

Investing in American Transit and Water

Regional Economic Models, Inc.

James Clark-Stewart, Associate I
Guyesha Blackshear, Analyst

Introduction

Topic overview

Appropriations

Methodology

Notable Results

Conclusion

Q&A

About Us



We are the nation's leader in dynamic local, state and national policy modeling.

From the start, REMI has sought to improve public policy through economic modeling software that informs policies impacting our day-to-day lives.

We were founded in 1980 on a transformative idea: government decision-makers should test the economic effects of their policies before they're implemented.

At REMI, we're inspired by a single goal: *improving public policies.*



what does **REMI** say?sm

At REMI, we're inspired by a single goal: *improving public policies.*

Our models are built for any state, county, or combination of counties in the United States.

Our Representative Clients

Our model users and consulting clients use REMI software solutions to perform rigorous economic analysis that critically influences policy.



what does **REMI** say?sm

Agenda



Introduction

Topic overview

Appropriations

Methodology

Notable Results

Conclusion

Q&A

*what does **REMI** say?sm*

What is the INVEST in America Act?

Investing in a New Vision for the Environment and Surface Transportation in America



Creating Jobs & Restoring Competitiveness

Improving labor and input access to help the economy grow more rapidly and more broadly



Investing in underserved and rural communities

Connecting communities to the economy so that the benefits of growth can be more broadly shared



Facing climate change

Reducing carbon emissions from transit by modernizing road and rail infrastructure



Safety

Ensuring policy supports safety as a top priority through street design, transit reforms, and fixing water infrastructure

Why is it important?

Economic Development

Water and Climate Investments

- Improving road efficiency can significantly reduce car-induced emissions
- Investing in water infrastructure can improve health outcomes and reduce the economic drain caused by lead poisoning

Infrastructure Improvements

- Improving transit infrastructure and roads can help employers access more workers and input goods, resulting in higher productivity and lower real prices
- Improving regional interconnectedness can help some "left-behind" regions become more competitive

Agenda



Introduction

Topic overview

Appropriations

Methodology

Notable Results

Conclusion

Q&A

*what does **REMI** say?sm*

Appropriations – Roads, bridges, safety, EV charging



Funding Item	Funding Level (billions USD)
General Roads/Motor Transit	288.5
Bridges	32
Decarbonization, mitigation, green materials	14.5
EV Charging	4
Reconnecting Communities	4

Appropriations – Public Transportation



Funding Item	Funding Level (billions USD)
General	109
Rural/High-poverty Transportation	\$50 million per year, in perpetuity

Appropriations – Rail



Funding Item	Funding Level (billions USD)
General Rail	63
Amtrak	32

Appropriations – Drinking Water



Funding Item	Funding Level (billions USD)
Drinking Water State Revolving Fund	53
Replacing Lead Water Lines	45
Water Bill Assistance	8
Water Bill Debt Relief	4
Other Drinking Water	7

Appropriations – Wastewater



Funding Item	Funding Level (billions USD)
Clean Water State Revolving Fund	40
Water Pollution Control	4.5
Alternative Water Sourcing	1
Other Wastewater	5.75

