



# Infrastructure Investment and Jobs Act: An Overview

EESI Congressional Climate Camp

March 9, 2023





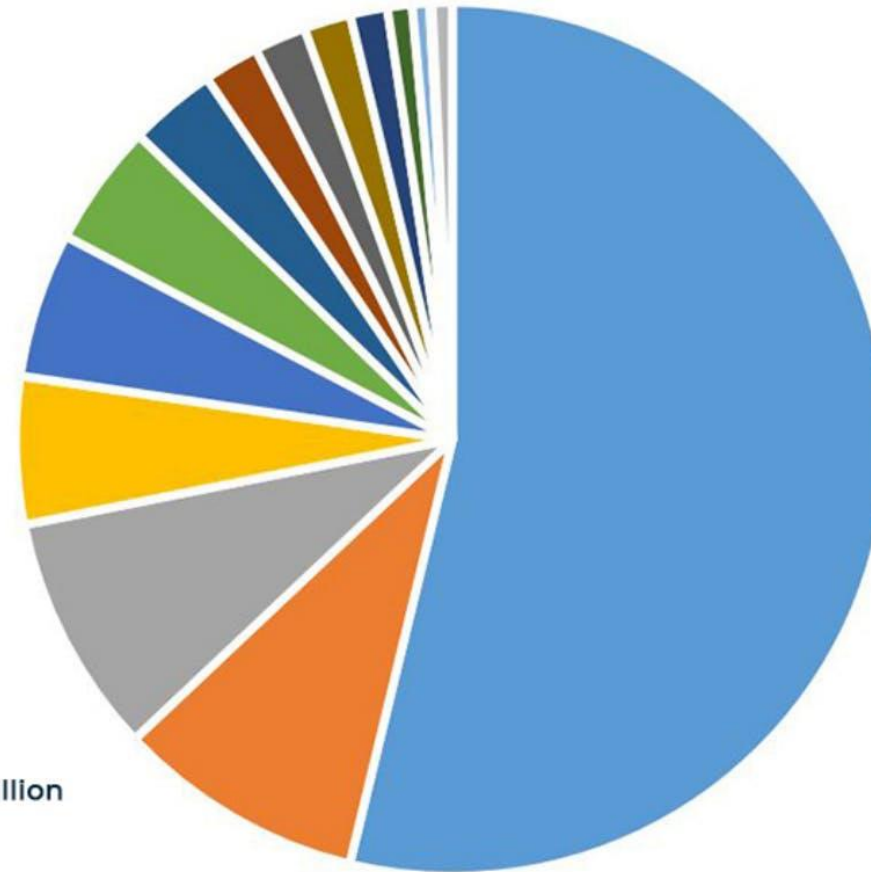
## Overview

1. Introduction to the IJA
2. Transportation Programs
3. Implementation Status



# \$1.2 Trillion for Infrastructure

IJA includes \$550 billion in “new” funding (increase over existing funding)



Source: Government Finance Officers Association

# Unique Characteristics of IIJA

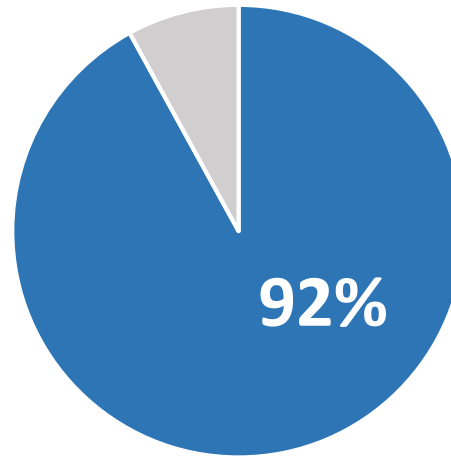
- **Bundles multiple infrastructure sectors together**
  - Congress typically considers transportation, water, etc. in separate legislation
- **Includes both authorizations and appropriations**
  - Typically authorizations and appropriations are done in separate bills
- **Did not move through ordinary legislative process**
  - Did not pass through House and Senate committees
  - No House-Senate conference
  - Instead, negotiated by bipartisan group of 21 Senators and the White House

