

Committee on Transportation and Infrastructure U.S. House of Representatives Washington, DC 20515

Peter A. DeFazio Chairman

Katherine W. Dedrick, Staff Director

Sam Grabes Ranking Member

Jack Ruddy, Republican Staff Director

July 15, 2022

SUMMARY OF SUBJECT MATTER

TO:Members, Committee on Transportation and InfrastructureFROM:Staff, Committee on Transportation and InfrastructureRE:Full Committee Hearing on "Implementing the Infrastructure Investment and Jobs
Act"

PURPOSE

The Committee on Transportation and Infrastructure will meet on Tuesday, July 19, 2022, at 10:00 a.m. EDT in 2167 Rayburn House Office Building and virtually via Zoom for a hearing titled "Implementing the Infrastructure Investment and Jobs Act." The hearing will provide an opportunity for Members of the Committee to discuss the Administration's actions to date in implementing the *Infrastructure Investment and Jobs Act (IIJA*; P.L. 117-58). The Committee will hear testimony from the Secretary of the United States Department of Transportation (DOT).

BACKGROUND

United States Department of Transportation

Pursuant to House Rule X (1)(r), the Committee on Transportation and Infrastructure (Committee) authorizes programs carried out by the following DOT modal administrations and offices:

- Federal Aviation Administration (FAA);
- Federal Highway Administration (FHWA);
- Federal Motor Carrier Safety Administration (FMCSA);
- National Highway Traffic Safety Administration (NHTSA);
- Federal Transit Administration (FTA);
- Federal Railroad Administration (FRA);
- Maritime Administration (MARAD);

- Pipeline and Hazardous Materials Safety Administration (PHMSA);
- Great Lakes Saint Lawrence Seaway Development Corporation (GLS); and
- Office of the Secretary (OST).

On December 15, 2020, President Biden nominated Pete Buttigieg to be the Secretary of Transportation. The Senate Committee on Commerce, Science, and Transportation held a confirmation hearing on the nomination on January 21, 2021. The Senate confirmed Secretary Buttigieg on February 2, 2021, by a vote of 86-13.

Infrastructure Investment and Jobs Act

Last November, Congress enacted the bipartisan infrastructure framework, passed as the Senate Amendment to H.R. 3684, the *Infrastructure Investment and Jobs Act*. This legislation provided billions of dollars to sustain and modernize our highway, transit, rail, airport, port, and wastewater infrastructure. These investments will help construct, repair, and replace airports, roads, bridges, transit systems, railroads, and pipelines; improve safety; reduce carbon pollution from the transportation sector; reduce congestion at ports; and improve air and water quality.¹

As stated in the fiscal year 2023 Views and Estimates adopted by the committee on April 28, 2022: "[o]versight of responsible implementation of the IIJA is a top priority for the committee this year as we work to ensure that Americans all over the country, rural and urban alike, proportionally share in the benefits from these historic investments."² This hearing is an IIJA oversight activity of the committee and represents an opportunity for the committee to ensure that the IIJA is responsibly implemented.

The *IIJA* provides \$660 billion over five years to be distributed by DOT through formula programs and competitive grants to states, local governments, metropolitan planning organizations, transit agencies, tribes, passenger and freight railroad carriers, ports, airports, and other eligible recipients.³ This amount includes the following topline amounts by mode:

- \$365 billion for highway programs administered by the FHWA;⁴
- \$108 billion for transit programs administered by the FTA;⁵
- \$102 billion for rail programs administered by the FRA;⁶
- \$43 billion for multimodal project, safety, and innovation grant programs administered by the OST;⁷
- \$25 billion for aviation programs administered by the FAA;⁸

¹ As described in Views and Estimates of the Committee on Transportation and Infrastructure for Fiscal Year 2023, p 1. <u>https://transportation.house.gov/imo/media/doc/FY23%20Views%20and%20Estimates_Final.pdf</u> ² *Id*, p 1.

³ https://www.transportation.gov/sites/dot.gov/files/2022-

^{01/}DOT Infrastructure Investment and Jobs Act Authorization Table %28IIJA%29.pdf.

