



# The Infrastructure Investment and Jobs Act and National Update

Zack Perconti

Vice President, Government Affairs

National Utility Contractors Association

# The Infrastructure Investment and Jobs Act (H.R. 3684)

- ▶ Largest-ever Federal Investment in key NUCA markets (\$550B in new spending)
- ▶ Most funding distributed over five years; broadband funding over a longer period
  - ➔ \$55B for water infrastructure
  - ➔ \$8.3B for western water infrastructure
  - ➔ Over \$40B for broadband construction
  - ➔ \$110B for surface transportation
  - ➔ \$73B for electric grid; \$7B for EV charging stations
  - ➔ \$66B for passenger and freight rail
  - ➔ \$42B for airports, ports, and waterways
  - ➔ \$1B for Municipal gas distribution replacement
  - ➔ **And more!**
    - ➔ **Permit reforms, including One Federal Decision**
    - ➔ **Under-21 CDL interstate driver pilot program**
- ➔ **Bipartisan legislation passed with industry support**

Ohio is set to receive a combined total of at least **\$12.7 Billion** in federal funds as a direct result of the signing of H.R. 3684, the Infrastructure Investment and Jobs Act (IIJA)

Access to billions of additional dollars for other infrastructure projects, including

- Flood mitigation
- Waterway and coastal infrastructure
- Environmental remediation
- Infrastructure resiliency

# Infrastructure Funding Overview

# Over \$55 Billion in EPA-Administered Water Funding

<b>State &amp; Tribal Grants</b>	<b>55.426 billion</b>
Clean Water State Revolving Fund Traditional	11.713 billion
Drinking Water State Revolving Fund Traditional	11.713 billion
Lead Service Lines Drinking Water State Revolving Fund	15 billion
PFAS Clean Water State Revolving Fund	1 billion
PFAS Drinking Water State Revolving Fund	4 billion
PFAS Small & Disadvantaged	5 billion
Underground Injection Control Grants	50 million
Brownfields	1.5 billion
Pollution Prevention	100 million
Save Our Seas 2.0	275 million
RECYCLE Act	75 million
Clean School Buses	5 billion
<b>Superfund</b>	<b>3.5 billion</b>
Remedial Cleanups	3.5 billion
<b>Environmental Programs and Management</b>	<b>1.959 billion</b>

# Ohio Surface Transportation Funding

- ▶ Approximately \$9.8B in Federal highway formula funding for highways and bridges
  - ▶ \$9.2B for highways, \$483M for bridges
  - ▶ 30.4% increase over previous law
- ▶ Competitive funding
  - ▶ \$12.5 B through Bridge Investment Program for economically significant bridges
  - ▶ \$15B of national funding dedicated to megaprojects that will “deliver substantial economic benefits to communities”
- ▶ In many states, funding primarily supports repair/maintenance of existing projects - not prioritized for new ones
  - ▶ Federal guidance prioritizes maintenance but does not mandate preference over new projects; many states have already expressed intention to disregard guidance



## Infrastructure Funding Overview - Surface Transportation (Cont.)

- ▶ At least \$1.4B for public transportation
  - ▶ In first year, 34% increase over 2021 funding levels
- ▶ \$140M for expansion of the electric vehicle charging network
  - ▶ All states may apply for part of the \$2.5B available for additional grants
- ▶ Other transportation:
  - ▶ Ohio will receive at least \$253M for infrastructure development at airports

# Infrastructure Funding Overview - Water Infrastructure

Based on the traditional state revolving fund formula, Ohio will receive a minimum of \$1.4B

Annual DWSRF funding at least double current levels

Access to \$10B in grants to address PFAS contamination



Funds will be distributed to projects via the EPA SRFs

<b>Program</b>	<b>Ohio</b>
DW SRF	\$45.251M
DW SRF Lead Service Line Replacement	\$71.300M
DW SRF Emerging Contaminants	\$19.001M
CW SRF	\$100.195M
CW SRF Emerging Contaminants	\$5.264M
<b>Total</b>	<b>\$241.011M</b>

