

LUCC BUSINESS MEETING

NACo FEDERAL POLICY UPDATE

December 2021 | DeKalb County, Ga.

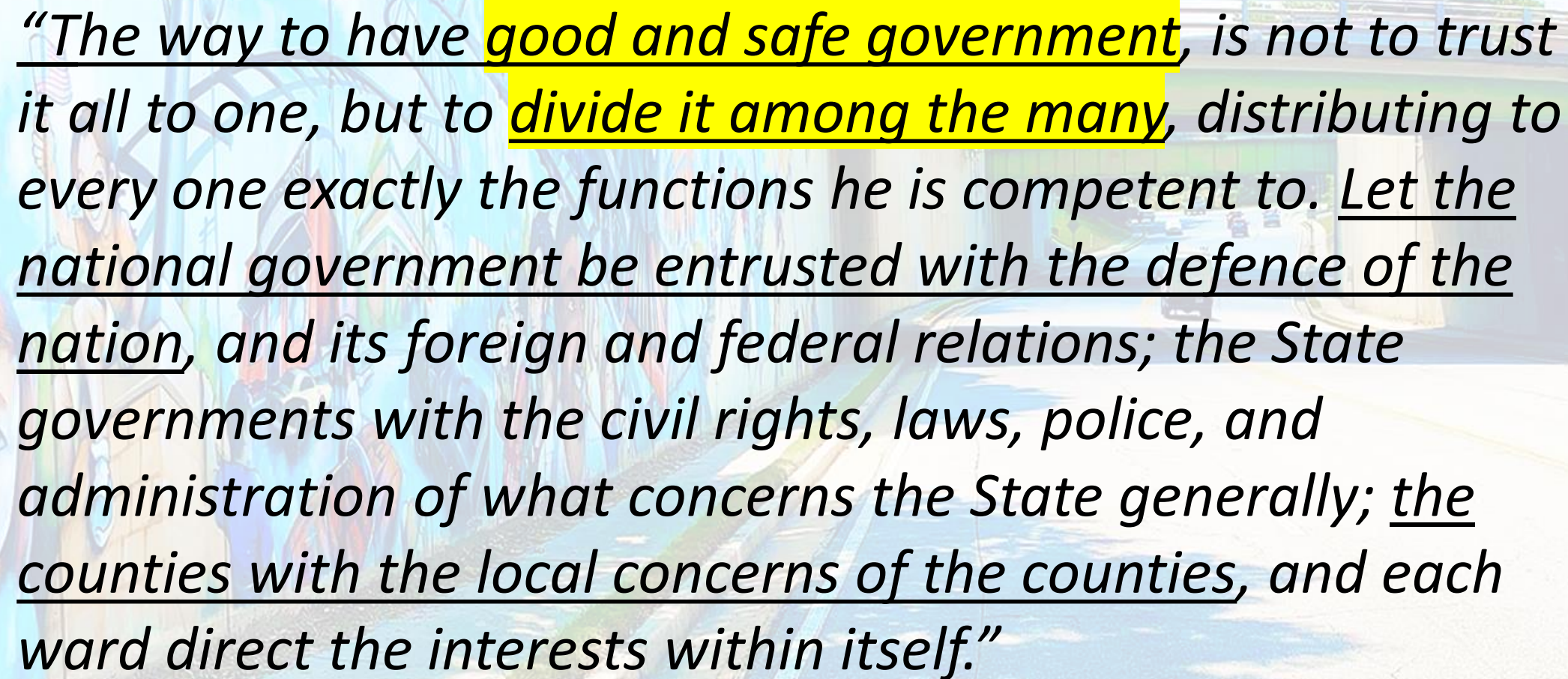


NACo FEDERAL POLICY PRIORITIES



The NACo
Board
approved
**10 national
policy
priorities**
for 2021

1. Restore the **balance of federalism** and optimize intergovernmental partnerships
2. Advocate for additional **federal COVID-19 relief** in the form of direct, flexible aid to counties of all sizes
3. Promote **county infrastructure** priorities
4. Promote **mental health and substance use treatment** and address essential criminal justice reforms
5. Boost **advanced broadband deployment** and accessibility while preserving local decision-making
6. Support full funding for **Payments in Lieu of Taxes** and the **Secure Rural Schools** program
7. **Promote county priorities** in federal rulemaking, including Environmental Protection Agency and FEMA
8. Strengthen **election security and safety**
9. Enhance **community resilience** through regional and local disaster preparedness
10. Promote **workforce opportunities and supportive services** for county residents in changing economies



