit from technology improvements that would improve their suitability for potential residents who are deaf, deafblind, and hard of hearing. State implementation of federal grants like the Paul Bruhn Historic Revitalization Program, as well as the state-operated Heritage Barn Grants^{vi} and Main Street Business Revitalization Program,^{vii} would also benefit from increased capitalization and increased resources to support permitting.

❖ CLEAN WATER INFRASTRUCTURE

In 2021, for the first time, the ASCE gave a grade to the state of America’s stormwater infrastructure. The result? A “disappointing D”.^{viii} This unacceptable result is echoed in the status of our country’s wastewater infrastructure (D+), inland waterways (D+), and drinking water systems.^{ix} The good news is that federal investment could make an enormous difference in all these areas. As of July 2020, there are nearly 500 wastewater, stormwater, and drinking water projects located everywhere from Adams to Yakima Counties that, with funds from a federal infrastructure package, would be candidates to advance to construction within a year.^x Many of these projects would help support small, rural, and vulnerable communities that often lack the rate base to absorb capital loans for projects to protect water quality and the environment. Paired with a sustained increase in the Clean Water State Revolving Fund (CWSRF) as well as the Drinking Water State Revolving Fund (DWSRF), and funding for incentive programs to upgrade onsite sewage systems (OSS), one-time federal funds could materially reduce the existing backlog, put people to work, protect public health and the environment, and help prepare our state for our expected future population growth.

Federal investments that benefit the Public Works Board (PWB) could help evaluate where improvements to wastewater infrastructure can also be used to generate renewable energy, reduce carbon emissions, and increase resilience. A new grant program that directs sustained federal investments to the state's Stormwater Financial Assistance Program^{xi} would benefit green stormwater infrastructure projects that will reduce stormwater pollution, enable economic development at our public ports, and assist the recovery of salmon and orca populations. Similarly, a grant program to support Puget Sound Nutrient Reduction^{xii} could work in tandem with CWSRF investments to incentivize and facilitate planning and operational efficiencies, to begin addressing the excess nutrients that are contributing to the decline of Puget Sound aquatic life. These investments are necessary not only to meet Clean Water Act (CWA) requirements triggered by wastewater treatment plants, but also the long-term goal of defending the health of Puget Sound.

Making an investment in overhauling our state's water drinking system infrastructure will also drive demand for skilled professionals in the field, renewing a dissipating workforce that has declined 5% in each of the last two years. The Department of Health estimates that over the next decade, 50% of existing waterworks operators will retire, a significant proportion of whom are in rural communities.^{xiii} Paid apprenticeship programs such as the one initiated by Evergreen Rural Water of Washington (ERWoW) in 2019 are helping to address this enormous concern, but additional resources for both the capital projects themselves and for grants to expand apprenticeship spots in this high-demand field are critical to meeting this workforce crisis.

❖ CLIMATE AND CLEAN ENERGY

Consistent with the recommendations of the 2021 Washington State Energy Strategy,^{xiv} new renewable power generation requires a stronger and smarter interstate power transmission system, which will allow our state to combine its hydropower and wind resources with other sources from throughout the West, such as concentrated solar power. Investment should benefit microgrids that enhance resilience by hardening grid infrastructure, large-scale and long-duration storage like pumped hydropower, and procurement of smart devices. We also encourage Congress to make progress on completing the Hanford cleanup by funding construction and startup of facilities needed to pre-treat and vitrify High-Level Waste (HLW) and continue tank waste retrievals.

A key element of the CLEAN Future Act – adoption of a national Clean Energy Standard (CES) – will require a corresponding commitment of federal investment in bulk power transmission capacity and grid modernization to be successful. These investments should be paired with requirements for the Federal Energy Regulatory Commission (FERC) and DOE to support transmission planning, siting, and construction, including through the Rural Utility Service (RUS), ensuring federal investment in clean energy infrastructure also supports economic recovery. Existing mechanisms should also receive enhanced sustained funding, including new resources for the DOE Loan Program Office (LPO). Environmental remediation must also be a priority to support jobs restoring energy communities and redeveloping Brownfields.

