




Infrastructure Investment and Jobs Act (IIJA) Implementation Recommendations

Transportation Commission Workshop
June 13, 2022



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IIJA IMPLEMENTATION RECOMMENDATIONS

Implementation Steps

- ✓ Passage of Infrastructure Bill: Nov. 15, 2021
- ✓ Iowa DOT review and assessment
- ✓ Iowa DOT overview to Commission: October 11, 2021
- ✓ Initial stakeholder input
 - ✓ City/County/RPA/MPO Committee
 - ✓ Initial meeting: Feb. 2, 2022
 - ✓ Second meeting: March 16, 2022
 - ✓ Third meeting: May 13, 2022
 - ✓ All stakeholders
 - ✓ Initial communication: Nov. 30, 2021
 - ✓ Summary of committee discussions: June 8, 2022
- Summary of input/recommendations to Commission: June 13, 2022
- Stakeholder input on recommendations: After June 13, 2022
- Commission action: July 2022

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IIJA IMPLEMENTATION RECOMMENDATIONS



Infrastructure Bill Overview

- Infrastructure Investment and Jobs Act (IIJA)
- Includes reauthorization of surface transportation programs for FFY 2022 to FFY 2026.
- Includes \$550 billion in new funding with half going to transportation
- Core programs remain, and several new programs created

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IIJA IMPLEMENTATION RECOMMENDATIONS



Highway Formula Programs (millions)

Program	2021 (actual)	2022	2023	2024	2025	2026
National Highway Performance	307.4	365.8	373.1	380.6	388.2	395.9
Surface Transportation Block	157.2	177.9	181.5	185.1	188.8	192.6
Highway Safety Improvement	28.1	35.8	36.6	37.5	38.3	39.2
Rail-Highway Crossings	5.7	5.7	5.7	5.7	5.7	5.7
Congestion Mitigation/Air Qual.	11.8	12.3	12.6	12.8	13.1	13.3
National Highway Freight	18.2	17.0	17.4	17.7	18.1	18.4
Metro Planning	2.1	2.6	2.7	2.7	2.8	2.8
State Planning and Research	10.6					
<i>Highway Infra/Bridge (through appropriation, not authorized)</i>	43.6	37.9				
Bridge Formula Program		93.4	93.4	93.4	93.4	93.4
Carbon Reduction		15.9	16.2	16.5	16.8	17.2
PROTECT		18.0	18.4	18.8	19.1	19.5
Total	584.7	782.4	757.5	770.8	784.4	798.2
<i>National EV Charging</i>		10.3	10.3	10.3	10.3	10.3

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Commission Implementation Decisions

- Distribution of Surface Transportation Block Grant Program funding
- Distribution of Bridge Formula Program funding
- Allocation of FFY 2022 Bridge Funding (unrelated to IJA)
- Use of Highway Safety Improvement Program funding
- Use of National Highway Freight Program funding
- Distribution/Use of Transportation Alternatives program funding
- Use of Congestion Mitigation and Air Quality program funding
- Distribution/Use of Carbon Reduction funding
- Use of PROTECT funding
- Information Only – National Electric Vehicle Infrastructure

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IJA IMPLEMENTATION RECOMMENDATIONS



Commission Decision – Distribution of Surface Transportation Block Grant and Bridge Formula Funding

- STBG is an existing program - ~\$185 million per year
- Bridge is a new program - \$93.4 million per year
- These two programs are the primary source of city/county/MPO/RPA federal revenue
- Challenges:
 - Significant funding in a new program requires significant changes to allocation recommendations
 - Historically, DOT/local allocation of federal funds is 69 percent/31 percent.
 - Transportation Alternatives Funding (off-the-top of STBG) increased more than all other programs in IJA – this resulted in a relatively larger increase in local – non-highway/bridge allocations thus causing an imbalance to local – highway/bridge allocations
 - Increase in federal funding results in significant reduction of swap

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Commission Decision – Distribution of Surface Transportation Block Grant and Bridge Formula Funding

Input:

