

Bipartisan Infrastructure Law Overview



Innovation

Teamwork

Excellence

Objectives

Provide executive summary of the Bipartisan Infrastructure Law (BIL).

Provide a snapshot of funding provided to North Carolina.

Increase awareness of BIL's competitive funding opportunities.

BIL/Infrastructure Investment and Jobs Act (IIJA)

- Signed November 2021.
- Provides significant public investment in US transportation networks, broadband, and public works projects.
- Funding Totals
 - \$1.2 trillion nationwide
 - \$11 billion (\$9B for Transportation) est. minimum to NC.
 - Awards to date (March 2023) found <u>here</u>.

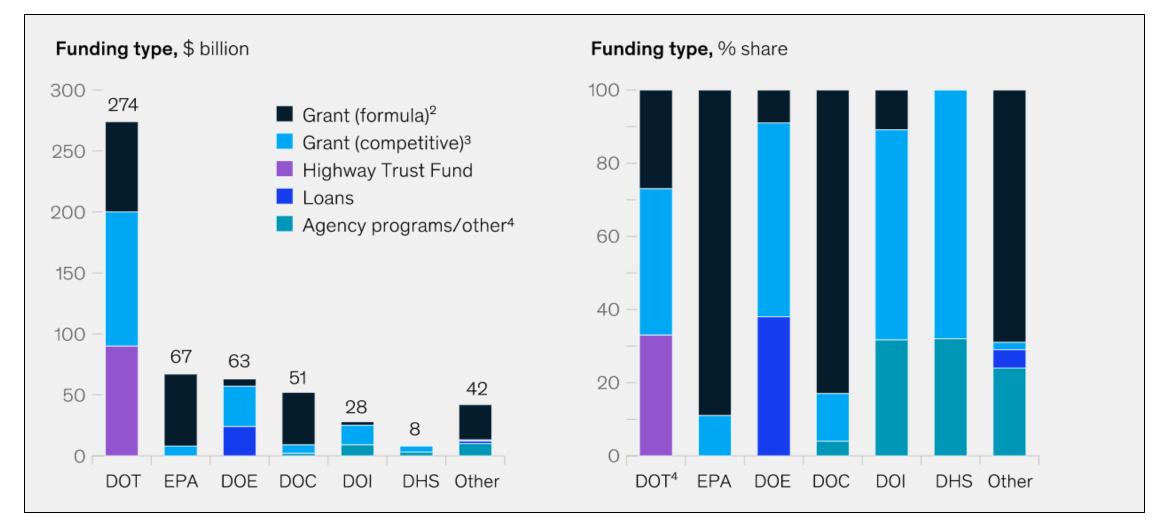
• Types of Funding

- Formula (est. 60%) and competitive grants, a handful of other types.
- +300 programs

Timelines

- Most grants spread across FFYs 2022-2026.
- Many first-round awards issued in recent months.
- Many second-round applications are currently being accepted.

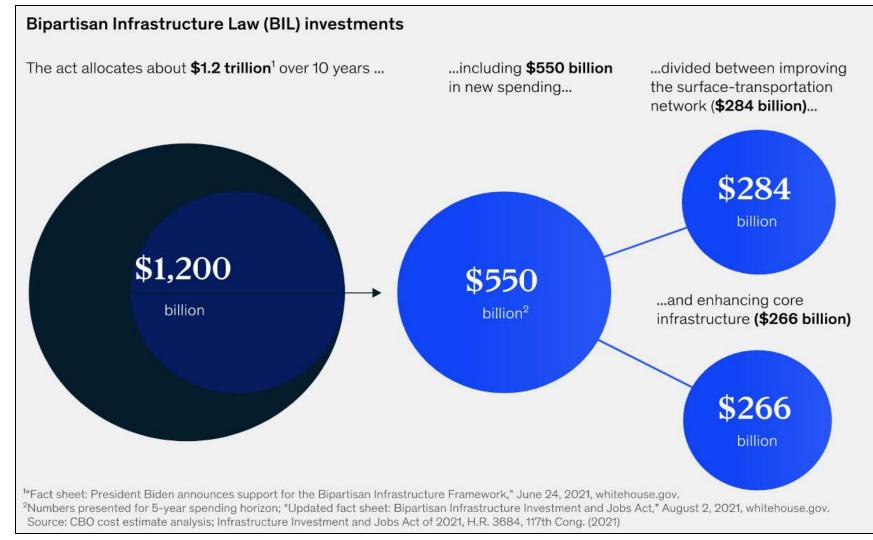
BIL Funding Type by Federal Department



Source: https://www.mckinsey.com/industries/public-and-social-sector/our-insights/the-us-bipartisan-infrastructure-law-breaking-it-down

