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Alaska to Receive Big Benefits from Infrastructure Package

Infrastructure Investment and Jobs Act Passes Senate

Today the U.S. Senate passed the *Infrastructure Investment and Jobs Act*, bipartisan legislation which provides investments for core infrastructure—roads, bridges, rail, transit, ports, airports, energy, water systems, and broadband. The bill provides \$550 billion in new spending over five years, without raising taxes, and will grow America's economy, create jobs, and push against inflation. U.S. Senator Lisa Murkowski (R-AK), with a bipartisan group of ten Senators, worked for months to negotiate, craft, and finalize the bill package. Throughout those efforts, Senator Murkowski prioritized Alaska's unique infrastructure needs.

"This bill is a truly historic investment in our country and state. We prioritize legacy infrastructure projects that will improve transportation, allow us to remain connected, and create stronger communities. These initiatives will create new jobs and benefits that will pay forward for decades to come," said Senator Murkowski. "This legislation will bring major benefits to Alaska. Investments in repairing, maintaining, and upgrading our infrastructure such as roads, rails, and bridges will create safer communities. We invest in transportation infrastructure that are a lifeline to connecting Alaskan communities—such as our Alaska Marine Highway System, ferries, ports, and small airports. Through this bill we address our lack of basic energy and wastewater infrastructure to meet vital needs. We also provide support to strengthen broadband. I pushed for a number of initiatives we included to address our energy infrastructure needs by enabling important projects to

advance which will help communities see more affordable, clean energy. I'm proud to have worked on this bipartisan effort in crafting this bill. It took time and significant effort—but it is a reminder of the good work that can come as a result of bipartisanship."

Alaska Highlights in the Infrastructure Investment and Jobs Act

*Note: unless otherwise noted, numbers are nationwide program funding over five years.

Roads/Bridges:

Watch here to see Senator Murkowski discuss Roads, Highways, Bridges in the Infrastructure Investment and Jobs Act.

- Authorizes \$273 billion in Federal-aid highway formula funding that will provide roughly \$3.5 billion in highway funding for Alaska over five years to construct, rebuild, and maintain its roads and highways.
- Provides \$40 billion in funding for bridge construction, maintenance and repair. Of that, \$27.5 billion will be apportioned by formula to ensure every state's bridges are provided with needed resources, and Alaska should receive \$225 million to address more than 140 bridges considered to be "structurally deficient".
- This includes \$1 billion for the replacement of culverts, like the Schoenbar Creek culvert in Ketchikan.
- There is an additional \$11 billion for highway and pedestrian safety programs, including significant investment in the Safe Streets Program, which aims to prevent death and serious injury to cyclists on roads and streets.
- Of almost \$65 billion in total funding for Federal Transit Administration, Alaska is expected to receive \$362 million over five years for a mix of transit formula grants.
- Authorizes funding for reconstruction of the Shakwak Highway, the Alaska Highway
 from the Alaska border at Beaver Creek, Yukon Territory, to Haines Junction in Canada
 and the Haines Cutoff Highway from Haines Junction in Canada to Haines, Alaska, in
 support of the U.S.'s agreement with Canada.
- Authorizes funding for Bureau of Indian Affairs road maintenance by reinstating the Tribal Transportation Program (TTP) Bridge Program and increases funding for the TTP Safety Funds by requiring better crash report data and forms.
- Aligns the Department of the Interior's process for expediting NEPA reviews for tribal transportation safety projects.
- Creates a new set-aside within the Surface Transportation Block Grant (STBG) for projects in rural areas. Of the amount apportioned to a State, up to 15 percent may

be used on eligible projects, including maintenance of ice roads, or transferred to the Denali Commission. In rural Alaska, ice roads are critical infrastructure, serving as an important link between remote villages during the winter.

Airports:

Improving Alaska's airports, whether they be large or small, will improve safety and enable Alaskans to reach medical appointments, school competitions, potlatches, and other important events more safely and will help to reduce delays in flights that bring in food, prescriptions, and business inventory.

Watch here to see Senator Murkowski discuss airports in the Infrastructure Investment and Jobs Act.

