

INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

(AS PASSED BY THE SENATE ON 8/10/21)

Virginia Asphalt Association – Discussion with the Department

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Thomas Nelson, Jr., P.E.

FHWA Virginia Division Administrator



U.S. Department of Transportation
Federal Highway Administration



WHAT'S IN THERE

- The Infrastructure Investment and Jobs Act (hereafter, “the bill”) provides \$550 billion in new Federal investment in infrastructure, including:
 - ❑ Roads, bridges, and mass transit, water infrastructure, resilience, and broadband.
- The bill **contains the provisions of the Surface Transportation Reauthorization Act of 2021 (STRA)** — *the bill reported in May by the Senate EPW Committee—virtually without change.*
- This includes a five-year (FY22-26) reauthorization of Federal highway programs.



WHAT'S IN THERE

- The bill also establishes new highway programs
- Substantially increases Federal funding for highways, drawn from both the Highway Trust Fund (HTF) and the General Fund (GF).
- Transfers \$118 billion from the GF into the HTF, including \$90 billion into the Highway Account.



ADDITIONAL HIGHWAY FUNDING

- **More Contract Authority (CA) for highways**
 - ❑ Provides \$303.5 billion in CA from HTF - FY22 through FY26
 - ❑ Average annual increase of 29% (\$13.7B per FY) over FY21 levels
- **Continues to distribute highway funding predominately by formula**
 - ❑ Distributes 90% of highway CA by formula (vs 92% in FAST Act)
 - ❑ Relies on FAST Act apportionment formula w/minor modifications
 - ❑ States receive, on an annual average basis, 26% more in highway apportionment than in FY21
- **Additional \$47 billion for Highways**
 - ❑ \$36.7 billion for bridges
 - ❑ \$5.0 billion for EV charging infrastructure
 - ❑ Remaining for INFRA program, Appalachian Development Highway System, reconnecting communities, etc.



EXPANDED PROGRAM STRUCTURE

- Five new Formula Programs
 - “PROTECT” – Make surface transportation infrastructure more resilient
 - Carbon Reduction – Reduce transportation-related carbon emissions
 - Bridge – Replace, rehabilitate, preserve, and construct bridges
 - National Electric Vehicle Formula – Deploy EV charging infrastructure
 - Appalachian Development Highway System (ADHS) – Construct the ADHS



EXPANDED PROGRAM STRUCTURE

- 17 New Discretionary Programs – *some notable ones*
 - ❑ Bridge Investment – Rehabilitate or replace bridges
 - ❑ INFRA– Support highway or freight project of national or regional significance
 - ❑ Charging and Fueling Infrastructure Grants – Deploy EV charging and hydrogen, propane, & natural gas fueling infrastructure
 - ❑ Rural Surface Transportation Grants – Improve or expand surface transportation infrastructure in rural areas
 - ❑ PROTECT Grants – Make surface transportation infrastructure more resilient
 - ❑ Reconnecting Communities Pilot – Remove, retrofit, or mitigate transportation facilities that inhibit mobility, access, or economic development



AREAS OF POLICY EMPHASIS

- *Range of Provisions that focus on:*

- Reducing Carbon Emissions

- A new performance measure for greenhouse gas emission
- Support for Alternative Fuel Corridors

- Increasing System Resilience

- Streamlining Environmental Review and Project Delivery

- Includes deadlines for Federal actions on projects in the operational right-of-way and
- Interagency consultation for Section 4(f) reviews

INFRASTRURE IN VIRGINIA



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By the Numbers -

- Roughly 577 bridges and over 2,214 miles of highways in poor condition
- Since 2011, commute times have increased by 7.7%
- On average, each driver pays \$517 per year in cost for driving on roads in need of repair



IIJA - INVESTMENT IN VIRGINIA



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- Virginia would expect over five years:
 - ❑ \$7 billion for federal-aid highway apportioned programs
 - \$537 million for bridge replacement and repairs
 - ❑ \$1.2 billion to improve public transportation options statewide
 - ❑ \$106 million to support the expansion of an EV charging network
 - ❑ Minimum allocation of \$100 million for broadband coverage
 - ❑ \$15 million to protect against wildfires
 - ❑ \$21 million to protect against cyberattacks
 - ❑ \$738 million to improve water infrastructure
 - ❑ \$386 million for airports

Virginia will have an opportunity to apply for several of the new grant funding for bridge investment, major projects, and EV charging stations.



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Thomas Nelson, Jr., P.E.
FHWA Virginia Division Administrator
Richmond, Virginia