

Infrastructure Investment and Jobs Act (IIJA)

Potential Opportunities

July 25, 2022

Overview

Congress authorized and appropriated \$1.2 trillion

\$550 billion in new federal spending

- Transportation
- Electric Vehicles and charging
Infrastructure
- Energy
- Water
- Broadband
- Buildings
- Research and Development
- Manufacturing

New Investments (\$550 Billion)

- Nearly **half of the \$1.2 trillion** package will go toward new investments in **transportation, utilities and pollution remediation**
 - Transportation
 - Roads and Bridges - \$110 billion
 - Railroads - \$66 billion
 - Public transit - \$39 billion
 - Airports - \$25 billion
 - Ports - \$17 billion
 - Electric Vehicles - \$15 billion
 - Road Safety - \$11 billion
 - Reconnecting Communities - \$1 billion
 - Utilities
 - Power Infrastructure - \$65 billion
 - Broadband - \$65 billion
 - Water Infrastructure - \$55 billion
 - Resilience - \$47 billion
 - Pollution Remediation - \$21 billion
 - Western water infrastructure - \$8 billion

Transportation Funding

- \$567.5 billion for Department of Transportation (DOT) programs
 - \$293.4 billion is normal/baseline spending (authorized in prior transportation law)
 - \$274.1 billion is new spending

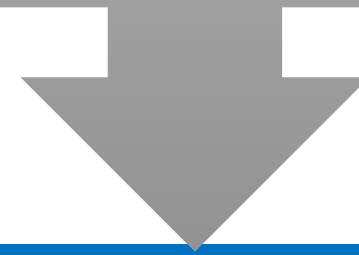
Funding distributed by formula, competitive grants and loans

State Departments of Transportation, transit agencies and airports will receive formula funds directly

- Cities can pursue funding from TxDOT and MPOs, like the Houston-Galveston Area Council (H-GAC)

DOT
Competitive
Grants

More than \$150 billion
available in competitive grants



Most grant programs require
matching funds

DOT Competitive Grants

Program	Amount (over 5 years)	Description
Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants	\$7.5 billion (70% increase) Office of the Secretary	Projects that will have a significant economic impact and improve transportation infrastructure, including road, bridge, public transit, passenger or freight rail, port, surface transportation components of airport projects and project to replace culverts or prevent stormwater runoff.
Nationally Significant Freight and Highway Projects (INFRA)	\$8 billion (78% increase) Federal Highway Administration (FHA)	Highway and rail projects of regional and national significance that must be equal or exceed the lesser of \$100 million or 30% of the amount apportioned to the state. At least 10% of the funds are for small grants between \$5 million and \$25 million. Projects must be reasonably expected to begin construction within 18 months after the date of obligation. The federal share may not exceed 60%.

DOT Competitive Grants

Program	Amount (over 5 years)	Description
Strengthening Mobility and Revolutionizing Transportation (SMART) Grants	\$500 million Office of the Secretary	New program will fund smart city projects that improve transportation efficiency and safety, including coordinated automation, connected vehicles, intelligent sensor-based infrastructure, systems integration, commerce delivery and logistics, leveraging innovative aviation technology such as unmanned aircraft systems, smart grids and smart technology traffic signals. Encourages private sector innovation and partnerships.
Reconnecting Communities	\$1 billion (\$250 million for planning and \$750 million for construction) Federal Highway Administration	New program funds projects that remove, retrofit, or mitigate previously constructed barriers to mobility, access, or economic development to restore community connectivity.
Megaprojects	\$5 billion Office of the Secretary	New program funds large-scale projects that generate economic mobility or safety benefits and are cost-effective. Funds highway, bridge freight intermodal, railway-highway, grade separation and elimination, intercity passenger rail and public transportation projects. Project must cost at least \$500 million. Secretary may enter into multiyear grant agreements.

