

March 7, 2022

CWCC DC "Fly-In" / Business Meeting

We will be getting back to business in person in DC this spring. In order to give some more time for DC to open up and the weather to improve, we have chosen to align the trip with ARTBA's Federal Issues Program and Transportation Construction Coalition (TCC) Fly-in on Sunday, May 15th through Tuesday, May 17th at the Hyatt Regency Washington (on Capitol Hill). You do not need to register for the ARBA program to participate. Details are as follows:

CWCC Business Meeting Monday, May 16th 4:00 – 6:00 PM Hyatt Regency Washington (400 New Jersey Ave NW) Capital Room

We invite you to join us in person or virtually. Please <u>RSVP by Friday April 29th.</u> Please email Dan Kennedy at <u>kennedy@utcanj.org</u> including who is planning on attending in person or virtual. Virtual access will be provided well in advance of May 16th. We will be endeavoring to get through business by 5:30, concluding with some predinner refreshments and light fare.

The \$335 per night room rate is guaranteed through April 22. DC is projected to be very busy and hotels will be at a premium. We recommend that if you are planning to attend you do not wait until the last minute to book.

CLICK HERE to access the group booking link for the Hyatt Regency Washington.

For those that are interested, ARTBA events will begin with optional activities on Sunday, followed by a full slate of meetings and sessions on Monday. The TCC portion will begin with a reception Monday evening, then group briefings on Tuesday, with the opportunity to do hill visits on Tuesday into Wednesday as needed. For those that wish to do in-person hill visits, please start planning early as pandemic-related restrictions are still likely to be in place.

CWCC members are also invited to attend the Water Week virtual programs, scheduled for April 24-30th, by nature of our partnership with the US Water Alliance. We will share details of those events closer to the event.

You will be receiving a draft of our congressional "asks" in the coming weeks. These asks can be delivered to your delegation members in person in DC, in person in your home states or remotely, at your preference. What is most important is that they are delivered in a way that works best for your organization.



Focus on BIF Rollout / "Carve Out" Priorities from BBB

The \$1.9T Build Back Better (BBB) package is procedurally dead at this point. That said, there is a chance that some BBB priorities (some related to infrastructure) get carved out and move forward as stand alone bills. Read more in the attached report from Key Advocates.

Key Advocates provided intel that White House released a listing of the timing of *competitive funding* announcements. That has been shared with the Coalition previously and is reprinted below:

Transportation

- Rebuilding American Infrastructure Sustainably and Equitably (RAISE) Grants—This existing competitive grant program at the Department of Transportation provides \$7.5 billion with an additional \$7.5 billion subject to Congressional approval in funding for road, rail, transit, and other surface transportation of local and/or regional significance. Selection criteria safety, sustainability, equity, economic competitiveness, mobility, and community connectivity. Applications will open in the first quarter of 2022.
- Port Infrastructure Development Program Grants This existing \$2 billion Department of Transportation program funds investment in the modernization and expansion of U.S. ports to remove supply chain bottlenecks, ensure long-term competitiveness, resilience, and sustainability while reducing impacts to the environment and neighboring communities. The infrastructure law expanded the program's eligibilities to include projects that improve goods movement, as well as port electrification projects, idling reduction solutions, equipment charging infrastructure and related worker training initiatives. The Department of Transportation expects to open applications in February 2022.
- Bus & Bus Facilities Competitive Grants This existing \$2 billion program at the Department of Transportation provides capital funding to replace, rehabilitate, purchase, or lease buses and bus related equipment and to rehabilitate, purchase, construct, or lease bus-related facilities as well as capital funding for low or no emissions bus projects. Fiscal Year 2021 grant selections will be announced soon. Applications are expected to open for the Fiscal Year 2022 grant program in the first quarter of 2022.
- National Infrastructure Project Assistance (also known as "Megaprojects" or MEGA)— This \$5 billion competitive grant program supports multi-modal, multi-jurisdictional projects of regional or national significance. Communities are eligible to apply for funding to complete critical large projects that would otherwise be unachievable without assistance. Selection criteria for the program will be posted on the Department of Transportation website in February 2022.