Agenda



Introduction

Topic overview

Appropriations

Methodology

Notable Results

Conclusion

Q&A

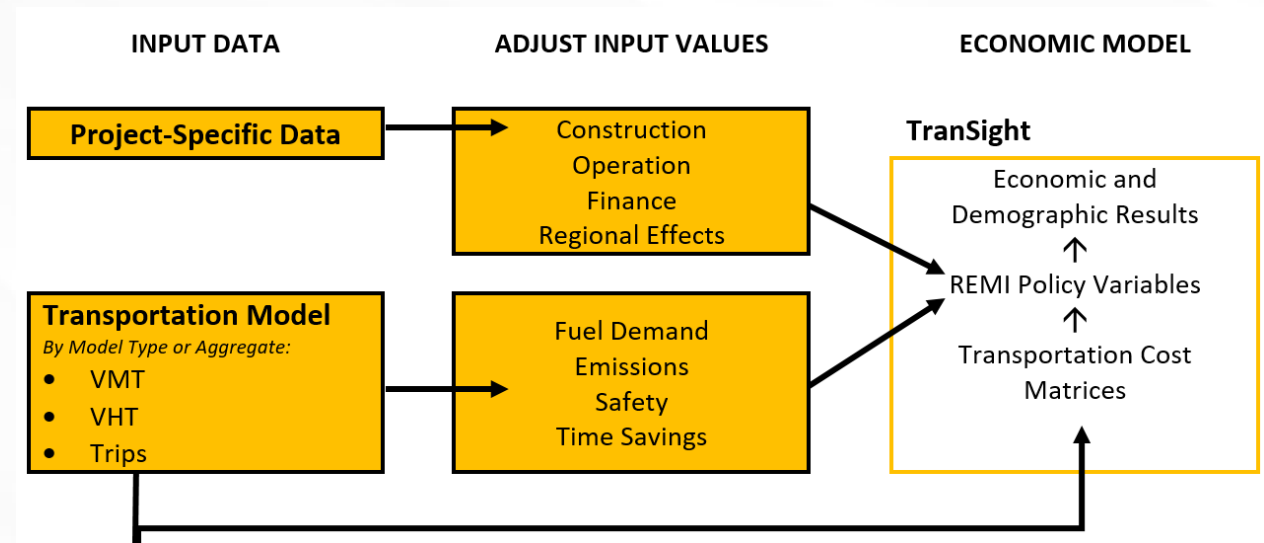
*what does **REMI** say?sm*

Model Simulation: REMI TranSight



TranSight is the premier software solution for comprehensive evaluations of the total economic effects of transportation policy.

Grounded in over 20 years of modeling experience, decision-makers depend on TranSight to forecast the short- and long-term impacts of transportation investments on jobs, population, income, and other economic variables



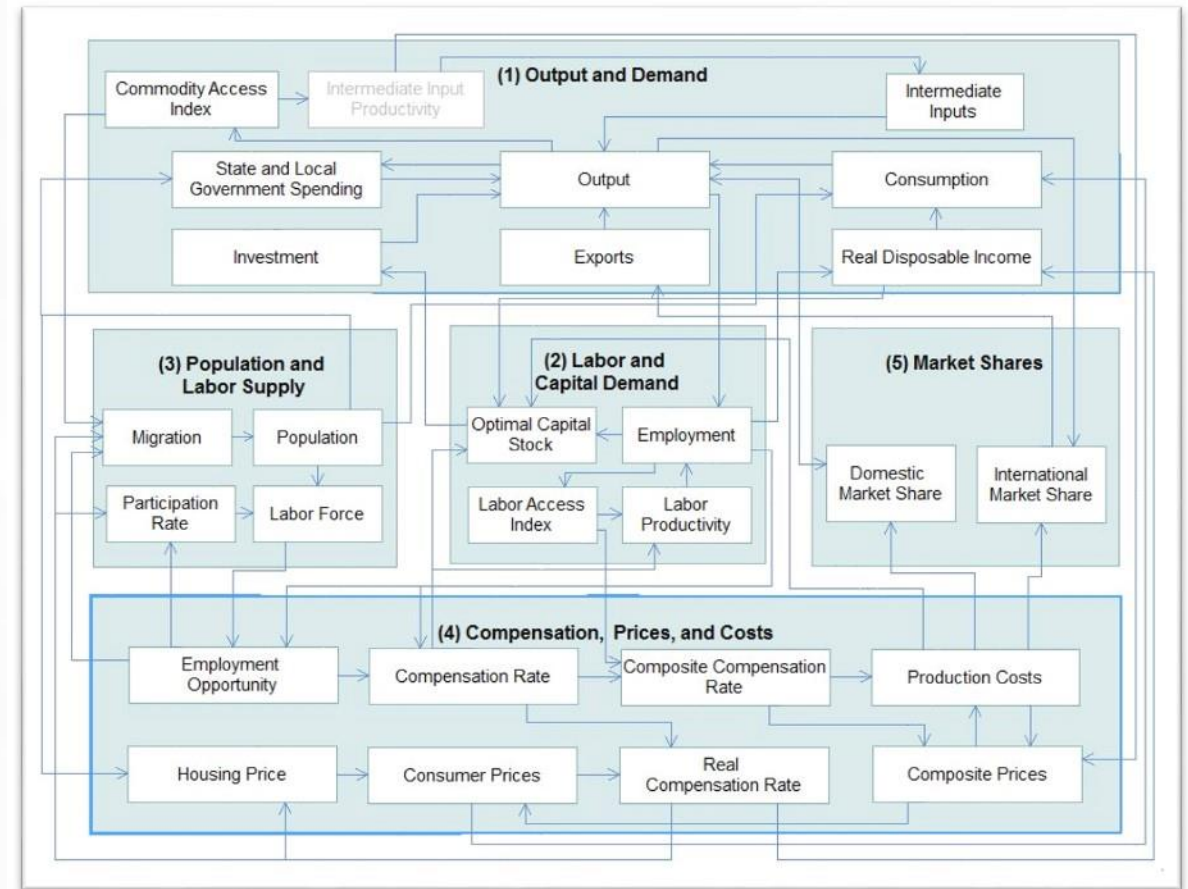
what does **REMI** say?sm

Model Simulation: REMI E3⁺



E3⁺ is the premier software solution for analyzing the macroeconomic and demographic impacts of any initiatives related to the energy and environmental sectors.