## **EPA 2022 SRF Estimated Allotment By Program**

# Infrastructure Funding Overview - Broadband

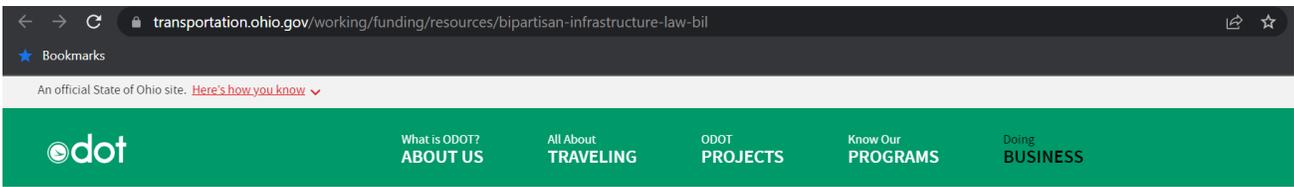
- ▶ Minimum allocation of \$100M (same in every state) with the remainder distributed by NTIA programs
- ▶ New buildout first prioritizes areas lacking 25/3 Mbps (“Unserved”), then areas lacking 100/20 Mbps (“Underserved”), then “community anchor institutions” lacking 1Gb - must provide at least 100/20 Mbps
- ▶ The \$42.45B in overall funding will be doled out by the Commerce Department’s National Telecommunications and Information Administration (NTIA) by way of direct grants to states
  - ▶ \$2B is also being made available to the RUS ReConnect Program
- ▶ BEAD Funding will not be deployed until new maps are published (likely Summer 2022), but funding for the program **does not expire**
  - ▶ Money will likely reach the market no earlier than late 2023, according to some estimates

Program Name	Agency Name	Bureau Name	Funding Amount	Period of Availability	Funding Mechanism	New Program (Yes/No)
Affordable Connectivity Program	Federal Communications Commission	Federal Communications Commission	\$14,200,000,000	Available until expended	Subsidies provided directly to internet service providers to apply to consumers' monthly internet bill	No
Broadband Deployment Locations Map	Federal Communications Commission	Federal Communications Commission	\$10,000,000	Available until expended	N/A	Yes
Denali Commission Broadband Funding	Denali Commission	Denali Commission	\$250,000	Available until expended	Grant	No
Denali Commission Broadband Funding	Denali Commission	Denali Commission	\$10,000,000	Available until expended	Grant	No
Distance Learning, Telemedicine, And Broadband Program: Broadband Loans	Department of Agriculture	Rural Utilities Service	\$74,000,000	Available until expended	Direct Loan	No
Distance Learning, Telemedicine, And Broadband Program: Reconnect Program	Department of Agriculture	Rural Utilities Service	\$1,926,000,000	Available until expended	Direct Loan/Grant/Combo	No
Broadband Equity, Access, And Deployment Program	Department of Commerce	National Telecommunications and Information Administration	\$42,450,000,000	Available until expended	Grant	Yes
Middle Mile Grant Program	Department of Commerce	National Telecommunications and Information Administration	\$1,000,000,000	fiscal years 2022-2026	Grant	Yes
State Digital Equity Capacity Grant	Department of Commerce	National Telecommunications and Information Administration	\$1,440,000,000	Available until expended	Grant	Yes
State Digital Equity Competitive Grant	Department of Commerce	National Telecommunications and Information Administration	\$1,250,000,000	Available until expended	Grant	Yes
State Digital Equity Planning Grant	Department of Commerce	National Telecommunications and Information Administration	\$60,000,000	Available until expended	Grant	Yes
Tribal Broadband Connectivity Program	Department of Commerce	National Telecommunications and Information Administration	\$2,000,000,000	Available until expended	Grant	No
<b>TOTAL IJA Broadband Funding</b>			<b>\$64,420,250,000</b>			

# IJA Broadband Funding by Program

# What has Ohio received so far?

- ▶ As of July 2022:
  - ▶ \$2.8B in IIJA funding announced; 125 specific projects identified
- ▶ In 2022, Ohio receives more than \$2.3B for transportation, over \$240M for water
  - ▶ \$1.8B in highway funding, \$104M in bridge funding in 2022
  - ▶ \$258M for public transportation in 2022
  - ▶ \$21M for EV charging stations, pending approval of state plan
  - ▶ \$54M for airports, \$13M for ports
- ▶ Weatherization and resiliency funding
  - ▶ \$131M in 2022 for legacy pollution cleanup (orphaned wells, reclaiming abandoned mines)
  - ▶ \$28 million for infrastructure resilience
  - ▶ \$172M for weatherization, \$7.1M for grid resiliency