## **IIJA ultimately passed in November 2021 with bipartisan support**

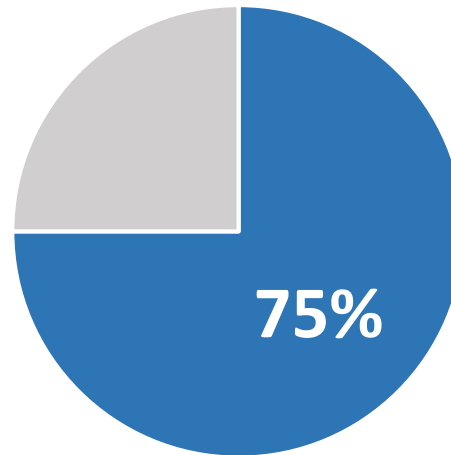
- Senate vote: 69-30
- House vote: 228-206

# More than Half of IIJA Funding Flows by Formula

\$660 billion of IIJA funds flow by formula. Most of that is for transportation.



% of Highway Program  
Distributed by Formula  
Formula funds controlled by *states*



% of Transit Program  
Distributed by Formula  
Bulk of formula funding to *local governments* and *transit agencies*

Source: [Congressional Research Service](#)

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# IJA Includes >100 Competitive Programs

## Excerpt from BPC's IIJA Competitive Grant Tracker

Program	IIJA Section	Agency	Total Funding	Eligible Recipients	Eligible Projects	Federal Share	Notes
Electric or Low-Emission Ferries	71102	USDOT	\$250 million	Not specified	Purchase of electric or low-emitting ferries and electrification or emissions reduction from existing ferries	Not specified	
Port Infrastructure Development Program	Division J	USDOT	\$2.25 billion	States, special purpose districts, state-chartered public entities, tribes, etc.	Projects to improve port infrastructure and multimodal connections	80% (may be higher for small and rural ports)	
Natural Gas Distribution Infrastructure Safety and Modernization Grant Program	Division J	USDOT	\$1 billion	Municipality or community owned utility (not including for-profit entities)	Modernization of natural gas pipelines	Not specified	
Airport Terminal Program	Division J	USDOT	\$5 billion	Not specified	Terminal buildings and terminal access projects	80% for large and medium hubs, 95% for small, non-hub, and non-primary airports	
Contract Tower Program	Division J	USDOT	\$100 million	Airports in the contract tower program or contract tower cost-share program	Projects to construct, repair, or relocate nonapproach control towers and for related equipment and construction of remote towers	100%	This is a set-aside within the Airport Infrastructure Grants Program
Drinking Water							
Drinking Water Infrastructure Resilience and Sustainability Program	50104	EPA	\$125 million	Public water systems, tribal water systems, and states serving small, disadvantaged communities	Projects and activities to increase system resilience to natural hazards	90%; 10% non-federal share, can be waived by the Administrator	
Assistance for Small and Disadvantaged Communities	50104	EPA	\$510 million	Public water systems, tribal water systems, and states serving small (10k), disadvantaged communities	Investments to comply with drinking water standards, provide direct household benefits, and water quality testing	90%; 10% non-federal share, can be waived by the Administrator	
Connection to Public Water System Grants	50104	EPA	\$100 million	Utilities and nonprofits	Connect low-income households to a municipal public drinking water system	Not specified	
State Competitive Grants for Underserved Communities	50104	EPA	\$250 million	States	Projects and activities that allow public water systems in small and disadvantaged communities to comply with drinking water standards	Not specified	
Lead in Drinking Water Reduction	50105	EPA	\$500 million	Water systems, nonprofits, states, cities, and other public agencies	Lead reduction projects, including lead service line replacement	80%; 20% non-federal share can be reduced or waived by the Administrator	
Lead Inventorying Utilization Grant Pilot Program	50105	EPA	\$10 million	Municipalities served by water systems with 30% of service lines known or suspected to contain lead	Lead reduction projects, including inventorying service lines containing lead	Not specified	
Operational Sustainability of Small Public Water Systems	50106	EPA	\$250 million	SLTT governments, other public entities, and nonprofits	Projects and activities that ensure operational sustainability for small public water systems	90%; 10% non-federal share, can be waived by the Administrator	