“The way to have good and safe government, is not to trust it all to one, but to divide it among the many, distributing to every one exactly the functions he is competent to. Let the national government be entrusted with the defence of the nation, and its foreign and federal relations; the State governments with the civil rights, laws, police, and administration of what concerns the State generally; the counties with the local concerns of the counties, and each ward direct the interests within itself.”



LARGE URBAN COUNTY CAUCUS

133 COUNTIES

160 MILLION RESIDENTS

1.9 MILLION EMPLOYEES

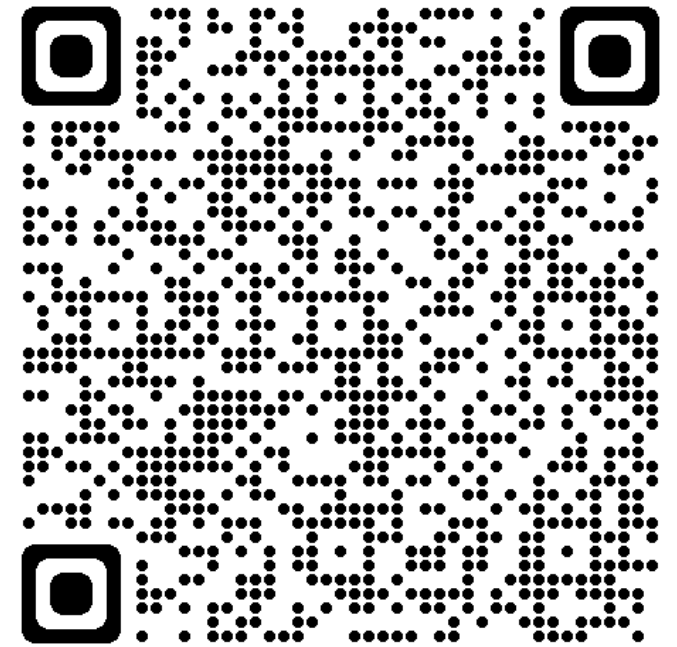
\$395 BILLION IN ANNUAL OPERATIONS

19,713 BRIDGES AND **163,240** ROAD MILES

An aerial photograph of a city streetcar traveling on elevated tracks. To the left is a modern building with a curved glass facade. To the right is a large, multi-story brick building with many windows. The streetcar is white with a blue stripe. The tracks curve through the city.

LEGISLATIVE ANALYSIS FOR COUNTIES

THE INFRASTRUCTURE INVESTMENT & JOBS ACT

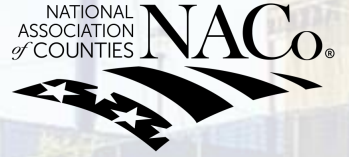


MAJOR PROVISIONS FOR COUNTIES



- Establishes a new, long-term [surface transportation reauthorization](#) for FY 2022 through FY 2026
- Raises the [off-system bridge set-aside](#) by five percent, resulting in a \$330 million increase to \$1.035 billion annually
- Significantly increases the number of [competitive grant opportunities](#) via supplemental appropriations to the U.S. Department of Transportation
- Increases the cap on Private Activity Bonds from \$15 billion to \$30 billion
- Authorizes \$14.65 billion for the Environmental Protection Agency's Drinking Water State Revolving Fund and the Clean Water State Revolving Fund over five years
- Provides \$1 billion for the Federal Emergency Management Agency (FEMA) [Building Resilient Infrastructure and Communities \(BRIC\) program](#)
- Fully funds the [Safeguarding Tomorrow through Ongoing Risk Mitigation \(STORM\) Act](#), which will allow state and local governments to utilize low interest loans for pre-disaster mitigation activities

