

Infrastructure Investment and Jobs Act

House Labor and Commerce Committee
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What the IIJA isn't

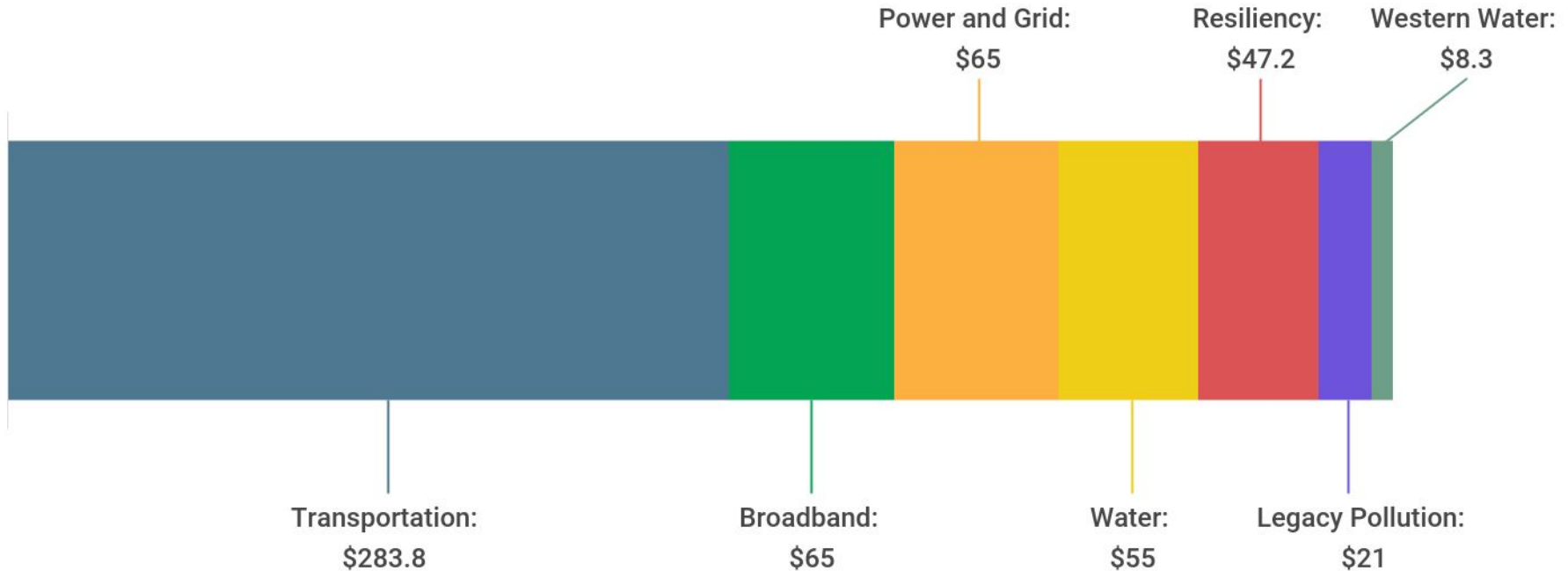
- Economic stimulus
- COVID public health relief
- Social safety net spending
- Business/nonprofit relief
- Conventional economic development funding

What it is

- Transportation
- Energy and grid
- Water/wastewater
- Broadband
- Resiliency
- Sustainability

