



Infrastructure Investment and Jobs Act

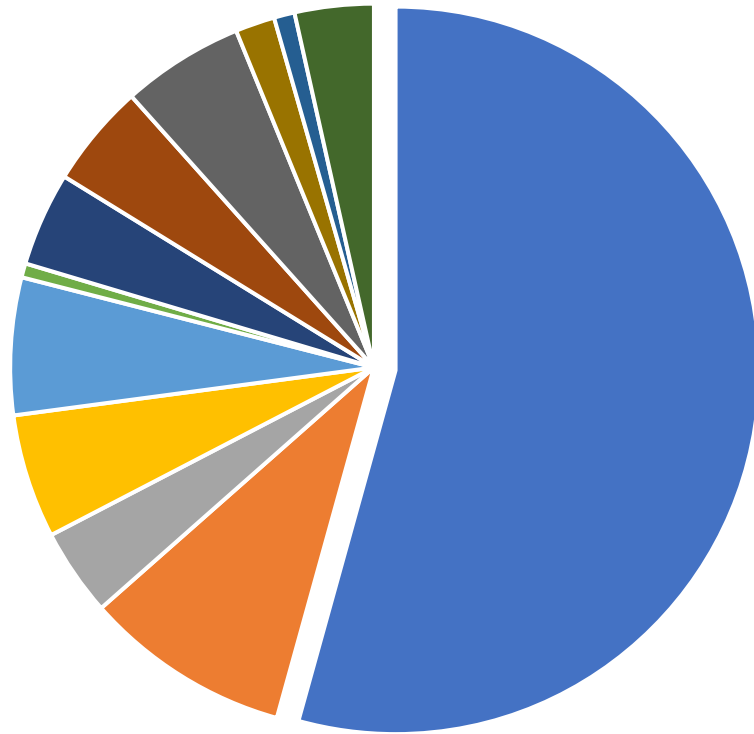
Presentation to the House Capital Investment Committee

Ahna Minge | State Budget Director

1. Status of the Infrastructure Investment and Jobs Act (IIJA) in Minnesota
2. Required matching funds for IIJA programs
3. Spending of IIJA funds
4. Questions

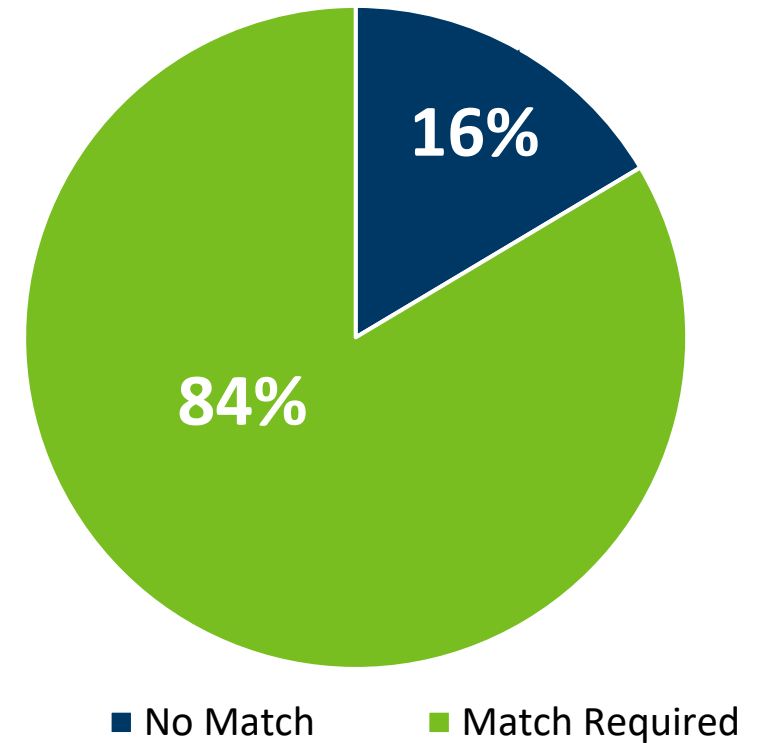
Infrastructure Investment and Jobs Act (IIJA): What We Know

IIJA: \$1.2 Trillion in Total, \$550 Billion in New Spending



- FAST Act Reauthorization
- Rail
- Climate Resilience and Adaptation
- Environment & Public Lands
- Roads and Bridges
- Energy/Power Grid
- Water
- Transportation Safety
- Transit
- Electric Vehicle Infrastructure
- Broadband
- Airports & Ports