Congress should also direct attention to new opportunities to build on investments like those that Washington State has made through its Clean Energy Fund. A “green bank” style-federal clean

energy accelerator would speed deployment across the country and enable our state to derive greater value from the benefits of distributed energy resources. There are several already proven, readily available technologies that could benefit from resources to speed deployment, especially Advanced Metering Infrastructure and submeters to enable demand response and energy efficiency solutions. Congress should consider establishing new grant and loan programs, such as a Climate Change State Revolving Fund, modeled after existing funds addressing water projects, to provide low-cost loans for projects that reduce GHGs.

Investments in clean energy deployment can, and must, improve health and safety for frontline communities, help rectify environmental injustices, and deliver on the promise of a just transition for workers traditionally employed in the fossil fuels industry. As we transition together to a clean energy economy, the benefits of that transition must also be experienced equitably. Creating annual sources of federal funding could help implement President Biden’s goal of directing 40% of the benefits of federal climate action towards disadvantaged communities. Opportunities include creating robust environmental justice mapping tools with local granularity, investment in technical assistance and planning capacity for local governments, and the integration of environmental justice into racial equity training. The federal government should also fully fund the DOE’s Office of Indian Energy Policy and Programs.

❖ COMMUNITIES AND HOUSING

More than 128,000 extremely low-income households pay more than 50% of their income for housing in our state.^{xv} Federal investments, paired with incentives to improve zoning and reduce carbon use, would help to address the large unmet need for affordable housing in Washington State. Any infrastructure package should ensure that funding for new construction of affordable housing prioritizes energy-efficiency and weatherization improvements, as well as community facility investments that strengthen resiliency and center equity. Clean energy, clean buildings, and community-oriented development cannot be second-order considerations if we are to build back better in 2021, and these concepts must be implemented alongside, not on behalf of, frontline communities.

Flexible one-time investments and sustained increases in the State Energy Program (SEP), the DOE Weatherization Assistance Program (WAP), and the Community Energy Efficiency Program can simultaneously help address affordable housing shortages, climate goals, and resolve structural issues in implementation. Revisiting and simplifying the clean energy authority first provided in the American Recovery and Reinvestment Act (ARRA) will hasten the ability to engage in new affordable housing construction and retrofit existing inventory. The approach would encourage fuel-switching and could help address equity issues by expanding low-income programs, incorporating health measures and rehabilitation needs, as well as prioritizing households recovering from or at risk of COVID-19. Congress should also find ways to decouple utility payments from rent at properties funded by the Department of Housing and Urban Development (HUD), and those built by the Department of Agriculture that have received publicly funded energy efficiency improvements and clean energy installations.^{xvi}

Connecting affordable housing development with community resilience is an essential step forward. Community resiliency centers, or “hubs”,^{xvii} that are co-located with housing is one

approach that would simultaneously improve resilience, occupant health, and energy efficiency of essential neighborhood facilities, such as senior, cultural, and community centers, as well as libraries, shelters, and food banks. These could be funded, in part, through the Energy Efficiency and Conservation Block Grant, the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, increased capitalization of the federal Housing Trust Fund, or through a new, dedicated block grant-type program. The state's Building Communities Fund^{xviii} and Youth Recreational Facilities^{xix} programs are well-positioned to leverage federal dollars towards capital projects across the state. One notable opportunity is to use federal funding to accelerate the transition of the National Guard Readiness Center to North Bend from Seattle.

Direct federal funding, increased Private Activity Bond (PAB) authority, and expanded low-income housing tax credits can expand housing opportunities while embracing community benefits frameworks, explore community stewardship models, and taking proactive steps to avoid displacement. In Washington State, our Housing Finance Commission (WSHFC) exercises nearly \$1 billion in bond capacity, loans, and grants annually. The programs these funds support include both multifamily rental housing development as well as down payment assistance for eligible homeowners. These activities, executed in partnership with local governments and non-profit organizations, are effective but constrained by limited resources.^{xx} With flexible federal funding for state capital programs such as the state Housing Trust Fund,^{xxi} the HRLP, and the Weatherization Plus Health Program,^{xxii} Washington State could make strides toward addressing inventory challenges by increasing statewide housing stock. We also encourage Congress to ensure that the Community Reinvestment Act (CRA) continues to strongly incentivize Housing Credit investment.

