



Money Monday: Securing Federal Funding from the IIJA and IRA

11/21/2022



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Housekeeping

1. A recording of this webinar and the PowerPoint slides will be available on the SCAG website. We will send a link to everyone who has registered after the event
2. Meeting length: 1.5 hour
3. This meeting is being recorded
4. All participant lines will be muted
5. At the end, there will be a Q&A session
6. If you have a question during the presentation, please type it into the chat box or press the "raise hand" function
7. We will log all questions and then voice a selection at the end of the presentation



Southern California Association of Governments

Federal Policy Update

Holland & Knight

Infrastructure Law Implementation

- On November 15, 2021, President Biden signed the bipartisan “Infrastructure Investment and Jobs Act” into law that invests in the nation’s infrastructure, including funding for roads and bridges, rail, transit, airports, energy, sustainability, water, and broadband, among other priorities.
- The legislation provides \$1.2 trillion in total spending **over 5 years** across competitive and formula programs, including \$550 billion in **new spending**. The legislation also includes the surface transportation authorization bill.
- Federal agencies continue to release notice of funding opportunities (NOFOs) and are distributing billions of dollars for transportation infrastructure, broadband, water, energy, and sustainability.

Formula Programs

Program	Funding level over 5 years
<p>Surface Transportation Block Grant (STBG) Program</p> <ul style="list-style-type: none"> Existing formula program for Federal-aid highways, bridges, and transit projects. 	<p>\$72 billion (23.6% increase over FAST Act)</p> <p>\$1.19 billion for CA</p>
<p>Transportation Alternatives Program (TAP)—suballocated from STBG</p> <ul style="list-style-type: none"> Existing formula program; funding through the CA Active Transportation Program (ATP). Funds smaller-scale transportation projects such as pedestrian and bicycle infrastructure, recreational trails, and environmental mitigation. Increases the minimum percentage of TAP funding that is sub-allocated on the basis of population from 50% to 59%. 	<p>\$7.2 billion; suballocated from STBG</p>
<p>Highway Safety Improvement Program (HSIP)</p> <ul style="list-style-type: none"> Existing formula program; funding through Caltrans Funds highway safety improvements. 	<p>\$15.6B (34% increase over FAST Act)</p> <p>\$262 million for CA</p>

Formula Programs

Program	Funding level over 5 years
Congestion Mitigation and Air Quality Improvement Program (CMAQ) <ul style="list-style-type: none">Existing formula program; funding through Caltrans.	\$13.2 billion (9.79% increase over FAST Act) \$505 million for CA
Carbon Reduction Program (new) <ul style="list-style-type: none">New formula program through Caltrans.65% of funds are suballocated to urbanized areas.Funds projects to reduce transportation emissions or for the development of carbon reduction strategies.Requires states, in consultation with MPOs, to develop (and update at least every four years) a carbon reduction strategy and submit to USDOT for approval.	\$6.42 billion \$106 million for CA

Released Competitive Infrastructure Opportunities

Program	Funding level over 5 years	Status
<p>INFRA Grant Program</p> <ul style="list-style-type: none"> Existing program that supports highway and rail projects of regional and national economic significance. 2022 Awards – No awards in the SCAG region (1 award in California) 	\$8 billion	Awards announced
<p>MEGA Grant Program (new)</p> <ul style="list-style-type: none"> Supports large, complex projects that will generate national or regional economic, mobility, or safety benefits. 	\$5 billion	Awards expected Dec. 2022
<p>Pilot Program for Transit Oriented Development (TOD)</p> <ul style="list-style-type: none"> Existing program to funding to integrate land use and transportation planning for existing CIG projects. 2022 Awards: <ul style="list-style-type: none"> LA Metro - \$960,000 award and a \$1M award 	\$68.9 million	Awards announced

Released Competitive Infrastructure Opportunities

Program	Funding level over 5 years	Status
<p>Bus and Bus Facilities</p> <ul style="list-style-type: none"> • Existing program that provides capital funding to replace, rehabilitate, purchase, or lease buses and bus related equipment. • 2022 Awards: <ul style="list-style-type: none"> • Riverside Transit Agency - \$1M 	\$1.9 billion	Awards announced
<p>Low-No Emission Buses</p> <ul style="list-style-type: none"> • Existing program that supports the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities. • 2022 Awards: <ul style="list-style-type: none"> • LA Metro - \$104M • Gold Coast Transit District - \$12M • Omnitrans - \$9M • Sunline Transit Agency - \$7M • Riverside Transit Agency - \$5M • Orange County Transportation Authority - \$2M • City of Gardena - \$2M 	\$5.5 billion	Awards announced

Released Competitive Infrastructure Opportunities

Program	Funding level over 5 years	Status
<ul style="list-style-type: none"> • Bridge Investment Program – Planning Grants (new) <ul style="list-style-type: none"> • Planning grants for bridge projects • 2022 Awards – No Southern California awards 	\$12.5 billion	Awards announced
<ul style="list-style-type: none"> • Bridge Investment Program – Bridge Projects (new) <ul style="list-style-type: none"> • Projects to replace, rehabilitate, preserve or protect bridges on the National Bridge Inventory. 		Closed
<ul style="list-style-type: none"> • Bridge Investment Program – Large Bridges (new) <ul style="list-style-type: none"> • Large bridge projects with eligible costs greater than \$100 million. 		Awards expected in December