Current Solicitations for BIL

Program & NOFO Link	Amount Available	Applications Due
<a href="#">Appalachian Regional Initiative for Stronger Economies (ARISE)</a>	\$73,500,000	
<a href="#">All Stations Accessibility Program</a>	\$343,000,000	10/7/2022
<a href="#">Railroad Crossing Elimination Program</a>	\$573,264,000	10/11/2022
<a href="#">Reconnecting Communities</a>	\$195,000,000	10/13/2022
<a href="#">Nationally Significant Federal Lands and Tribal Projects Program</a>	\$125,215,000	10/24/2022
<a href="#">Advanced Transportation Technologies and Innovative Mobility Deployment (ATTIMD)</a>	\$60,000,000	11/18/2022
<a href="#">Strengthening Mobility and Revolutionizing Transportation (SMART)</a>	\$100,000,000	11/18/2022
<a href="#">Advanced Driver Assistance Systems (ADAS) for Transit Buses Demonstration and Automated Transit Bus Maintenance and Yard Operations Demonstration</a>	\$6,500,000	11/21/2022
<a href="#">Consolidated Rail Infrastructure and Safety Improvements Program (CRISI)</a>	\$1,427,462,902	12/1/2022

LAST UPDATED: September 23, 2022

# Competitive Grants

# Implementing IIJA and Next Steps

- ▶ Oversight - the Administration must respect Congressional intent
  - ▶ PLA Executive Order on direct federal contracts over \$35M (mostly does not apply to IIJA-funded projects)
    - ▶ Recent calls with Small Business Administration, White House showing some response to our concerns (especially when framed with respect to workforce issues)
  - ▶ PLAs encouraged by agencies on projects funded through IIJA
  - ▶ One Federal Decision implementation deadlines ignored
- ▶ Targeted fixes to IIJA
  - ▶ Broadband Private Activity Bonds (\$600 million in IIJA)
    - ▶ Working to bring speed thresholds up to 100/20 in line with other broadband programs; raise volume cap exemption from 75% to 100% (Budd)
- ▶ Lead Pipe Funding Shortfall
  - ▶ IIJA contained almost \$15B to remove/replace lead pipes; it will likely require at least another \$30B in funding to replace all lead pipes in America.
- ▶ Materials concerns:
  - ▶ NUCA has met with the Administration numerous times to push back full implementation of Build America Buy American Act requirements contained in the Infrastructure Bill
  - ▶ BABAA requirements could potentially worsen the supply chain crisis, delaying projects and significantly driving up costs
  - ▶ NUCA is working with the Administration to develop a better plan for implementation - support domestic manufacturing, but must be able to meet demand
    - ▶ Working to identify specific products/product categories for waivers, as well as better define “construction materials” subject to BABAA requirements, and the difference between construction materials and manufactured goods
- ▶ Workforce Development/Immigration
  - ▶ Looking ahead to next Congress - H2B visa reform, other possible compromises?

# Permitting Reform

- ▶ Manchin promised energy permitting reform in exchange for vote on Manchin-Schumer spending package - “Inflation Reduction Act of 2022”
  - ▶ Inflation Reduction Act largely opposed by industry despite this promise
    - ▶ 15% minimum tax on corporations making more than \$1 billion/year over course of three years
    - ▶ “Methane tax” (different from BBB version, unlikely that few transmission pipelines will even pay fee)
      - ▶ However, EPA engaged in re-write of the current rule
- ▶ Senate Republicans (Capito R-WV) have offered their own competing permit reform legislation
  - ▶ NUCA fully supports Capito bill - goes slightly further with reforms
- ▶ Pulled from Continuing Resolution - expecting another attempt in Lame Duck Session
  - ▶ Sen. Toomey (R-PA) reportedly working on compromise legislation
  - ▶ House Democrats remain main obstacle

## Energy Permitting Provisions

### **Designate and prioritize projects of strategic national importance.**

- Direct the President to designate and periodically update a list of at least 25 high-priority energy infrastructure projects and prioritize permitting for these projects.
- Require a balanced list of project types, including: critical minerals, nuclear, hydrogen, fossil fuels, electric transmission, renewables, and carbon capture, sequestration, storage, and removal.
- Criteria for selecting designated projects includes: reducing consumer energy costs, improving energy reliability, decarbonization potential, and promoting energy trade with our allies.