❖ EARLY LEARNING AND EDUCATION FACILITIES

A federal infrastructure package offers an opportunity to invest at every level of education to make long-deferred strides in equity and improve outcomes for students and educators by providing safer, high quality environments to learn and work. Federal capital to supplement state project financing is badly needed, and investment would strengthen our state's workforce - not only through project construction, but by improving retention and recruitment of skilled educators and staff who will come to work in improved, healthier learning environments. Congress could also provide significant assistance by reinstating tax-exempt refunding bonds used by non-profit organizations and local governments to refinance existing debt at lower interest rates, as contemplated by the bipartisan Lifting Our Communities through Advanced Liquidity (LOCAL) Act, as well as increasing the maximum allowed bond issuance for "bank eligible" bonds to \$30 million.

Federal investments in support of the Early Childhood Education and Assistance Program (ECEAP) could significantly strengthen early learning opportunities, which provide a vital foundation for lifelong learning and wellbeing. Despite recent capacity expansions, as of December 2020, an estimated 4,054 more slots are needed by fall 2022 to serve all eligible children who are likely to participate. COVID-19 has worsened this situation, with providers representing 25% of total childcare capacity in the state closing temporarily or permanently since the start of the pandemic.^{xxiii} The Early Learning Facilities Program^{xxiv} is an example of programs ready to utilize federal funding to supplement state commitments so that we can make

up ground lost in the pandemic and make progress on closing pre-pandemic gaps. Additionally, innovative facilities investments that co-locate affordable housing with childcare facilities and ensure strong access to broadband and enabled devices, as well as sustained funding to improve childcare affordability and wages for childcare workers, can combine to help ensure every child has access to quality early learning.

Public educational buildings across the country, especially those overseen by the federal Bureau of Indian Affairs, have suffered from decades of deferred maintenance. In Washington State, federal funding to complement local state capital budget dollars can accelerate projects to address immediate needs like modernizing or replacing local K-12 schools, HVAC improvements and lighting retrofits as well as maintenance planning and implementation that extend equipment life and reduce costs. Additionally, our public 4-year and community technical colleges have an estimated deferred capital backlog of over \$4.5 billion,^{xxv} and improvements are needed at facilities like the Center for Childhood Deafness and Hearing Loss and the Washington State School for the Blind. Federal resources could help address common needs at each of these different types of facilities, from seismic shock resilience to vertical evacuation shelters that protect from tsunamis and enable physical relocation during emergencies, to removing lead from school drinking water systems.

❖ **FOOD SECURITY**

While food security has not been a traditional candidate for infrastructure funding, the increase in hunger during the COVID-19 pandemic demonstrates the need to think expansively. Flexible, sustained funding to expand the Emergency Food Assistance Program (E-FAP) can help strengthen state infrastructure by expanding emergency food streams and reducing overreliance on the non-profit system that has been pushed to the brink during the pandemic. Such investments could include expanded refrigeration and dry-storage capacity, especially at “dual-use” facilities like new and retrofitted affordable housing or community resilience hubs. This approach could help support access to nutritious food and health services in everyday life and flexible capacity in emergencies, as well as new and existing programs to alleviate food deserts. Other opportunities could include a federal version of Washington State’s new Sustainable Farms and Fields (SFF) program^{xxvi} that incentivizes agriculture practices that sequester emissions. Finally, an update is sorely needed to the calculations for the Supplemental Nutritional Assistance Program (SNAP) benefits and the Thrifty Food Plan.

Additional investments in physical infrastructure to aid local recovery in the food service sector are also warranted. Financing physical improvements such as HVAC upgrades for food establishments as well as construction of shared commercial kitchens could help support economic development through construction projects as well as by backing entrepreneurs who are reentering the food service sector. Congress should consider providing federal assistance to help local governments, especially physically distant communities, obtain capital or conduct planning and design work for agriculture and food security projects they often lack resources for.

