### **Infrastructure Investment and Jobs Act**

Paul Kim (LFA) and Alma Weber (LRGC)

# LEGISLATIVE RESEARCH AND GENERAL COUNSEL LEGISLATIVE FISCAL ANALYST

Policy360 Presentation February 8th, 2022

# What is the IIJA?

- Infrastructure Investment and Jobs Act
  - Signed into law Nov 15, 2021
- \$1.2 trillion total
  - Not a stimulus
- How will the money come to Utah?
  - Via existing formula
  - Earmarks (specific projects and program)
  - Competitive grants for new and existing programs



# National Fundings (in \$ billions)

Categories	Amount		
Reauthorization of Past Transportation Funding	\$	650	
Transportation	\$	285	
Roads, Bridges, & Major Projects	\$	110	
Passenger and Freight Rail	\$	66	
Safety	\$	11	
Public Transit	\$	39	
Ports and Waterways	\$	17	
Airports	\$	25	
Low-Carbon and Zero-Emission School Buses & Ferries	\$	8	
Electric Vehicle Charging Stations	\$	8	
Reconnecting Communities	\$	1	
Broadband	\$	65	
Water Infrastructure	\$	55	
Power and Grid	\$	73	
Resiliency	\$	46	
Western Water	\$	8	
Environmental Remediation	\$	21	
Total	\$	1,203	

#### Things to Note:

- These authorizations are not one-time, but authorized throughout
   FY 2022 – 2026
- These authorizations are grants from one specific federal agency to a specific state agency



# FFIS State Allocations (in \$ millions)

National Totals							
Category	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2022-2026	
Transportation	\$105,720	\$107,285	\$108,989	\$110,512	\$112,234	\$544,740	
Water	\$8,704	\$9,429	\$9,831	\$10,231	\$10,231	\$48,426	
Environmental Remediation	\$19,800	\$300	\$300	\$300	\$300	\$21,000	
Power & Grid	\$14,250	\$6,036	\$6,087	\$6,138	\$4,508	\$37,019	
Broadband	\$60,200	\$550	\$550	\$550	\$550	\$62,400	
Resilience and Western Water	\$8,435	\$2,437	\$2,332	\$2,132	\$2,032	<b>\$1</b> 7,370	
Total	\$217,109	\$126,037	\$128,089	\$129,864	\$129,856	\$730,955	



# FFIS State Allocations (in \$ millions)

Agencies	FY 2022-2026
Department of Agriculture	\$4,276
Department of Commerce	\$48,295
Environmental Protection Agency	\$60,835
Department of Homeland Security	\$6,900
Department of Interior	\$19,764
Department of Transportation (DOT)	\$100
Department of Energy	\$36,445
DOT - Federal Aviation Administration	\$25,000
DOT - Federal Highway Administration	\$348,084
DOT- Federal Motor Carrier Safety Administration	\$3,204
DOT - Federal Railroad Administration	\$44,250
DOT - Federal Transit Administration	\$90,455
DOT - Maritime	\$2,275
DOT - National Highway Traffic Safety Admin.	\$6,373
DOT - Pipeline and Hazardous Materials Safety Admin.	\$1,000
DOT - Secretary	\$19,000
Federal Communications Commission	\$14,200
Department of Health and Human Services	\$500
Total	\$730,955



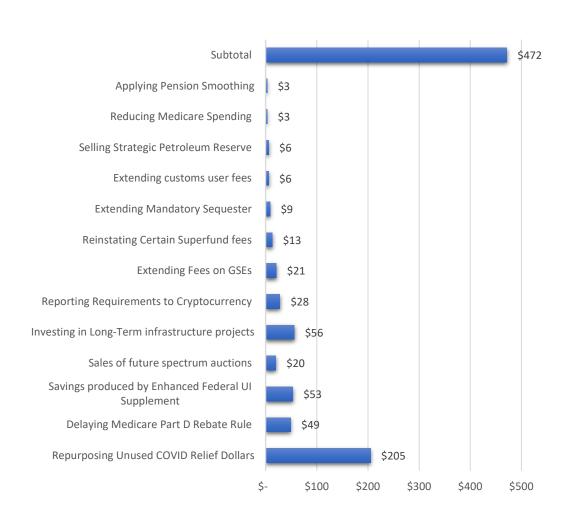
# FFIS State Allocations (in \$ millions)

