

# Infrastructure Update

Infrastructure Investment and Jobs Act & Build Back Better Reconciliation Bill

December 13, 2021

**Holland & Knight**

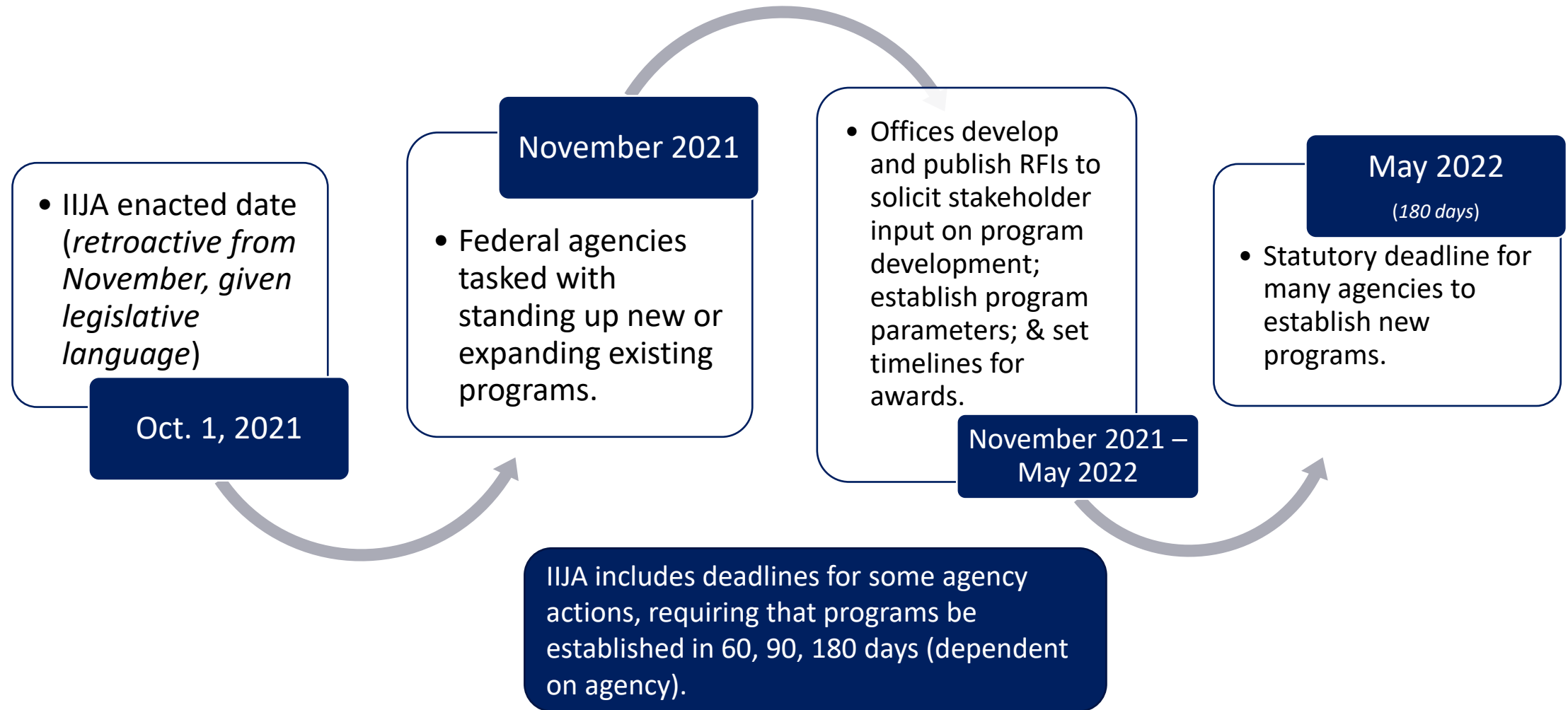
# Bipartisan Infrastructure Bill (H.R. 3684)