❖ FORESTS, WATERSHED HEALTH AND WATER RESOURCES

Washington State's forest lands, riparian areas, parks, and waterways are at the heart of our state's economic vitality, our recreational life, and our resilience against climate change. These areas also represent up to \$27 billion worth of unmet need for infrastructure investments in marine ports, fish and habitat, and water resources.^{xxvii} Additionally, the deferred maintenance backlog for Washington State Parks exceeds \$420 million. These areas are particularly vulnerable to climate change, which stresses availability of water, contributes to more catastrophic wildfires, and threatens ecosystems and species. Investing in their management and restoration builds climate resilience, creates and preserves jobs, and safeguards cultural traditions.

The Washington State Department of Ecology, Department of Fish and Wildlife, and the Governor's Salmon Recovery Office are poised to partner with federal agencies to invest infrastructure dollars. Our natural resources agencies oversee capital budget programs, grant programs, and other initiatives that offer hundreds of potential projects which, with federal funding to complement state investments, can advance to construction and would offer a plethora of benefits for Washingtonians and our iconic species. Investment categories like levee setbacks and specific projects, such as the Duckabush River Estuary Restoration Project and the Spencer Island restoration, are poised to move forward with additional investment and affirmation of the federal cost-share commitment. The Puget Sound Partnership is similarly situated to utilize federal funding to advance proposals to work with BNSF to fix fish passage barriers, and to work in tandem with our Department of Ecology to pursue new public-private partnerships and accelerate installation of riparian buffers.

Federal infrastructure investments can also play a vital role in meeting increasing demand for water resources for navigable waterways, agriculture, and human use. Many projects are singular but critical, such as urgent repairs at the Hiram M. Chittenden Locks. Others are short-turnaround projects that support generational needs; the Yakima Basin Integrated Plan (YBIP) will ensure adequate water supply for people, farms, and fish for decades to come – 87 projects are ready to receive investment, including 69 that are ready to begin by Fiscal Year 2023. Similar projects can be developed in support of the Odessa Groundwater Replacement Project, and throughout the Columbia and Snake River systems.

Significantly increased capitalization in existing programs like the Clean Water State Revolving Fund (CWSRF) would support planning and implementation of estuary conservation and management, in addition to waste and stormwater benefits. But new funding streams are also called for. The Washington Conservation Corps, which includes subprograms that employ young adults and veterans, could administer a new grant program dedicated to riparian buffer installation. Passage of the key components of the Recovering America's Wildlife Act would dedicate \$22 million to keeping common species common, conserving unique Washington State species, and restoring and protecting habitat for native species. And one-time investments in clearing the U.S. Forest Service (USFS) road deferred maintenance backlog could be paired with a sustained commitment to the Shared Stewardship Strategy,^{xxix} a joint agreement with USFS to defend both state and federal forest lands from increasing threats.

❖ HAZARD MITIGATION AND RESILIENCE

The price of underinvestment in our infrastructure is paid every day, but it is felt most acutely when an emergency is upon us. In Washington State, we know that we will eventually suffer a catastrophic earthquake, and as the 2012 Resilient Washington State^{xxx} report shows, it will cause significant infrastructure damage across our state, as well as tsunamis, landslides, and utility outages. Even before that day comes, our exposure to hazards is growing; in the decade from 2011 to 2020, the State received 13 major disaster declarations and 57 Fire Management Assistance Grants (FMAG), compared to 8 major disaster declarations and 26 FMAG grants in the preceding decade.^{xxxii} Cyberattacks are also an increasingly persistent threat to the safety and security of our people. The time has come for an “all-hazards” resilience strategy, paired with significant investments in hazard mitigation, and a rethinking of the programs that support it.

