LEGISLATIVE ANALYSIS FOR COUNTIES
THE INFRASTRUCTURE
INVESTMENT & JOBS ACT
– EXECUTIVE SUMMARY



# FOR COUNTIES THE INFRASTRUCTURE INVESTMENT & JOBS ACT

#### **OVERVIEW**

On November 15, 2021, President Biden signed the <u>Infrastructure Investment and Jobs Act</u> (IIJA), enacting the legislation into law following a vote in the U.S. House of Representatives, where the bipartisan infrastructure package passed 228-206 on November 5, 2021. These final steps followed the August 10, 2021, U.S. Senate passage of the bill in a strongly bipartisan 69-30 vote.

The bipartisan infrastructure legislation provides \$973 billion over five years from FY 2022 through FY 2026, including \$550 billion in new investments for all modes of transportation, water, power and energy, environmental remediation, public lands, broadband and resilience. In addition to providing authorizations for a wide variety of programs, the IIJA also makes advanced appropriations over a number of years to several federal agencies. Typically, federal appropriations are made over one fiscal year by an appropriations act or an omnibus. The Consolidated Appropriations Act of 2022 passed the House on March 9, 2022, and the Senate passed the bill on March 10, 2022.

Building a Better America | The White House guidebook on the IJJA and IJJA webinars were announced on January 31, 2022.

#### IIJA BY THE NUMBERS

#### **OVERALL FUNDING**

#### BY THE NUMBERS: FUNDING BY FEDERAL AGENCY

The IIJA makes funding available to seven federal agencies through different mechanisms, including the:

- U.S. Department of Agriculture \$4.28 billion
- U.S. Department of Commerce \$48.15 billion
- U.S. Department of Energy \$36.45 billion
- U.S. Department of Homeland Security \$3.4 billion
- U.S. Department of the Interior \$19.76 billion
- U.S. Department of Transportation \$567.46 billion
- U.S. Environmental Protection Agency \$60.84 billion

## OVERALL FUNDING

The new law distributes federal funds in one of the following three ways:

- Authorizations from the federal Highway Trust
   Fund (highway and transit programs)
- Authorizations of appropriations from the General Fund of the U.S. Treasury (subject to annual appropriations process)
- Advanced appropriations (over five years and independent of the regular appropriations process)

#### **NEW INFRASTRUCTURE INVESTMENTS**

Of the \$973 billion total over five years, \$550 billion is considered "above baseline", meaning it is for new investments on top of what the federal government already spends on programs, such as funding provided through a surface transportation authorization law.

The \$550 billion in new investments is broken down as follows:

**Transportation**: \$284 billion (U.S. Department of Transportation)

**Water**: \$55 billion (U.S. Environmental Protection Agency)

**Broadband**: \$65 billion (U.S. Department of Commerce)

Energy & Power: \$73 billion (U.S. Department of Energy)

Environmental remediation: \$21 billion (U.S. Environmental Protection Agency) Western water infrastructure: \$8.3 billion (U.S. Department of the Interior; U.S. Department of Agriculture - U.S. Forest Service)

**Resiliency**: \$46 billion (U.S. Department of Homeland Security)



The IIJA directs \$284 billion (52 percent) of the \$550 billion in new investments toward modernizing and making improvements across all modes of transportation, with the majority of funding reserved for highways, roads and bridges:

- Roads & Bridges: \$110 billion (Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program (Bridge Formula Program)
- Transit: \$39 billion
- Rail: \$66 billion
- Safety: \$11 billion
- Airports: \$25 billion
- Ports & Waterways: \$17 billion
- Electric vehicle chargers: \$7.5 billion
- Electric buses: \$7.5 billion
- Reconnecting Communities: \$1 billion

# COUNTY ACCESS TO TRANSPORTATION FUNDS

Counties can access the legislation's transportation funds, which account for over half of its new investments, through three general ways:

- 1. Competitively, through federal grant programs, such as RAISE(NOFO released on January 14, 2022) and INFRA, and competitive processes run by state departments of transportation/Metropolitan Planning Organizations, like Transportation Alternatives funding
- **2. Suballocations based on population** from state departments of transportation, such as the Surface Transportation Block Grant Program
- **3. Federal formulas**, like transit formulas and the formula (entitlement) component of the Airport Improvement Program

### COUNTY ACCESS TO TRANSPORTATION FUNDS

BRIDGE REPLACEMENT,
REHABILITATION, PRESERVATION,
PROTECTION, AND
CONSTRUCTION PROGRAM
(BRIDGE FORMULA PROGRAM)

- On January 14, 2022, the U.S. Department of Transportation launched the historic Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program (Bridge Formula Program).
- The program, to be administered by the Federal Highway Administration (FHWA), represents the single largest dedicated bridge investment since the construction of the interstate highway system – providing \$26.5 billion to states, the District of Columbia and Puerto Rico over five years and \$825 million for Tribal transportation facilities. The total amount that will be available to states, D.C. and Puerto Rico in Fiscal Year 2022 is \$5.3 billion along with \$165 million for tribes. The FHWA also published initial guidance on the new program.