Decision-makers depend on E3⁺ to provide comprehensive evaluations of the total economic impact of altering electric rates, introducing new power sources, investing in the production of energy, and other policy changes.



what does **REMI** say?sm

Agenda



Introduction

Topic overview

Appropriations

Methodology

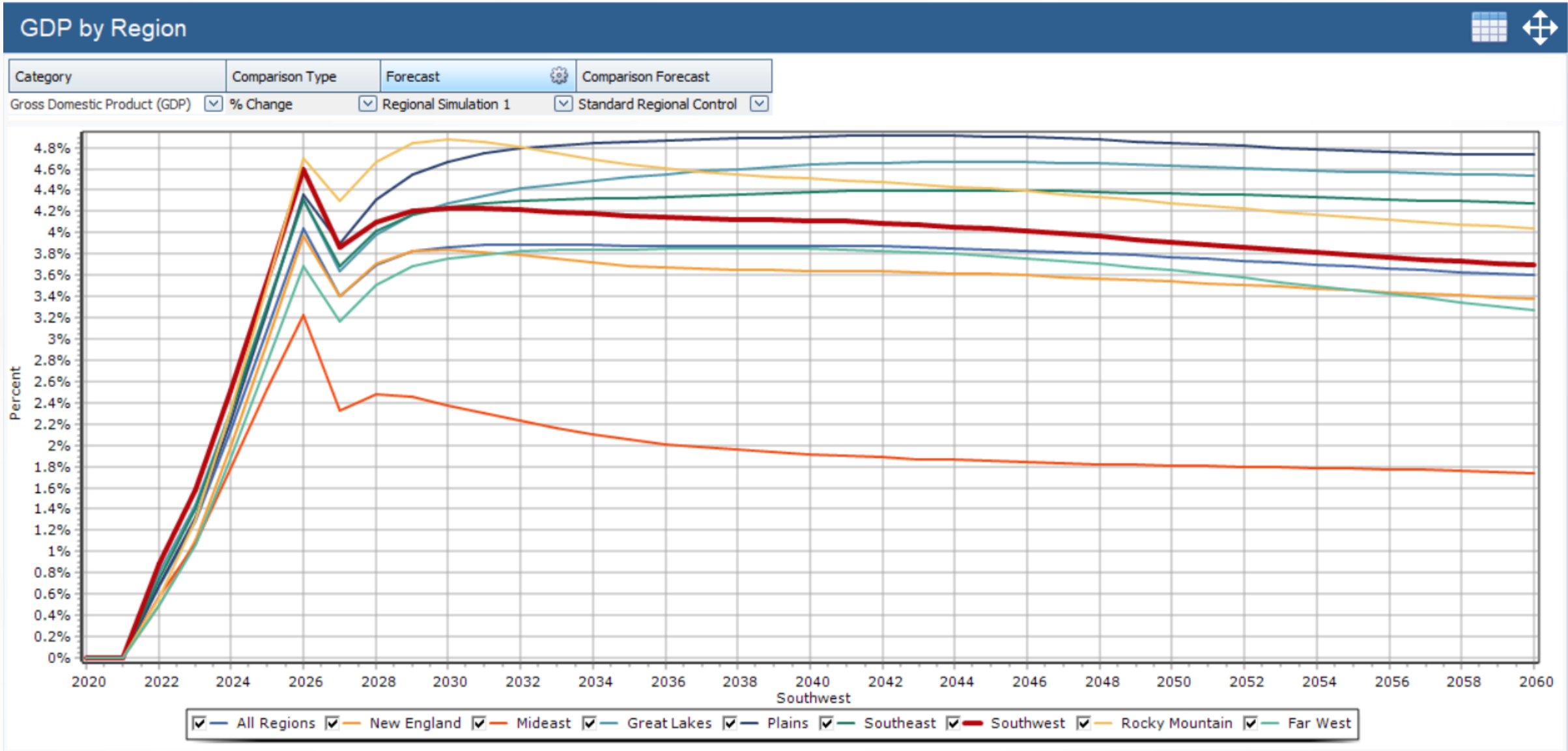
Notable Results

Conclusion

Q&A

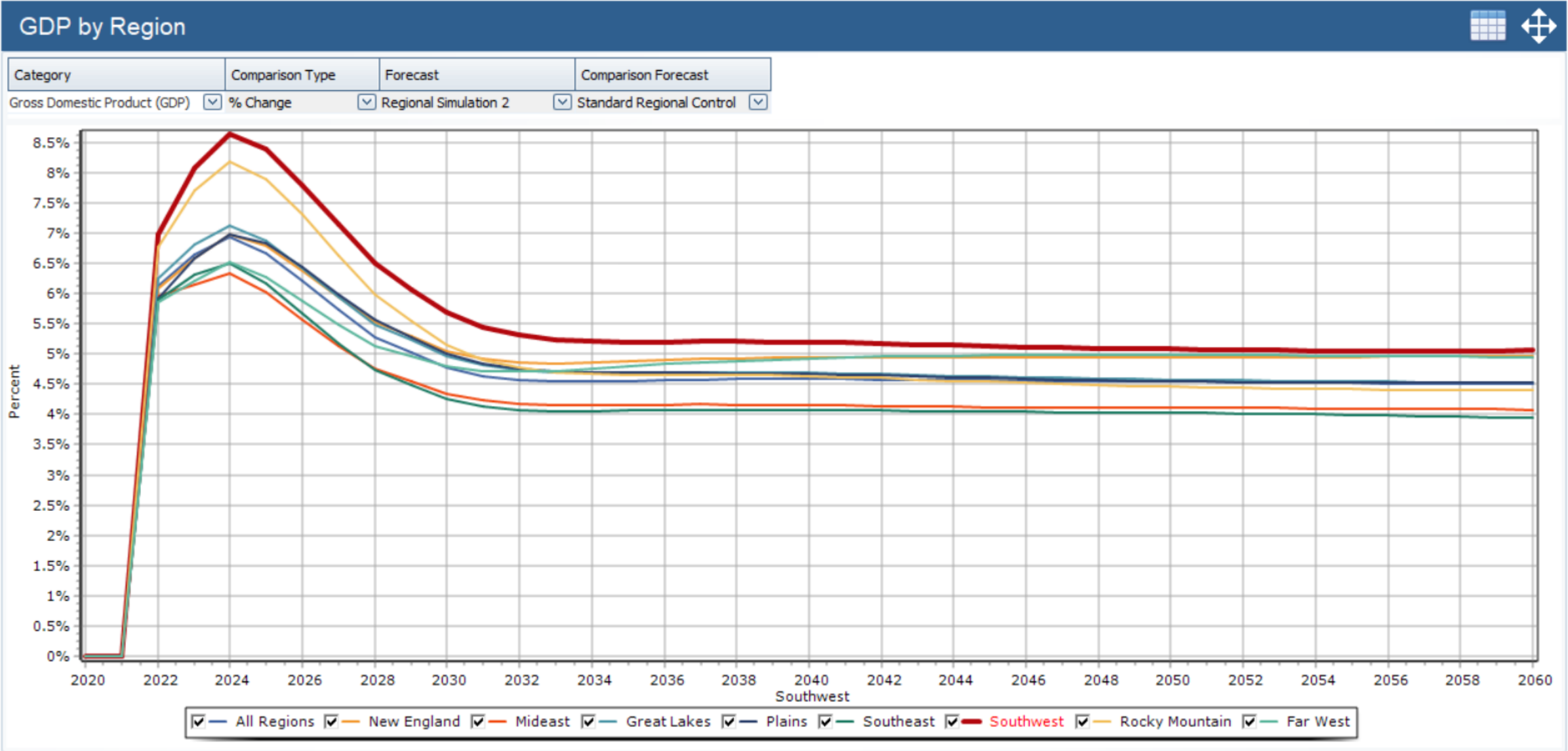
*what does **REMI** say?sm*

Key Results – GDP by region



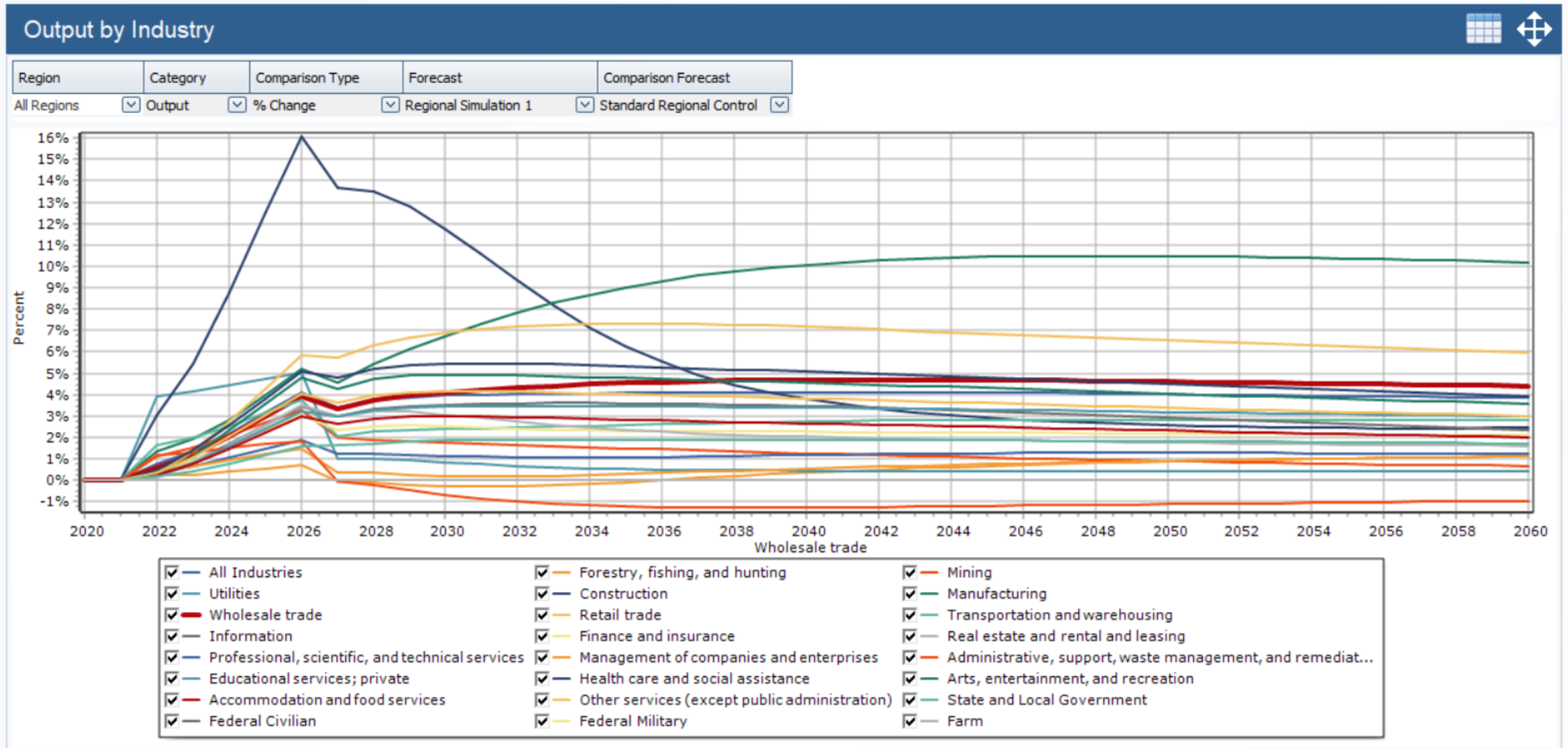
what does **REMI** say? sm

Key Results – GDP by region (capital costs counterfactual)