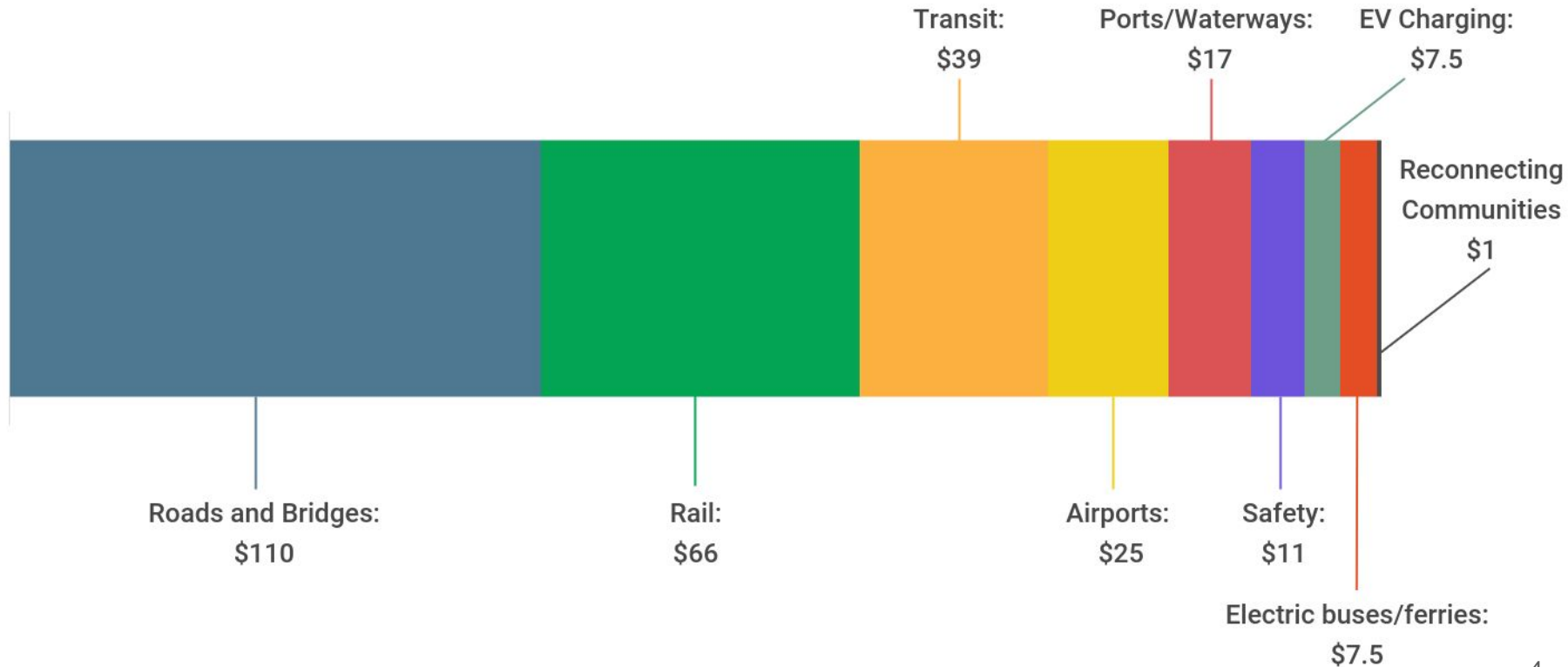
Infrastructure Investment and Jobs Act spending by category

(Billions of dollars)



Transportation spending breakdown

(Billions of dollars)