- Provide for consistent growth of highway/bridge funding for both DOT and local
- Allocate a portion of STBG funds that can continue to be swapped to provide matching fund support for county highway projects.
- Allocate a portion of STBG funds for city/county “off-system” bridges (required by IJA) and funding that can be swapped to provide match.
- Allow HSIP-Local and STBG allocations to cities under 50,000 population to continue to be swapped

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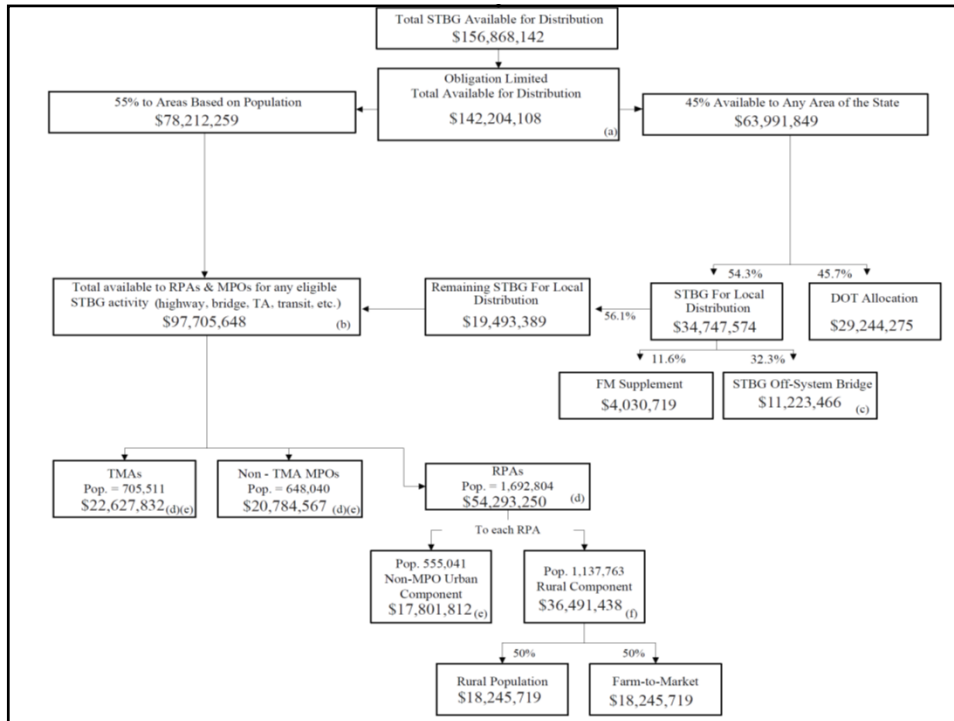
Commission Decision – Distribution of Surface Transportation Block Grant and Bridge Formula Funding

Recommendation for STBG Allocation

- 55 percent to RPAs/MPOs
- 45 percent to other allocations
 - 54.3 percent for local distribution*
 - 11.6 percent for Farm-to-Market supplement
 - 32.3 percent for off-system local bridges
 - 56.1 percent to RPAs/MPOs
 - 45.7 percent to DOT (includes funding to support local project development initiatives)*
- MPOs allocation from RPA/MPO category is based on their share of total state population. Remaining is allocated to RPAs based on:
 - 50 percent share of rural population
 - 50 percent: share of Farm-to-Market factors
- When programmed for highway/bridge projects, can only be utilized for construction activities.

* Percentages recalculated annually to provide equal growth in funding to DOT and local governments

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Commission Decision – Distribution of Surface Transportation Block Grant and Bridge Formula Funding

Recommendation for Bridge Formula Funding Allocation

- \$25,986,436 to Iowa DOT
- \$67,423,744 to cities/counties

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Commission Decision – Distribution of Surface Transportation Block Grant and Bridge Formula Funding

Recommendation for Swap eligibility

- Allocate a portion of STBG funds that can continue to be swapped to provide matching fund support for county highway projects.
- Allocate a portion of STBG funds for city/county “off-system” bridges (required by IJA) and funding that can be swapped to provide match for city/county bridge programs.
- Allow HSIP-Local and STBG allocations to cities under 50,000 population to continue to be swapped
- Utilize for construction activities only

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Appropriations Bill – Additional Bridge Funding