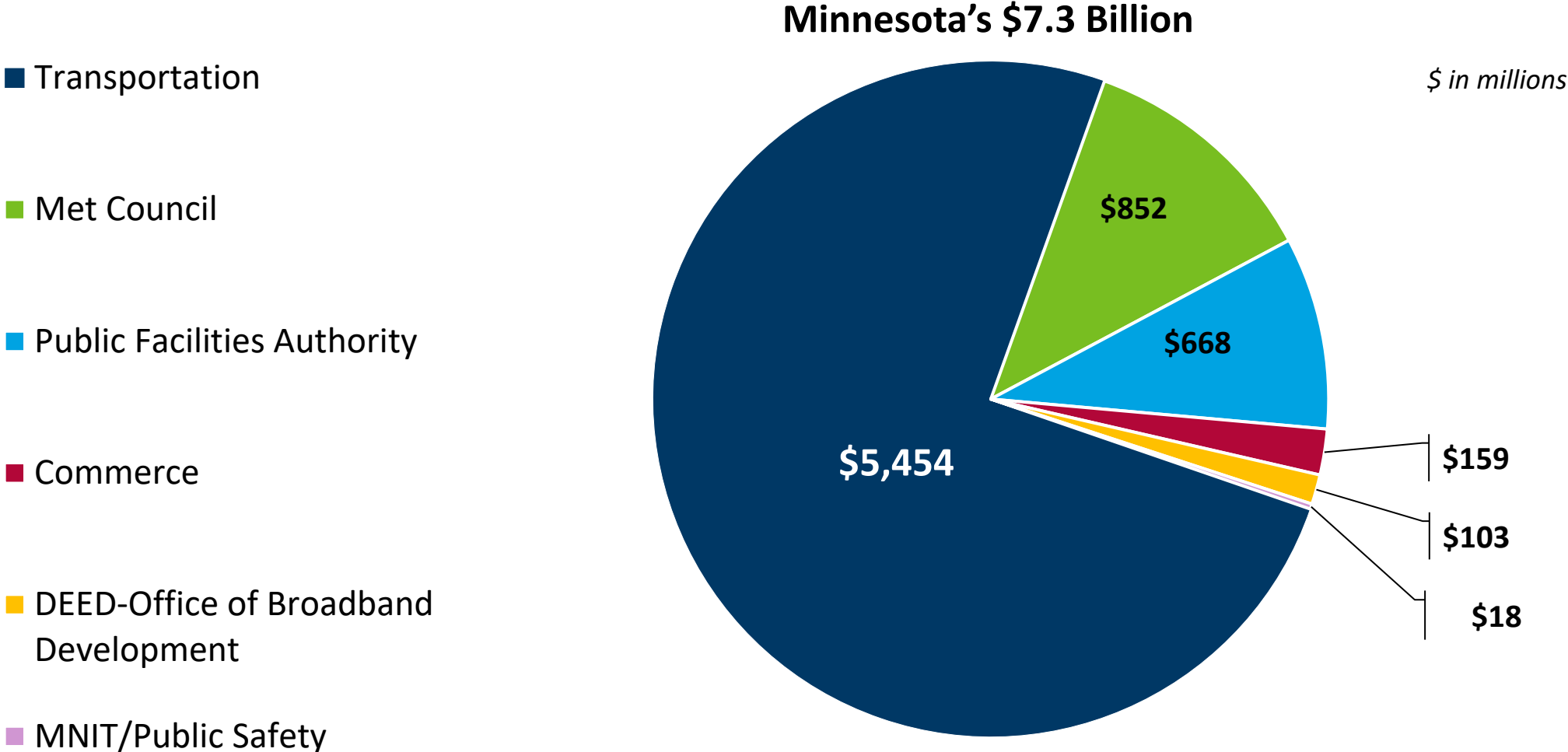
Minnesota Estimated to Receive \$7.3 Billion



Source: FFIS, 2/1/2022

2/8/2022

IJA Allocation Estimates by State Agency: FFY 2022-2026



Source: FFIS, 2/1/2022

Infrastructure Investment and Jobs Act (IIJA): What We Don't Know

- Applications for Competitive Awards
- Timing of Guidance
- Availability of Appropriations

Infrastructure Investment and Jobs Act (IIJA): Intersections with the Governor's Budget

Category	Overview	State Match	Match Source
Roads & Bridges	<p>\$4.5 billion in total for roads (\$599 million is an increase over base funding) and \$302 million in new funding for bridge replacement and repairs.</p> <p>Additional competitive funding is also available for economically significant bridges.</p>	<p>\$113 million/year</p> <ul style="list-style-type: none"> \$60 million for formula-driven programs \$53 million for competitive programs 	Supplemental Budget: <i>Multimodal Transportation Package (MnDOT)</i>
Transit	<p>\$236 million to improve public transportation options across the state by funding operating and capital needs.</p>	\$17 million/year	Supplemental Budget: <i>Multimodal Transportation Package (MnDOT)</i>
Water	<p>\$668 million for clean, safe drinking water infrastructure</p> <p>Of the total amount, \$371 million requires a match</p>	\$29 million (FY22-24)	Capital Budget: <i>State Match to Federal Grants for State Revolving Fund loan programs (PFA)</i>
Airports	<p>\$297 million for infrastructure needs at airports, such as improving runways, taxiways and airport-owned towers, terminal development projects, and noise reduction projects.</p>	\$7 million/year	Supplemental Budget: <i>Multimodal Transportation Package (MnDOT)</i>

Infrastructure Investment and Jobs Act (IIJA): Intersections with the Governor's Budget (cont'd)

