Infrastructure Investment and Jobs Act (IIJA) Update
May 4, 2022

Kim Collins – Deputy Commissioner & Chief Administrative Officer
Erik Rudeen – Director of Government Affairs
Josh Knatterud-Hubinger – Chief Financial Officer (interim)

mndot.gov/
IIJA – Minnesota Timeline

**Nov. 15**  
IIJA signed into law

**January**  
Governor’s Budget Proposals Released

**Jan. 31**  
State Session Began – Appropriation of Federal Funds, Matching Funds

**March 12**  
Appropriations signed into law

**April/May**  
IIJA Discretionary Grants
Comparison of FAST Act and IIJA Formula Program Funds

**Current State Roads**
- Federal Aid: 2,710
- Increase (State Roads): 480

**Current Local**
- Federal Aid: 950
- Increase (Local Share): 160

**New IIJA Programs**
- * Carbon Reduction Program
- * PROTECT (Resiliency)
- * Bridge Program
- * EV Program

**Infrastructure Investment and Jobs Act**

**Bipartisan Infrastructure Law**

Estimated Distribution of Formula Program Funds

**FAST Act Funding Level**
(5-year FFY2022 to FFY2026)

**IIJA Funding Level**
(5-year FFY2022 to FFY2026)
IIJA State and Local Match (current estimates)

• **Formula funds for road and bridges**
  
  • $240M/year of additional federal funds (approx. +35%). Based on historical precedent (70% state, 30% locals):
    
    • Additional $170M/year to MnDOT for trunk highway system
    
    • Additional $70M/year to local partners for local roads and bridges
  
  • **Match requirements (@ 20%)**
    
    • $40M/year for MnDOT for trunk highway system
    
    • $20M/year for local partners for local roads and bridges
## IIJA State and Local Match (current estimates)

All amounts in table below reflect rough estimates in millions:

<table>
<thead>
<tr>
<th>Program</th>
<th>Federal Funds/Year</th>
<th>State/Local Match</th>
</tr>
</thead>
<tbody>
<tr>
<td>FHWA – MnDOT (@70%)</td>
<td>$170M*</td>
<td>$40M (@20%)</td>
</tr>
<tr>
<td>FHWA – Locals (@30%)</td>
<td>$70M</td>
<td>$20M (@20%)</td>
</tr>
<tr>
<td>FAA</td>
<td>$60M</td>
<td>$7M (@10%)</td>
</tr>
<tr>
<td>FTA – MnDOT portion only</td>
<td>$13M</td>
<td>$7M (@36%)</td>
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<tr>
<td><strong>Discretionary programs</strong></td>
<td><strong>$450M (@2% of total)</strong></td>
<td><strong>$112M (@20%)</strong></td>
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<tr>
<td>Grand Total</td>
<td><strong>$760M</strong></td>
<td><strong>$185M</strong></td>
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</table>

*Need additional budget authority from state legislature via increased direct appropriations (unlike typical LAC process for federal funds)*

**Estimates of Minnesota’s portion of the many new and expanded discretionary grant programs are for illustrative purposes only**
## Governor’s Supplemental Budget Change Item Requests

$ in 1,000s

<table>
<thead>
<tr>
<th>Request Name</th>
<th>Fund</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multimodal Transportation Package (<em>related to IIJA</em>)</td>
<td>Multiple</td>
<td>123,084</td>
<td>176,916</td>
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<tr>
<td>Maximize Federal Transportation Climate Funding (<em>related to IIJA</em>)</td>
<td>GF</td>
<td>-</td>
<td>2,000</td>
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<tr>
<td>Compensation Operating Impacts</td>
<td>TH</td>
<td>3,500</td>
<td>20,400</td>
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<tr>
<td>Corridors of Commerce Project Scoring and Statute Clarification</td>
<td>TH</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ARMER Radio Tower and Equipment Building Replacements</td>
<td>GF</td>
<td>-</td>
<td>2,000</td>
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<tr>
<td>Rail Grade Crossing Safety</td>
<td>TH/SR</td>
<td>-</td>
<td>1,500</td>
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<tr>
<td>Utility Aircraft Replacement (“pickups in the sky”)</td>
<td>GF</td>
<td>-</td>
<td>7,000</td>
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<td>Passenger Rail - 2nd Train Twin Cities to Chicago</td>
<td>GF</td>
<td>740</td>
<td>1,490</td>
</tr>
<tr>
<td>Program / Project</td>
<td>Funding Source</td>
<td>Governor's Proposal</td>
<td></td>
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<tr>
<td>----------------------------------------------------------------------------------</td>
<td>----------------</td>
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<tr>
<td>High Priority Bridges</td>
<td>THB</td>
<td>$80,000</td>
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<tr>
<td>Local Bridge Replacement Program</td>
<td>GO</td>
<td>$120,000</td>
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<tr>
<td>Local Road Improvement Program</td>
<td>GO</td>
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<td>Highway Railroad Grade Crossing Warning Device Replacement</td>
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<td>Port Development Assistance Program</td>
<td>GO</td>
<td>$5,000</td>
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<tr>
<td>Safe Routes to School Infrastructure Program</td>
<td>GO</td>
<td>$1,500</td>
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<tr>
<td>Active Transportation</td>
<td>GO/GF</td>
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<tr>
<td>Truck Parking Improvements</td>
<td>TH</td>
<td>$5,000</td>
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<tr>
<td>Minnesota Rail Service Improvement Program</td>
<td>GO</td>
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<tr>
<td>Greater Minnesota Transit Program</td>
<td>GO</td>
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<tr>
<td>Facilities Capital Improvements</td>
<td>THB/TH</td>
<td>$71,200</td>
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<tr>
<td>Rail Corridor Capacity Improvements</td>
<td>GO</td>
<td>$16,100</td>
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<tr>
<td><strong>General Obligation Bond (GO) Total</strong></td>
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<td><strong>General Fund Cash (GF) Total</strong></td>
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<td>$1,000</td>
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<td><strong>Trunk Highway Bonds (THB) Total</strong></td>
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<td><strong>Trunk Highway Fund (TH) Total</strong></td>
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<tr>
<td><strong>Grand Total</strong></td>
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<td>$401,800</td>
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US DOT Discretionary Funding (Five-year funding totals):