- FFY 2020: \$42.8 million
 - Allocated 50 percent Iowa DOT and 50 percent local jurisdiction
- FFY 2021: \$35.6 million
 - Allocated 47.8 percent Iowa DOT and 52.2 percent local (based on share of bridge deck area)
 - Iowa DOT: \$17.1 million
 - Local jurisdictions: \$18.5 million
- FFY 2022: \$37.9 million
 - Recommend allocating 48.5 percent Iowa DOT and 51.5 percent local (based on share of bridge deck area)
 - Iowa DOT: \$18.4 million
 - Local jurisdictions: \$19.5 million

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Commission Decision - Use of Highway Safety Improvement Program Funding

- Funding level – approximately \$37 million per year
- Current policy: Allocate \$2 million per year for HSIP – Secondary Program

Input: Increase allocation to \$5 million per year and broaden program to include city projects

Recommendation:

- Allocate \$5 million per year for HSIP – Local
- Remaining funds used in Iowa DOT Highway Program

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IIJA IMPLEMENTATION RECOMMENDATIONS



Commission Decision - Use of National Highway Freight Program Funding

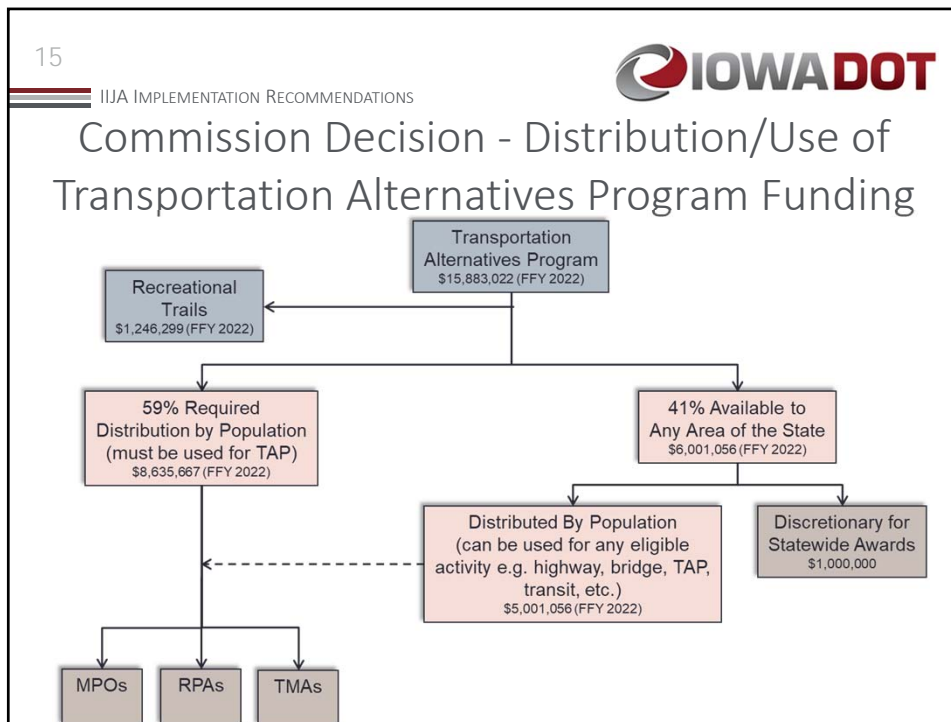
- Funding level – approximately \$17 million per year
- Current policy: Allocate 10 percent for freight intermodal or freight rail projects (LIFTS Program)

Input: Support continuing to set aside 10 percent (IIJA allows up to 30 percent)