- On November 15, 2021, President Biden signed the bipartisan “**Infrastructure Investment and Jobs Act**” ([H.R. 3684](#)) into law to invest in the nation’s infrastructure, including funding for roads and bridges, rail, transit, airports, energy, sustainability, water, and broadband, among other priorities.
  - The House passed the measure on Nov. 5 on a 228-206 vote.
  - The Senate had passed the measure in August on a bipartisan 69-30 vote.
- The legislation provides \$1.2 trillion in total spending over five years, including \$550 billion in *new spending*. The legislation includes several authorizing bills, including:
  - Surface Transportation Reauthorization Act of 2021 ([S. 1931](#))
  - Surface Transportation Investment Act ([S. 2016](#))
  - Drinking Water and Wastewater Infrastructure Act ([S. 914](#))
  - Energy Infrastructure Act ([S. 2377](#))
  - Digital Equity Act ([S. 2018](#))
  - RECYCLE Act ([S. 923](#))

# Bipartisan Infrastructure Bill Spending Breakdown

Area of Investment	Total – All 5 Years
Roads & Bridges	\$110 Billion
Energy Infrastructure	\$73 Billion
Rail Services	\$66 Billion
Broadband	\$65 Billion
Water Infrastructure	\$55 Billion
Flooding & Climate Resiliency	\$47 Billion
Public Transit	\$39 Billion
Airports	\$25 Billion
Environmental Remediation	\$21 Billion
Ports	\$17 Billion
Electric & Low Emission Vehicles	\$15 Billion
Transportation Safety	\$11 Billion

# Bipartisan Infrastructure Bill Implementation Overview



# Key Programs of Interest to the City of Seattle

## Transportation Programs

Program	Funding Level
<p><b>Local and Regional Project Assistance (RAISE Grants)</b></p> <ul style="list-style-type: none"> <li>Existing competitive grant program; local govts eligible</li> <li>Renamed program that has increase funding for RAISE (formerly known as the BUILD and TIGER grant program)</li> </ul>	<p>\$7.5 billion over five years; 70.45% increase over FAST Act</p>
<p><b>Nationally Significant Freight and Highway Projects (INFRA)</b></p> <ul style="list-style-type: none"> <li>Existing competitive grant program; local govts eligible</li> <li>This funding supports an increase over baseline funding to the INFRA grant program, which supports highway and rail projects of regional and national economic significance</li> </ul>	<p>\$8 billion; 77.78 % increase over FAST Act</p>
<p><b>Safe Streets and Roads for All Grant Program (“Vision Zero”)</b></p> <ul style="list-style-type: none"> <li>New competitive grant program; local govts eligible</li> <li>Competitive grant program to develop and implement comprehensive safety plans and projects</li> </ul>	<p>\$5 billion over five years</p>
<p><b>Strengthening Mobility and Revolutionizing Transportation (SMART)</b></p> <ul style="list-style-type: none"> <li>New grant program, local govts eligible</li> <li>Demonstration projects focused on advanced smart city or community technologies/systems (connected vehicles, coordinated automation &amp; ITS) to improve transportation efficiency and safety</li> </ul>	<p>\$500 million over five years</p>

# Key Programs of Interest to the City of Seattle Transportation Programs

Program	Funding Level
<p><b>Railroad Crossing Elimination Competitive Grant Program</b></p> <ul style="list-style-type: none"> <li>• <i>New competitive grant program; local govts eligible</i></li> <li>• Competitive grant program for the elimination of hazards at railway-highway crossings</li> </ul>	<p>\$3 billion over five years</p>
<p><b>Bridge Grant Programs</b></p> <ul style="list-style-type: none"> <li>• <i>New competitive grant program; local govts eligible to apply</i></li> <li>• Large grants (at least \$100 million) allocated through a FFGA like process</li> <li>• Minimum grant amount for large projects not less than \$50 million;</li> <li>• At least 50% of funds over five years must be used for large projects</li> <li>• Grant amounts, in combination with other anticipated funds</li> </ul>	<p>\$16 billion competitive grant program</p>
<p><b>Active Transportation Infrastructure Investment Program</b></p> <ul style="list-style-type: none"> <li>• <i>Competitive grants; local govts eligible</i></li> <li>• New competitive grant program for safe and connected active transportation projects that connect destinations within or between communities -- including schools, workplaces, residences, businesses, recreation areas, and other community areas – or to create active transportation spines.</li> </ul>	<p>\$1 billion over five years (subject to appropriations)</p>
<p><b>Culvert Removal, Replacement and Restoration Program</b></p> <ul style="list-style-type: none"> <li>• <i>New competitive grant program</i></li> <li>• To remove, replace and restore culverts to address the flow of water through roads, bridges, railroad tracks and trails</li> </ul>	<p>\$1 billion over five years</p>