Available at:

<https://bipartisanpolicy.org/blog/tracking-competitive-grants-in-the-infrastructure-investment-and-jobs-act/>

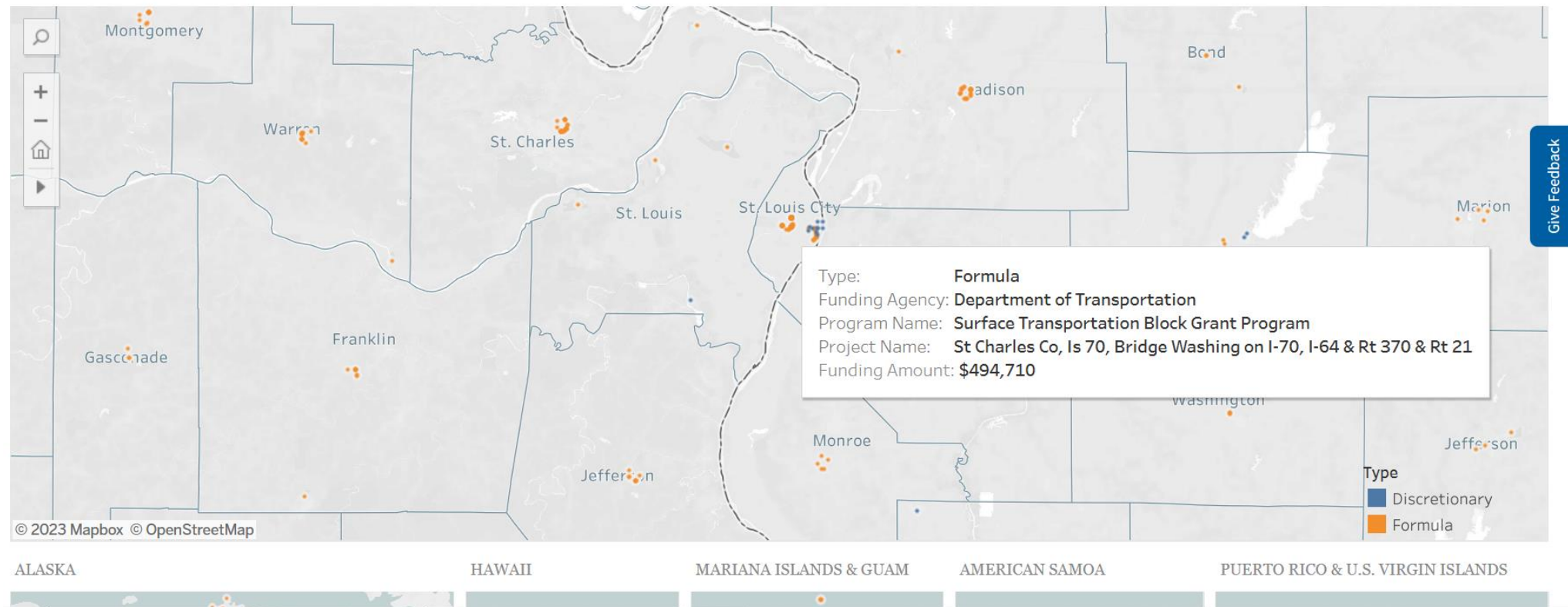
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# \$200 Billion Has Already Been Announced

## ANNOUNCED AND SELECT AWARDED BIL FUNDING LOCATIONS AS OF JANUARY 13, 2023

Type (All) Program Name (All) Funding Amount \$1,037 \$1,385,000,000

↓ See the impact the Bipartisan Infrastructure Law is having in your community by hovering over the map and using the search bar below!