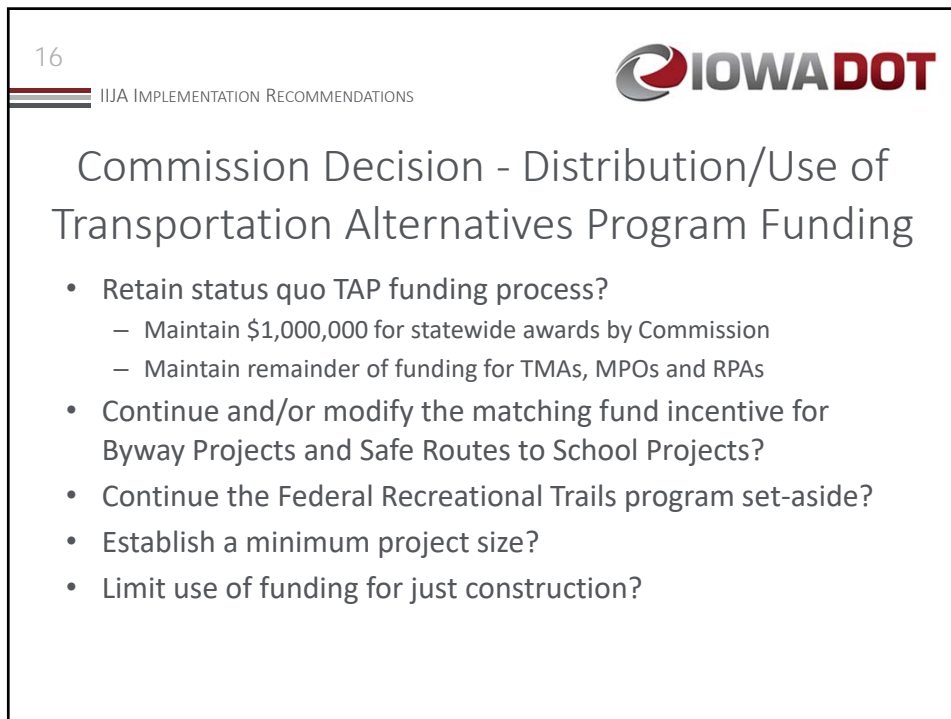
Recommendation:

- Allocate 10 percent of annual apportionment for freight intermodal or freight rail projects.
- Commission award through an annual application - LIFTS Program
- Remaining funds used in Iowa DOT Highway Program

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Commission Decision - Distribution/Use of Transportation Alternatives Program Funding

Input:

- With increase in TAP funding, increase statewide set-aside to help fund larger trail projects
- Continue the Federal Recreational Trails program set-aside
- Do not establish a minimum project size so that important regional and metropolitan projects can be funded.
- Do not limit use of funding for just construction as often these types of projects need design and engineering support that can be difficult to otherwise fund

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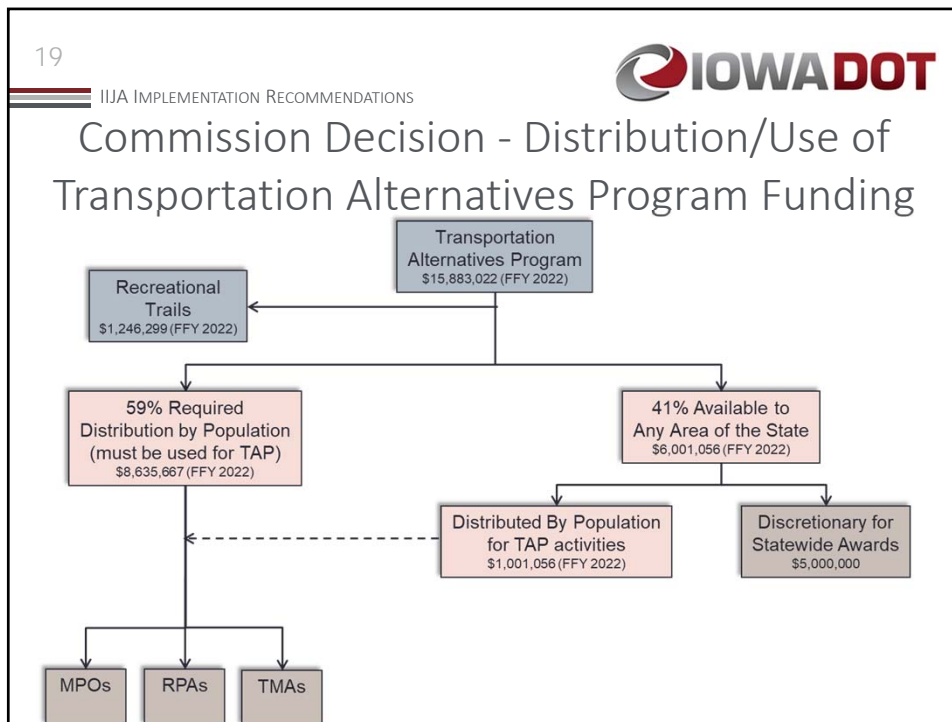