⁴ More information on highway programs available at <u>https://www.fhwa.dot.gov/bipartisan-infrastructure-law/</u>

⁵ More information on transit programs available at <u>https://www.transit.dot.gov/BIL</u>

⁶ More information on rail programs available at <u>https://railroads.dot.gov/BIL</u>

⁷ More information on OST programs available at <u>https://www.transportation.gov/mission/budget/bipartisan-infrastructure-law-dashboard</u>

⁸ More information on aviation programs available at <u>https://www.faa.gov/bil</u>

- \$8 billion for safety programs administered by the NHTSA;⁹
- \$5 billion for motor carrier safety programs administered by the FMCSA;¹⁰
- \$2.3 billion for port and waterway programs administered by the MARAD;¹¹ and
- \$1 billion for modernization of natural gas distribution pipelines administered by PHMSA.¹²

The guaranteed funding provided by the *IIJA* flows to funding recipients through more than 100 grant programs authorized by the legislation and administered by DOT and includes both formula and competitive grants. A comprehensive list of these programs across modal agencies and total funding available for each program can be found on DOT's website.¹³

Formula program funding is apportioned to recipients each fiscal year (FY). States were initially notified of their first year (FY 2022) of *IIJA* highway funding, totaling \$52.5 billion, in an apportionment notice issued on December 14, 2021, and the agency has issued subsequent apportionment notices specific to the Bridge Formula Program, Appalachian Highway Development System funds, and the National Electric Vehicle Infrastructure formula funds.¹⁴ State departments of transportation generally have four fiscal years in which to obligate these formula funds.¹⁵ Transit agencies were notified of their first year (FY 2022) of *IIJA* transit formula funding, totaling \$13.4 billion, in an apportionment notice announced on April 6, 2022, once funding for the full fiscal year was made available with the passage of the FY 2022 appropriations bill.¹⁶ Obligation timelines vary by transit formula program, but in most cases agencies have several fiscal years to obligate funding.¹⁷ Airports were notified of their first year (FY 2022) of *IIJA* Airport Infrastructure Grant formula funding, totaling \$2.89 billion, in an apportionment notice announced on December 16, 2021.¹⁸ Airports will generally have four fiscal years to obligate these funds. Funds not obligated at the end of the fourth fiscal year will be recovered by the FAA and made available for competitive grants in the fifth fiscal year.¹⁹

For competitive grant programs, DOT first issues a Notice of Funding Opportunity (NOFO) which sets forth eligibilities under the particular grant, factors for applicant evaluation, the period of time during which interested parties can apply, and other relevant information. DOT posts NOFOs and applicants generally apply through the federal www.grants.gov website. Since the

⁹ More information on NHTSA programs available at <u>https://www.nhtsa.gov/bipartisan-infrastructure-law</u>

¹⁰ More information on FMCSA grant programs available at <u>https://www.fmcsa.dot.gov/Bipartisan-Infrastructure-Law-Grants</u>

¹¹ More information on MARAD programs available at <u>https://www.maritime.dot.gov/about-us/bipartisan-infrastructure-law-maritime-administration</u>

¹² More information on pipeline grants available at <u>https://www.phmsa.dot.gov/news/usdot-begins-accepting-applications-president-bidens-bipartisan-infrastructure-law-program</u>

¹³ https://www.transportation.gov/bipartisan-infrastructure-law/bipartisan-infrastructure-law-grant-programs.

¹⁴ See <u>https://www.fhwa.dot.gov/legsregs/directives/notices/n4510858/</u> and <u>https://www.fhwa.dot.gov/bipartisan-infrastructure-law/funding.cfm</u>.