DOT Competitive Grants

Program	Amount (over 5 years)	Description
Promoting Resilient Operations for Transformative, Efficient and Cost-Saving Transportation (PROTECT)	\$1.4 billion Office of the Secretary	New Program funds projects that improve resiliency and address vulnerabilities to current and future weather events, including sea level rise. Funds may be used for highways, transit, and port infrastructure.
Congestion Relief Program	\$250 million	New program funds projects in cities with population of more than 1 million that reduce congestion, including high-occupancy vehicle (HOV) lanes, toll lanes, cordon pricing, parking pricing and congestion pricing and implementation of mobility services and incentive programs that encourage nonhighway travel and travel during nonpeak times.
Safe Streets for All Grants	\$5 billion	New program funds projects to implement “vision zero” plans and other improvements to reduce crashes and fatalities and protect pedestrians and bicyclists.
Healthy Streets Grants	\$500 million	New program funds projects to install cool pavements and porous pavements and to expand tree cover.
Reduction of Truck Emissions at Port Facilities	\$250 million	New program funds projects that reduce port-related emissions from idling trucks, including through port electrification.

DOT Competitive Grants

Program	Amount (over 5 years)	Description
Port Infrastructure Development Program	\$2.25 billion	Competitive grant program that funds infrastructure projects at public ports.
Bridge Investment Program	\$12.5 billion	New program to rehabilitate and replace bridges.
Consolidated Rail Infrastructure and Safety Improvements (CRISI)	\$5 billion	Funds projects that improve safety, efficiency and reliability of intercity passenger and freight rail.
Railroad Grade Crossing Elimination Program	\$3 billion	New program that funds projects to eliminate at-grade railroad crossings, add gates or signals, relocate tracks and install bridges. Sets aside funding for planning and to carry out highway-rail grade crossing safety information and education programs.
Federal-State Partnership for Intercity Passenger Rail	\$36 billion	Expansion of existing program to fund projects that improve performance or expand/establish new intercity passenger rail. At least 45% of the funding must go to the Northeast Corridor. DOT can enter into multiyear phased funding agreements for projects.

DOT Competitive Grants

Program	Amount (over 5 years)	Description
Airport Terminal Program	\$5 billion	New grant program for airport terminal development projects. Includes multimodal projects and projects for on-airport rail access. Secretary must consider projects that increase capacity and passenger access, replace aging infrastructure, expand access for people with disabilities, improve airport access to historically disadvantaged persons and improve energy efficiency.
Public Transportation Competitive Grants	\$36.6 billion	Funds variety of competitive grant programs for public transportation.

DOT Electric Vehicle Infrastructure Grants

Program	Amount (over 5 years)	Description
Charging and Fueling Infrastructure Competitive Grants	\$2.5 billion	Funds publicly accessible electric vehicle charging infrastructure and hydrogen, propane, and natural gas fueling infrastructure on designated alternative fuel corridors. Public entities may contract with private entities. 50% of funds will be prioritized for projects that expand access to charging and fueling infrastructure in low- and moderate-income communities and those with a low ratio of private parking spaces to households or a high ratio of multiunit dwellings to single family homes and rural areas. Cities are eligible applicants.
National Electric Vehicle Formula Program	\$5 billion	Funds to be distributed by formula to states to deploy electric vehicle charging infrastructure. Charging infrastructure must be open to the public or for authorized commercial motor vehicle operators from more than one company. Public entities may contract with private entities.

Texas Gains

- According to TxDOT, the major components of the IJA makes Texas eligible to receive:
 - \$26.9 billion for highway programs
 - \$537.2 million formula-based program for bridges
 - \$450 million to TxDOT for rural transit
 - \$407.8 million for EV infrastructure

Department of Energy Programs

- IJA provides funding for competitive grants and low-cost loans for grid reliability and security, renewable energy and ensuring critical supply chains for energy innovation.
 - \$27.65 billion for grid infrastructure, resiliency and reliability programs
 - \$7.7 billion for research and development and manufacturing incentives to establish supply chains for clean energy technologies
 - \$27.85 billion for fuels and technology infrastructure (carbon capture)
 - \$9.5 billion for programs related to research, development, demonstration and deployment of hydrogen from clean energy sources
 - \$5 billion for grant and loan programs to encourage investment in energy-efficient infrastructure, vehicles and technology
 - \$763 million for hydropower incentives