Commission Decision - Distribution/Use of Transportation Alternatives Program Funding

Recommendation:

- Increase the statewide TAP funding from \$1,000,000 to \$5,000,000 for statewide awards by Transportation Commission for larger trail projects.
- Allow Safe Routes to School and Byway projects to apply for statewide funding instead of providing 30% incentive for MPO/RPA projects funded at 50%.
- Provide remainder of funding for MPOs and RPAs – this will provide approximately \$1,000,000 more for their targets.
- TAP flex eliminated due to IIJA restrictions
- No minimum MPO/RPA project threshold.
- Continue allowing use of TAP funding for PE/CE/ROW.

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IOWA DOT

Commission Decision - Use of Congestion Mitigation and Air Quality (CMAQ) Funding

- Funding level – approximately \$12 million per year
- Current policy:
 - Allocate \$4 million per year for Iowa’s Clean Air Attainment Program (ICAAP)
 - Allocate \$3 million per year for bus replacement

Input: Continue with current allocations

Recommendation:

- Allocate \$4 million per year for Iowa’s Clean Air Attainment Program (ICAAP)*
- Allocate \$3 million per year for bus replacement*
- Remaining funds used in Iowa DOT Highway Program

* Allocations may come from CMAQ or Carbon Reduction program funding

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Commission Decision – Distribution/Use of Carbon Reduction Funding

- New core program – about \$16 m per year
- Allocation
 - 65 percent suballocated by population
 - Over 200,000 population: \$2.2 million
 - 50,000 to 200,000 population: \$2.1 million
 - 5,000 to 50,000 population: \$1.9 million
 - < 5,000 population: \$4.1 million
 - 35 percent to any area: \$5.6 million
- Projects to reduce emissions
 - Traffic monitoring facilities/programs
 - Public transit
 - Trails
 - Congestion management
 - Advanced technologies
- Each state required to develop carbon reduction strategy, in consultation with MPOs by Nov. 2023

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Commission Decision – Distribution/Use of Carbon Reduction Funding

Input:

- Allocate to MPOs based on suballocation requirements
- Allocate to RPAs based on suballocation levels

Recommendation:

- Allocate the IJA suballocations to Iowa's nine MPOs based on their share of population
- Do not allocate to RPAs due to the small amount of funding per RPA and administrative challenges
- Allow these funds to be used instead of CMAQ funds for all or part of the \$3 million allocation for bus replacement and/or the \$4 million allocation for ICAAP
- Remaining funds used in Iowa DOT Highway Program

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Commission Decision – Distribution/Use of PROTECT Funding

- “Promoting Resilient Operations for Transformative, Efficient, and Cost saving Transportation”
- New core program – about \$18 m per year
- Projects to improve resiliency of transportation infrastructure
 - Resilience improvement grants
 - Community resiliency
 - Evacuation routes
- Lower match if state develops resiliency improvement plan and/or incorporates within state transportation plan
- **Input:** Given the lack of program guidance and the preference for more flexible STBG funding, allocate these funds to Iowa DOT
- **Recommendation:** Use funds in Iowa DOT Highway Program