Released Competitive Infrastructure Opportunities

Program	Funding level over 5 years	Status
Safe Streets and Roads for All (new) <ul style="list-style-type: none">• Supports planning and implementation of local Vision Zero initiatives.	\$5 billion	Awards expected Jan./Feb. 2023
Reconnecting Communities Program (new) <ul style="list-style-type: none">• To remove, retrofit, or mitigate highways or other transportation facilities that create barriers to community connectivity.	\$500 million	Closed
Railroad Crossing Elimination Grants (new) <ul style="list-style-type: none">• To fund highway-rail or pathway-rail grade crossing improvement projects that focus on improving the safety and mobility of people and goods.	\$3 billion	Closed
SMART Grant Program (new) <ul style="list-style-type: none">• Demonstration projects to improve transportation efficiency and safety.	\$500 million	Due Nov. 18

Upcoming Infrastructure Opportunities

Program	Funding level over 5 years	Status
<p>RAISE Grant Program</p> <ul style="list-style-type: none"> Existing program that supports construction and planning road, rail, transit, and port projects that achieve national objectives. 2022 awards: <ul style="list-style-type: none"> Port of Los Angeles - \$20M Inglewood Transit Connector Project - \$15M City of Fontana, Building A Better Connected Inland Empire - \$15M 	\$7.5 billion	Expected Nov. 2022
<p>PROTECT Grant Program (new)</p> <ul style="list-style-type: none"> Funding for planning, resiliency improvements, community resilience and evacuation routes, and at-risk coastal infrastructure. 	\$1.4 billion	Expected 2023
<p>Electric Vehicle (EV) Charging and Refueling Infrastructure Program (new)</p> <ul style="list-style-type: none"> Funding to deploy EV charging and alternative fueling infrastructure along designated alternative fuel corridors and in communities. 	\$2.5 billion	Expected Dec. 2022

Upcoming Infrastructure Opportunities

Program	Funding level over 5 years	Status
Healthy Streets Program <ul style="list-style-type: none">Grants to deploy cool pavements and porous pavements and to expand tree cover.	\$500 million (subject to appropriations) <ul style="list-style-type: none">FY 2023 House bill includes \$55 million	TBD
Congestion Relief Program (new) <ul style="list-style-type: none">Grants to projects in large urbanized areas (more than 1 million people) to advance innovative, integrated, and multimodal solutions to congestion relief.	\$250 million	TBD
Active Transportation Infrastructure Investment Program (new) <ul style="list-style-type: none">Grants for safe and connected active transportation projects that connect destinations within or between communities or to create active transportation spines connecting communities and metropolitan regions.	\$1 billion (subject to appropriations) <ul style="list-style-type: none">FY 2023 House bill includes \$100 million	TBD

Aviation Programs

Program	Funding Level over 5 years	Status
<p>Airport Terminal Competitive Grant Program (new)</p> <ul style="list-style-type: none"> Funding for sustainable and accessible airport terminals, on-airport rail access projects, and airport-owned airport traffic control towers. 2022 Awards: <ul style="list-style-type: none"> LAX - \$50M Long Beach Airport - \$10.6M 	\$5 billion	2023 round of funding closed on Oct. 24
<p>Airport Improvement Program (AIP)</p> <ul style="list-style-type: none"> Existing program for runway, taxiway, safety and sustainability projects, as well as terminal, airport-transit connections, and roadway projects. 	\$15 billion	
<p>Contract Tower Grant Program</p> <ul style="list-style-type: none"> Funding for airport-owned airport traffic control tower projects that address the aging infrastructure of the nation's airports. 2022 Awards: <ul style="list-style-type: none"> Southern CA Logistics Airport - \$300,000 	\$100 million	2023 round of funding closes Dec. 6

IIJA – Workforce

- The Department of Transportation (DOT) and other agencies overseeing IIJA implementation encourage grant recipients to provide robust investment for workforce development.
- DOT also encourages grant recipients to provide pathways for employees to join a union.
- Importance of expanding high-quality training and education for programs financed by the IIJA.
- Creating new workforce opportunities for women and historically marginalized communities. Including practices to hire and retain underrepresented groups.

IIJA – Key Takeaways

- Importance of addressing administration priorities in grant applications
- High priority for underserved communities
 - Administration's Justice40 priorities
- Investment in workforce development
- Regional approach valued
- Community stakeholder engagement/coalition building matters
- Climate resilience must be incorporated
- Higher competition from within California

Inflation Reduction Act

- On August 16, 2022, President Biden signed the “Inflation Reduction Act”, a \$739 billion budget reconciliation package that includes tax, healthcare, and climate provisions.
- The bill provides approximately \$370 billion in new climate and energy tax incentives.
- The prescription drug pricing provisions would allow Medicare to negotiate some drug prices, estimated to save the government nearly \$300 billion.
- Federal agencies have significant authority and will be responsible for the success of IRA; implementation will include the promulgation of many new rules and decisions on how to deploy funding.
- Timing for creation of new programs and allocating funding is unclear.