Multiple public goods can be addressed by these types of investments. For example, Washington State’s transportation infrastructure will suffer severe damage in a catastrophic seismic event, and federal investment in that sector will speed the provision of aid in the response phase and accelerate recovery. Over 15,000 known or suspected unreinforced masonry (URM) buildings,^{xxxiii} including emergency facilities, heritage sites, and especially schools, are prone to partial or total collapse. Federal investments in our state’s URM “dashboard” and grant program can help further identify and validate vulnerable buildings. Retrofits to many of these facilities could embrace a “resilience hub” model of dual-use facilities that offer critical backup resources and shelter in an emergency, particularly for Black, Indigenous and People of Color (BIPOC) communities and physically distant rural communities.

It is also vital that we review how we plan for, fund, and organize our response when emergencies begin, especially as climate change exacerbates natural hazards. We strongly encourage the establishment of separate funding streams for priorities like cybersecurity and emergency communications, so that existing grant programs do not become starved of funds for baseline emergency preparedness work. Similarly, new and existing federal investments must be scoped to match practical construction schedules, since major state capital projects often assume extended timelines. Additionally, even where we have innovative state programs like Floodplains by Design,^{xxxiiii} local communities often struggle to develop, plan, and finance projects needed to prevent coastal erosion and reduce flood damages. Federal investments could help prioritize coastal shoreline and soft-shoreline projects that manage sediment for beneficial uses, unlock local projects, and partner with existing state grant programs to reduce or eliminate certain local cost shares. They could also underwrite planning, providing technical assistance and mapping, and support updates to climate resilience strategies that account for more severe climate risks.

❖ LABOR AND WORKFORCE

Infrastructure investment, crafted with intention, has the power to lift families into the middle class by providing good jobs with strong labor standards. Washington State has been a leader in this regard, particularly through building a clean energy economy, and our replicable approach should be considered as a model for national planning. Between 2009 and 2019, Washington State reduced the carbon intensity of its economy by 22% while increasing per capita personal

income by 54%.^{xxxiv} And as of April 2019, our state's clean-tech sector boasted over 900 companies, employing nearly 58,000 employees, and generating an estimated \$4 billion in wages.^{xxxv} Our state's experience demonstrates how investments in clean energy can create good, family-wage jobs in an economy built for the 21st Century.

One example is Washington State's Clean Energy Transformation Act (CETA), which uses tiered tax incentives to encourage developers to build projects under community workforce and project labor agreements. Community workforce agreements bring together building trades unions and local trades councils with project users and owners, general contractors, and community organizations to jointly develop the terms of the project. Incentives are also offered based on the developer's history of compliance with state and federal wage and hour laws and compensating workers at prevailing wage rates.

Federal investment would provide an immediate multiplying effect through high-road employment opportunities and job creation in local communities. Federal funds to help establish a statewide workforce pipeline for building battery-electric bus fleets would also support jobs in maintenance, safety and dispatching, operator training, and more. The state's Smart Buildings Center and Buildings Performance Center, two cutting-edge training facilities vital to decarbonizing the buildings that are the fastest-growing source of emissions in Washington State,^{xxxvi} could expand their curriculum and reach underrepresented communities with federal assistance. And identifying opportunities to support construction of innovative sustainable buildings, exemplified by the South Landing eco-district in Spokane, would help ensure consistent labor demand for workers in possession of new skills.

It is vitally important that we seize the chance to renew our workforce pipeline. Washington State is investing in the creation and expansion of meaningful, paid, on-the-job training aligned with relevant classroom education across sectors, which we call "Career Launch"^{xxxvii} programs. These on-the-job training opportunities place participants in real jobs or job pathways through registered apprenticeship and other education-based programs, prepare qualified candidates for employment opportunities, and result in either a valuable credential or significant progress towards a college education. Federal investments in these "Career Launch" programs within the K-12, community and technical college and four-year university systems could simultaneously strengthen workforce in growing fields like healthcare and improve outcomes for underserved youth and displaced workers. Federal resources can also help augment and expand the state's existing Centers of Excellence so that they can help students graduate ready to meet the state's needs for a clean energy workforce.