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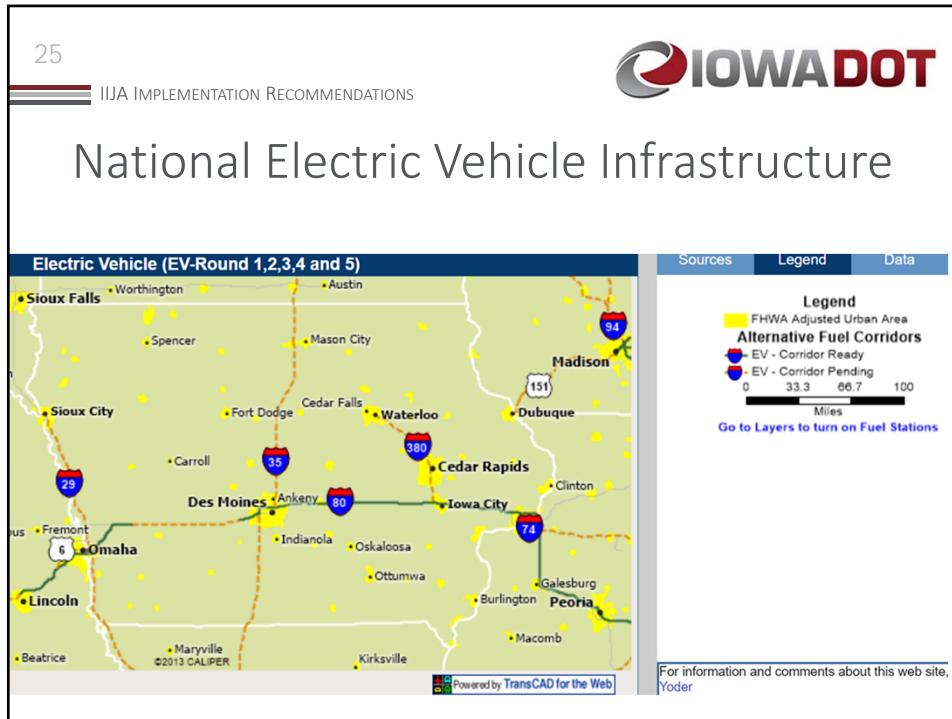
IJA IMPLEMENTATION RECOMMENDATIONS



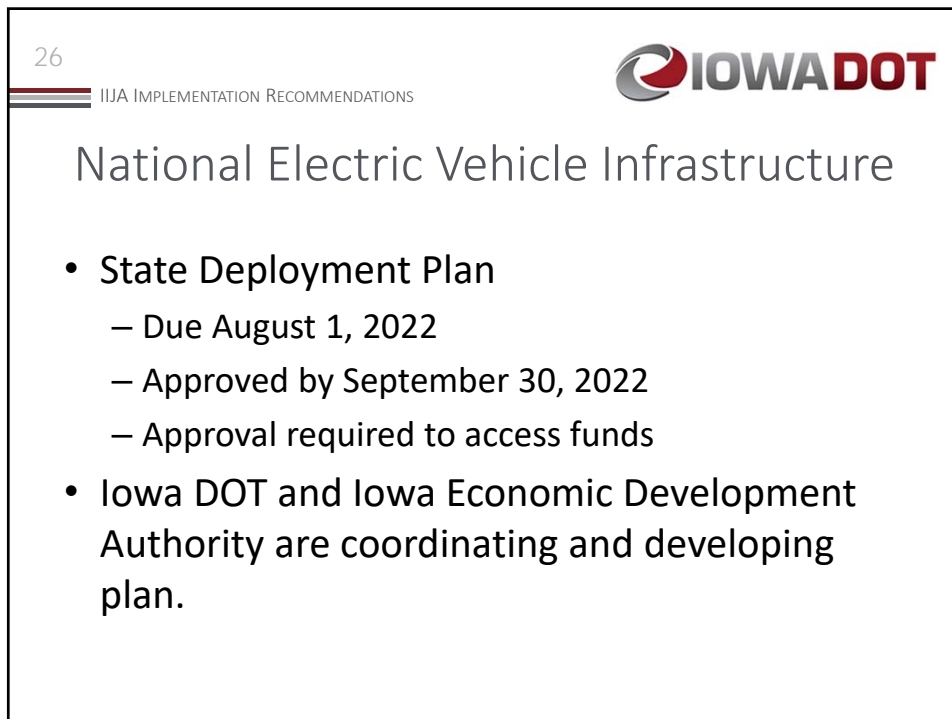
National Electric Vehicle Infrastructure

- New US DOT program from the Infrastructure Bill
- Iowa allocated \$51 million over FFY 2022-2026 – approximately \$10.3 m per year
- FFY 2022 allocation: \$7.6 m (after off-the-tops)
- Infrastructure within one mile of Alternative Fuel Corridor Routes
- Opportunity to add routes (apps were due May 13) – Iowa did not seek additional routes to maximize flexibility

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Questions?