BIL – Funding Structure Breakdown

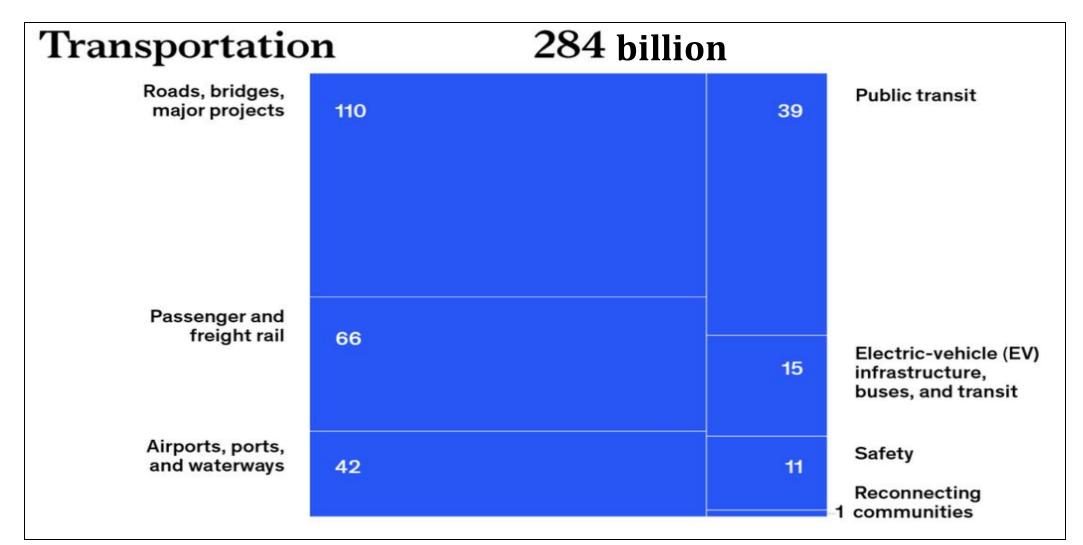
- \$1.2T total funding over ten years
- \$600B existing infrastructure investment
- \$550B new spending in next 5 years
 - \$284B Improving the surfacetransportation network
 - \$266B society's core infrastructure



Source: https://www.mckinsey.com/industries/public-and-social-sector/our-insights/the-us-bipartisan-infrastructure-law-breaking-it-down

BIL – New Transportation Funding

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Roads, Bridges, & Major Projects

Summary

 \$110B to US DOT and US DOI for upgrades to roads, bridges, provides funds to address climate change and bolster resilience, and increases funding for the major project competitive grant programs.

Formula Funding Highlights

- \$7.8B to NC over five years in Federal highway formula funding for highways and bridges.
- \$171M to NC over five years to reduce transportation-related emissions.
- \$194M to NC over five years to increase the resilience of its transportation system.
- Source: <u>USDOT</u>

Competitive Funding Highlights

- \$12.5B to Bridge Investment Program for economically significant bridges nationwide.
- \$5B dedicated to mega projects nationwide.
- \$7.5B for RAISE grants and \$8B for the INFRA Program nationwide.
- Source: White House BIL Guidebook

Notable Programs

• RAISE grants, INFRA grants, Mega Projects, Carbon Reduction Program

Summary

 \$66B in advanced appropriations AND authorizes up to an additional \$36B over the next five years for Amtrak National Network; to address a severe repair backlog for Northeast Corridor; and to increase funding for freight rail and safety.

Formula Funding Highlights

- \$41B for grants to Amtrak nationwide.
- \$43.5B nationwide for Federal-State Partnership for Intercity Passenger Rail Grants for intercity rail service, including high-speed rail nationwide.
- Source: <u>USDOT</u>

Competitive Funding Highlights

- \$10B for rail improvement and safety grants nationwide.
- \$5.5B for crossing safety improvements nationwide.
- Source: <u>USDOT</u>

Notable Programs

• Federal-State Partnership for Intercity Passenger Rail Grants, Consolidated Rail Infrastructure and Safety Improvements, Railroad Crossing Elimination Program

Airports, Ports, and Waterways

Summary

- \$25B to Airports for an airport improvement grant program for runways, gates, taxiways and terminals.
 - Improves Air Traffic Control infrastructure.
- \$17B to Ports and Waterways for coastal infrastructure, inland waterway improvements, port infrastructure, and land ports of entry.

Formula Funding Highlights

- \$460M to NC for infrastructure development for airports over five years.
- \$15M in Airport Terminal Funding.
- Source: <u>USDOT</u>, <u>FFIS</u>

Competitive Funding Highlights

- \$5B in discretionary funding is available over five years for airport terminal development projects that address the aging infrastructure of our nation's airports.
- \$2.25B Port Infrastructure Development Program.
- Source: <u>USDOT</u>, <u>White House BIL Guidebook</u>

Notable Programs

• Airport Terminal Program, Port Infrastructure Development, Reduction in Truck Emissions at Ports

Public Transit

Summary

- \$39B to for nation's transit system repair backlog; to expand transit systems; and to support clean transit options.
 - Includes \$5.3B to replace thousands of transit vehicles with ZE vehicles.
 - Increases accessibility for seniors and persons with disabilities.