### COUNTY ACCESS TO TRANSPORTATION FUNDS

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- Nationwide, the Bridge Formula Program is expected to help repair approximately 15,000 highway bridges. In addition to providing funds to states to replace, rehabilitate, preserve, protect, and construct highway bridges, the Bridge Formula Program has dedicated funding for Tribal transportation facility bridges as well as "offsystem" bridges, which are generally locallyowned facilities not on the federal-aid highway system.
- The Bipartisan Infrastructure Law includes an incentive for states to direct the new Bridge Formula Program funds to off-system bridges owned by a county, city, town or other local agency. While states generally must match federal funding with up to 20 percent state or local funding, the guidance issued on January 14th notes that federal funds can be used for 100 percent of the cost of repairing or rehabilitating such locally owned off-system bridges.

### COUNTY ACCESS TO TRANSPORTATION FUNDS

BRIDGE REPLACEMENT,
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- The Bipartisan Infrastructure Law is a once-in-a-generation investment in infrastructure, which will grow the economy, enhance U.S. competitiveness in the world, create good jobs, and make our transportation system more sustainable and equitable. Specific to the FHWA, the Bipartisan Infrastructure Law provides more than \$350 billion over five fiscal years for surface transportation programs.
- FHWA released the first tranche of Bridge Formula Program funding to states for <u>Fiscal Year 2022</u> in addition to the <u>program</u> <u>guidance</u>. For a map of bridges, please see <a href="https://infobridge.fhwa.dot.gov/">https://infobridge.fhwa.dot.gov/</a> and <a href="https://infobridge.fhwa.dot.gov/">USDOT</a> <u>Bridge Formula Program Funding and Condition by</u> <u>State</u>. Here is <a href="https://infobridge.fhwa.dot.gov/">State</a>-by-state BFP funding Fiscal Years 2022-2026
- Hawaii FY 2022 Bridge Formula Program Funding \$67.8M
- Hawaii 5-Year Bridge Formula Program Funding \$339M
- Hawaii Bridges in Poor Condition 84

## MAJOR PROVISIONS FOR COUNTIES

- Establishes a **new**, **long-term surface transportation reauthorization**
- Raises the <u>off-system bridge set-aside</u> by five percent, resulting in a \$330 million increase to \$1.035 billion annually
- Extends the <u>Secure Rural Schools</u> program for three years
- Significantly increases the number of competitive grant opportunities via supplemental appropriations to the U.S. Department of Transportation
- Increases the cap on Private Activity Bonds from \$15 billion to \$30 billion
- Authorizes \$14.65 billion for the Environmental Protection
   Agency's Drinking Water State Revolving Fund and the Clean
   Water State Revolving Fund over five years
- Provides \$1 billion for the Federal Emergency Management Agency (FEMA) <u>Building Resilient Infrastructure and</u> Communities (BRIC) program
- Fully funds the <u>Safeguarding Tomorrow through Ongoing Risk</u>
   <u>Mitigation (STORM) Act</u>, which will allow state and local
   governments to utilize low interest loans for pre-disaster
   mitigation activities
- Creates a new population band within the Surface
   Transportation Block Grant for communities between 50,000 and 200,000 to allow for a more equitable distribution of funds

## PROVISIONS FOR COUNTIES

- Establishes a new competitive grant program for local governments to <u>address</u> and eliminate at-grade rail crossings
- Significantly expands <u>Buy America</u> requirements for covered infrastructure materials
- Codifies elements of "One Federal
   Decision" that will require one federal
   agency to be responsible for issuing a
   decision resulting from a National
   Environmental Policy Act (NEPA) review,
   among other reforms, such as limiting the
   allowable number of pages for a decision
- Increases project cost <u>thresholds for</u> <u>categorical exclusions</u>, thereby making more projects eligible for streamlining