HIGHWAYS, ROADS & BRIDGES



- [Authorizes Highway Trust Fund \(HTF\)](#) Contract Authority for FY 2022 – FY 2026 | **\$273.15 billion over five years**
- Makes changes to the [Surface Transportation Block Grant](#) | **\$72 billion over five years**
- Establishes [New National Infrastructure Project Assistance Grants](#) | **\$10 billion over five years**
 - *Highway And Bridge Projects*
 - *At-grade Rail Crossings*
 - *Intercity Passenger Rail Systems*
 - *Public Transit*
- Creates [new, \\$3 billion competitive grant program](#) for counties and **increases the cap on state incentive payments to local governments to eliminate at-grade rail crossings (\$7,500 to \$100,000)**
- Increases funding for the [INFRA Grant Program](#) | **\$8 billion over five years**
- Increases funding for the [Rebuilding America's Infrastructure through Sustainability and Equity \(RAISE/formerly BUILD\)](#) | **\$7.5 billion over five years**
- Creates [New Bridge Investment Program \(BIP\)](#) | **\$40 billion over five years**
 - **(\$27.5 Billion Formula (with 15% OSB set-aside) | \$12.51 Billion Competitive)**

Appropriations for USDOT Grants to State/Local Governments in BID			
		<u>Formula</u>	<u>Competitive</u>
OST	Megaprojects		5,000.0
OST	RAISE Grants		7,500.0
OST	Safe Streets		5,000.0
OST	Culverts		1,000.0
OST	SMART		500.0
FAA	Airport Grants - Airside	14,900.0	100.0
FAA	Airport Grants - Terminals		5,000.0
FHWA	Bridge Program	27,500.0	9,235.0
FHWA	EV Charging Infrastructure	5,000.0	
FHWA	INFRA Grants		3,200.0
FHWA	Reduce Truck Emissions in Ports		150.0
FHWA	Reconnecting Communities		500.0
FHWA	Ferry Boats and Terminals	342.0	
FHWA	Appalachian Highways	1,250.0	
FRA	CRISI Grants		5,000.0
FRA	Railroad Crossing Elimination		3,000.0
FRA	Fed.-State Partnership for IPR		36,000.0
FTA	State of Good Repair Grants	4,750.0	
FTA	Low-No Emission Bus Grants		5,250.0
FTA	Capital Investment Grants		8,000.0
FTA	ADA Upgrades to Rail Transit		1,750.0
FTA	Electric or Low-Emission Ferries		250.0
FTA	Rural Passenger Ferry Service		1,000.0
MARAD	Port Infrastructure Development		2,250.0
PHMSA	Nat. Gas Pipeline Modernization		1,000.0
Total, US Department of Transportation		53,742.0	100,685.0

DIVISION J – USDOT Discretionary Appropriations for State & Local Governments

**\$100.69 BILLION
OVER 5 YEARS**

NATIONAL BRIDGE INVENTORY

NUMBER OF BRIDGES

602,621

SHARE OF COUNTY-
OWNED BRIDGES

38%

SHARE OF STRUCTURALLY
DEFICIENT BRIDGES

8%

SHARE OF OFF-SYSTEM
BRIDGES

47%

STRUCTURALLY DEFICIENT BRIDGES

A bridge is classified as structurally deficient if the deck, superstructure, substructure or culverts are rated in poor or worse condition.

45,752

Share of **County Owned**

53%

Share of **City/Town Owned**

13%

Share of **Other Locally Owned**

+

0.2%

Total **Locally Owned**

=

66.2%

OFF-SYSTEM BRIDGES

Off-system bridges are located on a public road that is not part of the federal-aid highway system.