Formula Funding Highlights

- \$920M to NC over five years to improve public transportation options across the state.
- Source: <u>USDOT</u>

Competitive Funding Highlights

- \$300M annually for 5 years for Rail Vehicle Replacement Program nationwide.
- \$350M annually for 5 years for the All Stations Accessibility Program nationwide.
- Source: USDOT FTA

Notable Programs

• See above.

Electric Vehicle (EV) Infrastructure, Buses, and Ferries

Summary

- \$7.5B to EV Charging
 - Funds for alternative fuel corridors to build a national network EV charging infrastructure to facilitate long-distance travel and to provide convenient charging locations.
- \$7.5B to Clean School Buses and Ferries
 - Funds the replacement of existing school buses with zero emission and clean school buses.
 - Funds the replacement of ferries with low carbon ferries and rural ferries.

Formula Funding Highlights

- \$109 million over five years to support the EV charging network in the NC (NEVI Program).
- Source: USDOT

Competitive Funding Highlights

- \$2.5B available for EV charging in communities and along corridors nationwide.
- \$100M annually for 5 years for the EV Ferry Program nationwide.
- \$400M annually for 5 years for the Ferry Service for Rural Communities nationwide.
- Source: <u>USDOT</u>, <u>USDOT FTA</u>

Notable Programs

• NEVI Program, Discretionary Grant Program for Charging and Fueling Infrastructure, Clean School Bus Program, Electric or Low-Emitting Ferries, Ferry Service for Rural Communities

Safety and Reconnecting Communities

Summary

- \$11B for highway & pedestrian safety programs, as well as pipeline safety and repair.
- \$1B to fund projects that remove barriers to opportunity caused by legacy infrastructure.

Formula Funding Highlights

- \$54M to NC for highway safety traffic programs.
- \$73.9M to NC over five years to reduce Commercial Motor Vehicle crashes through the Motor Carrier Safety Assistance Program.
- Source: <u>USDOT</u>

Competitive Funding Highlights

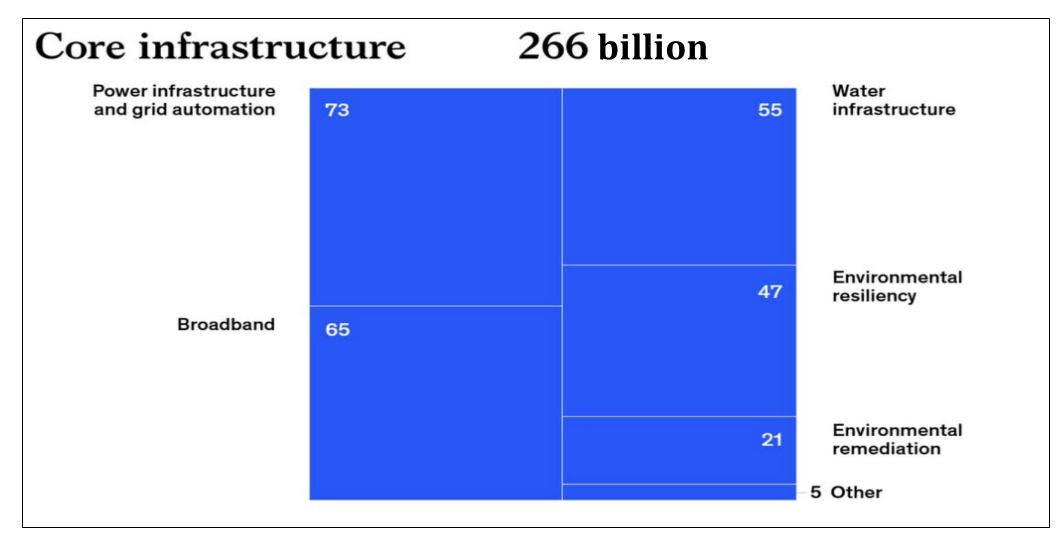
- \$5B for local and tribal governments nationwide for a new Safe Streets for All program to advance "vision zero" plans and improvements to reduce crashes.
- \$1B nationwide for planning, design, demolition, and reconstruction of street grids, parks, or other infrastructure grants related to reconnecting communities.
- Source: <u>USDOT</u>

Notable Programs

• Safe Streets for All program, Reconnecting Communities Pilot Program

BIL – New Core Infrastructure Funding

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Power Infrastructure and Grid

Summary

- \$73B for upgrades to power infrastructure, including new transmission lines to facilitate renewable energy expansion.
- Includes \$21.5B for clean energy technology: clean hydrogen, carbon capture and sequestration, and carbon transportation.