Though an infrastructure package is traditionally focused on one-time project investments, we also encourage Congress to consider assistance for permitting and engineering work that would allow local governments to advance projects nearly ready for construction. Improving permitting process certainty will provide benefits in every strategic priority area, but it is especially needed to achieve clean energy, clean buildings, and clean transportation goals. State and local governments should be positioned to quickly build supportive infrastructure, such as EV charging capacity, to support the implementation of national standards so that the economic benefits of the transition to clean energy can be quickly realized. Resources for planning,

management, and pre-development, as President Biden has called for, are also necessary to ensure robust stakeholder engagement, especially cross-governmental tribal consultation.

❖ PUBLIC AND BEHAVIORAL HEALTH

There is no avoiding the fact that America has underinvested in its foundational public health infrastructure. Between 1980 and 2019 per capita expenditures on personal health grew by almost \$9,000 while governmental public health activities only increased by \$270.^{xxxviii} The costs of that underinvestment have been starkly illustrated during the COVID-19 pandemic, when stockpile shortages, insufficient testing, and inadequate surveillance left frontline healthcare workers and patients without the treatment and tools to fight the disease. Washington State has committed to improving care in recent years, including by working to integrate behavioral and mental health with physical health. The federal government can help expand these efforts with one-time capital investments as well as predictable, sustained increases in funding for priorities like home-based care. The result will be to modernize care, improve outcomes, especially for disproportionately impacted communities, and prepare our society for the next pandemic.

State capital budget programs associated with our agencies can use federal funding to undertake projects ready for near-term implementation to address harms to the Social Determinants of Health (SDOH) and simultaneously create and protect jobs. Physical facilities upgrades would increase the overall quality of medical services as well as strengthen infection control in public health buildings. Resources to accelerate construction of new and retrofitted behavioral health facilities can accelerate a transition to community-based care while achieving related improvements in energy-efficiency and modernized care. HVAC improvements in nursing facilities could improve respiratory outcomes. Funding could support pilot projects and a larger pass-through program to abate polychlorinated biphenyls (PCBs) in existing buildings, which would improve health and reduce stormwater pollution.

Strengthening public health data management is also vital in Washington State and across the country. Investments are needed to improve health outcomes through disease surveillance, environmental exposure monitoring of drinking water systems and pesticides, and X-Ray safety databases. Program data management investments will also create efficiencies by enabling a transition to electronic filings for vital records and permits and improved database interoperability. We must also invest in the skilled workforce needed to operate improved public health infrastructure, and Congress should prioritize investments in training and retraining health care workers at all levels, particularly in childcare, behavioral health and long-term care.

❖ SALMON AND ORCA RECOVERY

Since 2011, when the ten-year funding projection to recover salmon was calculated at \$5.5 billion, only 22% of the projected need has been funded.^{xxxix} Salmon and orca are vital to Washington State's economy and quality of life, but they are struggling to survive. Further degradation of these populations endangers commercial and recreational salmon fisheries that support thousands of jobs in a billion-dollar industry on the west coast, many of which are in rural areas. Economic measures alone, however, do not fully capture the value of intact

ecosystems. Transformative investments that make a difference for salmon and orca will help fulfill federal treaty tribal obligations and Endangered Species Act requirements.

Our state agencies have identified a wide range of projects associated with statewide salmon recovery that could be candidates for federal investment. Hundreds of planned projects are currently on a two-year list that could quickly utilize federal funding, and that historically have generated up to \$2.5 million in economic activity for every \$1 million invested in restoration programs. WDFW has identified \$76 million worth of immediate hatchery infrastructure projects ready to advance to construction, with significant additional deferred maintenance and capital upgrade needs. Federal funding could help implement the Quiet Sound Program as recommended by the Southern Resident Orca Task Force.

Many of the salmon recovery projects also have multiple benefits, including upgrades to roads and bridges and improving climate resilience through reduced flood risk. Federal investment could advance as many as 230 projects over the next five years in our court-mandated program to repair and replace culverts on the state highway system to remove fish passage barriers. This would strengthen our salmon and orca populations and support the fishing rights guaranteed in treaties between Northwest tribes and the federal government. One such example includes elevating the I-5 causeway currently crossing the Nisqually Delta.