281,184

Share of **County Owned**

62%

Share of **City/Town Owned**

17%

Share of **Other Locally Owned**

+

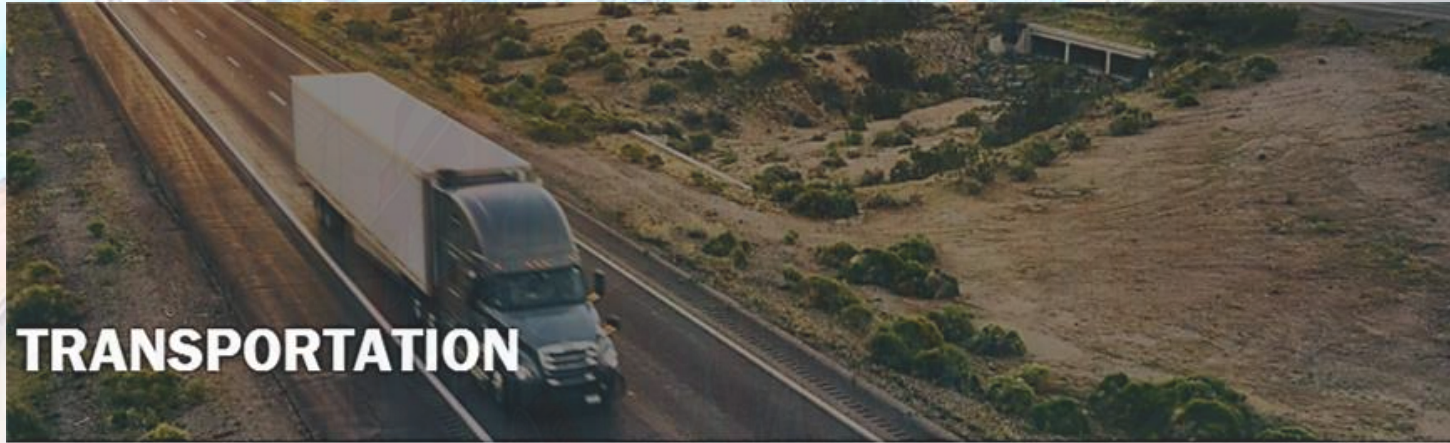
0.4%

Total **Locally Owned**

=

79.4%

SURFACE TRANSPORTATION REAUTHORIZATION

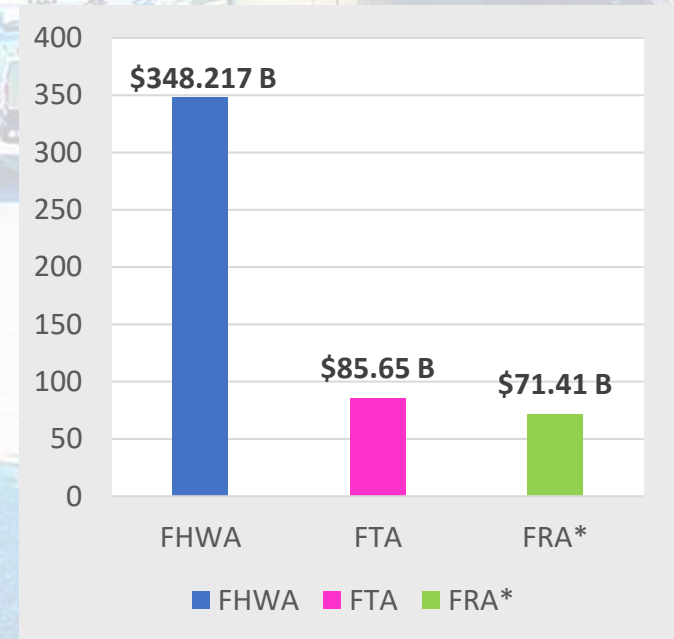


Surface Transportation Reauthorization: Highways, Transit & Rail Programs | FY 2022 – FY 2026

The IIJA uses S. 1931, the Surface Transportation Reauthorization Act, and S. 2016, the Surface Transportation Investment Act, as the foundation for its highway, road, bridge and rail provisions. The primary difference between S. 1931 and S. 2016 and the IIJA are the funding levels, many of which have been increased in the IIJA by its authorization of supplemental appropriations.