- Infrastructure for Rebuilding America (INFRA) Grants This Department of Transportation program supports highway and rail projects of regional and economic significance. Applications will open in the first quarter of 2022.
- Safe Streets and Roads for All This new \$5 billion competitive grant program at the Department of Transportation will provide funding directly to and exclusively for local governments to support their efforts to advance "vision zero" plans and other complete street improvements to reduce crashes and fatalities, especially for cyclists and pedestrians. Applications are expected to open in May 2022.
- Charging and Fueling Infrastructure Grants In addition to the \$5 billion formula program distributed to states, this \$2.5 billion discretionary grant program at the Department of Transportation will fund the strategic deployment of publicly accessible electric vehicle charging infrastructure, as well as hydrogen, propane, and natural gas fueling infrastructure, along designated alternative fuel corridors and in communities. The Department is seeking comments on program design by January 28th
- Clean School Bus Program This new \$5 billion competitive grant program at the Environmental Protection Agency (EPA) will provide funding to replace existing school buses with low- or zero-emission school buses. Applications for funding will be made available later this spring.
- Reconnecting Communities The Bipartisan Infrastructure Law creates a first-ever \$1 billion program at the Department of Transportation to reconnect communities divided by transportation infrastructure particularly historically disadvantaged communities too often nearly destroyed or cut in half by a highway. This new competitive program will provide dedicated funding to state, local, metropolitan planning organizations, and tribal governments for planning, design, demolition, and reconstruction of street grids, parks, or other infrastructure to address these legacy impacts. Applications will open in the second quarter of 2022.
- Rural Surface Transportation Grant This new \$2 billion competitive grant program at the Department of Transportation will improve and expand surface transportation infrastructure in rural areas, increasing connectivity, improving safety and reliability of the movement of people and freight, and generate regional economic growth. This amount includes specific set asides for small projects (\$200 million), rural roadway lane departure improvements (\$300 million), and the Appalachian Development Highway System (\$500 million). Applications will open in the first quarter of 2022.

Climate, Energy & Environment

• Building Resilient Infrastructure and Communities Program – This existing Federal Emergency Management Agency (FEMA) program will distribute \$1 billion to support communities undertaking hazard mitigation projects to reduce the risks they face from disasters and other natural hazards. FY21 applications are open until January 28, 2022, and hundreds of millions of dollars in funding remains



available. Communities will apply as sub-applicants under their states. Applications for FY22 are expected to open no later than September 30th, 2022.

- Flood Mitigation Assistance \$3.5 billion from this existing FEMA program can be used for projects that reduce or eliminate the risk of repetitive flood damage to buildings insured by the National Flood Insurance Program. FY21 applications are open until January 28th, 2022. Communities will apply as subapplicants under their states. Applications for FY22 are expected to open no later than September 30th, 2022.
- **Brownfields Remediation Program** This existing EPA program will provide \$1.2 billion in grants and technical assistants to communities to assess and safely clean-up contaminated properties and offer job training programs. Communities are currently able to request funding for Targeted Brownfields Assessments through their regional EPA office. **Additional competitive funding opportunities will be announced this spring.**
- Energy Efficiency and Conservation Block Grants This Department of Energy block grant program will provide \$550 million to states, local governments, and tribes for projects that reduce energy use, increase energy efficiency, and cut pollution. The first funding opportunity is expected for release in the Fall of 2022.
- Grants for Energy Efficiency and Renewable Energy Improvements in Schools This new Department of Energy Program will provide \$500 million for local government education agencies and nonprofit partners to make energy efficiency, renewable energy, and clean vehicle upgrades and improvements at public schools. The opportunity to apply for funding is expected to be open in the Fall of 2022.
- Energy Improvement in Rural or Remote Areas This new Department of Energy program will provide \$1 billion to entities in rural or remote areas (defined as cities, towns, or unincorporated areas with fewer than 10,000 inhabitants) to increase environmental protection from the impacts of energy use and improve resilience, reliability, safety, and availability of energy. Applications for funding are expected to be open in the Fall of 2022.
- Grants for Energy Efficiency and Resilience Code Adoption This Department of Energy program will provide \$225 million to state energy agencies, in partnership with local building code agencies, codes and standards developers, utilities, and other entities, to enable sustained, cost-effective implementation of updated building energy codes to save customers money on their energy bills. Applications for funding are expected to be open by the end of 2022.
- **Regional Clean Hydrogen Hubs** This new Department of Energy program will provide \$8 billion to support the development of at least four regional clean hydrogen hubs to improve clean hydrogen