Pursuing the recommended strategies to achieve salmon and orca recovery goals will also require a substantial investment in the human infrastructure needed to get these projects off the ground quickly. It is vital to support administrative and personnel investments to get the maximum value out of capital investments. Federal agencies, particularly the Army Corps of Engineers and the National Oceanic and Atmospheric Administration, need substantial increases in staffing levels to process the permits that project investments will need. The speed at which the Corps processes permits under current investment levels has been a substantial barrier to progress.

❖ TRANSPORTATION

Significant deferred preservation and maintenance needs are ready for federal investment in the 2021-2025 timeframe and would spur job creation in every corner of our state. These projects represent a large proportion of our unmet transportation infrastructure need: according to a 2020 assessment, across all levels of government and modes of transportation, there is a nearly \$200 billion backlog of investment need over the next ten years.^{x1} Washington State has committed resources to addressing preservation and maintenance while preparing our transportation infrastructure for the future, but building truly sustainable, resilient infrastructure requires a national commitment. Federal investment can help accelerate these efforts while also advancing well-known priorities such as replacing the I-5 Columbia River Bridge, transportation and transit expansion in Eastern Washington, and developing ultra-high-speed rail. These federal investments would also help mitigate project delays due to COVID-related revenue loss.

Large-scale initiatives in electrification are particularly ripe for investment. Meeting the requirements of Washington State's Zero Emission Vehicle (ZEV) standard, electrifying our ferry fleet by 2040, electrification of our public highway corridors, freight trucking, transit buses, airport and seaport infrastructure, and decarbonizing commercial fleets – all of these require a

sizeable investment to supplement resources already being dedicated by the Washington State Legislature. Progress in these areas would expand the availability of affordable, clean, green transportation options and systems to better serve frontline and rural communities, including by expanding the availability of EV supply equipment. This must occur across all modes, including maritime and aviation, but especially to improve EV ownership attainability for low-income and BIPOC communities as well as those without dedicated parking capacity. Strategies should include subsidies for passenger EVs and E-bikes for income-eligible households and grants for small, BIPOC-owned businesses to transition fleets and purchase electric trucks.

Smart innovations in multimodal transportation infrastructure are key to expanding economic opportunity, advancing environmental justice, and improving our affordable housing stock. Significant investment in active transportation is needed to address health, equity, and critical safety concerns when biking or walking, particularly in BIPOC neighborhoods with high traffic fatality rates, within and between Washington State communities. Expanding and connecting trail networks such as The Leafline network in central Puget Sound, TREAD in Wenatchee Valley, Mountains to Sound Greenway, Tahoma to Tacoma Trail Network, the Olympic Discovery Trail, and the Great American Rail Trail – which includes the Palouse to Cascades Trail, would enhance mobility and put people to work quickly across the state. Federal programs such as Safe Routes to Schools (SRTS) are also critical to this effort.

Federal support for transit is critical. Funding for transit-oriented development will encourage livable, walkable communities and reduce vehicle miles traveled. These investments enhance the benefits of new construction and retrofitting of existing housing, office, and commercial stock as energy-efficient, and transit-oriented affordable communities, helping to address the burdens of significantly longer commute times and housing scarcity near employment centers that are disproportionately borne by BIPOC communities.

Washington State’s priorities focus on accelerating investment in clean, multimodal transportation that enhance economic growth, protect the environment, and promote community resilience. We accomplish this through strong partnerships with local governments to deliver projects that meet the needs of all Washingtonians. Congress can strengthen these partnerships by prioritizing project investments that address climate change and equity. Recent improvements to the Infrastructure for Rebuilding America (INFRA) grant program will make progress in this direction, and the creation of new formula and grant programs that center climate change and equity should be considered as well as community benefit programs that empower communities to help prioritize the benefits and outcomes that are right for them.