# Key Programs of Interest to the City of Seattle

## Environment & Resiliency Programs

Program	Funding Level
<p><b>Healthy Streets Program</b></p> <ul style="list-style-type: none"> <li>• <i>New competitive grant program; local govts eligible</i></li> <li>• Grants to deploy cool pavements and porous pavements, and to expand tree cover</li> </ul>	\$500 million over five years (subject to appropriations)
<p><b>Electric Vehicle (EV) Charging and Refueling Grant Program</b></p> <ul style="list-style-type: none"> <li>• <i>New formula and competitive grant program; State DOT will allocate formula, local govts eligible for competitive grants</i></li> <li>• Establishes a formula program to deploy publicly accessible alternative fuel vehicle charging infrastructure</li> <li>• 50% set aside each year for competitive grants -- prioritizing rural areas, low- and moderate income neighborhoods and communities with low ratios of private parking or high ratios of multiunit dwellings</li> </ul>	\$2.5 billion over five years
<p><b>EV Charging Formula Program</b></p> <ul style="list-style-type: none"> <li>• <i>New formula program; funding through State DOT</i></li> <li>• Establishes a National EV Formula Program to provide funding to states to deploy EV charging infrastructure</li> </ul>	\$5 billion over five years
<p><b>Cost-Effective Codes Implementation for Efficiency and Resilience (DOE)</b></p> <ul style="list-style-type: none"> <li>• Competitive grant program for states or regional partnerships to implement updated building energy codes</li> </ul>	\$225 million
<p><b>Weatherization Assistance Program (WAP) (DOE)</b></p> <ul style="list-style-type: none"> <li>• <i>Existing program</i></li> </ul>	\$3.5 billion mandatory funding
<p><b>Energy Efficiency and Conservation Block Grant (EECBG) (DOE)</b></p> <ul style="list-style-type: none"> <li>• <i>Existing program, created in ARRA stimulus bill in 2009</i></li> <li>• Provides grants to state and local governments for energy efficiency and conservation projects</li> </ul>	\$550 million mandatory funding

# Key Programs of Interest to the City of Seattle

## Energy & Resiliency Programs

Program	Funding Level
<p><b>Grid Resilience Grant Program (DOE)</b></p> <ul style="list-style-type: none"> <li>• New competitive grant program to fund activities to make grids more resilient and reliant in the face of extreme weather or natural disasters; electricity providers eligible</li> </ul>	<p>\$5 billion (authorized)</p>
<p><b>Program Upgrading Our Electric Grid Reliability (DOE)</b></p> <ul style="list-style-type: none"> <li>• New competitive grant program for demonstrating innovative approaches to transmission, storage and distribution infrastructure to harden and enhance resilience and reliability</li> <li>• Local govts and public utility commissions eligible</li> </ul>	<p>\$5 billion mandatory funding over five years</p>
<p><b>Smart Grid Investment Matching Grant Program (DOE)</b></p> <ul style="list-style-type: none"> <li>• Existing program, created in ARRA stimulus bill in 2009</li> <li>• Funding to support the deployment of technologies that enhance electric grid flexibility; electricity providers eligible</li> </ul>	<p>\$3 billion mandatory funding over five years</p>



