# ALASKA MOVES 2050

# Appendix F - Infrastructure Investment & Jobs Act (IIJA) Funding Summary

**June 2022** 





#### INFRASTRUCTURE INVESTMENT & JOBS ACT SUMMARY

This appendix summarizes information pertaining to the <u>Infrastructure Investment & Jobs Act (IIJA)</u>, signed into federal law November 15<sup>th</sup>, 2021. The IIJA is a five-year authorization bill from Congress for the United States Department of Transportation (USDOT), covering fiscal years 2022 – 2026. In terms of authorizations and appropriations for transportation funding, the IIJA essentially begins where the 2015 Fixing America's Surface Transportation Act (FAST Act) ended. At the time of writing, federal agencies such as the <u>Federal Highway Administration</u>, the <u>Federal Transit Administration</u>, and the <u>Maritime Administration</u> are working to craft additional guidance on the implementation and distribution of the funding included in the IIJA.

### Transportation & Freight Planning Changes

In addition to funding opportunities, the IIJA also includes revisions to transportation and freight planning process requirements. Key planning process updates are outlined below.

Planning Process Change	Alaska Action
The IIJA establishes the federal Complete Streets Program, which requires that States adopt a Complete Streets policy and apply the policy through the Long Range Transportation Plan to receive federally-apportioned program funds. The Program requires a minimum of 2.5% of federal funding allocated under the program (Section 505 of Title 23 USC) be disbursed for the creation of a Complete Streets Plan or on Complete Streets projects, with a federal share of 80%. Further guidance is forthcoming.	In the LRTP, Alaska must identify the adoption of a Complete Streets Policy as an implementation strategy to remain eligible federal funds under this program. The creation of a Complete Streets Plan and the incorporation of Complete Streets into Statewide Transportation Improvement Programming should be additional implementation strategies.
The IIJA amends FAST Act Section 6028(c) to extend the performance management program between FY 2022 – 2026.	Through both the Long-Range Transportation Plan and the Freight Plan, the State of Alaska is should continue the use and reporting of federal performance measures through 2026.
The IIJA modifies Section 135f of Title 23 USC to permit the use of social media and other webbased tools to collect public feedback during the planning process.	Alaska can incorporate the use of social media as an engagement tool in future planning processes.
The IIJA establishes that for each grant or pilot program established by this Act, USDOT can establish performance measures and require an initial report 4 years after fund disbursement and	For any competitive federal grant funds received between fiscal years 2022 – 2026,

Planning Process Change	Alaska Action
every 2 years thereafter so long as funds are being disbursed.	Alaska may be required to track additional performance measures.
The IIJA revises Section 70202b of Title 49 USC to require that State Freight Plans include a commercial motor vehicle parking facilities assessment, analysis of the most recent supply chain cargo flows by mode, an inventory of commercial ports, impacts of e-commerce on freight infrastructure, military freight considerations, strategies to decrease greenhouse gas emissions and increase climate resiliency, and recommendations for multi-state freight compacts. The Freight Plan must state that its activities endeavor towards enhancing the reliability or redundancy of freight transportation and incorporating the ability to rapidly restore access and reliability with respect to freight transportation. Additionally, the Freight Plan must incorporate an 8-year horizon and be updated every 4 years.	The Freight Plan should incorporate these additional planning elements, as well as an 8-year planning horizon.
The IIJA modifies Chapter 702 of Title 49 USC to include Section 70204, which recognizes the benefits of multi-state freight planning and provides for the means of creating multi-state compacts, forming advisory committees, and receiving grant funding for multi-state freight corridor planning activities.	Through the Freight Plan, Alaska can engage with freight partners such as Washington and California, for integrated, multi-state freight corridor planning compacts.
The IIJA amends Section 70201 of Title 49 USC to include representatives of various freight and government organizations to sit on an advisory committee and outline the qualifications for representatives.	Following the completion of the Freight Plan, Alaska can continue to plan for freight transportation through the permanent establishment of the Freight Advisory Committee.
The IIJA modifies Section 5305 of Title 49 USC to permit more than 80% federal share for planning in lower-density or lower-income portions of metropolitan or adjoining rural areas.	As many areas of Alaska are rural, lower-density, and/or lower-income, many Alaskan communities may benefit from a reduced local match for federal transportation planning funds. No current action is necessary.