## MAJOR PROVISIONS FOR COUNTIES

- Fails to address the solvency of the
   Highway Trust Fund
   , requiring a \$118
   billion bailout from the general fund of the
   U.S. Treasury to fund highway and transit
   programs
- Authorizes \$3.5 billion for the
   Weatherization Assistance Program in FY
   2022
- Includes \$5 billion over five years for a new grant program to support activities that reduce the likelihood and consequence of impacts to the electric grid due to extreme weather, wildfire and natural disaster
- Establishes a new State and Local Cybersecurity grant program

#### Key IIJA Notices of Funding Opportunity

- Funding Opportunities for Counties
  - Open Notices of Funding For County Governments
    - EPA Clean School Bus Program \$500M Deadline to apply 8/9/22
    - DOC/NOAA Enhancing Fish Passage and Technical Assistance \$80M Deadline to apply 8/15/22
    - DOC/NTIA Enabling Middle Mile Broadband Infrastructure Program \$980M Deadline to apply 9/30/22
    - DOT/FHWA Reconnecting Communities Program: Planning Grants \$50M Deadline to apply 10/13/22
    - DOT/FHWA Reconnecting Communities Program: Capital Construction Grants \$145M
       Deadline to apply 10/13/22
    - DOT/FTA Electric or Low-Emitting Ferry Program \$50M Deadline to apply 9/6/22

#### **Key IIJA Notices of Funding Opportunity**

Opening Date	NOFO	Operating Administration/Office	Closing Date
5/16/2022	Safe Streets and Roads for All Grant Program	Office of the Secretary	9/15/2022
5/24/2022	Natural Gas Distribution Infrastructure Safety and Modernization Program	Pipeline and Hazardous Materials Safety Administration	8/8/2022
5/25/2022	University Transportation Centers Program	Office of the Secretary	8/25/2022 (Letter of Intent requested by 7/1/2021)
5/26/2022	Transit-Oriented Development Pilot Program	Federal Transit Administration	7/25/2022
6/10/2022	Bridge Investment Program	Federal Highway Administration	7/25/2022 (Planning Applications) 9/8/2022 (Bridge Project Applications) 9/25/2022 (Large Bridge Project Applications)
6/30/2022	Reconnecting Communities Pilot Program	Office of the Secretary	10/13/2022
7/6/2022	Railroad Crossing Elimination Program	Federal Railroad Administration	10/4/2022
7/8/2022	Ferry Programs: Electric or Low Emitting Ferry Program; Ferry Service for Rural Communities Program; Passenger Ferry Grant Program	Federal Transit Administration	9/6/2022
7/26/2022	All Stations Accessibility Program	Federal Transit Administration	9/30/2022
July	Rail Vehicle Replacement Program	Federal Transit Administration	
Summer	National Culvert Removal, Replacement, and Restoration Grant Program	Federal Highway Administration	
Summer	Thriving Communities	Office of the Secretary	
August	Nationally Significant Federal Lands and Tribal Project Program	Federal Highway Administration	
August	Consolidated Rail Infrastructure & Safety Improvements Grant Program	Federal Railroad Administration	
September	Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program	Office of the Secretary	
October	Fiscal year 2022 Federal-state Partnership (National)	Federal Railroad Administration	
December	Fiscal year 2022 Federal-state Partnership (Northeast Corridor)	Federal Railroad Administration	

#### Key IIJA Notices of Funding Opportunity

• Bipartisan Infrastructure Law Programs | Department of Energy

For the next five years, the Bipartisan Infrastructure Law will stand up 60 new DOE programs, including 16 demonstration and 32 deployment programs, and expands funding for 12 existing Research, Development, Demonstration, and Deployment (RDD&D) programs.

BIL PROVISION NAME	TYPE OF ANNOUNCEMENT	STATUS	ANNOUNCEMENT DATE	RESPONSE DUE DATE
Advancing Equity Through Workforce Partnerships	Funding Opportunity Announcement	Open	7/27/2022	Letter of Intent Deadline: 9/13/2022, Concept Paper Submission Deadline: 9/20/2022, and Full Application Submission Deadline: 12/6/2022

#### **IT Committee**

From: Crystal Ellerbe <crystale@strategies360.com>

**Sent:** Friday, July 29, 2022 1:18 PM

To: IT Committee

**Subject:** Presentations for IT Committee Meeting

**Attachments:** Appropriations Congressionally Directed Spending 101.pptx; Infrastructure Investment

and Jobs Act .pptx

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