Utah Funding								
Category	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2022-2026		
Transportation	\$615	\$627	\$640	\$652	\$665	\$3,461		
Water	\$74	\$80	\$83	\$86	\$86	\$410		
Environmental Remediation								
Power & Grid	\$38					\$38		
Broadband								
Resilience and Western								
Water	\$3	\$5	\$4	\$1		\$13		
Total	\$731	\$712	\$727	\$739	\$751	\$3,922		



# **Spending Pay-Fors (NCSL)**

### Offsets in the Infrastructure Investment and Jobs Act (\$ in billions)

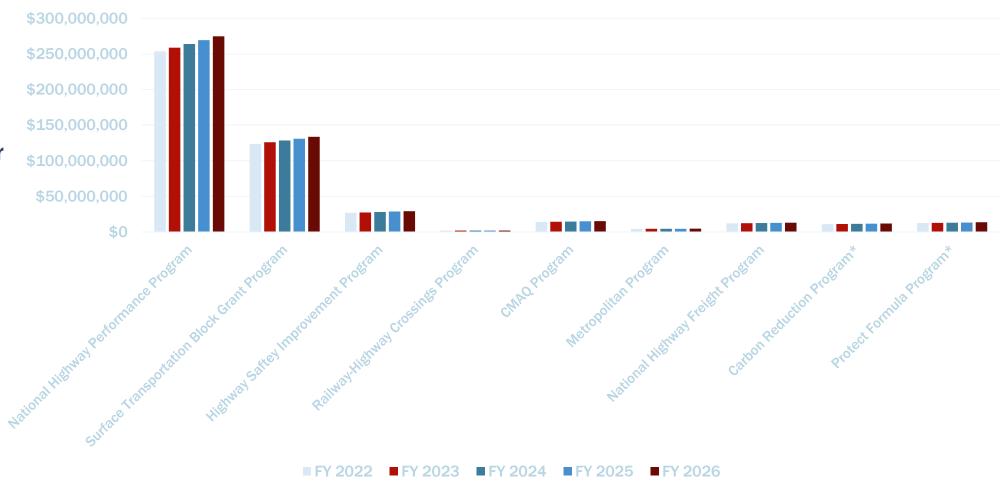


- Over the 2021-2031 period, IIJA would:
  - Decrease direct spending by \$110 billion
  - Increase revenues by \$50 billion
  - Increase discretionary spending by \$415 billion
  - On net, the legislation would add \$256 billion to projected deficits over that period.

# **Highway Trust Fund**

- Authorizes the Highway Trust Fund - \$2.4 bil
- Highways, roads, and bridges
- 21% increase over baseline FY2021
- Growth is about 2% per year after that







# Highway Trust Fund - Existing

- National Highway Performance Program - \$1.32 bil
  - Support for the condition, performance, and construction of new facilities on the National Highway System
- Surface Transportation Block Grant Program - \$643 mil
  - Expands programs that are eligible
    - EV charging infrastructure and additional \$36 mil from the National Vehicle Electric Formula from the general fund
  - Creates a new population band (50,000-200,000)

- Highway Safety Improvement Program - \$140 mil
  - Eligible projects now include those for traffic calming and reducing vehicle speeds
  - Requires the "vulnerable road user safety assessment"
- Railway-Highway Grade Crossing Program - \$9 mil
  - Federal cost share increases to 100% for projects that eliminate at-grade railhighway crossings

# **Highway Trust Fund - Existing**

- Congestion Mitigation and Air Quality Improvement Program (CMAQ) - \$73 mil
  - Funds can be used for shared micro-mobility
  - Purchase of heavy-duty zero emissions vehicles and charging equipment
  - Replacement of certain diesel equipment
- Metropolitan Planning Program \$22 mil
  - 4 in Utah: Cache, Wasatch Front Regional Council, Mountainland Association of Governments, and Dixie
- National Highway Freight Program \$63 mil
  - Increases number of miles of highway Utah can name as critical rural and critical urban freight corridors