### **Set maximum timelines for permitting reviews, including two years for NEPA reviews for major projects and one year for lower-impact projects.**

- Require a single inter-agency environmental review document and concurrent agency review processes.
- Designate a lead agency to coordinate inter-agency review.
- Expand eligibility for the Federal Permitting Improvement Steering Council (FPISC) streamlining and transparency programs to ensure smaller energy projects, critical minerals and mining, and other key programs can benefit from FPISC. Provide FPISC funds to accelerate permitting.
- Improve the process for developing categorical exclusions under NEPA.

### **Improve Section 401 of the Clean Water Act by incorporating improvements from both the Trump and Biden administrations.**

- Require one of four final actions within one year of certification requests: grant, grant with conditions, deny, or waive certification.
- Clarify that the basis of review is water quality impacts from the permitted activity, based on federal, State, and Tribal standards.
- Require certification applications to include available information on potential water quality impacts.
- Prohibit State or Tribal agencies from requesting project applicants to withdraw applications to stop/pause/restart the certification clock.
- Require States and Tribes to publish clear requirements for water quality certification requests, or else default to federal requirements.

### **Address excessive litigation delays.**

- Set statute of limitations for court challenges.
- Require that if a federal court remands or vacates a permit for energy infrastructure, the court must set and enforce a reasonable schedule and deadline, not to exceed 180 days, for the agency to act on remand.
- Require random assignment of judges for all federal circuit courts.

### **Clarify FERC jurisdiction regarding the regulation of interstate hydrogen pipeline, storage, import, and export facilities.**

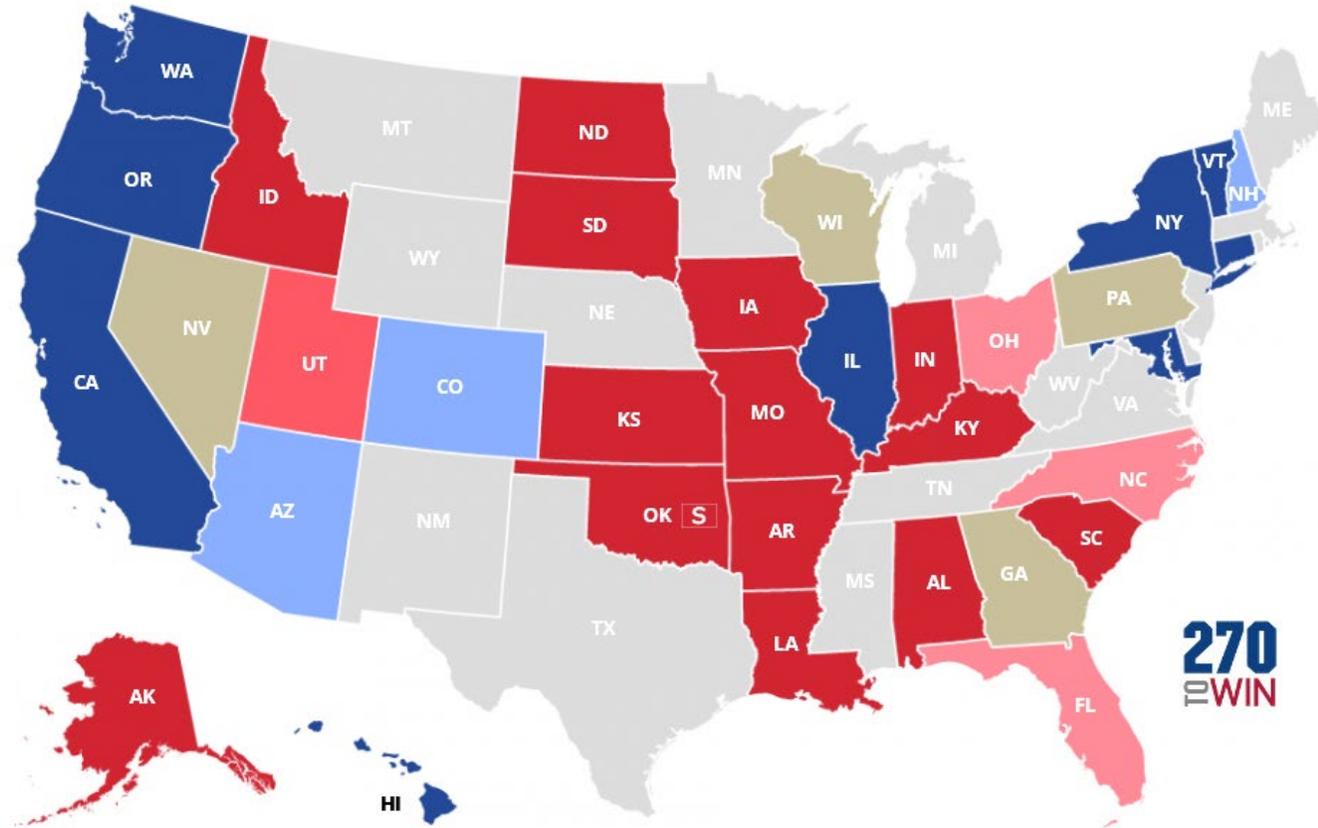
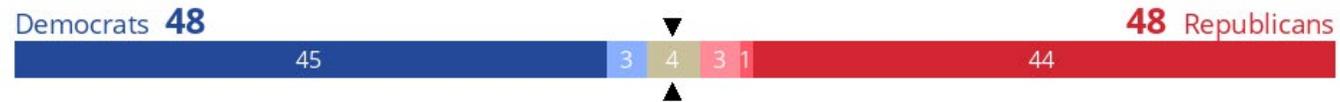
### **Enhance federal government permitting authority for interstate electric transmission facilities that have been determined by the Secretary of Energy to be in the national interest.**