¹⁵ Funding Federal-aid Highways, January 2017, p. 23, available at

https://www.fhwa.dot.gov/policy/olsp/fundingfederalaid/FFAH_2017.pdf

¹⁶ https://www.transit.dot.gov/funding/apportionments/current-apportionments

¹⁷ https://www.federalregister.gov/documents/2022/04/28/2022-09143/notice-of-fta-transit-program-changesauthorized-funding-levels-and-implementation-of-the

¹⁸ https://www.faa.gov/newsroom/faa-announces-first-year-airport-funding-amounts-bipartisan-infrastructure-law

¹⁹ As set forth directly in the *IIJA* provision, see P.L. 117-58, Division J, TITLE VIII, Federal Aviation Administration, Airport Infrastructure Grants.

enactment of the *IIJA*, DOT has issued NOFOs for the following competitive grant programs (with grant opportunity numbers or NOFO publications noted parenthetically):

- Reconnecting Communities Pilot Discretionary Grant Program (DOT-RCP-FY22-01)
- Bridge Investment Program (693JJ322NF00009)
- Local and Regional Project Assistance Grants (RAISE) (DTOS59-22-RA-RAISE)
- Bus and Bus Facilities (Competitive) (FTA 2022-002-TPM-BUSC)
- Low and No Emission Buses (FTA 2022-001-TPM-LWNO)
- National Infrastructure Project Assistance (MEGA) (NIPA-22-MEGA-22)
- Nationally Significant Freight and Highway Projects (INFRA) (NSMFHP-22-INFRA-22)
- Rural Surface Transportation Grant (Rural) (RSTGP-22-RURAL-22)
- Port Infrastructure Development Program Grants (MA-PID-22-001)
- Pilot Program for Transit-Oriented Development (TOD) Planning (FTA-2022-004-TPE-TODP)
- UTC Program Competition 2022-2026 Grants (UTCOPENCOMP2022)
- Safe Streets and Roads for All Discretionary Grant Program (DOT-SS4A-FY22-01)
- Natural Gas Distribution Infrastructure Safety and Modernization Grant (693JK322NF0018)
- Railroad Crossing Elimination Program (87 FR 40335 / FR-RCE-22-001)
- Small Shipyard Grant Program (DTMASSG22)
- Airport Terminal Program (87 FR 10890)
- Contract Tower Competitive Grant Program (87 FR 23687)
- Passenger Ferry Grant (Program FTA-2022-006-TPM-FERRY)
- Electric or Low-Emitting Ferry Pilot Program (FTA-2022-007-TPM-FERRYPILOT)
- Ferry Service for Rural Communities Program (FTA-2022-008-TPM-FERRYRURAL)
- America's Marine Highway Program (693JF722R000012)
- Tribal Transportation Program Safety Fund (2022TTPSF)

To provide assistance and information on future funding opportunities for potential applicants, DOT has posted on its website anticipated dates for future grant notices.²⁰ DOT has also created the "Bipartisan Infrastructure Law Dashboard," which allows users to view *IIJA* funding by modal administration, fiscal year, and other factors such as funding source and program type.²¹ In addition, in May 2022 the White House published a document entitled "Building a Better America: A Guidebook to the Bipartisan Infrastructure Law for State, Local, Tribal, and Territorial Governments, and Other Partners" which outlines each of the funding programs available under the *IIJA*.²²

DOT has also launched the DOT Navigator website, which lists resources to "help communities understand the best ways to apply for grants, and to plan for and deliver transformative infrastructure projects and services" and provides a one-stop shop for technical

²⁰ https://www.transportation.gov/bipartisan-infrastructure-law/upcoming-notice-funding-opportunityannouncements-2022

²¹ <u>https://www.transportation.gov/mission/budget/bipartisan-infrastructure-law-dashboard</u>

²² https://www.whitehouse.gov/wp-content/uploads/2022/05/BUILDING-A-BETTER-AMERICA-V2.pdf

assistance resources available through DOT.²³ The Office of Management and Budget separately issued implementation guidance in the form of a memorandum on April 18, 2022, regarding the application of Buy America requirements to infrastructure funding that Congress enacted as part of the $IIIA.^{24}$

WITNESS LIST

The Honorable Pete Buttigieg Secretary United States Department of Transportation

 ²³ <u>https://www.transportation.gov/dot-navigator</u>
²⁴ <u>M-22-11 (whitehouse.gov)</u>