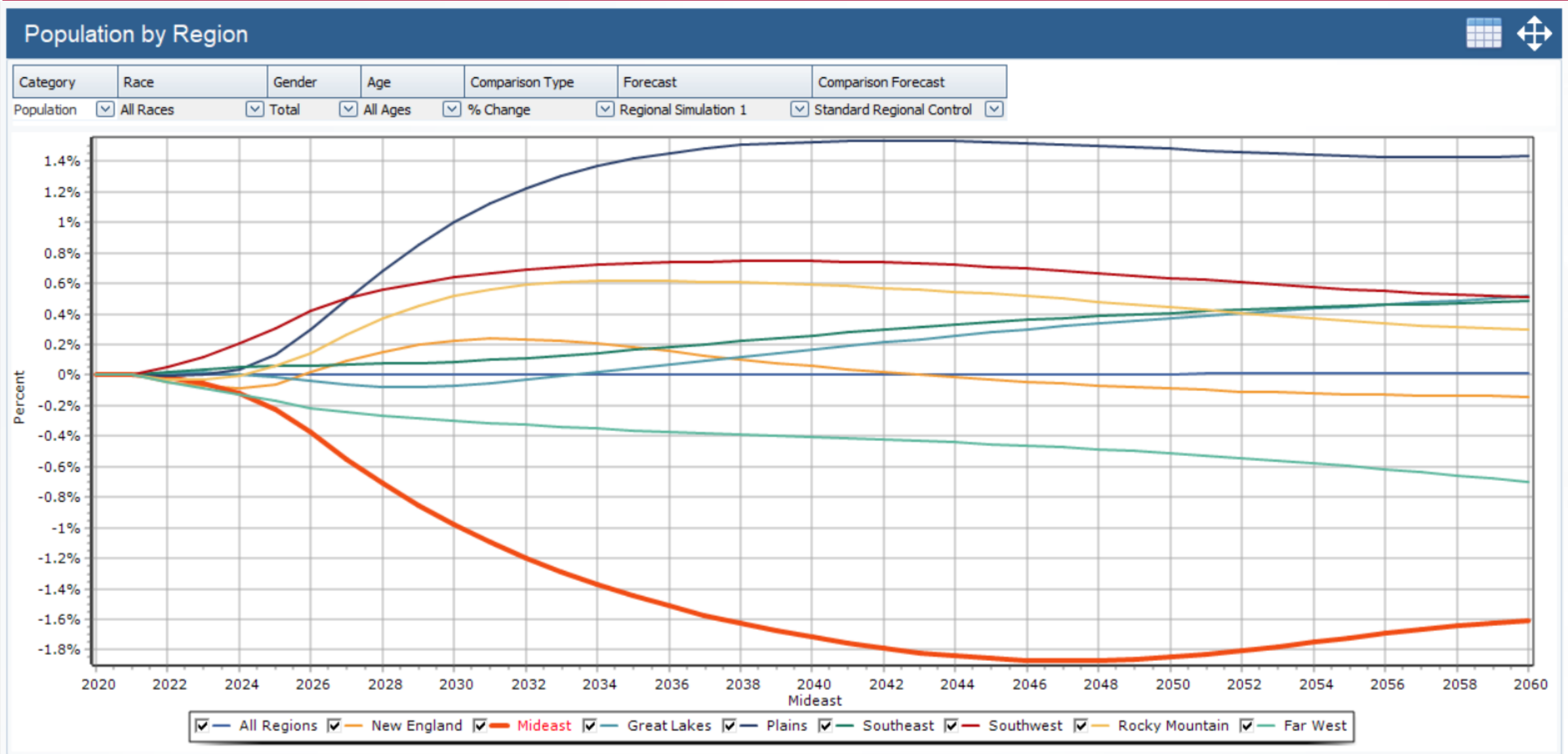
what does **REMI** say? sm

Key Results – Output by Industry



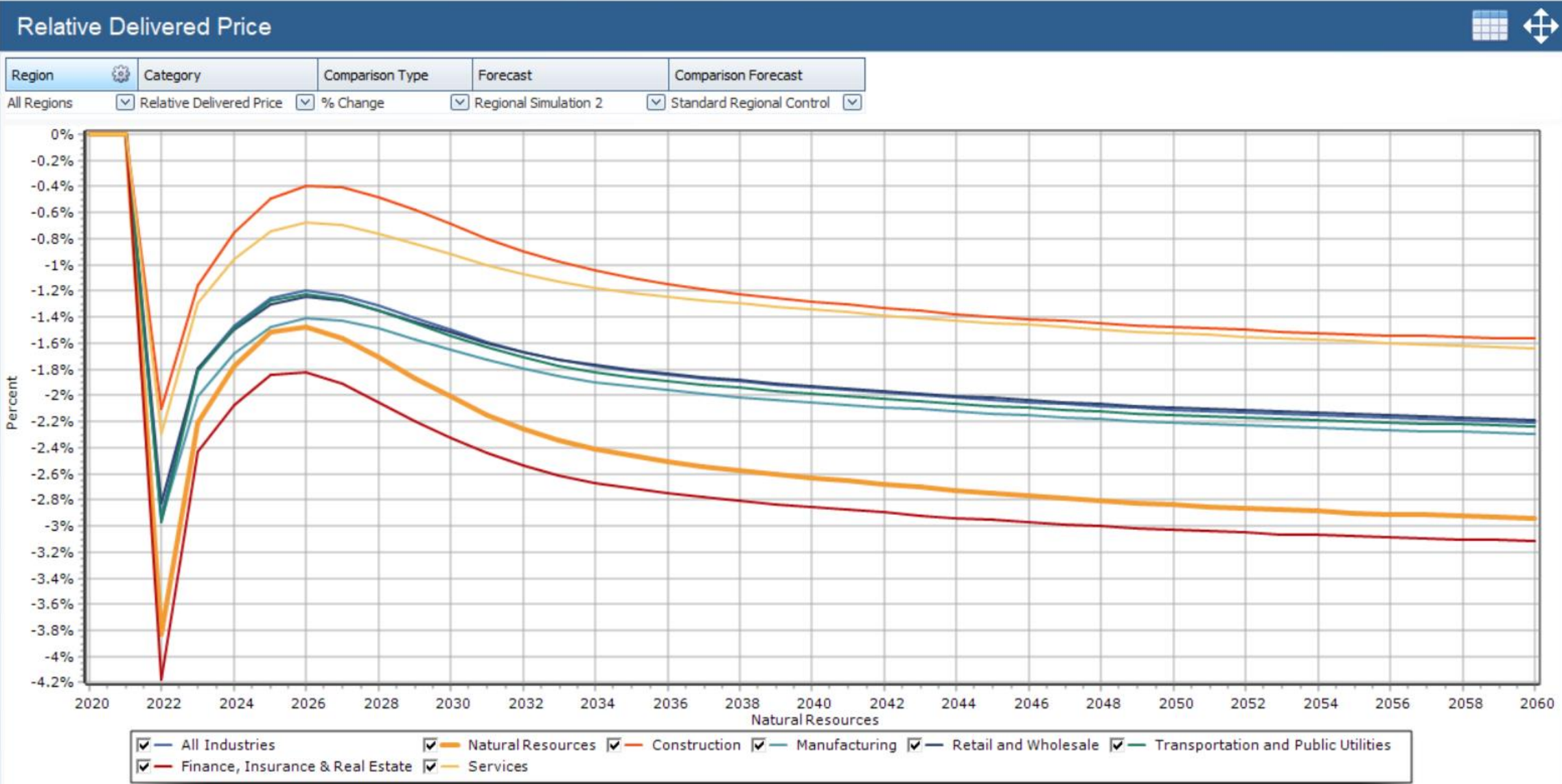
what does **REMI** say? sm

Key Results – Population by Region



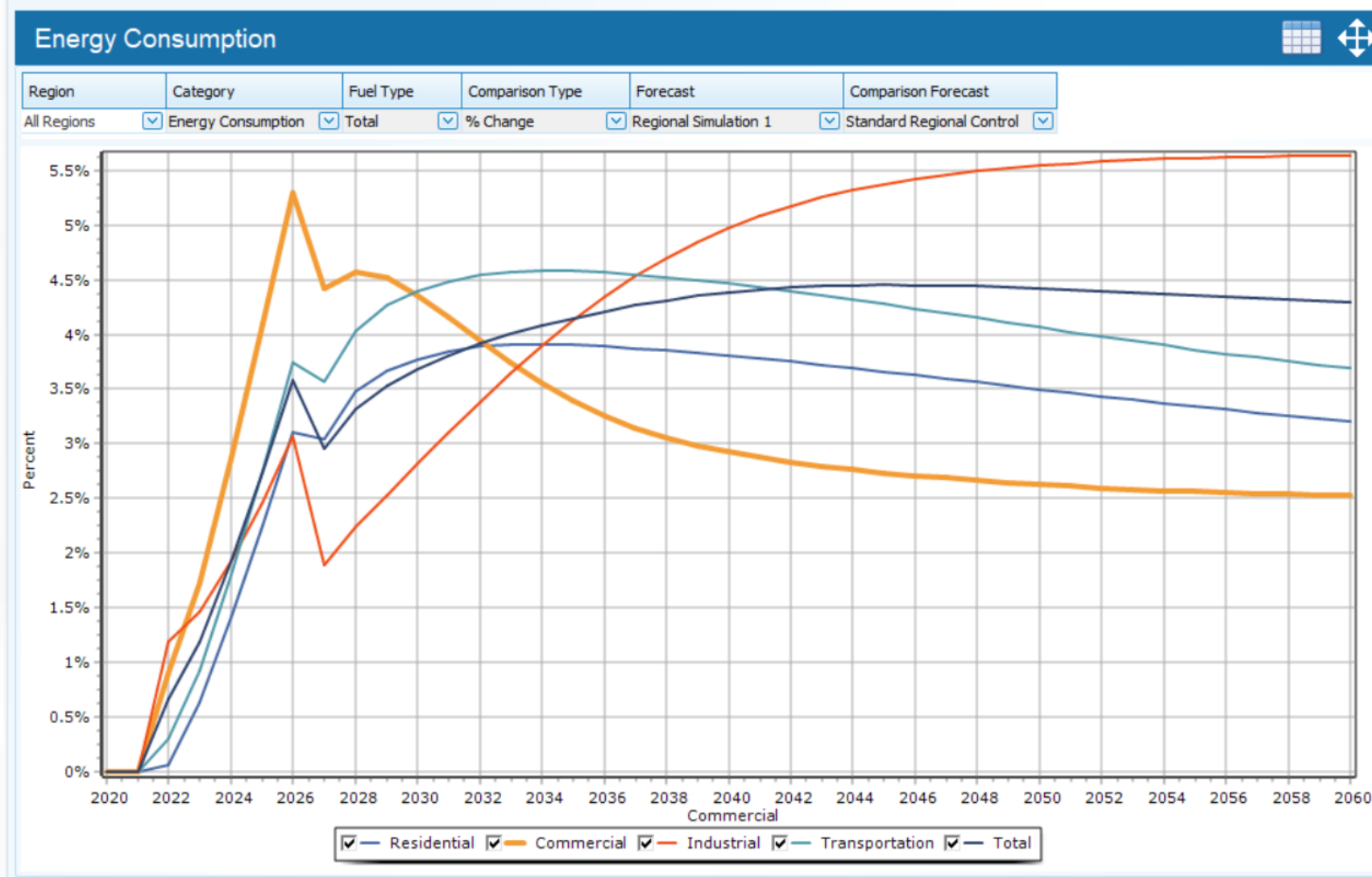
what does **REMI** say?sm

Key Results – Relative Delivered Price



what does **REMI** say? sm

Key Results – Energy Consumption



what does **REMI** say?sm

Agenda



Introduction

Topic Overview

Appropriations

Methodology

Notable Results

Conclusion

Q&A

*what does **REMI** say?sm*

Overall

- The INVEST In America Act created significant gains in GDP, employment, and wages relative to the baseline
- Prices reduced over long-term due to better commodity and labor access

Regions

- The Midwest (Great Lakes, Plains) gained significantly, along with the South
- Richest, highly built-up regions (New England, Far West, Mideast) gain the least

Industries

- Benefits most industries, but creates relative winners and losers
- Manufacturing and wholesale/retail trade fare well. Capital-intensive industries like extraction do not benefit much, employment services lose somewhat

Energy/Environment

- Energy demand in all sectors increased (no change in Mwh/\$GDP modeled)
- Carbon reductions from EV generation and infrastructure materials changes may be overwhelmed by increased energy demand from larger economy, barring additional clean energy investments

Economic Modeling: Why does it matter?