production, processing, delivery, storage, and end use. Applications for funding will open in the Summer of 2022.

• Community Wildfire Defense Grant Program – This new \$1 billion program at the Department of Agriculture will provide grants to communities at risk from wildfire to develop or revise their community wildfire protection plans and carry out projects described within those plans. It will include a mix of formula and competitive funds. Applications are expected to open early in 2023.

Broadband, Cyber, and Other Programs

- ReConnect Program This existing Department of Agriculture program will provide almost \$2 billion in loans and grants for projects that provide broadband in rural areas. Applications will likely open in the 3rd quarter of 2022 (and towns in rural areas can apply to the current \$1.15B in loans and grant funding, application deadline: February 22, 2022).
- Middle Mile Grants Program This new \$1 billion program at the Department of Commerce provides grants for the construction, improvement or acquisition of middle mile broadband infrastructure. Applications will likely open during the second quarter of 2022.
- State and Local Cybersecurity Grant Program This new \$1 billion program at the Department of Homeland Security makes available federal funds to state, local, and tribal governments to address cybersecurity risks and cybersecurity threats to information systems that they own or operate. Applications will likely open during the third quarter of 2022.
- Smart Grid Investment Grant Program and Energy Sector Operational Support for Cyber Resilience Program These two Department of Energy programs will provide \$3 billion and \$50 million, respectively, for electric utilities, including municipal and co-operative utilities, to modernize the electricity grid and increase resilience to cybersecurity threats. Applications for the Smart Grid program are expected to be open by the end of 2022, and applications for the Cyber Resilience program are expected to be open in the Summer of 2022.
- Water & Groundwater Storage and Conveyance This existing \$1 billion program at the Department of Interior provides funding for water storage projects with capacity between 2,000 and 30,000 acre-feet as well as projects convey water to or from surface water or groundwater storage. The Department will hold its final stakeholder sessions this month and open applications later this spring.
- Emergency Watershed Protection Program This existing Department of Agriculture program will provide \$300 million in technical and financial assistance to project sponsors for the design and construction of measures to help repair damages from a recent disaster. Applications open in February.



NEW CWCC CONTRIBUTION STRUCTURE

The new CWCC contribution structure is now in effect. We appreciate everyone's attention and review as we seek to fairly distribute the financial burden of this initiative and formalize the contribution structure for future sustainability and growth.

2022 # of Members	<u>Contribution</u> <u>Amount</u>
Up to 50 Members	\$1,500.00
50 - 100 Members	\$3,000.00
100 - 150 Members	\$5,000.00
150 - 200 Members	\$7,000.00
200 Members and Above	\$8,000.00

100% of this contribution goes to Key Advocates (Sante and Brian Esposito) to support the contract we have with them. We have already resolved some niche issues related to this new structure and will continue to work with any member who has nuanced issues that need to be resolved. We will ask you to affirm your members numbers so we can invoice you appropriately in the coming weeks.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to February 28, 2022.



