

Federal Infrastructure Investment in Alaska

House Finance Committee

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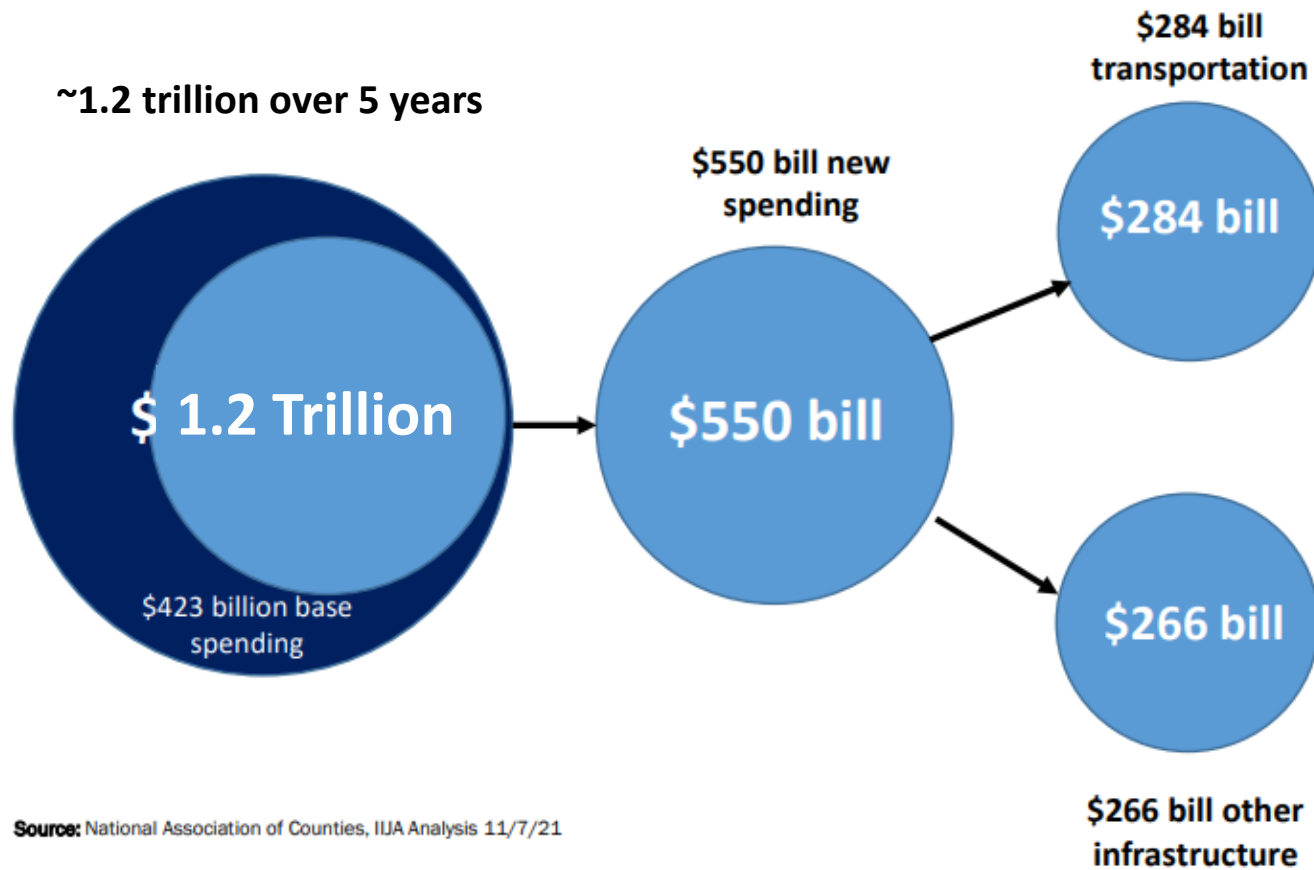
Office of Governor
MIKE DUNLEAVY

Federal Infrastructure Bill (Infrastructure Investment & Jobs Act)

- 5-year reauthorization of established federal programs – *primarily USDOT & EPA*
 - 54% ~ \$648 bill in baseline program reauthorizations
 - 46% ~ \$550 bill in “new spending”
- Funds largely allocated by federal program/federal agencies
 - 65% - Formula (apportionment/allocation)
 - 30% - Grants (competitive/discretionary)
 - 5% - Loan (incentives, guarantees, financing)
- Not a “stimulus” bill; little discretion as compared to recent COVID funding
 - Many programs require 20% non-federal match
- Only a portion of “Alaska” funding will come through the State of Alaska
 - Local governments, tribes, electric utilities, higher education, non-profits and others eligible for many programs