Clarify

- Understand economic, fiscal and demographic implications of policies before implementation
- Ensure that public policy serves the broad-based interests of the public



Predict

- Make predictions about the effects of policies before implementation
- Avoid unwanted negative impacts
- Make effective use of resources



Inform

- Inform policy with standard metrics rather than ideology or intention
- Address stakeholders with evidence that communicates how policy benefits or disadvantages their communities broadly

The REMI Model: Our Approach & Applications

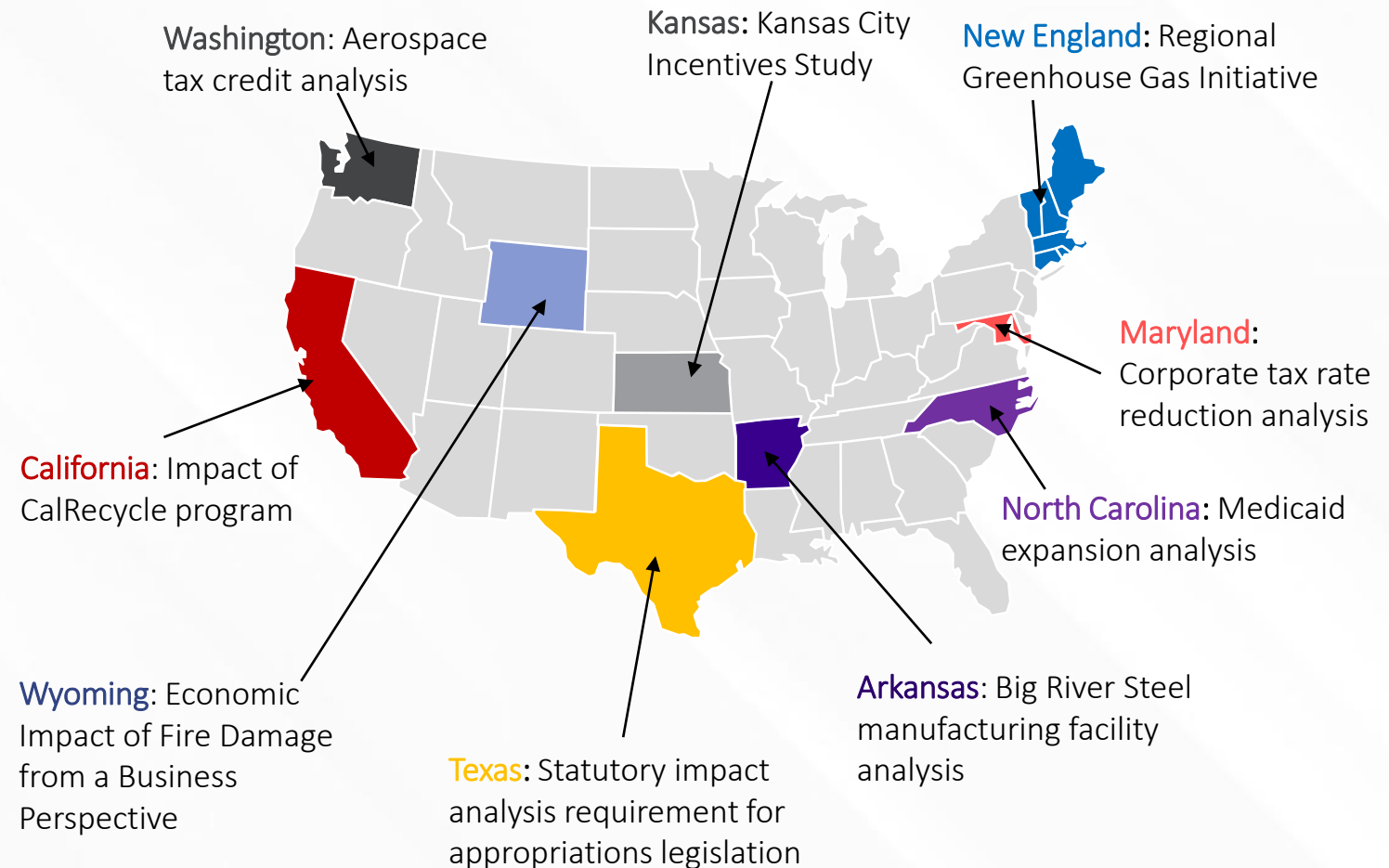


Our Approach

You need a *software solution* that can clarify, calculate and communicate a *quantitative narrative* to policy makers and the general public about policies for your economy.

Rigorous Economic Analysis

- Since 1980
- Peer Reviewed
- Multiple Reputable Data Sources
- Public Equations



what does **REMI** say? sm

Why Economic Modeling?

- Economic policy modeling can help agencies forecast the effects of policies before they are implemented
- Guide Policy-making Process
 - Formalize your decision-making process
 - Get policy right
 - Pass/Block legislation
 - Modernize and advance your agency
- Bidders for grants, contracts from the infrastructure bills will want to demonstrate that their proposals will have a positive economic impact in host communities and remain competitive
- Policy organizations and regional planners can use models to add quantitative rigor to their proposals, making the benefits more clear to stakeholders and decision-makers

Thank you for attending!

For more information, please contact
info@remi.com