Inflation Reduction Act – RFIs Released

- Federal agencies have announced several requests for information (RFIs) to begin their implementation of the Inflation Reduction Act (IRA). Stakeholders may submit comments to assist the federal government as it develops several billion-dollar programs.
- The Greenhouse Gas Reduction Fund, or Green Bank, will invest in nonprofit, state, and local financing institutions designed to rapidly deploy low- and zero-emission technologies by leveraging investment from the private sector - comments due December 5, 2022.
- Climate Pollution Reduction Grants will be distributed to local governments and other eligible entities to develop and implement local climate pollution reduction strategies - comments due January 23, 2023.
- Funding to Address Air Pollution will finance air pollution monitoring and mitigation activities for pollution control agencies and other eligible entities – comments due January 18, 2023.
- The Clean Heavy Duty Vehicle Program will help municipalities replace heavy-duty vehicles with cleaner alternatives – comments due January 18, 2023.
- Grants to Reduce Air Pollution at Ports will finance a wide range of activities, such as purchasing zero-emission machinery that addresses carbon emissions at U.S. ports – comments due January 18, 2023.

Inflation Reduction Act Programs

Program	Funding
<p>State and Private Forestry Conservation Programs</p> <ul style="list-style-type: none"> • \$700 million for the Forest Legacy Program to provide grants to states to acquire land and interests in land. \$1.5 billion for the Urban and Community Forestry Assistance program, providing multiyear grants to state agencies, local governments, tribes or nonprofits for tree planting. 	\$2.2 billion
<p>Greenhouse Gas Reduction Fund</p> <ul style="list-style-type: none"> • The new Greenhouse Gas Reduction (GHG) Fund will invest in nonprofit, state and local financing institutions designed to rapidly deploy low- and zero-emission technologies by leveraging investment from the private sector. • RFI issued 	\$27 billion
<p>Clean Heavy-Duty Vehicles</p> <ul style="list-style-type: none"> • A program to award grants and rebates to replace Class 6 and Class 7 heavy-duty vehicles with zero-emission vehicles. • RFI issued 	\$1 billion
<p>Grants to Reduce Air Pollution at Ports</p> <ul style="list-style-type: none"> • A program to award grants and rebates to states for the purchase and installation of zero-emission equipment and technology at ports, as well as the development of climate action plans at ports. • RFI issued 	\$3 billion

Inflation Reduction Act Programs

Program	Funding
<p>Neighborhood Access and Equity Grant Program</p> <ul style="list-style-type: none"> Competitive grant program to reconnect communities divided by existing infrastructure barriers, mitigate negative impacts of transportation facilities or construction projects on disadvantaged or underserved communities, and support equitable transportation planning and community engagement activities. 	\$3 billion
<p>Low-Carbon Transportation Materials Grants</p> <ul style="list-style-type: none"> A program to reimburse or provide incentives to state, local governments and metropolitan planning organizations for the use of low-embodied carbon construction materials and products in projects, and for the operations and administration FHWA. 	\$2 billion
<p>Alternative Fuel and Low-Emission Aviation Technology Program</p> <ul style="list-style-type: none"> Competitive grant program for projects that develop, demonstrate or apply low-emission aviation technologies or produce, transport, blend or store sustainable aviation fuels (SAF). 	\$300 million
<p>Environmental Review Implementation Funds</p> <ul style="list-style-type: none"> Program to facilitate the development and review of documents for the environmental review process for proposed projects for state, local governments and metropolitan planning organizations. 	\$100 million
<p>NOAA - Investing in Coastal Communities and Climate Resilience</p> <ul style="list-style-type: none"> \$2.6 billion for NOAA for conservation, restoration and protection of coastal and marine habitats and resources, to prepare for extreme storms and climate change. 	\$2.6 billion

Inflation Reduction Act Programs

Program	Funding
<p>Climate Pollution Reduction Grants</p> <ul style="list-style-type: none"> Section 137 provides \$250 million for grants for the costs of developing plans to reduce GHG air pollution, and directs the EPA to make such a grant to at least one state, air pollution control agency, municipality, or Indian tribe in each state. RFI issued 	\$5 billion
<p>Low-Emissions Electricity Program</p> <ul style="list-style-type: none"> \$17 million to educate and provide technical assistance to state, tribal and local governments on GHG emissions that result from domestic electricity generation and use RFI issued 	\$87 million
<p>Environmental and Climate Justice Block Grants</p> <ul style="list-style-type: none"> A program to invest in community-led projects in disadvantaged communities and community capacity building centers to address disproportionate environmental and public health harms related to pollution and climate change. 	\$3 billion
<p>Assistance of Latest and Zero Building Energy Code Adoption</p> <ul style="list-style-type: none"> Assistance to state and local governments to adopt updated building codes 	\$1 billion
<p>Grants to Facilitate the Siting of Interstate Electricity Transmission Lines</p> <ul style="list-style-type: none"> A program to facilitate the construction and development of interstate transmission lines. 	\$760 million

Questions

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