## Alaska Formula Funding

As of January 2022, the USDOT has released approximate formula funding amounts for each state.<sup>1</sup> Alaska is expected to receive the following amounts over the next five years.

Approximate Amount (\$ over 5 years)	Purpose
\$3.7 billion	This formula funding for highways and bridges can be used for upgrades and preservation, and the amount represents a 25.9% increase over FAST Act funding levels.
\$404 million	Through FTA formula funding, a 44% increase over FAST Act levels is allotted to improve public transportation options across the state.
\$392 million	Through FAA formula funding and the Airport Infrastructure Grant Program, these funds will support airport infrastructure development, both airside and landside, such as improving runways, taxiways, and airport towers, terminal development, and noise reduction. Projects that highlight safety, equity, and sustainability are prioritized. <sup>2</sup>
\$93 million	The Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Program provides formula funding to increase the resilience of the transportation system, through evacuation routes, , infrastructure improvements and relocations, and other resiliency projects. Requires that 2% of total state apportioned funding is set-aside for planning activities, establishes an 80% federal share for planning, engineering, and construction of resilience improvements, and requires that no more than 40% of state apportioned funds are used for the construction of new capacity.
\$82 million	This formula funding, through the Carbon Reduction Program, is specifically focused on reducing transportation-related emissions. Eligible projects include traffic management, electrification, transit, pathway facilities, intelligent transportation systems, energy-efficient infrastructure, congestion pricing or non-peak hour travel, etc.
\$52 million	Through the new National Electric Vehicle Infrastructure (NEVI) Program, formula funding will support the expansion of an EV charging network throughout the state.

<sup>&</sup>lt;sup>1</sup> United States Department of Transportation. (2022). *Bipartisan Infrastructure Law for Alaska*. <a href="https://www.transportation.gov/sites/dot.gov/files/2021-11/Bipartisan\_Infrastructure\_Law\_Alaska.pdf">https://www.transportation.gov/sites/dot.gov/files/2021-11/Bipartisan\_Infrastructure\_Law\_Alaska.pdf</a>

<sup>&</sup>lt;sup>2</sup> Federal Aviation Administration. *Bipartisan Infrastructure Law – Airport Infrastructure*. December 2021. https://www.faa.gov/bil/airport-infrastructure

Approximate Amount (\$ over 5 years)	Purpose
\$15 million	The Highway Safety Improvement Program, through formula funding, will reduce injuries and fatalities from motor vehicle crashes. These funds represent a 29% increase over FAST Act funding levels. Additionally, up to 10% of funds can be used for the implementation of safety projects that include non-infrastructure activities.
\$9.8 million	Through the Motor Carrier Safety Assistance Program, these formula grants are intended to reduce commercial motor vehicle crashes. The funds can be used for modernization of data collection and monitoring systems, which would enhance safety through understanding and addressing trends as they are identified. This funding would be a 57% increase over FAST Act funding levels.
>\$5 million	Through the newly-established Safe Routes to School Program, Alaska will be provided with at least \$1 million annually to support facility enhancements that encourage walking, rolling, and biking to elementary, middle, and high schools. Between 10 – 30% of funding can be used for non-infrastructure projects at the local level and the Alaska must retain a portion of allocated funding for the full-time employment of a Statewide SRTS Coordinator.

#### **Alaska-Specific Funding Programs**

In addition to federal formula funding, the State of Alaska receives specific federal funding due to its unique geography, climate, and population. The IIJA contains two Alaska-specific funding programs:

- Section 11116 of the IIJA modifies Section 218 of Title 23 USC to recognize the benefits of the
  Alaska Highway from the Alaskan border at Beaver Creek, Yukon Territory, to Haines Junction in
  Canada and the Haines Cutoff Highway from Haines Junction in Canada to Haines, Alaska, and
  allow the USDOT Secretary to award funding for its reconstruction through a competitive grant
  program. Additionally, the text revisions set out stipulations for the USDOT to reconstruct
  Canadian portions of the highway.
  - The State of Alaska is presented with a unique grant funding opportunity to reconstruct the Alaska Highway and will likely need to coordinate with the Alaska FHWA Office for further program application details.
- Additionally, Section 11116 maintains existing USC on the Alaska Marine Highway, with slight revisions that remove mention of the USDOT Secretary appropriating funds for the AMHS. However, the AMHS is still considered a federal-aid highway project with 100% federal share.
- IIJA Section 11507 appropriates \$20 million over five years towards the implementation of Section 311 of the Denali Commission Act of 1998.
  - Alaska is presented with a unique opportunity for funding transportation projects.
     Coordination with the Denali Commission should be an LRTP implementation strategy.