ⁱ “A Comprehensive Assessment of America’s Infrastructure”, American Society of Civil Engineers, March 2021

ⁱⁱ “Failure” to Act, American Society of Civil Engineers

ⁱⁱⁱ Letter from the Association of Washington Business, Association of Washington Cities, Washington Ports, and Washington Association of Counties, 2/15/21

^{iv} Skill Centers, Washington State Office of Superintendent of Public Instruction, [accessed 3/21/21](#)

^v New Home Rehabilitation Loan Program (HRLP) for Rural Low-Income Households, Washington State Department of Commerce, [accessed March 21, 2021](#)

^{vi} Heritage Barn Grants, Department of Archaeology and Historic Preservation, [accessed 3/21/21](#)

^{vii} Main Street Program, *ibid.*, [accessed 3/21/21](#)

^{viii} “A Comprehensive Assessment of America’s Infrastructure”, American Society of Civil Engineers, March 2021

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- ix “Ibid.
- x Washington State Public Works Board (PWB) estimate
- xi Water Quality Grants and Loans, Washington State Department of Ecology, [accessed 3/21/21](#)
- xii Puget Sound Nutrient Reduction Project, Washington State Department of Ecology, [accessed 3/21/21](#)
- xiii Treatment Plant Operator, [8/13/18](#)
- xiv 2021 State energy Strategy, Washington State Department of Commerce, [accessed 3/21/21](#)
- xv 2017 U.S. Census Public Use Microdata Sample (PUMS) via Washington State Department of Commerce
- xvi We support maintaining fixed monthly payments for HUD tenants generally to ensure increased utility usage does not result in housing insecurity for HUD tenants. However, if public funds are used for retrofit and clean energy projects (including community solar) at HUD properties, tenants should also share the financial benefits.
- xvii “Resiliency Hubs”, Urban Sustainability Directors Network, [accessed 3/21/21](#)
- xviii Building Communities Fund, Washington State Department of Commerce, [accessed 3/21/21](#)
- xix Youth Recreational Facilities, Washington State Department of Commerce, [accessed 3/21/21](#)
- xx Pg. 20, Bond Cap Allocation Program Biennial Report, Washington State Department of Commerce, [6/30/20](#)
- xxi Housing Trust Fund, Washington State Department of Commerce, [accessed 3/21/21](#)
- xxii Weatherization Plus Health (Wx+H), Washington State Department of Commerce, [accessed 3/21/21](#)
- xxiii “Early Learning Facilities Report”, Washington State Department of Commerce, [December 2020](#)
- xxiv “Early Learning Facilities Program”, Washington State Department of Commerce, [accessed 3/30/21](#)
- xxv Office of Financial Management (OFM) estimate
- xxvi RCW 89.08.615, [accessed 3/21/21](#)
- xxvii Building the Economy: Infrastructure Needs in Washington”, April 2019 Update, Association of Washington Business, Association of Washington Cities, Washington Ports, and Washington State Association of Counties,
- xxviii 2021-2023 Capital Budget Request, Washington State Parks and Recreation Commission, [accessed 3/21/21](#)
- xxix Shared Stewardship, U.S. Forest Service, U.S. Department of Agriculture, [accessed 3/21/21](#)
- xxx “Resilient Washington State”, [November 2012](#)
- xxxi “Declarations 1956-2020”, Emergency Management Division, Washington Military Department
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- xxxiii Floodplains by Design, [accessed 3/21/21](#)
- xxxiv U.S. Energy Information Administration System, [accessed 3/21/21](#); U.S. Bureau of Economic Analysis, [accessed 3/21/21](#)
- xxxv Building the Economy: Infrastructure Needs in Washington”, April 2019 Update, Association of Washington Business, Association of Washington Cities, Washington Ports, and Washington State Association of Counties,
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- xxxviii [Center for Medicare and Medicaid Services](#)
- xxxix “State of Salmon in Watersheds 2020”, Governor’s Salmon Recovery Office, [accessed 3/21/21](#)
- xl Statewide Transportation Needs Assessment Phase I Report, July 2020, Washington State Legislature Joint Transportation Committee