- \$15 billion in formula funding for the FAA Airport Improvement Program which supports projects such as planning, installing and expanding runways, gates, and taxiways and improving runway lighting and navigation.
- \$5 billion for FAA's Facilities and Equipment Program, which includes funding for FAA-owned Air Traffic Control facilities and contract towers. Alaska, with so many of its communities accessible only by air, depends on safety in the skies.
- \$5 billion in grants for a new Airport Terminal Improvement Program, which includes set asides for small hub airports, nonhub, and nonprimary airports, ensuring airports in communities of all sizes benefit.

Buses/Ferries:

The Alaska Marine Highway System is as important to Alaska's economic, educational, and cultural health as any road or airport. Alaska's ferries bring food into communities, enable Alaskans to access medical care, and help students to engage in sports and academic competitions.

Watch here to see Senator Murkowski discuss ferries in the Infrastructure Investment and Jobs Act.

• \$1 billion for a new program that establishes an essential ferry service to support rural communities. This program, which was proposed by Senator Murkowski, will provide funding to the Alaska Marine Highway System.

- \$250 million for an electric or low-emitting ferry pilot program, with at least one pilot to be conducted in the state with the most Marine Highway System miles—Alaska, which has more than 3,100 miles of Marine Highway, much of which is in Southeast Alaska.
- \$342 million for the Construction of Ferry Boats and Ferry Terminal Facilities Program, of which Alaska should receive \$73 million. Provides an authorization for recipients of funding under the program to spend on ferry "operating costs". Alaska operators who previously received formula funds under this program in FY20 were the Alaska Marine Highway System, Ketchikan Gateway Borough, Inter-Island Ferry Authority, and Seldovia Village Tribe.
- Authorizes Federal-aid highway funds to the Alaska Marine Highway System to be spent on operation and repair.
- \$5.25 billion for the Low or No Emission Vehicle Program that supports the purchase of zero-emission and low-emission transit buses and construction of supporting facilities –important to communities such as Juneau.

Railroads:

• \$5 billion for the Consolidated Rail Infrastructure and Safety Improvement (CRISI) Program to assist the Alaska Railroad with critical capital projects and rail safety technologies.

Water:

It has been evident for decades that rural Alaska's lack of access to clean water and sanitation is a health hazard. It has contributed to high rates of respiratory problems in children, for example. But the pandemic has brought this threat into stark relief. The inability to wash one's hands has increased rural communities' vulnerability to COVID.

Watch here to see Senator Murkowski discuss water and wastewater in the Infrastructure Investment and Jobs Act.

- Provides more than \$180 million over five years for water and wastewater projects in Alaska through the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs.
- \$3.5 billion for Indian Health Services sanitation facilities. This will provide significant resources for rural Alaska villages in need of water and sanitation. Numerous rural Alaska Native communities are still unserved and lack access to in-home water and

sewer. This unprecedented investment in sanitation infrastructure will clear all known project needs.

- \$10 billion for states to address PFAS contamination through Clean Water and Drinking Water programs, with a focus on small and disadvantaged communities.
- Modifies the tax treatment of financial contributions in aid of construction for water and sewerage providers, to assist water and sewerage utilities in Alaska, so the costs aren't passed on to consumers.
- Authorizes \$230 million for the EPA Alaska Native villages grant program to support
 communities with new and improved wastewater and drinking water systems and to
 provide technical assistance for the operation and maintenance of these systems.
 Increases the federal cost share from 50 percent to 75 percent. There are currently
 245 communities eligible for this grant funding in the State. The program has funded
 first time water and sewer service in Eek, Alaska, and first-time water service in
 Shageluk, Alaska.

Broadband:

The lack of sufficient broadband internet has hampered Alaskan students' ability to succeed and compete with their urban peers. It has stymied rural Alaskans' economic development. It has made access to healthcare via telemedicine more difficult. These provisions will address these and many other problems that have held rural Alaskans back from achieving their full potential.

- Provides \$42 billion in grants to states for the deployment of broadband, with a minimum allocation of \$100 million for each state.
- There is a dedicated carve out for high-cost areas for broadband deployment and
 \$600 million for states to issue private activity bonds for deployment in rural areas.
- Additional \$2 billion for tribes through the Tribal Broadband Connectivity Grant Program and \$1 billion for Middle Mile Broadband Infrastructure grants.
- Allows the Denali Commission to provide the required matching funds for grant recipients.