Formula Funding Highlights

• \$46M to NC for preventing outages and enhancing the resilience of the electric grid. This program supports activities that reduce the likelihood and consequence of impacts to the electric grid due to extreme weather, wildfire, and natural disaster.

• Source: FFIS

Competitive Funding Highlights

- \$3B nationwide to provide grants for electricity providers to upgrade their transmission systems.
- Source: Bipartisan Policy Center

Notable Programs

• Preventing outages and enhancing the resilience of the electric grid, Upgrading Our Electric Grid Reliability and Resiliency

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Broadband

Summary

• \$65B to address key drivers of the digital divide: infrastructure availability, subscription affordability, and digital inclusion and literacy.

Formula Funding Highlights

- \$144M for the Affordability Connectivity Benefit, which will low-income NC families afford internet access.
- \$100 million (minimum allocation) to NC to provide broadband coverage across the state. Estimates suggest North Carolina will receive approximately \$25 million for Digital Equity.
- Source: Division of Broadband and Digital Equity, NCDIT

Competitive Funding Highlights

- \$1.25B nationwide to support states implement their Digital Equity Plans.
- Source: Division of Broadband and Digital Equity, NCDIT, White House BIL Fact Sheet

Notable Programs

• Broadband Equity, Access, and Deployment Program, Digital Equity Grant Program, State Digital Equity Capacity Grant Program, Middle Mile Grants

Water Infrastructure

Summary

- \$55B for lead service line replacement and to address PFAS.
- Also supports water infrastructure in Tribal communities.

Formula Funding Highlights

- Over \$600M total to NC in Drinking Water and Clean Water State Revolving Funds.
- Over \$400M to NC for Lead Service Line Replacement (based on need).
- Over \$100M to NC to address emerging contaminants in Small and Disadvantaged Communities.
- Source: FFIS

Notable Programs

• Drinking Water and Clean Water State Revolving Funds, EPA's Small and Disadvantaged Communities program (emerging contaminants).

Environmental Resiliency and Remediation

Summary

- \$47B for cybersecurity AND to address critical infrastructure needs related to waste management, flood and wildfire mitigation, drought, and coastal resiliency, restoration, heat stress, and weatherization.
- \$21B to clean up an estimated 1,200 brownfield and superfund sites, reclaim abandoned mine lands, and plug orphan oil and gas wells.

Formula Funding Highlights

- \$7.3B nationwide to improve the resiliency of transportation infrastructure and \$3.5B nationwide for weatherization, which will reduce energy costs for families.
- \$32M to NC over to protect from wildfires AND \$27M to NC to protect against cyberattacks.
- Source: White House BIL Fact Sheet

Competitive Funding Highlights

- \$1B nationwide for FEMA's "Building Resilient Infrastructure and Communities (BRIC)" program to help improve the resiliency of transportation infrastructure.
- Source: FFIS

Notable Programs

 BRIC Program, Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) grant program, State and Local Cybersecurity Grant Program, <u>+more</u>.

Requirements and Resources to Consider

Buy America, Build America Act (BABA)

- Prioritize/incentivize the use of goods, materials, and services made/provided for in US.
- Any program that has infrastructure must meet requirements:
 - All iron and steel used in projects must be made in US.
 - All manufactured products must be produced in US.
 - All components manufactured product must be from US and >55% of the total cost.
 - All construction materials must be made in the US throughout the manufacturing process.
 - Source: <u>White House Memo on BABA</u>

Justice40 Initiative

- Commits at least 40% of federal investments (Including BIL and IRA) to disadvantaged communities that are marginalized, underserved, and overburdened with pollution.
- Categories of investment: climate, clean energy, transit, housing, workforce development, pollution reduction, and water and wastewater infrastructure.
- <u>Climate and Economic Justice Screening Tool</u> is a geospatial mapping tool to identify disadvantaged communities nationwide.
- Source: <u>White House Justice40</u>

Technical Assistance

• A list of federal resources to help communities deliver infrastructure projects.



Resources

- <u>https://www.mckinsey.com/industries/public-and-social-sector/our-insights/the-us-bipartisan-infrastructure-law-breaking-it-down</u>
- <u>https://www.mckinsey.com/industries/public-and-social-sector/our-insights/the-us-bipartisan-infrastructure-law-breaking-it-down</u>
- <u>https://www.transportation.gov/briefing-room/bipartisan-infrastructure-law-will-deliver-north-carolina</u>
- <u>https://democrats.org/wp-content/uploads/2022/11/North-Carolina-BIL-State-Fact-Sheet-Nov-22.pdf</u>
- <u>0727aa5a-308f-4ef0-addf-140fd43acfb5_BUILDING-A-BETTER-AMERICA-V2.pdf (prismic.io)</u>