# Transportation Funding Mostly Goes to State DOTs

## National Highway Performance Program (\$148 billion)

- Expansion and repair of highways and major arterials

## Highway Safety Improvement Program (\$15.5 billion)

- Road safety projects

## NEW PROTECT Program (\$7.3 billion)

- Projects to increase resilience of transportation infrastructure

## NEW Charging and Fueling Formula Program (\$5 billion)

- EV charging and alternative fueling infrastructure

## Surface Transportation Block Grant Program (\$72 billion)

- Most flexible; 10% set-aside for “transportation alternatives”

## Congestion Mitigation & Air Quality Improvement Program (\$13.2 billion)

- Projects to reduce congestion or emissions, including transit

## NEW Carbon Reduction Program (\$6.4 billion)

- Projects to reduce emissions

The three programs above are shared with regional  
Metropolitan Planning Organizations.



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These four programs are focused specifically on reducing emissions or increasing resilience, but.....

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The much larger NHPP and STBGP can also be used for climate-friendly projects, if state DOTs choose to do so.

# State DOTs Have Flexibility in Spending Federal Funds

- Besides road repair and expansion, many “highway” programs can also fund:
  - transit
  - bicycle and pedestrian infrastructure
  - ferries
  - traffic management
  - charging infrastructure
  - road safety improvements
  - resilience projects
  - travel demand management programs

# New Competitive Programs with Climate Focus

Low- and No-Emission  
Buses (\$5.6B)

- Grants to transit providers for purchase of low/no emission transit buses and related infrastructure

Charging and Fueling  
(\$2.5B)

- Grants to states, MPOs, local governments for community charging infrastructure

PROTECT (\$1.4B)

- Grants to states, localities, MPOs, transportation authorities to increase resilience of transportation assets

Reduction of Truck  
Emissions at Ports (\$400M)

- Grants to reduce idling at port facilities



# New Competitive Programs with Possible Climate Impact

National Infrastructure  
Project Assistance (\$5B)

- Grants to states, localities, MPOs, transportation authorities for large surface transportation projects

Local and Regional Project  
Assistance (\$7.5B)

- Grants to states, local governments, MPOs, transportation authorities, and transit agencies for any type of surface transportation

Reconnecting Communities  
(\$1B)

- Grants to remove or retrofit highways that present barriers to connectivity

Safe Streets and Roads for  
All (\$5B)

- Grants to MPOs, local governments, tribal governments to develop Vision Zero plans and for related projects

Strengthening Mobility and  
Revolutionizing Transportation  
(SMART) (\$500M)

- Grants to states, local governments, transit agencies, and tribes for innovative transportation technologies