(703) 340-4666 www.keyadvocates.com

March 2022 Insights

"Build Back Better" bills (BBB)

Substantively, what we do know is that the House-passed bill includes the following –

\$30B for Safe Drinking Water SRF lead service line replacement projects;

\$100M for state public water systems;

\$700M to reduce lead in school drinking water;

\$100M for large scale water recycling projects;

\$1.15B for emergency drought relief;

\$125M for Alternative Water Source Program grants;

\$2B for sewer overflow and storm water reuse grants.

\$4B for reduction of carbon in the surface transportation sector;

\$4B for affordable and safe transportation access;

\$6B for local surface transportation projects; and,

\$2B for sewer overflow and storm water reuse grants.

These are the same programs and the same funding amounts that were in the original BBB bill. No funding for the Clean Water SRF is included (there is in BIF). It does include new taxes.

What we don't know – because no official text of the Senate version of the bill has been released is what would be in its bill (although on Dec. 16, the Senate Environment and Public Works Committee released its title which includes \$9B for SDWSRF-funded lead remediation projects, \$225M for rural and low-income water assistance grants, \$125M for Alternative Water Source Program grants, and \$500M for sewer overflow and storm water reuse municipal grants).

Procedurally, what we do know is that the House-passed mega bill is dead in the Senate – as far Senators like Senator Manchin are concerned. What we don't know is what a "carve out" effort would look like - what will be included, what will be jettisoned from the House bill, will our issues of interest be included, what will be the timing, etc.

"Infrastructure Investment and Jobs Act" (BIF)

The \$1.2T law (P.L. 117-58) includes the following (it does not include any new taxes) –

For FY22-26 \$12.838B for the Clean Water State SRF, starting at \$2.127B in FY22 and going up to \$2.828B in FY26;

\$35.713B over five years for the Safe Drinking Water SRF, starting at \$6.702B in FY22 and going up to \$7.403B in FY26;

No appropriations are included for the Alternative Water Source Projects program (an authorization of \$125M over 5 fiscal years is included);

\$8.3B for the USBR for FY22-26 with an annual cap of \$1.66B per year including a number of programs under USBR's jurisdiction with specific appropriated amounts but without specifying annual funding amounts for each program;

For water recycling, the bill appropriates \$1B over 5 FY's, broken down to \$550M for Title XVI and WIIN Act grants and \$450M for "large scale" projects (those with project costs >\$500M);

\$400M over 5 FY's for WaterSMART;

\$1.2B for water storage and groundwater;

\$25M for desalination; and,

S. 914, as passed by the Senate, which authorizes \$14.65B over five fiscal years for the Clean Water SRF and the Safe Drinking Water SRF, and \$125M for the AWSP and which includes the Feinstein-Padilla amendment which limits the prohibition against applying for Alternative Water Source Program (AWSP) grants to USBR projects that received construction funds; and,

Other core infrastructure -

- \$65B for Broadband
- \$17B for Ports
- \$25B for Airports
- \$7.5B for Zero and Low-Emission Buses and Ferries
- \$7.5B for Plug-In Electric Vehicle Chargers
- \$65B to Rebuild the Electric Grid
- \$21B for Superfund and Brownfield sites

Highway Bill (FAST Act reauthorization)

The Senate FAST Act reauthorization bill is included in the enacted BIF. It authorizes \$287B in highway spending, 90- percent of which would be distributed to the states by formula. It also authorizes \$10.8B for various programs addressing resiliency and \$2.5B for electric, hydrogen, and natural gas vehicle charging and fueling stations. It provides billions for curbing emissions, reducing congestion and truck idling. It also streamlines infrastructure permitting and sets a two-year target for environmental reviews. Lastly, the bill authorizes \$12.5M per year to fund state and reginal pilot testing of user-based alternative revenue mechanisms to the gas tax.

Job Opportunities

NOTE: will make available list of grantees for the programs below when announced so that Coalition members will know what projects in their state have received funding and could provide opportunities for jobs.

