

April 5, 2022

CWCC DC "Fly-In" / Business Meeting

We will be getting back to business in person in DC this spring. It's important to note that the House and Senate officials began implementing a three-phase reopening of the Capitol to visitors and the general public. This opens the possibility for in person Hill visits in capitol building, subject to the discretion of each member. In addition, last month D.C. Mayor Muriel E. Bowser <u>dropped the city's requirement that people show proof of coronavirus vaccination</u> before entering most businesses in the city. We will stay on top of the local situation and advise of any changes if they arise.

Our strategy is to delay the visit a month for restrictions to be lifted and the weather to improve. Fingers crossed it plays out this way. Our trip to DC this year is aligned with ARTBA's Federal Issues Program and Transportation Construction Coalition (TCC) Fly-in taking place Sunday, May 15th through Tuesday, May 17th at the Hyatt Regency Washington (on Capitol Hill). You do not need to register for the ARTBA 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) Capitol 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 pre-dinner 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" shortly. 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.

Scaled Back Version of "Build Back Better" May Move

According to Key Advocates, a 50-member majority is poised to confirm Ketanji Brown Jackson to the Supreme Court by the end of the week, Democrats say they will quickly turn to trying to rebuild the bill once known as Build Back Better (BBB). But rather than a redux of the slow-motion collapse of that \$1.7 trillion plan, they say they'll swiftly meet Manchin where he is. Manchin (D-W.Va.) is open to a smaller bill focused on raising taxes on the rich and big corporations married with prescription drug reform and climate spending. He wants roughly half of any new revenues from the bill to go toward deficit reduction, and Democrats say that — if they can pass the package — they'll sell it this fall as a cost-cutting law that makes the wealthy pay their fair share. It remains unclear what infrastructure funding would be included in this scenario. Read more in the attached report from Key Advocates.

Competitive Funding Process Moves Forward

Key Advocates provided intel that the 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 sub-applicants 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

Contribution Amount



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 March 31, 2022.



(703) 340-4666 www.keyadvocates.com

April 2022 Insights

FY22 "Water" Appropriations

On March 15, the President signed into law the FY22 Omnibus Appropriations Act funding all 12 appropriations bills for the remainder of the current fiscal year. Included in the bill are \$1.638B for the Clean Water SRF, \$1.126B for the Safe Drinking Water SRF, \$35.693M for the traditional Title XVI program, and \$17.5M for Title XVI WIIN grants. These funding amounts are over and above those included in the Bipartisan Infrastructure Law - \$2.127B for the Clean Water SRF, \$6.702B for the Safe Drinking Water SRF, and \$500M for Title XVI and the Title XVI WINN programs combined. As a result, for the current fiscal year total funding for the Clean Water SRF is \$3.765B, \$7.828 for the Safe Drinking Water SRF, and \$553.193M for both Title XVI programs.

FY22 "Transportation" Appropriations

The bill provides a total of \$102.9B for DOT – an increase of \$16.2B above the FY21 level. It includes \$775M for National Infrastructure Investments (RAISE/TIGER/BUILD) grants; \$57.5B for Federal Highway Administration formula programs funded from the Highway Trust Fund; \$2.4B for highway infrastructure programs and projects; \$856M for the Federal Motor Carrier Safety Administration and \$1.2 billion for the National Highway Traffic Safety Administration to make trucks, cars, and the Nation's roads safer; \$625M for the Consolidated Rail Infrastructure and Safety Improvements grant program; \$2.3B for Amtrak; \$16.3B for the Federal Transit Administration, including \$13.4 billion for transit formula grants; \$2.3B for Capital Investment Grants; and, \$504.3M for transit infrastructure grants and projects.

President's FY23 Proposed "Water" Budget

On March 28, the President released his FY23 Budget. It includes \$1.638.8B for the Clean Water SRF and \$1.126.1B for the Safe Drinking Water SRF. See last line below - amounts are in addition to the SRF funding in the Bipartisan Infrastructure Law. The Budget provides roughly \$4B for water infrastructure, an increase of \$1B over the 2021 enacted level. These resources would advance efforts to upgrade drinking water and wastewater infrastructure nationwide, with a focus on underserved communities that have historically been overlooked. The budget funds all of the authorizations in the original Drinking Water and Wastewater Infrastructure Act of 2021, including the creation of 20 new targeted water grant programs and an increase of over \$160M above 2021 enacted levels for the Reducing Lead in Drinking Water grant program. The budget also maintains funding for EPA's State Revolving Funds (SRF) at 2021 enacted levels, which would complement the \$23.4B provided for the traditional SRF programs in the Bipartisan Infrastructure Law.

President's FY23 Proposed "Transportation" Budget

The budget provides \$68.9B for the Federal-aid Highway program, a \$19.8 billion increase from the 2021 enacted level. This includes \$9.4 billion provided by the Bipartisan Infrastructure Law for 2023 and which also supports: \$8B for new competitive and formula grant programs to rebuild the Nation's bridges; \$1.4B to deploy a nationwide, publicly-accessible network of electric vehicle chargers and other alternative fueling infrastructure; \$1.3B for a new carbon reduction grant program; and \$1.7B for a new resiliency grant program to enhance the resilience of surface transportation infrastructure to hazards and climate change. The budget also provides more than \$2.5B for the Federal Motor Carrier Safety Administration and the National Highway Traffic Safety Administration, an \$857M increase above the 2021 enacted level. Lastly, to strengthen the Nation's transit systems, reduce emissions, and improve transportation access for people with disabilities and historically disadvantaged communities, the budget provides the Federal Transit Administration with \$21.1B, an \$8.2Bincrease over the 2021 enacted level.

"Build Back Better" Bills (BBB)

Efforts are on-going between The White House and the Senate Democratic leadership to identify provisions from the House-passed bill that could be considered in smaller, separate bills that would either have enough Democratic votes or bipartisan votes for passage. Pursuant to that. Senator Manchin has signaled that he is open to negotiations on a more limited bill. Included in the House-passed bill of interest to the Coalition are 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.

No funding for the Clean Water SRF is included in the House BBB. It does include new taxes.

Unofficially, the Senate Environment and Public Works Committee released its BBB 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.

"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, ninety 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 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 were due 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." On March 16, the Water Resources Subcommittee of the House Transportation and Infrastructure Committee held a hearing to examine Members' priorities in the development of the Water Resources Development Act of 2022.

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.

Note further: on March 2, spoke with Morgan Leonard, LA, Congresswoman Napolitano, and asked her what the plans are for H.R.1015. She said she would contact the Natural Resources committee and report back.

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%.

Bill Tracking

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