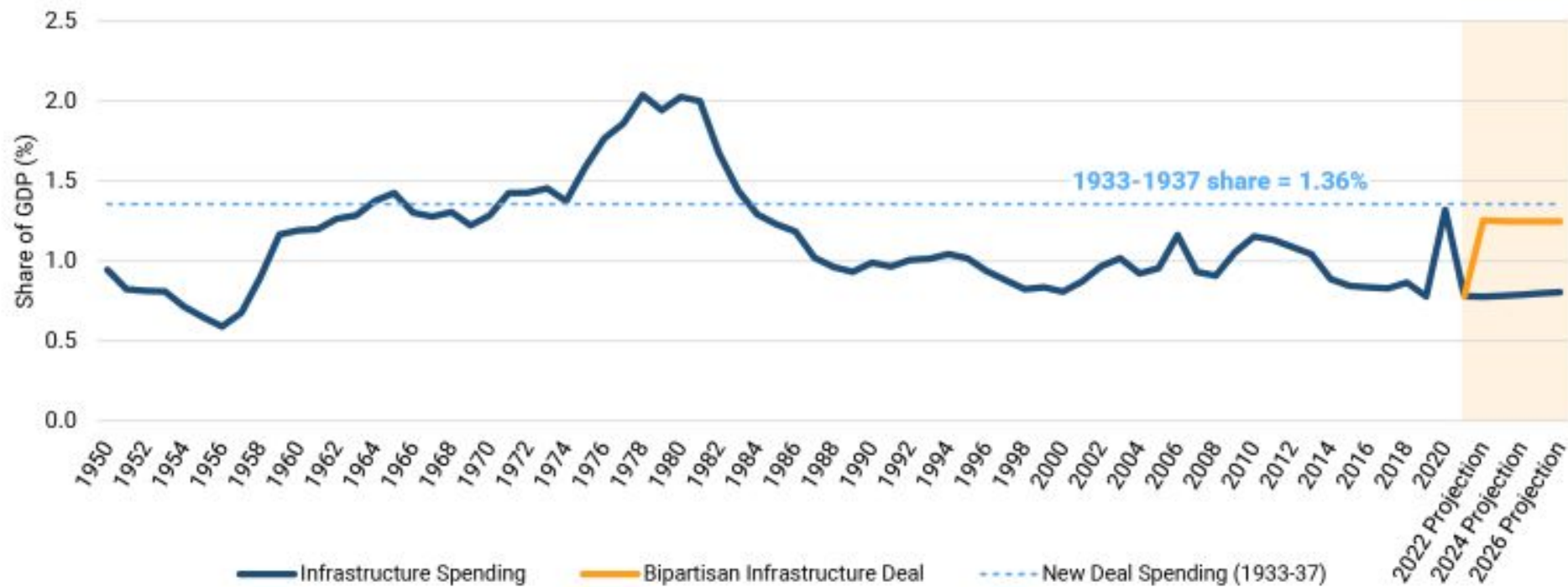
Design and implementation of the bill

- Spending spread over 5 years
- Less emphasis on “shovel ready”
- A mix of formula funding, direct spending, loan funds, and competitive grants
- Resilience element
- Includes pilot projects, R&D, and innovative solutions



Figure 1. Projected federal infrastructure spending (nominal)

As a share of GDP, 1950 to 2026



Source: Brookings analysis of Office of Management and Budget Data.

Note: Projected GDP uses Federal Reserve estimates; projected infrastructure spending assumes 2.8% annual increase in outlays, using 2019 as a baseline.

Formula funds coming to Alaska

- **Federal highway aid:** \$3.4 billion
- **Airports:** \$392 million
- **Water infrastructure:** \$368 million
- **Public transportation:** \$362 million
- **Bridge repair/replace:** \$225 million
- **Broadband:** \$100 million
- **Electric vehicle charging:** \$52 million
- **Wildfire protection:** \$19 million
- **Cybersecurity:** \$11 million

Denali Commission

- Denali Commission: \$75 million
- 5-6 times the commission's most recent annual appropriations



Alaska marine transportation highlights

- \$1 billion for essential ferry service (will fund AMHS)
- \$250 million for electric/low-emissions ferry pilot program
- Construction of ferries and terminals, \$73 million for AK
- Authorizes federal highway funds to operation and repair for AMHS



Recently announced for Alaska:

- \$364 million for Barrow/Utqiagvik Coastal Storm Damage Reduction
- \$250 million for Nome Deep Draft Port
- \$185 million for Lowell Creek flood control (Seward)
- \$88 million for Moose Creek Dam upgrades (North Pole)
- \$28 million for the Kenai River Coastal Erosion Project
- \$25 million for Denali Park Road improvements



Streamlined permitting

- Codifies “One Federal Decision” policy from Trump admin
 - Single interagency environmental review
- Permanent extension of FAST-41
 - Tribal and ANC eligibility
- 2-year goal for permitting projects
- Simplified documentation and tracking