- Replace DOE’s national interest electric transmission corridor process with a national interest determination by the Secretary of Energy that allows FERC to issue a construction permit.
- Require FERC to ensure costs for transmission projects are allocated to customers that benefit.
- Allow FERC to approve payments from utilities to jurisdictions impacted by a transmission project.

**Complete the Mountain Valley Pipeline.** Require the relevant agencies to take all necessary actions to permit the construction and operation of the Mountain Valley Pipeline and give the DC Circuit jurisdiction over any further litigation.



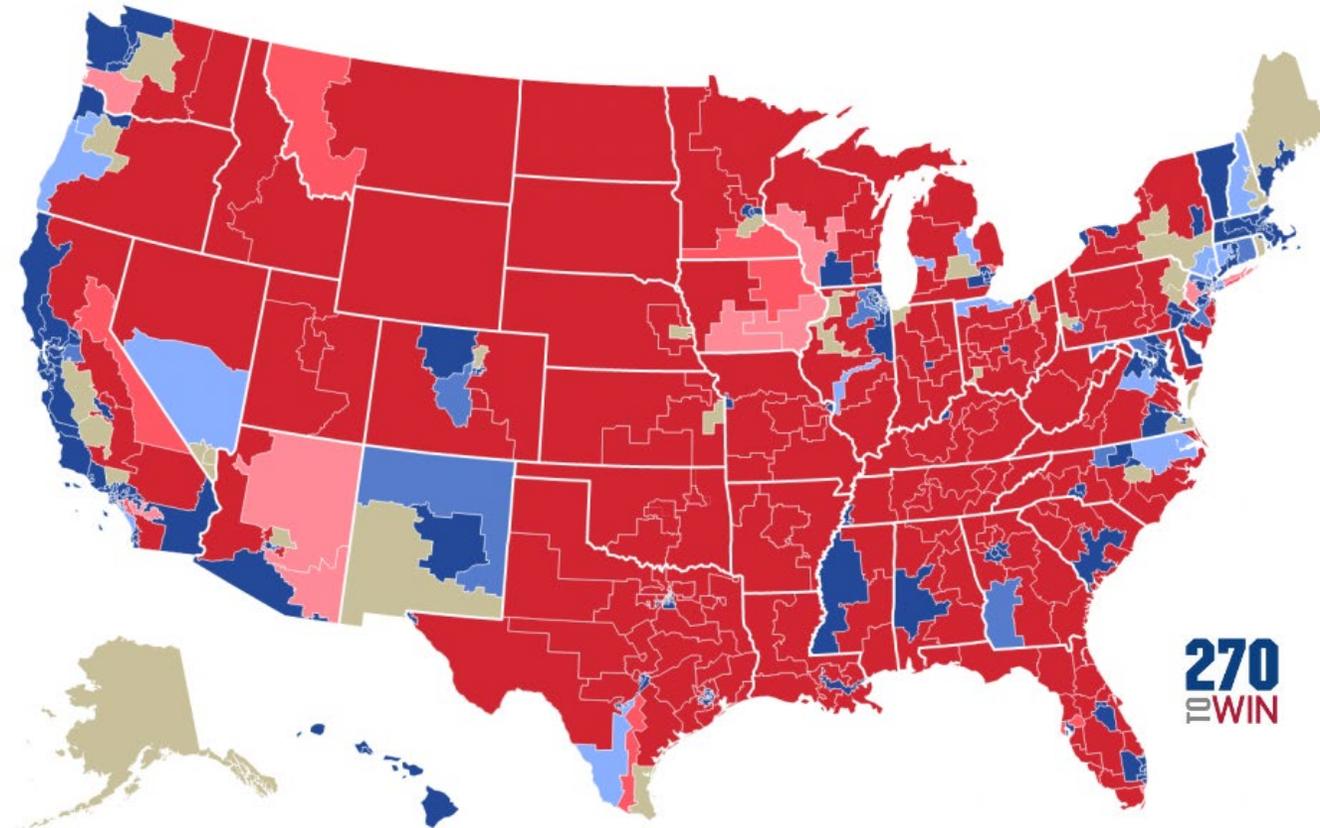
# Midterm Elections Update



Cook Political Senate Forecast

Democrats **194**

**211** Republicans



Cook Political House Forecast

## RATINGS SUMMARY

### SOLID SEATS

D - 162

R - 186

### LIKELY/LEAN SEATS

D - 30

R - 14

### TOSS-UP OR WORSE

D - 28

R - 12

**Likely** : These seats are not considered competitive at this point, but have the potential to become engaged.

**Lean** : These are considered competitive races, but one party has an advantage.

**Toss-Up** : These are the most competitive; either party has a good chance of winning.

## COMPETITIVE RACES

\*Italicized name denotes Freshman member