Federal Infrastructure Bill

~1.2 trillion over 5 years



Source: National Association of Counties, IJA Analysis 11/7/21

Transportation

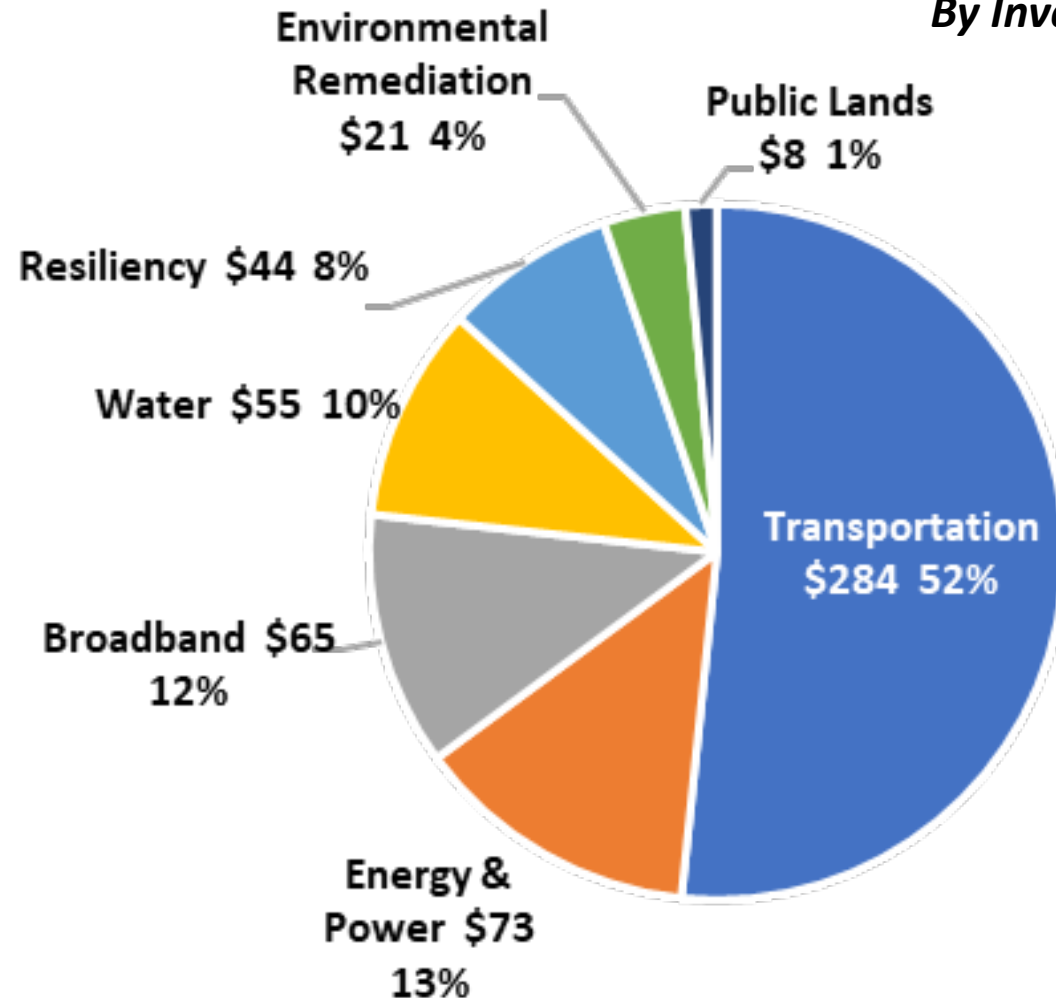
- Roads, bridges, airports, ports and waterways, rail, public transit, electric vehicles (EV), and safety programs

Other Infrastructure

- Energy, power grid, broadband, water, resiliency, and environmental remediation

Overview

By Investment Category



\$550 billion in BIL New Spending

Transportation:	\$284 billion
Energy & Power:	\$ 73 billion
Broadband:	\$ 65 billion
Water:	\$ 55 billion
Resiliency:	\$ 44 billion
Environmental Remediation:	\$ 21 billion
Public Lands:	\$ 8 billion

Source: National Association of Counties, IJIA Analysis 11/7/21

Overview: Spending Categories

Over Half of New Spending is Transportation

\$284 billion over 5-years

National 5-Yr Totals

Roads & Bridges

31% increase first year, inflation adjusted after; Alaska ~20%

\$110 billion

Rail

Amtrak, Northeast corridor, intercity passenger

\$ 66 billion

Transit:

Ferries, Public transit; zero-emission vehicle programs

\$ 39 billion

Airports:

35% nationally; AIP and New Terminal Facility program mostly competitive

\$ 25 billion

Ports & Waterways:

USACE rivers, harbors, flood mitigation; MARAD port infrastructure grants

\$ 17 billion

Safety:

Focus on vulnerable users (bikes, pedestrians, ADA), crash and fatality avoidance

\$ 11 billion

Electric Vehicle Infrastructure

New formula and grant program

\$ 8 billion

Electric Buses:

Electric public transit

\$ 8 billion

Source: National Association of Counties, IJA Analysis 11/7/21

Overview: Spending Categories

Other Infrastructure Spending

\$266 billion over 5-years

Energy & Power

Efficiency, grid & transmission upgrades/resiliency, carbon mitigation projects

Broadband

\$45 construction, \$20 affordability/equity; targets underserved areas

Water:

3x increase to revolving loan funds; lead pipe; contaminants

Resiliency:

Storm/flood mitigation, natural disaster assistance; cybersecurity

Environmental Remediation:

Legacy wells; superfund sites; brownfield; abandoned mines; watersheds

Public Lands

Wildfire risk mitigation; remediation; secure rule schools; USFS roads

National 5-Yr Totals

\$ 73 billion

\$ 65 billion

\$ 55 billion

\$ 44 billion

\$ 21 billion

\$ 8 billion

Source: National Association of Counties, IJA Analysis 11/7/21

Governor Dunleavy's Office of Infrastructure

Key Objectives:

- Identify and track important opportunities and awards for Alaska
- Serve as a single source of infrastructure / capital data
- Coordinate among State of Alaska Departments on important deadlines
- Support tribes, local governments, & agencies
- Track legislative / UGF investments / Approvals Required
- Harmonize data collection and tracking efforts with collaborators
- Maintain tight nexus to programs in federal legislation
- Support State Planning on Energy & Broadband

Tracking Opportunities & Awards in Alaska

- Numerous Potential Opportunities Cataloged in Our Opportunity Registry to Date
- Hundreds of Awards or Funding Commitments Tracked for the 5-year Period
- State Investment in Many Different Initiatives and Federal Opportunities:
 - Matching funds; Pursuit of grants for federal dollars; investments into program setup
 - Categories of Investment into Alaska's Future Include: Energy initiatives, electric grid reliability, cybersecurity, ferries, housing, rural utilities, communities, clean water, wastewater, sanitation, carbon capture & storage technology, geophysical data, critical minerals, & rare earth elements.
- Close Coordination with POCs at Most State Departments and Key External Collaborators (AFN, AML, Denali Commission, etc.)
- **Infrastructure Funds Reaching State of Alaska Departments**
 - \$3.5B awarded / committed in first two years
 - \$4.7B committed to date for the 5-year period
- **Infrastructure Funds, Alaska-wide (includes federal offices / tribes)**
 - \$5.5B awarded / committed in first two years
 - \$6.7B committed to date for the 5-year period

ALASKA MARINE HIGHWAY SYSTEM

In January 2023, the Federal Transit Administration awarded the Alaska Marine Highway System \$285 million in grant funding.

The six grant awards were is designated for:

- **Construction of Electric Vessel Project: \$46,214,008**
- **Replacement of the M/V Tustumena Vessel Serving Rural Southwest Alaska: \$68,488,384**
- **Restoring the Health of the AMHS for Sustainable Operations to Rural Communities: \$44,823,800**
- **Modernization of Four Critical AMHS Vessels Necessary for Service and Environmental Benefits: \$72,065,545**
- **Critical Upgrades to Ferry Dock Infrastructure in Five Rural Alaska Communities: \$45,483,214**
- **Anticipating Future Service and Replacement Needs: \$8,591,616**

Significant Competitive Opportunities for Alaska

Electric Grid Modernization

- Grid reliability, resiliency and transmission

Clean Hydrogen Technologies

- Clean hydrogen infrastructure development

Carbon Capture & Sequestration

- Carbon technology infrastructure research, development and demonstration

Rare Earth & Critical Minerals

- Rare Earth Elements (REE) Demonstration Facility
- Critical Minerals Security Projects

Implementation:

Alaska should be well positioned to compete:

- Tribal and Alaska Natives eligibility
- Historically underserved and hard-to-reach
- Multimodal transportation dependency
- Climate impacted
- Installed energy industry infrastructure
- High energy costs
- Rural and disadvantaged communities
- Minority and low-income populations

Challenges:

- Statewide planning, coordination and communication
- Responsiveness and prioritization
- Technical capacity and workforce availability
- Access to matching funds – across all eligible recipients