Denali Commission:

 Provides \$75 million for the Denali Commission, which funds economic development and infrastructure in rural Alaska.

Permitting:

- Permanently authorizes the FAST-41 permitting dashboard, which has saved infrastructure projects more than a billion dollars by substantially reduced permitting timelines for covered projects. This includes projects like the Alaska Gasline, the Liberty Project, and the Kake to Petersburg transmission line.
- Expands the eligibility of FAST-41 projects for infrastructure projects sponsored by Alaska Native Corporations regardless of size.
- FAST-41 has already reduced the environmental impact statement process for covered projects from 4.5 years to 2.5 years and this new reauthorization will require the permitting council to create the goal of further reducing these timetables to two years or less.
- Includes legislation authored by Senator Murkowski to improve the timeliness and efficiency for the permitting of critical mineral projects, like the proposed development of graphite near Nome, cobalt in the Ambler region, or rare earths in Southeast.

Ports:

Alaska has the greatest number of coastline miles in the United States. Ensuring that our ports can accommodate their communities' needs—for fishing fleets, the delivery of food and other necessities, and as a conduit for economic development is crucial.

- \$2.25 billion for the Port Infrastructure Development Program which provides critical support to ports big and small throughout Alaska.
- Provides \$250 million for remote and subsistence harbor construction. This will go toward building ports in rural areas, many of which are not connected to a road system and in need of a port—a lifeblood to rural communities in Alaska.
- Includes \$465 million for U.S. Army of Corps of Engineers' Continuing Authorities Program, which will help smaller communities across the country.
- Funds \$429 million on the Coast Guard's unfunded priority list and for childcare development centers. This funding will support our Coast Guard personnel in Kodiak, Sitka, and Ketchikan. An additional \$5 million has also been funded for the operational and maintenance costs of these efforts.

Resilience:

Alaska is ground zero for global climate change. Homes, schools, and community infrastructure have been lost to erosion due to thinning sea ice and thawing permafrost. Entire villages are threatened. These funds are crucial to ensure the safety of such communities.

- Tribal Climate Resilience: \$216 million is included over five years for tribal climate resilience, adaptation, and community relocation planning, design, and implementation of projects which address the varying climate challenges facing tribal communities across the country. Of that, \$130 million is for community relocation and \$86 million is for climate resilience and adaptation projects.
- Around 200 indigenous communities live along navigable waters, which they depend on for travel and access to hunting and fishing areas. The rapidly changing climate presents these communities with unprecedented challenges to adapt. According to the Government Accountability Office, at least 31 indigenous communities in Alaska are imminently threatened by flooding and erosion due to climate change. This funding will provide access to resources to prepare and respond to the adverse effects of climate change, including community relocation if necessary and supported by the affected communities.

Energy and Natural Resources:

Watch here to see Senator Murkowski discuss energy and power in the Infrastructure Investment and Jobs Act.

- Includes \$355 million for the Energy Storage Demonstration Projects and Pilot Grants Program, which ensure more efficient energy storage infrastructure.
- \$3.21 billion for Advanced Reactor Demonstration Project, which will allow more headroom for micro reactors, an extremely promising technology for deployment in Alaska.
- Provides \$146.4 million to carry out hydropower and marine energy research. Funding from this program is used by the Alaska Hydrokinetic Energy Research Center (AHERC) at the University of Alaska Fairbanks, and works to assess the feasibility and deployment of hydrokinetic resources in Alaska.
- Includes \$264 million in funding for geothermal, wind, and solar energy projects. This
 will help the deployment and expansion of renewable energy resources in Alaska.
 - Removes barriers to participation by Alaska Native and Indian Tribes in programs that are part of the bill's Energy Infrastructure Act.
 - Includes more than \$4.7 billion for orphaned well cleanup, including Alaska's legacy wells in the NPR-A.

Grid Infrastructure and Resiliency

• Includes a set-aside for Small Utilities of 30 percent of program funds aimed toward preventing outages and enhancing resilience of the electric grid. Most Alaska utilities would qualify for this set-aside. Fifty percent of program funds will go to States or Indian Tribes.

