

# Government Affairs Update November 6, 2021



After months of negotiations and an agreement reached on the <u>Build Back Better</u> social spending plan, the federal infrastructure bill was finally given the opportunity to move forward with a vote. Late last night, the U.S. House of Representatives passed the <u>Infrastructure Investment and Jobs Act (IIJA)</u>, also formerly known as the Bipartisan Infrastructure Bill (BIB). While the Build Back Better plan received just a procedural vote to move forward, it is anticipated to receive a final vote the week of November 15th.

Find some highlights of the infrastructure bill and its impact on Utah's transportation below, or click <u>HERE</u> to read our full summary of the IIJA and its transportation-related changes.

### **Summary**

The Infrastructure Investment and Jobs Act (IIJA) provides \$1.2 trillion in infrastructure funding, of which \$550 billion is <a href="mailto:new">new</a> funding above baseline levels over five years for roads, bridges, rail, transit, ports, airports, water, broadband, and other infrastructure programs. The bill continues funding for existing core infrastructure programs with some increases, while also increasing funding for numerous discretionary grant programs (some new and some existing). The IIJA provides stability in federal funding and policy over the next five years, and creates opportunities to compete for discretionary grant programs.

## **Background**

The IIJA was passed by the U.S. Senate on August 10th after months of negotiations between the White House and a bipartisan group of Senators including Utah's Senator Romney, but was not passed by the U.S. House of Representatives until November 5th as White House and Democratic leadership struggled to reach an agreement on an infrastructure vote as the passage of the IIJA was politically tied to the progress of the Build Back Better plan.

### **Transportation Highlights**

In total, the U.S. Department of Transportation (USDOT) will receive \$567 billion in funding from the IIJA. Included in that is \$293 billion of <u>continued</u> funding (baseline), and \$274 billion is <u>new</u> funding. These funds will be administered through new and existing formula programs, and through new and existing discretionary competitive grant

programs. In addition to funding included in the bill, the IIJA also makes a variety of policy changes to various programs at state DOTs, transit authorities, and metropolitan planning organizations.

## Potential Impact on Utah -- transportation

Preliminary estimates show that Utah would receive approximately \$3.3 billion in transportation funding over five years, of which \$2.4 billion would be baseline i.e., already anticipated funding, and roughly \$900 million would be increased or <a href="new">new</a> funding. These funds are primarily used by transportation agencies to maintain existing infrastructure in a state of good repair, and the funds are allocated primarily through national formulas. This would provide stability, and cover inflationary growth, in these core funds for Utah infrastructure.

There will also be an opportunity to compete for various competitive discretionary grant programs for transportation capital projects (which require a local match).

Utah is well-poised to put these formula funds to good use, and compete for federal grant funds, in part due to our nationally recognized collaborative and data-driven planning and prioritization processes through Utah's Unified Transportation Plan.

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If you have any questions about the Infrastructure bill or our summary, please don't hesitate to reach out.

Best,

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