Navigating the new Bipartisan Infrastructure Law for Risk Managers

Historic changes are on the horizon for each and every state as the Bipartisan Infrastructure Bill has been signed into law. With over $1.2 trillion of federal dollars being invested into America’s infrastructure, the impact to Public Entity risk managers will be profound.

How will this change for you?
Substantial federal investment will result in a faster paced public entity world

The Bipartisan Infrastructure Law

Taking a proactive approach is the first step for risk managers of today in order to understand what pressures will come into your department.

How WTW supports its clients through the next 5 years of the Federal Investment

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<thead>
<tr>
<th>Align</th>
<th>Enhance</th>
<th>Accelerate</th>
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</thead>
<tbody>
<tr>
<td>Aligning your current risk state to your future risk state</td>
<td>Enhance your approach to risk management by creating a strategy</td>
<td>Accelerate your strategy by communicating with your leaders</td>
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<td>• How do you currently evaluate and analyze your risks?</td>
<td>• Determine how the influx of IIJA dollars will increase your exposure base</td>
<td>• Utilize graphs and analytical outputs to demonstrate the potential impact of your risk program</td>
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<td>• Where is your largest budgetary spend?</td>
<td>• Quantitatively analyze the future state of possible premium spend and pressures on risk transfer</td>
<td>• Communicate the benefits of embedding the risk strategy (budgetary cycles and operational readiness)</td>
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<td>• What resources do you have to manage incoming requests for insurance transfer or other risk services?</td>
<td>• Evaluate different capital structures that optimize the future state of your program</td>
<td>• Navigate the transformation of your state</td>
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<td>• What is the current level of claims activity and where from?</td>
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Navigating the new Bipartisan Infrastructure Law will be critical for tomorrow's risk manager. Below is a roadmap of how risk managers can stay ahead of the economic impact by adjusting their approach to both risk in a strategic/holistic perspective as well as a risk transfer manner.

Creating your own path is going to be a journey. Understanding your future risk environment will give you a substantial step up as you plan for internal resources needed, budgetary changes and education for your agency and other governmental partners.

One state that took a step ahead of the Infrastructure Law and investment was the state of Florida. They engaged us early to conduct a broad and holistic view of their risk environment now and the future state including the impact of climate change.
Core and Holistic Analytics Identified and quantified Florida’s most significant risks (below is an output of holistic analysis)

- Communicable disease and vector-borne illness
- Hurricane and flood
- Water contamination and scarcity
- Cyber

Evaluated risk mitigation options in portfolio and highlighted efficient strategies

Efficient Risk Mitigation Options

- Strengthen Florida’s public health system
- Invest in gray and green infrastructure
- Support water and sewer infrastructure
- Encourage Florida Friendly Landscaping
- Improve State cyber resiliency
- Enact standards for critical infrastructure

Outlined a plan for ongoing, statewide risk governance

Proposed the establishment of a Legislative Office of Risk Assessment to empower continuous improvement in the examination and mitigation of Florida’s risks.

How WTW Analytics is preparing states with complex risk profiles

Florida: A recent example

The Florida House of Representatives hired WTW to answer three questions:

1. What are the most consequential risks facing the State of Florida?
2. What steps should Florida take to address these priority risks efficiently and effectively?
3. How should Florida assess and prepare for risks going forward?

The future is quickly approaching, and we can provide the support necessary to keep up with the change in pace. Please contact us for further information and we look forward to speaking with you.

Additional resources can be found at the links below:

About WTW
At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximize performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.

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