Ports/waterways

- Port Infrastructure Development Program: \$2.25 billion
- Remote and subsistence port construction: \$250 million
- Corps of Engineers resiliency: \$17 billion
 - Coastal storm management
 - Navigation improvements
 - Rivers and harbors
 - Flood control

Airports

- Airport infrastructure grants: \$15 billion
 - Upgrades for existing airports, esp passenger-related
 - Set asides for “non-primary” airports
- New airport terminal grants: \$5 billion
- FAA facilities and equipment: \$5 billion
 - Includes tower relocations and environmental cleanup

Water

- Large “Western Water” category
- Revolving loan funds for drinking water and water quality: \$23 billion
- Drinking water for small/disadvantaged communities: \$510 million
- **Indian Health Service sanitation facilities: \$3.5 billion**
- EPA Native Villages grant program for water/wastewater operations: \$230 million

Broadband

- Broadband Equity, Access and Deployment Program: \$42.45 billion
 - Deployment grants to states: **minimum of \$100 million per state**
 - Additional money for underserved/high cost areas
 - State competitive sub-grants
- Tribal Broadband Connectivity Grants: \$1 billion
- Middle Mile Broadband Infrastructure: \$1 billion
- Affordable Connectivity Program (vouchers): \$14.2 billion

State broadband subgrants for:

- Unserved/underserved areas (less than 100/25 Mbps)
- Connecting **anchor institutions** serving vulnerable populations
- Data collection, mapping, and planning
- Infrastructure or low cost services to multifamily housing in high need areas
- Broadband **adoption** (i.e. devices for access)

Resilience

- Building Resilient Infrastructure and Communities (BRIC) Program: \$1 billion
- FEMA Flood Mitigation Assistance Program: \$3.5 billion
- Tribal Climate Resilience: \$216 million
 - Community relocation: \$130 million
 - Adaptation projects: \$86 million

Energy: grid resilience

- Grid reliability grants: \$5 billion
 - **Eligible:** utilities, producers, distributors, fuel suppliers
- Energy infrastructure assistance: \$5 billion
 - Competitive grant for new/innovative approaches to grid resilience
 - **Eligible:** states, tribes, local gov't, public utilities
- Grid improvements for **rural and remote** areas (10,000 or less population): \$1 billion

Energy: grid resilience, continued

- Revolving loan fund for transmission line construction: \$2.5 billion
- Deployment of Technologies to Enhance Grid Flexibility: \$3 billion
- State Energy Program (transmission planning): \$500 million
- Various funds to grid cybersecurity

Energy efficiency and carbon capture

- **Weatherization: \$3.5 billion**
- Energy efficiency and conservation block grants: \$550 million
- Residential and commercial loan fund: \$250 million
 - Audits, upgrades, retrofits
- Cost effective codes for efficiency: \$225 million
- **Carbon capture, utilization, and storage: \$8 billion**

Energy: low emission fuels

- Civil nuclear: \$6 billion
- Microreactor demonstration: \$3.2 billion
- Hydropower: \$765 million
- Renewable energy projects: \$264 million
- Hydrogen:
 - Regional hubs: \$8 billion
 - Recycling, R&D, deployment: 1.5 billion

Supply chains for clean energy

- Battery processing, manufacturing, recycling grants: \$6 billion
- R&D for battery recycling, advanced manufacturing
- Critical minerals mining and recycling
 - **\$329 million for critical minerals surveys**
 - Loan guarantees for critical minerals projects



Environment

- Brownfield and superfund cleanup/redevelopment
- Habitat restoration (Corps of Engineers)
- Orphaned oil and gas well cleanup: \$4.7 billion
 - **Includes legacy wells in NPR-A**



Critical issues for state government

- Organizational capacity will be a concern
- Capital vs operating funds
- Matching funds needed for some grants
- Coordination between different functions (highways, broadband, water, etc) will be necessary to maximize value

Further considerations

- Workforce shortages
 - Construction trades, engineers, program administrators, grant writers
 - Allowance for local hiring preference
- Cost/supply of building materials
- Long lead time on some projects

Thank you!

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