LIKELY DEMOCRATIC 15 Dem • 0 Rep	LEAN DEMOCRATIC 15 Dem • 2 Rep	DEMOCRATIC TOSS UP 20 Dem • 0 Rep	REPUBLICAN TOSS UP 0 Dem • 10 Rep	LEAN REPUBLICAN 5 Dem • 6 Rep	LIKELY REPUBLICAN 3 Dem • 8 Rep
AZ-04 Stanton	CA-47 Porter	AK-AL Peltola	AZ-01 Schweikert	AZ-02 O'Halleran	CA-03 Open
CA-09 Harder	CA-49 Levin	CA-13 Open	CA-22 Valadao	AZ-06 Open	CA-40 Kim
CO-07 Open	CT-05 Hayes	IL-17 Open	CA-27 Garcia	CA-41 Calvert	FL-13 Vacant
CT-02 Courtney	IL-13 Open	IN-01 Mrvan	CO-08 New Seat	CA-45 Steel	FL-15 New Seat
GA-02 Bishop	MI-03 Open	KS-03 Davids	NC-13 Open	FL-27 Salazar	IA-02 Hinson
IL-06 Casten	MI-08 Kildee	ME-02 Golden	NE-02 Bacon	IA-01 Miller-Meeks	MI-10 Open
IL-11 Foster	NC-01 Open	MI-07 Slotkin	NM-02 Herrell	IA-03 Axne	MN-01 Finstad
IL-14 Underwood	NH-02 Kuster	MN-02 Craig	NY-22 Open	NJ-07 Malinowski	MT-01 New Seat
MD-06 Trone	NV-04 Horsford	NH-01 Pappas	OH-01 Chabot	NY-01 Open	NY-02 Garbarino
NC-06 Manning	NY-03 Open	NV-01 Titus	TX-34 Merged Seat	WA-03 Open	NY-11 Malliotakis
NJ-03 Kim	NY-17 Maloney	NV-03 Lee		WI-03 Open	TX-15 Open
NJ-05 Gottheimer	NY-18 Ryan	NY-19 Open			
NM-03 Leger Fernandez	OH-09 Kaptur	OH-13 Open			
NY-04 Open	OR-04 Open	OR-05 Open			
PA-12 Open	OR-06 New Seat	PA-07 Wild			
	TX-28 Cuellar	PA-08 Cartwright			
	VA-07 Spanberger	PA-17 Open			
		RI-02 Open			
		VA-02 Luria			
		WA-08 Schrier			

# NUCA

*We Dig America*

NUCA Vice President, Government Affairs:  
Zack Perconti  
703-677-6049 (mobile) | [zackp@nuca.com](mailto:zackp@nuca.com)