- Existing: INFRA $14 billion
- Existing: Local and Regional Project Assistance Program (old RAISE/BUILD/TIGER) $7.5 billion
- New: Bridge Investment Program (in addition to bridge formula program) $12.5 billion
- New: National Infrastructure Project Assistance (megaprojects) $5 billion
- New: Safe Streets and Roads for All (vision zero) $5 billion
- New: Charging and Fueling Infrastructure $2.5 billion
- New: Rural Surface Transportation Grants $2 billion

In total, over $100 billion in available funds for transportation modes
Infrastructure for Rebuilding America (INFRA)
• March release - **$1.55 billion available**
• Focus: freight mobility, mitigating supply chain bottlenecks

Mega Infrastructure Project Assistance Program
• March release - **$1 billion available**
• Focus: big projects that states alone cannot fund

Rural Surface Transportation Grants
• March release - **$300 million available**
• Focus: rural projects from formula highway programs and Tribal transportation programs
MnDOT Potential Projects for FFY 2022 (MEGA/INFRA/RURAL Grants)
Due 5-23-22

- **D-3:** I-94 Gap – **Monticello to Albertville** – 3rd general purpose lane in each direction, bridges, overlay
  MEGA & INFRA

- **D-3&4:** TH 10 in **Wadena** – reconstruct and expand 6 miles, both EB and WB
  RURAL

- **D-1:** TH53/Eveleth – **Rock Ridge School**
  INFRA

- **D-6:** I-90 **Austin Bridges**
  INFRA

- **D-3: TH24 in Clearwater** – ped/bike facility, safety improvements and accessibility, replace bridge and improve freight
  RURAL

- **D-3&1:** TH 169 **Aitkin Co.** – Shoulder widening, overlay, bridge replacements from the Mississippi River to Hill City
  RURAL

- **D-4:** TH 10/75 **Moorhead** - 11th Street Rail Grade Separation
  MEGA
MnDOT’s FFY 2022 RAISE Grant Selected Projects Due 4-14-22

- **D-2:** TH197 Corridor in Bemidji
- **D-8:** TH 19 in Marshall
- **D-1:** TH53/Eveleth – Rock Ridge School
2022 Notice of Funding Opportunity

Bridge Investment Program (May Release)
- At least 50% of funding reserved for certain large projects
- Different process for funding projects \( \leq \$100M \) cost
- Sets aside $40M per FY for Tribal transportation bridges

Safe Streets and Roads for All (May Release)
- Supports TZD in Minnesota
- Comprehensive safety action plan (planning grants)
- Planning, design, and development activities for projects identified in a comprehensive safety action plan
• Nationally Significant Federal Lands and Tribal Project Program (May release)

• Railroad Crossing Elimination Program (June release)

• Various Ferry Programs (June release)

• Reconnecting Communities Pilot Program (June release)

• National Culvert Removal, Replacement, and Restoration Grant Program (Summer release)

• Consolidated Rail Infrastructure & Safety Improvements Grant Program (August release)

• Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program (September Release)
Notice of Funding Opportunity Announcements

Upcoming Notice of Funding Opportunity Announcements in 2022 | US Department of Transportation


*List of NOFOs will be updated periodically with new programs and dates*
Questions?

Thank you!

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