# Key Programs of Interest to the City of Seattle

## Water Programs

Program	Funding Level	Program	Funding Level
<p>Drinking Water State Revolving Loan Fund (SRF)</p> <ul style="list-style-type: none"> <li>Allocated through Water Infrastructure Finance Authority</li> </ul>	\$14.65 authorized over 5 years	<p>Wastewater Efficiency Grant Pilot Program</p> <ul style="list-style-type: none"> <li>Creates a new program for projects to improve waste-to-energy systems</li> </ul>	\$50 million authorized annually over 5 years
<p>Drinking Water SRF</p> <ul style="list-style-type: none"> <li>States must allocate 49% of the funds to provide subsidy with 100% forgiveness of principal or grants (or any combination of these)</li> </ul>	\$11.713 billion mandatory funding annually	<p>Resiliency and Sustainability Grants</p> <ul style="list-style-type: none"> <li>Creates a Clean Water Infrastructure Resiliency and Sustainability grant program and continues the Drinking Water Infrastructure Resiliency and Sustainability grant program to provide financing for resiliency projects, including conservation and to supply augmentation projects</li> </ul>	Authorized \$50 million annually for Drinking Water and \$25 million for Clean Water over 5 years
<p>Clean Water SRF</p> <ul style="list-style-type: none"> <li>Allocated through Water Infrastructure Finance Authority</li> </ul>	\$14.65 billion authorized over five years	<p>Drinking Water Technical Assistance Funding and Emergency Grants</p> <ul style="list-style-type: none"> <li>Funding to help mitigate drinking water threats to public health, including emergency situations resulting from a cybersecurity event or vulnerability</li> </ul>	Authorized \$35 million annually over 5 years
<p>Clean Water SRF</p> <ul style="list-style-type: none"> <li>States must allocate 49% of the funds to provide subsidy with 100% forgiveness of principal or grants (or any combination of these)</li> </ul>	\$11.713 billion mandatory funding over 5 years		

# Key Programs of Interest to the City of Seattle

## Cybersecurity & Public Safety Programs

Program	Funding Level
<b>State and Local Cybersecurity Grant Program</b> <ul style="list-style-type: none"><li>Establishes a grant program at DHS for state and local governments to address cybersecurity risks and threats</li></ul>	\$1 billion
<b>Building Resilient Infrastructure and Communities (BRIC) Program</b> <ul style="list-style-type: none"><li><i>Existing program</i></li><li>Supports pre-disaster and hazard mitigation activities undertaken by states and local communities</li></ul>	\$1 billion mandatory funding over 5 years

# Key Programs of Interest to the City of Seattle

## Broadband & Digital Equity Programs

Program	Funding Level
<b>Broadband, Equity, Access and Deployment Program</b> <ul style="list-style-type: none"><li>• Formula based program to states to competitively award grants to qualifying infrastructure, mapping, and adoption projects.</li></ul>	\$42.5 billion
<b>Digital Equity Competitive Grant Program</b> <ul style="list-style-type: none"><li>• \$250 million per year for competitive grants to local governments and non-profits</li></ul>	\$2.75 billion

# “Build Back Better” Reconciliation Bill

- On October 29, President Biden unveiled a scaled-back “Build Back Better Framework,” pared down to \$1.75 trillion from \$3.5 trillion.
  - The outline provided a breakthrough after a weeks-long standoff between moderate Senators and progressive Democrats over the size and scope of the legislation, which includes new spending on social programs and climate change.
  - The Congressional Progressive Caucus has largely endorsed the latest framework, while moderate Sen. Joe Manchin (D-WV) has said he cannot fully endorse the framework without a better understanding of its economic impact.
- The House passed the BBB on November 19, by a vote of 220-213.
- The Senate is all but certain to change the legislation, meaning the House would have to vote again. Senate action is expected in 2022.