\$476.89 billion
over five years

56.4% INCREASE from
current law



**FRA total includes funding for USDOT safety administrations.*

SURFACE TRANSPORTATION BLOCK GRANT | \$72 BILLION OVER FIVE YEARS



- Increases the off-system bridge set-aside to \$1.035 billion annually and makes low water crossings eligible
- Adds a fourth population band for communities between 50k – 200k
- Adds new eligibilities for EV infrastructure
- Increases TAP funding (10% of entire STBG) + suballocation (50% → 59%)

For America's counties over five years:

- **\$36.13 billion** for sub-allocation to locals based on population
- **\$5.18 billion** for off-system bridges through the state set-aside
- **\$4.25 billion** to carry out Transportation Alternatives projects, including for local govt. projects



DRINKING WATER & WASTEWATER

AMENDS STATE REVOLVING LOAN FUNDS | \$29.3 BILLION OVER FIVE YEARS

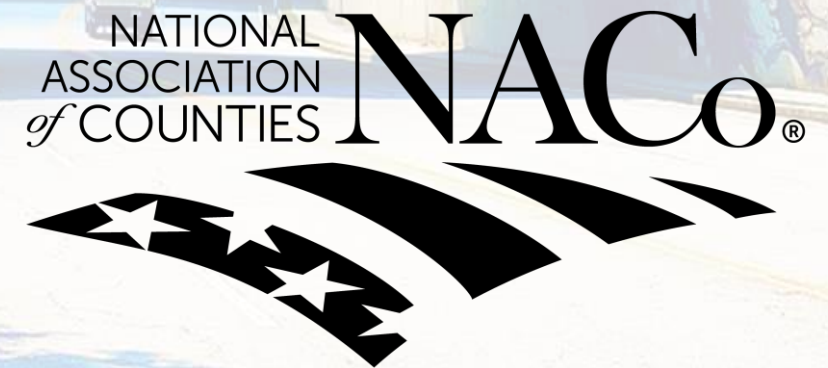


Counties are eligible for grants under both **state revolving funds**:

- **Drinking Water State Revolving Fund:** The minimum percentage of funds that must go to disadvantaged communities would increase from 6 percent to 12 percent. Buy America requirements will apply to any upgrades made with these funds.
- **Clean Water State Revolving Fund (CWSRF):** To the extent there are sufficient applications, a state will be required to use a minimum of 10 percent of CWSRF for grants, negative interest loans, and loan forgiveness, or to buy, refinance or restructure debt for disadvantaged communities as determined by the state. The amount for additional subsidies cannot exceed 30 percent.

AMENDS STATE REVOLVING LOAN FUNDS | \$29.3 BILLION OVER FIVE YEARS

- Investments levels for both the drinking water and clean water SRFs:
 - FY 2022: \$2.40 billion
 - FY 2023: \$2.75 billion
 - FY 2024: \$3.00 billion
 - FY 2025: \$3.25 billion
 - FY 2026: \$3.25 billion



A wide-angle landscape photograph showing rolling hills covered in dense forest with autumn-colored foliage. In the foreground, a winding road is visible. On the right side, a tall telecommunications tower with multiple antenna arrays is partially visible. The sky is filled with scattered white clouds. The word "BROADBAND" is overlaid in large white letters on the bottom left.

BROADBAND

KEY HIGHLIGHTS FOR BROADBAND

- Establishes **three new broadband programs**
 - The Broadband Equity, Access, and Deployment Program | **\$42.45 billion**
 - The Competitive Middle Mile Grant Program | **\$1 billion**
 - The Digital Equity Grant Programs | **\$2.75 billion**
- Authorizes a new State and Local Cybersecurity Grant Program | **\$1 billion**
- Extends the Affordability Connectivity Funds | **\$14.2 billion**

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PROGRAM | \$42.5 BILLION



- Program will be administered by the NTIA.
- Grants are distributed to states and focused on increasing affordable, reliable, high-speed broadband, economic competition, equitable access to public services, and impact on communities of color, low-income, and rural areas.
- Timeline: Bill mandates program is established within 180 days of enactment.

*Money may
take longer to
flow as we
await updated
FCC Broadband
Maps*

MIDDLE MILE BROADBAND | \$1 BILLION



- Creates a competitive grant program administered by the NTIA to support construction, improvement, and acquisition of middle mile infrastructure. Local governments are eligible to participate.
- Federal Cap: The federal contribution to a project is capped at 70 percent of project costs.
- Timeline: Commerce will issue notices of funding opportunity not later than 180 days after the date of enactment. Buildout must be completed within five years.