# Competitive Grant Programs

In addition to formula funding, Alaska can compete for grant funding in a variety of new and existing programs.

Program	Approximate Amount	Purpose	Alaska Action
Bridge Investment Program	\$12.5 billion (over 5 years)	Competitive grant program that seeks to replace, rehabilitate, preserve or protect one or more bridges (through project bundling) on the National Bridge Inventory (under section 144b) that are at risk of failing, in poor condition, or likely to degrade to poor condition within three years. Project submissions will be awarded partially based on the number of failing or poor bridges within the state, the number of applications the entity submits (demonstrating need) and the economic importance of the bridge. High-importance, high-cost bridges are the top priority, and there will also be a 15% set-aside for offsystem bridges owned by local agencies.	In order to be eligible and competitive for this grant program, Alaska could <b>identify and prioritize bridges in the National Bridge Inventory.</b> This action could be included as part of the Freight Plan (and in subsequent updates).
National Infrastructure Project Assistance (MEGA Projects)	\$2 billion (over 5 years)	Single or multi-year grants to improve national multimodal freight infrastructure.	In order to be eligible and competitive for this grant program, Alaska could <b>identify and</b> prioritize multi-modal freight infrastructure improvements. This action could be included as part of the Freight Plan (and in subsequent updates).

Program	Approximate Amount	Purpose	Alaska Action
Reduction of Truck Emissions at Port Facilities Program	\$30 million (in FY2022) <sup>3</sup>	Provides funding with the intent to deploy and study the impacts of technologies and strategies for reducing emissions, specifically from idling trucks, at port facilities.	In order to be eligible and competitive for this grant program, Alaska could <b>prioritize high-opportunity ports for reducing truck emissions.</b> This action could be included as part of the Freight Plan (and in subsequent updates).
Port Infrastructure Development Program	\$2.25 billion (over 5 years)	Administered by MARAD, this competitive program aims to increase investment in coastal ports and inland waterways to improve the supply chain, enhance shipping industry resiliency, and reduce pollution.	In order to be eligible and competitive for this grant program, Alaska could <b>identify and prioritize port infrastructure improvements.</b> This action could be included as part of the Freight Plan (and in subsequent updates).
Airport Terminal Program	\$5 billion (over 5 years)	Administered by the FAA, this competitive grant program aims to improve the accessibility of airports and address aging infrastructure.  Disbursements are categorized as 55% for large hub airports, 15% for medium hub airports, 20% for small hub airports, and 10% for non-hub and nonprimary airports.	In order to be eligible and competitive for this grant program, Alaska could <b>identify and prioritize airport terminal improvements.</b> This action could be included as part of the Freight Plan (and in subsequent updates).
National Highway Performance Program	15% of NHPP Funds	New provisions allow for the use of up to 15% of funds for roads and bridges off the National Highway System (NHS) to mitigate the risk of recurring damage from extreme weather events.	In order to be eligible and competitive for this grant program, Alaska could <b>identify roads</b> and bridges off the NHS that are at higher risk. This action could be included as part of the Freight Plan (and in subsequent updates). An

<sup>&</sup>lt;sup>3</sup> United States Department of Transportation. Federal Highway Administration Notice of Apportionment of Fiscal Year (FY) 2022. January 2022. https://www.fhwa.dot.gov/legsregs/directives/notices/n4510861.cfm