- Provides \$1 billion specifically for rural or remote areas (populations not more than 10,000 inhabitants) to improve the resiliency, safety, reliability, and the availability of energy. This funding will help Alaskan communities and Native villages to improve overall cost-effectiveness of energy generation, transmission or distribution systems, providing or modernizing electric generating facilities and developing microgrids.
- Includes Senator Murkowski's bill, S. 1400, the PROTECT Act, which enhances the electric grid by incentivizing electric utilities to make cybersecurity investments and makes available \$250 million in grants and technical assistance for small utility providers that are not regulated by FERC, which includes many of the cooperatives and municipal utilities across Alaska.

Supply Chains for Clean Energy Technologies

- Includes over \$825 million to strengthen our nation's mineral security.
- \$23 million is provided for the National Geological and Geophysical Data Preservation Program, which sustains Geologic Materials Center in Anchorage.
 - Includes \$320 million for the Earth Mapping Resources Initiative that will help us better understand the quantity, type, and location of mineral resources in Alaska, like the Yukon-Tanana uplands.
 - Reauthorizes the National Cooperative Geologic Mapping Program through 2031, which identifies mineral deposits and helps Alaskans map geologic hazards such as landslides, volcanoes, and earthquakes.
 - Provides over \$6 billion for battery processing and manufacturing, including grants for commercial-scale battery materials processing facilities. This could benefit firms who are looking to produce and refine battery materials such as graphite and rare earth elements in Alaska.
 - Makes critical mineral development projects eligible for DOE's Title 17 Loan Guarantee to receive financing. To date, over \$25 billion has been distributed through the Title 17 program.

Fuels and Technology Infrastructure Investments

- Provides over \$34 billion for carbon capture and storage and related programs, hydropower funding, clean hydrogen, and civil nuclear credits. All of these technologies have enormous consequence for Alaska.
- Supports Alaska's enormous potential for hydropower—which could provide communities with renewable, affordable, and clean energy—by including incentive payments to upgrade hydropower facilities.
- Secures \$100 million for the Bureau of Reclamation to establish a program for small water storage projects, including in Alaska and Hawaii.
- Repeals an outdated limitation on \$18 billion in loan guarantees that has been set aside for an Alaska gasline, thus ensuring the gasline can access the funds.

Energy Efficiency and Building Infrastructure

• Over \$6 billion included for energy efficiency measures across the whole bill, including \$250 million for loan fund capitalization grants, \$3.5 billion for the Weatherization Assistance Program, \$550 million for energy efficiency and Conservation Block Grants, and \$225 million for efficiency and resiliency code implementation. These programs will help Alaskans reduce their energy costs, put money back into their pockets, and help mitigate the impacts of climate change.

Natural Resources-Related Infrastructure, Wildfire Management, an Ecosystem Restoration

- Provides \$250 million for decommissioning, road and trail repair and maintenance and removal of fish passage barriers, which is significant for restoring salmon and other fish habitat in Alaska's national forests.
- Includes more than \$3.3 billion to conduct mechanical thinning, controlled burns, fuel breaks and other activities to reduce wildfire risk on Department of the Interior and Forest Service lands, including in Alaska. The fuel breaks implemented on the Kenai, in particular, are credited with saving communities during the Funny River Fire. The bill also includes pre-commercial thinning important for subsistence resources and improving growth of young growth stands in Alaska on the Tongass.
- Provides over \$2.1 billion for the Department of the Interior and the Forest Service to restore the ecological health of Federal lands and waters and of private lands, through voluntary efforts, via a variety of programs, including through partnering with States. Alaska will qualify for all of these restoration programs and projects.
- Includes a specific carve out of \$20 million for construction, reconstruction, operation and maintenance of recreation public use cabins. There are more than 155 of these cabins in the Tongass and another 50 in the Chugach in Alaska.
- Includes \$100 million for workforce training for firefighting and vegetation management that specifically includes Native village fire crews.
- Includes a three-year extension of the Secure Rural Schools Program to 2023. These financial resources provide a lifeline for communities across Alaska to support essential services, such as schools and roads, due to a decline in timber receipts and a lack of access to federally-owned forested lands.