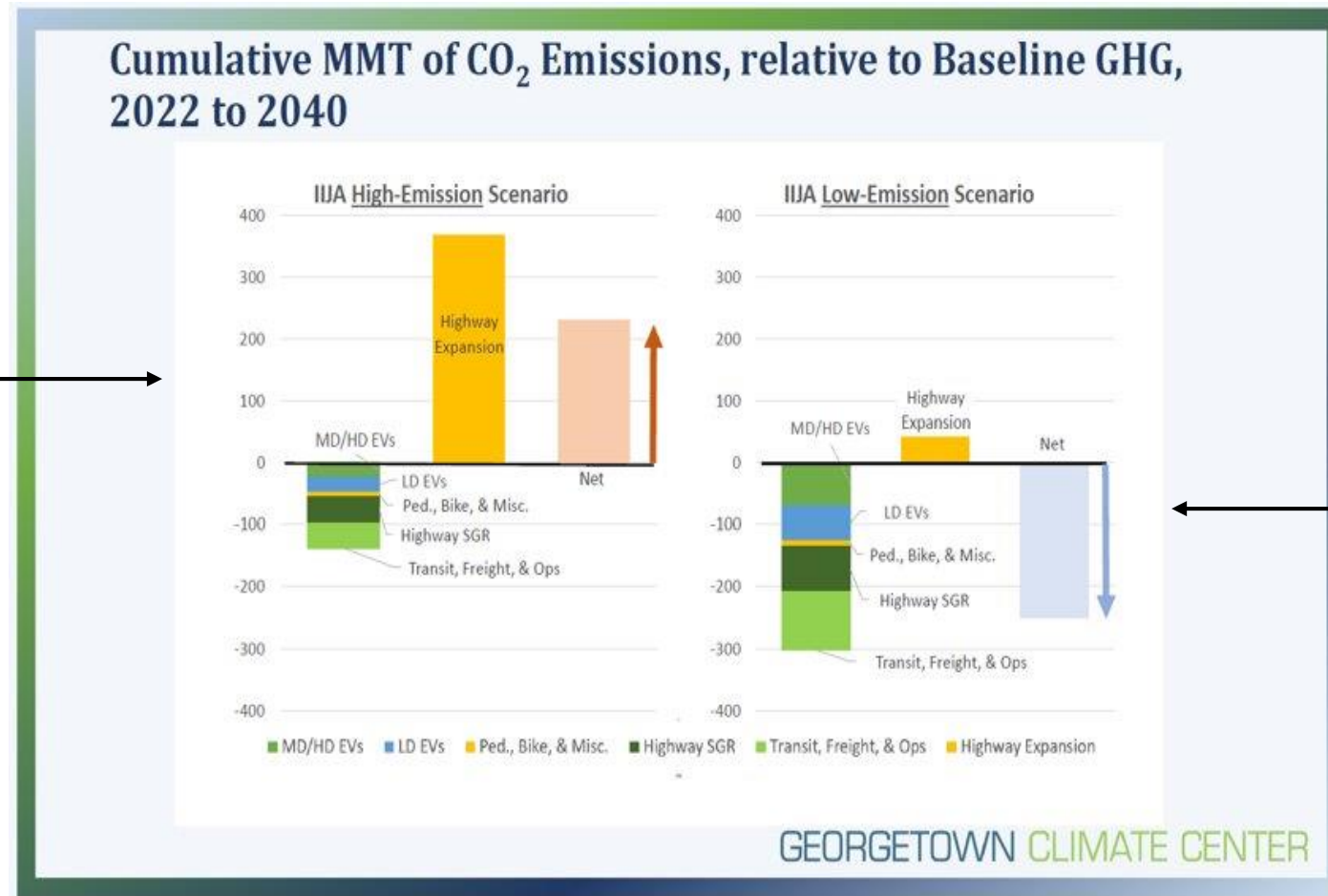
Congestion Relief (\$250M)

- Grants to states, MPOs, and local governments for projects in large urban areas to reduce congestion and optimize existing highway capacity

# IIJA Climate Impacts Will Depend on Actual Investments

- The whole surface transportation program will have climate impacts.
- Federal, state, and local decisions about what projects to fund will determine the direction and scale of impacts.

If more IIJA funds go into high-emission projects, GHG will go up



If more IIJA funds go into low-emission projects, GHG will go down

# Status of IIJA Implementation

- **Formula funds have been made available as scheduled.**
- **Many, but not all, competitive programs have been launched. Some are in their second round of applications.**
- **A number of smaller initiatives remain to be launched, such as:**
  - National VMT fee pilot
  - Asset Concession and Innovative Finance Program
  - Updates to *Manual of Uniform Traffic Control Devices* and *Emergency Relief Program Manual*
  - Guidance for new Complete Streets planning set-aside
  - Toll credit exchange program
- **Still, reasonable progress has been made.**

# Implementation Challenges Remain

- **\$1.2 trillion in federal investment (plus local match) will stimulate job growth and economic activity, but IIJA impacts will take time to appear**
  - Funds will flow out over 5 years, with project construction lasting even longer.
  - Some projects are ready-to-go, but many still need to be planned and permitted.
- **Near-term risks and challenges**
  - Federal agency staffing limitations
  - State and local government capacity
  - Manufacturing and supply chain limitations
  - Inflationary environment
  - Tight labor market
  - Congressional debate over federal spending
- **If challenges can be overcome, IIJA offers potential for real progress on modernizing infrastructure and reducing repair backlogs**



# Thank you!



Find more information at [bipartisanpolicy.org/policy-area/infrastructure/](https://bipartisanpolicy.org/policy-area/infrastructure/)

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