DOE Programs

Program	Amount (over 5 years)	Description
Grid Infrastructure Reliability Competitive Grants	\$5 billion	New competitive grant program funds grid resiliency projects. Grid operators, electricity storage operators, electricity generators, transmission owners and operators, distribution providers, fuel suppliers and other entities determined by the Secretary are eligible. At least 30% of the funds must go to entities that sell four million megawatt hours or less of energy per year.
Energy Infrastructure Federal Financial Assistance Program	\$1 billion	New competitive grant funding innovative approaches to transmission, storage and distribution infrastructure to improve resilience and reliability. States, local government and public utility commissions are eligible.
Transmission Facilitation Program	\$50 million	Authorizes the Secretary of the Energy to enter into capacity contracts, provide loans and participate in projects to construct electric power transmission lines. Recipients must repay loans, although the Secretary may forgive the loan at the end of the useful life of a project or termination of capacity contract if there are funds owned to the Treasury.

DOE Programs

Program	Amount (over 5 years)	Description
Energy Efficiency Revolving Loan Fund Capitalization Grants	\$250 million	Funds to capitalize state revolving loan program to make low interest loans to government and other entities for commercial energy audits and residential energy audits and to make energy upgrades or retrofits.
Grants for Energy Efficiency Improvements and Renewable Energy Improvements at Public Schools	\$500 million	Competitive grants to public schools for energy efficiency and renewable energy upgrades and to purchase alternative fuel vehicles and infrastructure.
Weatherization Assistance Program	\$3.5 billion	Funds to states to fund local community action agencies, nonprofit organizations, and local government programs to make homes of low-income persons more energy efficient.

DOE Programs

Program	Amount (over 5 years)	Description
Energy Efficiency and Conservation Block Grants	\$550 million	Block grants to governmental entities to develop, promote, implement, and manage energy efficiency and conservation projects.
Smart Grid Matching Grants	\$3 billion	Funds 50% of the cost of smart grid technology that will enable performance improvements and cost savings. Includes technology improvements to buildings, facilities, appliances, and equipment; advanced metering; electric distribution systems; electric transmission systems; and equipment manufacturing. Electric utilities and manufacturers of appliances and equipment are among eligible applicants.

Water Programs

\$55 billion for Environmental Protection Agency (EPA) programs.

\$9.55 billion for Army Corps of Engineers programs for authorized projects.

\$1 billion for Federal Emergency Management Agency (FEMA) state resiliency grant program (BRIC).

\$83 billion for Bureau of Reclamation programs.

EPA Programs

Program	Amount (over 5 years)	Description
State Drinking Water Revolving Loan Program	\$30 billion	<ul style="list-style-type: none">• \$11.7 billion to capitalize program of which 49% are for grants or forgivable loans to disadvantaged communities.• \$15 billion for lead service pipe replacement of which 49% are for grants or forgivable loans.• \$4 billion to address emerging contaminants for forgivable loans or grants.
State Clean Water Revolving Loan Program	\$5 billion	<ul style="list-style-type: none">• \$11.7 billion to capitalize program of which 49% are for grants or forgivable loans.• \$1 billion to address emerging contaminants for forgivable loans or grants.
Brownfields Grants	\$1.5 billion	Competitive grants for remediation of contaminated properties.

- The revolving loan program funds go to the Texas Water Development Board (TWDB) in Texas and units of local government can pursue the funds.

EPA Programs

Additional EPA Grants

- \$1.4 billion for Sewer Overflow and Stormwater Municipal grants.
- \$100 million for Wastewater Efficiency Grants.
- \$500 million for pilot program for lead reduction projects.
- \$250 million for Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program.
- \$125 million for a Pilot Program for Alternative Water Source Projects.
- \$125 million for a Clean Water Resiliency and Sustainability Program.
- \$50 million for a Stormwater Control Infrastructure competitive grant program to incorporate new and emerging but proven stormwater control technologies.

Funding Availability & Timing

Existing programs should be ready for distribution as guidelines are already set.

New programs will take more time to prepare as necessary guidance documents, requirements, and Notices of Funding Opportunities (NOFOs) will need to be crafted from scratch.

Units of local government can identify priorities and capacity, partner with business, non-profits, and other units of state and local government to communicate interest to federal agencies.



QUESTIONS?