# Reconciliation Bill: \$1.75 trillion Build Back Better Framework

Policy	Funding
<b>Child Care</b> <ul style="list-style-type: none"> <li>• Universal preschool for all 3 and 4 year olds</li> <li>• Affordable high quality child care</li> </ul>	<b>\$400 billion</b>
<b>Home Care</b>	<b>\$150 billion</b>
<b>Child Tax and Earned Income Tax Credits</b>	<b>\$200 billion</b>
<b>Clean Energy and Climate Investments</b> <ul style="list-style-type: none"> <li>• Clean energy tax credits</li> <li>• Resilience investments</li> <li>• Investments and incentives for clean energy technology, manufacturing and supply chains</li> <li>• Clean energy procurement</li> </ul>	<b>\$555 billion</b>
<b>Affordable Care Act Credits, including in Covered States</b>	<b>\$130 billion</b>
<b>Medicare Hearing</b>	<b>\$150 billion</b>
<b>Housing</b>	<b>\$150 billion</b>
<b>Higher Education and Workforce</b>	<b>\$40 billion</b>
<b>Equity and Other Investments</b>	<b>\$90 billion</b>
<b><u>Total</u></b>	<b><u>\$1.75 trillion</u></b>

# Reconciliation Bill

## Key Transportation & Infrastructure Provisions

- \$10 billion for FRA **Passenger Rail Improvement, Modernization, and Emission Reduction Grants** (High-Speed Rail)
- \$10 billion for **Affordable Housing Access Program** through a joint program at FTA and HUD to support transit projects that support access to affordable housing, improve mobility for low-income riders, and enhance access to opportunities
- \$1 billion for **Zero-Emissions Vehicle Infrastructure Grants** at DOE
- \$2 billion in state, local, and nonprofit efforts to **install zero-emission vehicle charging or fueling infrastructure**
- \$4 billion for **Community Climate Incentive Grant Program** at DOT to reduce on-road GHG emissions
- \$4 billion for a **Neighborhood Access and Equity Grant Program** at FHWA to reconnect communities divided by existing infrastructure barriers
- \$3.4 billion to the **Economic Development Administration (EDA)** to invest in the creation of regional innovation hubs

# Reconciliation Bill

## Key Housing Provisions

\$150 billion in **affordable housing investments** as follows:

- \$65 billion for **public housing infrastructure**
  - \$10 billion for the **Public Housing Capital Fund**
  - \$53 billion for priority investments, as determined by HUD Secretary
- \$25 billion in new **rental assistance**, including:
  - \$24 billion to provide **Housing Choice Vouchers**
    - \$15 billion set-aside for households with extremely low incomes
    - \$7.1 billion set-aside for people experiencing or at risk of homelessness
  - \$1 billion for project-based rental assistance
- \$10 billion for down payment assistance
- \$25 billion for the **HOME Investment Partnerships Program**
- \$3 billion for **Community Development Block Grants (CDBG)**
- \$3 billion to establish the **Community Restoration and Reinvestment Fund** at the Department of Housing and Urban Development (HUD)
- \$1.75 billion for the **Unlocking Possibilities Program** to provide grants to state and local governments to improve and implement housing plans and strategies.
- \$250 million for a new “**Housing Investment Fund**” through the Capital Magnet Fund

# Reconciliation Bill

## Key Public Safety Provisions

Program	Funding Level
<b>Next Generation 9-1-1</b>	\$470 million
<b>Assistance to Firefighter Grants (AFG)</b> for PFAS-free equipment & supplies	\$95 million
Non-Federal Lands <b>Wildfire Resilience Grants</b>	\$2 billion over 10 years
Implementation of <b>Community Wildfire Protection Plans</b>	\$1 billion over 10 years
<b>FEMA – Update &amp; Enforce Hazard Resistance Codes &amp; Standards Grants</b>	\$145.5 million
<b>FEMA – Nonprofit Security Grants</b>	\$100 million
<b>Cybersecurity – Grants for states/locals</b>	\$100 million
<b>Community Violence &amp; Trauma Intervention Grants Programs (HHS)</b>	\$2.5 billion over 10 years
<b>Community Violence Prevention Grants (DOJ)</b>	\$2.5 billion over 10 years



# Key Takeaways and Next Steps

- Plan for competitive grant opportunities
- Coordination critical in the region
- Funding over several years
- Meet in advance with federal agencies

Questions?