Program	Approximate Amount	Purpose	Alaska Action
			addition action could be <b>allocating 15% of NHPP funds for off-system infrastructure.</b>
Electric or Low- Emitting Ferry Pilot Program	\$500 million (over 5 years)	Administered by the FTA, this program aims to pilot the purchase of zero or low emission ferries that use alternative fuel or onboard energy storage systems, and related charging infrastructure. Set-asides include at least one grant for a ferry service that serves the state with the largest number of marine highway system miles, and at least one grant for a bi-state ferry service with an aging fleet.	The Alaska Marine Highway may qualify for the set-aside grants. In order to be eligible and competitive for this grant program, both the Long Range Transportation Plan and Freight Plan could prioritize the replacement of the aging ferry fleet.
State Electronic Data Collection Program	\$750 million (over 5 years)	Provides funding to modernize state data collection systems for full electronic data transfers to increase accuracy, timeliness, and accessibility of the data. Grants can be used for equipment, enforcement agency training, and related activities.	In order to be eligible and competitive for this grant program, Alaska could <b>outline data needs and current conditions, and prioritize data program improvements.</b> This action could be included as part of the Long Range Transportation Plan and Freight Plan (and in subsequent updates).
Ferry Service for Rural Communities Program	\$1 billion (over 5 years) <sup>4</sup>	For States with regularly operated ferry service that serves at least 2 rural areas located more than 50 sailing miles apart, this program provides funds for capital and operating assistance to improve access and mobility in areas where ferry service is a critical link for communities.	In order to be eligible and competitive for this grant program, Alaska could <b>identify and prioritize rural ferry service needs</b> . This action could be included as part of the Long Range Transportation Plan (and in subsequent updates).

<sup>&</sup>lt;sup>4</sup>Congressional Research Service. Ferry Programs in the Department of Transportation. <a href="https://crsreports.congress.gov/product/pdf/lF/IF12027">https://crsreports.congress.gov/product/pdf/lF/IF12027</a>

Program	Approximate Amount	Purpose	Alaska Action
Safe Streets for All Program	\$6 billion (over 5 years)	Supports local and tribal governments in implementing "vision zero" plans and other safety-focused projects to reduced crashes and fatalities, especially for pedestrian and cyclists.	In order to be eligible and competitive for this grant program, Alaska could <b>identify the creation of a Vision Zero Plan</b> as a priority. This action could be included as part of the Long Range Transportation Plan.
Rural Surface Transportation Grant Program	\$2 billion (over 5 years)	This grant program aims to improve and expand surface transportation infrastructure in rural areas, increasing connectivity, improving safety and reliability of people and goods movement, and generating economic growth. Projects can include planning, engineering, and ROW acquisition. Each grant will be \$25 million, with an 80% federal share (except for Denali Commission projects, which can have a 100% federal share).	In order to be eligible and competitive for this grant program, Alaska could <b>identify and prioritize rural transportation projects</b> . This action could be included as part of the Long Range Transportation Plan and the Freight Plan. Alaska is presented with a unique opportunity to fund rural transportation projects in support of the Denali Commission. This coordination could be included as an implementation strategy in the Long Range Transportation Plan.
PROTECT Program	\$1.4 billion (over 5 years)	With an 80% federal share, each year 25% of grant funding is set-aside for rural communities and 2% is set-aside for tribal entities. There are four competitive grant sub-programs:  Planning Grants Resilience Grants Community Resilience and Evacuation Route Grants At-Risk Coastal Infrastructure Grants	In order to be eligible and competitive for this grant program, Alaska could <b>identify the creation of a Resiliency Improvement Plan</b> as a priority. This action could be included as part of the Long Range Transportation Plan.

#### **Additional Opportunities to Monitor**

These programs, at the time of writing, are still awaiting guidance from the FHWA and partner agencies.

Program	Approximate Amount	Purpose
Rural and Tribal Assistance Pilot Program	Between \$1.6 - \$2.4 million (over 5 years)	Administered by the Build America Bureau, with the aim of providing financial, technical, and legal assistance to tribal and rural communities for the advancement of transportation projects, this competitive pilot program offers a maximum of 20% of total funds can be allocated to a single state in a fiscal year for rural and tribal projects.
National Electric Vehicle Infrastructure (NEVI) Program	\$2.5 billion (over 5 years)	This competitive grant program complements the NEVI formula funding to provide charging infrastructure at community locations or along alternative fuel corridors. Community grants prioritize rural areas and low/moderate income.
Invasive Plant Elimination Program	\$250 million (over 5 years)	Grants for the removal and elimination of invasive plant matter in transportation corridor rights-of-way.