The focus now is on implementation of the new law. The following programs will be monitored: Clean Water SRF, Safe Drinking Water SRF, EPA's State and Tribal Assistance grant program, USBR's Title XVI grant programs, and the Alternative Water Source Program if it gets funding in the final Build Back Better bill.

USBR Title XVI Recycled Water Grants – applications for \$245M for FY22 are to be submitted by March 15.

Clean Water and Safe Drinking Water SRF state allocations - released

State and Tribal Assistance grants – nothing announced so far.

Alternative Water Source Program grants – pending action on the Build Back Better bills.

Mentioning a fifth – WRDA which is up for reauthorization this year. We will monitor the process but don't expect it to address any issues of interest although it might be a possible vehicle for including the Title XVI "fixes."

Bills of Interest

Note: the following bills have some policy issues which were not addressed in the bipartisan infrastructure law and the House-passed BBB. Issues of interest in some of the bills below (H.R. 1015, H.R. 3404, STREAM Act) include raising the Federal share project cap from \$20 to \$30 M (although for FY22 the USBR has done so), removing the congressional approval process requirement, and providing opportunities for unauthorized projects to compete for both traditional Title XVI and Title XVI WIIN grants.

The goal is to get these changes enacted into law notwithstanding any administrative effort by the USBR to address the issues.

H.R. 1015, "Water Recycling Investment and Improvement Act" and STREAM Act ("Support to Rehydrate the Environment, Agriculture and Municipalities Act")

H.R. 1015 not only authorizes \$500M for WIIN Act grants but also eliminates the requirement that Congress must approve funding awards for specific projects by designating them in an enacted appropriations bill and increases the Federal share from \$20M to \$30M.

The STREAM Act, while authorizing the WIIN grant program at \$250M, includes the same WIIN grant changes and establishes a new Reclamation Infrastructure Finance Program, expedites congressional approval for water shortage projects of \$750 million, and authorizes \$100 million for desalination projects.

H.R. 3404, "FUTURE Western Water Infrastructure and Drought Resiliency Act"

H.R 3404 also authorizes \$500M for the WIIN Act grant program, increases the Federal share to \$30M, and authorizes a new \$300M water trust fund with \$100M earmarked for recycled water projects.

H.R. 4099, the "Large Scale Water Recycling Project Investment Act"

The BIF appropriates \$450M for large water recycling projects with total estimated cost of at least \$500M with the Federal share at 25%.

FY22 Appropriations/Earmarks Generally

A Continuing Resolution is funding the government at current levels until Match 11, thereby avoiding a government shutdown and allowing time for completion of individual FY22 appropriations bills. An agreement in principle has been reached on the bills pending working out the details. All bills are currently in conference.

FY22 "Water" Appropriations Bills

The House passed its FY22 Interior and Energy and Water Appropriations Bills which provide \$1.871B for the Clean Water SRF, \$1.358B for the Safe Drinking Water SRF, \$63.617M for Title XVI grants, of which \$10M is for Title XVI WIIN grants and \$75M for WaterSMART grants.

Included in the Senate announced Interior and Energy and Water bills is \$1.689B for the CWSRF, \$1.176B for the SDWSRF, \$32M for Title XVI grants, of which \$20M is for WIIN grants and \$48M for WaterSMART grants.

FY22 Transportation Appropriations Bills

The House passed its FY22 Transportation Appropriations Bill which includes \$1.2B for National Infrastructure Investment Grants, \$61.9B for state highway formula programs, \$625M for passenger rail, \$2.7B for Amtrak, and \$15.5B for transit.

Included in the Senate announced bill is \$1B for National Infrastructure Investment Grants, \$56.9B for state highway formula programs, \$552.6M for passenger rail, \$2.7B for Amtrak, and \$13.5B for transit.

Bill Tracking

Tracking bills that are marked up by committees and/or come to our attention.