### Carbon Reduction Program - \$57 mil

- Funds projects that support the reduction of transportation emissions
- Also requires Utah to develop a carbon reduction strategy in consultation with the MPOs within two years, and update the strategy every four years

# Highway Trust Fund – NEW

- Promoting Resilient Operations for Transformative, Efficient and Cost Saving Transportation (PROTECT) - \$65 mil
  - Grants for resilience improvements via 3 channels:
    - Formula funding
    - Competitive planning grants for weather events
    - Competitive grants to protect surface transportation assets



## **Non-Highway Trust Fund Appropriations**

### Bridge Investment Program

\$225 mil for bridges in poor or fair condition

### Transit Appropriations

- \$627 mil for projects and metropolitan planning
- Grants for: TOD; transit on reservations; workforce development; and bus facilities

### Airports

- \$181 mil based on formula funding
- SLC Airport will get the bulk
- Provo, Ogden, St. George, Cedar City, Moab, and Vernal will double their annual entitlements

# Water & Water Infrastructure & Resiliency

#### Clean Water State Revolving Fund

 \$219 mil – supports wastewater treatment and water collection systems, and the Drinking Water State Revolving Fund

#### Navajo Water Rights Settlement

• \$214 mil – bringing running water to members living on sovereign land

#### Central Utah Project Completion Account

- \$50 mil directs water from the Colorado River for residential, commercial, agricultural purposes
- \$10 mil Utah Reclamation Mitigation and Conservation Account

#### Resiliency

- \$19 mil protect against wildfires
- \$13 mil protect against cyberattacks

# **National totals**

#### Broadband

\$65 bil – Utah will receive a minimum of \$100 mill

#### Environmental Remediation

 \$21 bil – clean up brownfield and superfund sites; reclaim abandoned mine lands; plug orphan oil and gas wells

#### Power and Grid

• \$73 bil – upgrade power infrastructure; research into nuclear, carbon capture, clean hydrogen

# What now?

- How can we apply for grant money?
  - Check out the "Bipartisan Infrastructure Law Guidebook"
    - https://www.whitehouse.gov/build/
  - Work with agencies or other eligible groups
  - Open a bill file or request for appropriations
- Tracking Build Back Better Act
  - Negotiations failed at the end of 2021
  - News reports at the end of January indicate there are efforts to revive this legislation
    - Draft anticipated between Feb 18-Mar 1 (in time for State of the Union address)
    - Likely total of \$1 tril in spending on social and climate change issues

# **Additional Resources**

- IIJA text: <a href="https://www.congress.gov/bill/117th-congress/house-bill/3684/text">https://www.congress.gov/bill/117th-congress/house-bill/3684/text</a>
- White House: <a href="https://www.whitehouse.gov/build/">https://www.whitehouse.gov/build/</a>
- List of Federal Agencies and their Competitive/ Formula programs: <a href="https://www.wyden.senate.gov/imo/media/doc/Wyden\_Infastructure%20Guide%202021.pdf">https://www.wyden.senate.gov/imo/media/doc/Wyden\_Infastructure%20Guide%202021.pdf</a>
- USDOT's state by state sheet for Utah: <a href="https://www.transportation.gov/sites/dot.gov/files/2021-11/Bipartisan\_Infrastructure\_Law\_Utah.pdf">https://www.transportation.gov/sites/dot.gov/files/2021-11/Bipartisan\_Infrastructure\_Law\_Utah.pdf</a>
- NCSL's presentation on IIJA: <a href="https://www.ncsl.org/portals/1/documents/statefed/NCSL\_Infrastructure\_Briefing\_Nov22-Final.pdf">https://www.ncsl.org/portals/1/documents/statefed/NCSL\_Infrastructure\_Briefing\_Nov22-Final.pdf</a>