Category	Overview	State Match	Match Source
Broadband	<p>\$100 million for broadband equity, access, and deployment state grants.</p> <p>Additional funding will be distributed based on a formula that considers the number of unserved and high-cost locations in the state, based on the maps to be published by the FCC in 2022.</p>	No state match. 25% match required by subgrantees.	N/A
EV Charging Infrastructure	<p>\$68 million to expand EV charging in the state.</p> <p>Minnesota can also apply for the \$2.5 billion in grant funding dedicated to EV charging.</p>	\$3.4 million/year	<p>Capital Budget:</p> <p><i>Statewide Electrical Vehicle Infrastructure Program (MPCA)</i></p> <p><i>State Fleet Electric Vehicle Charging Infrastructure (Administration)</i></p> <p>Supplemental Budget:</p> <p><i>Multimodal Transportation Package (MnDOT)</i></p>

Infrastructure Investment and Jobs Act (IIJA): Intersections with the Governor's Budget (cont'd)

Category	Overview	State Match	Match Source
Climate	<p>\$568+ million in formula and competitive funding opportunities related to reducing greenhouse gas emissions and addressing climate change.</p> <p>Related agency budget requests provide matching funds, staffing capacity to apply for competitive programs, technical assistance to applicants, and implementation capacity.</p>	<p>\$2 million/year</p> <p>\$20 million - FY23</p>	<p>Supplemental Budget: <i>Maximize Federal Transportation Climate Funding (MnDOT)</i></p> <p><i>State Competitiveness Fund (Commerce)</i></p>
Cybersecurity	<p>\$18 million for grants to enhance statewide cybersecurity efforts</p> <p>MNIT expects 80% of funding will need to be used on local government projects</p>	<p>\$4.125 million</p>	<p><i>Supplemental Budget: Cybersecurity Grant Program State Match (MNIT)</i></p>

2022 Governor's Recommendations that Include IJA Matching Funds

Budget	Proposal	Agency	Source	FY 2022-23	FY 2024-25
Supplemental	Multimodal Transportation Package	Transportation	General Fund	\$513,257	\$612,810
Supplemental	Maximize Federal Transportation Climate Funding	Transportation	General Fund	\$2,000	\$4,000
Capital	State Match to Federal Grants for State Revolving Loans	Public Facilities Authority	GO Bonds	\$49,000	-
Capital	Statewide Electric Vehicle Charging Infrastructure	Pollution Control	General Fund	\$13,800	-
Capital	State Fleet Electric Vehicle Charging Infrastructure	Administration	GO Bonds	\$5,000	-
Supplemental	Cybersecurity Grant Program State Match	MNIT	General Fund	\$1,794	\$2,331
Supplemental	State Competitiveness Fund	Commerce	General Fund	\$20,000	-
		Grand Total	All Sources	\$604,851	\$619,141

\$ in thousands

IJA Spending Authority

- Potential Pathways for Spending IJA Resources
 - Legislative Advisory Commission
 - Direct Appropriations
 - Agency statutory authority



Date: February 1, 2022
To: Agency Federal Fund Coordinators
From: Ahna Minge, State Budget Director *AM*
Phone: 651-201-8032
Subject: Federal Funds Review Forms Due February 25 for 2022 Legislative Session Submission

This memo provides agencies with a timeline for submitting additional or anticipated federal funds needing legislative review. This includes both formula-driven and competitive awards in the Infrastructure Investment and Jobs Act (IIJA).

Context

Agencies are authorized to spend federal funds after they have been submitted by the Governor to the Legislature as part of the budget or have been reviewed by the Legislature Advisory Commission (LAC). [Minnesota Statute 3.3005](#) provides that federal funds may be submitted for review during the legislative session up to 20 days before the deadline set by the legislature for legislative budget committees to act on finance bills. April 8 is the deadline set by the Legislature for finance bills to be out of Senate Finance and House Ways and Means committees. MMB is anticipating a March 14 session submission for federal funds review. This will be the only opportunity to request authority to spend additional federal funds for FY2022 or FY2023 until the annual fall LAC submission.

Agencies that will receive formula funding or that may apply for competitive grants in the IJA are encouraged to participate in this LAC process in order to facilitate timely implementation of the programs included in the bill. Agencies submitting federal funds received through the IJA should consult with relevant legislative finance chairs prior to MMB communicating requests to the LAC.

Process

- Work with federal fund and program coordinators in your agency to determine if there are any federal awards requiring LAC review for either FY2022 or FY2023
- Prepare a [Federal Funds Review Request form](#) for each federal fund item needing approval
- Upload completed form(s) to your agency's LAC/2022 Session Submission folder on the [Budget Division Document Management SharePoint site](#)
- Email your Executive Budget Officer when the documents are uploaded and ready for review
- Federal fund Review Request forms are due to MMB by Friday, February 25, 2022

Questions?

- Federal Funds Review and Approval Policy and other information on the [MMB website](#)
- Request access to the Budget Division SharePoint site by emailing an [Access Request Form](#) to budget.finance.mmb@state.mn.us
- Contact [MMB Budget Planning and Operations team](#) for help with the form or SharePoint site
- Contact your assigned Executive Budget officer with general questions or assistance
- Contact Elizabeth.Connor@state.mn.us with questions related to programs in the IJA



Ahna Minge | State Budget Director