“Middle Mile” means:

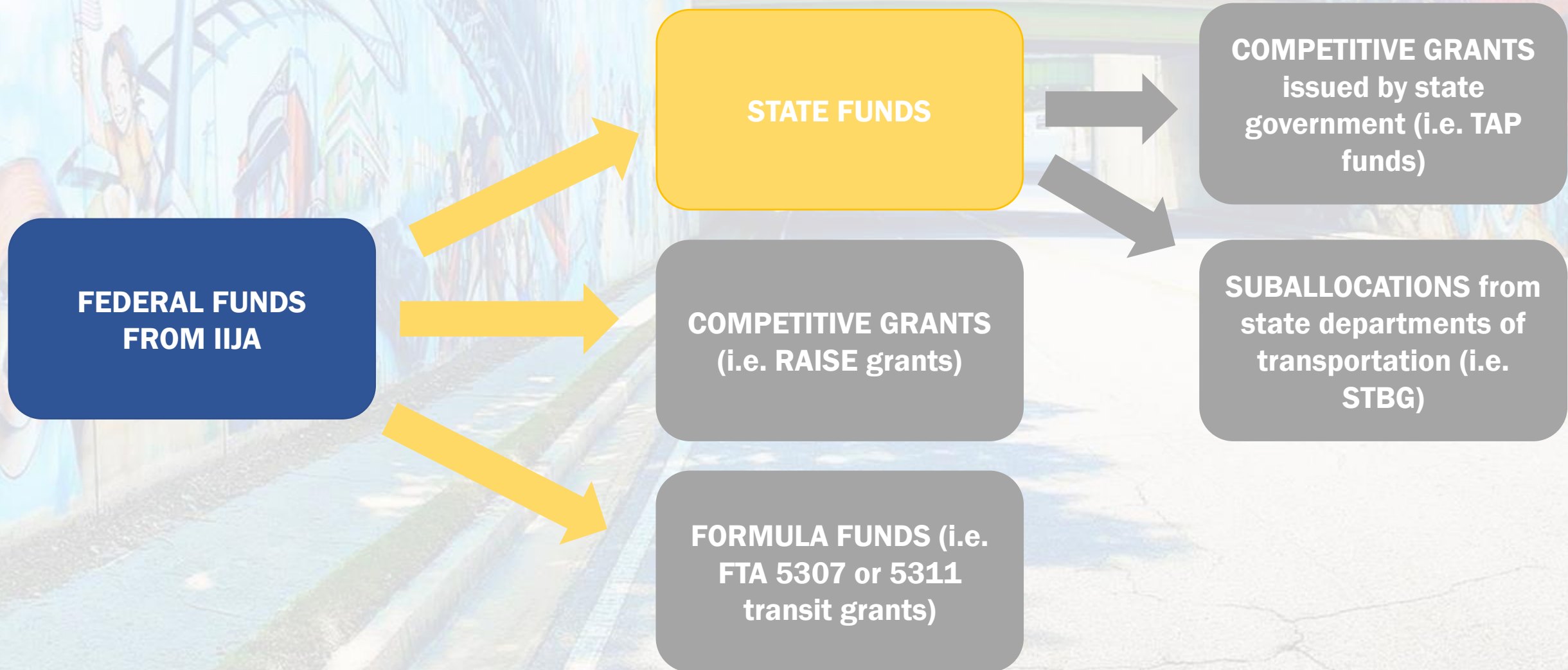
“Any broadband infrastructure that does not connect directly to an end-user location including...leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links”

STIPULATIONS OF FUNDING USE AND APPLICATION FOR BROADBAND



- **States must allow political subdivisions to submit plans for consideration, participate in initial and final proposal comment periods. A challenge process is also included in the statute.**
- **Local governments cannot be excluded from subgrant opportunities for deployment**
- **Funds must address all unserved areas before funding deployment to underserved areas, which requires Assistant Secretary certification. After both unserved and underserved areas are addressed, states may use funds for anchor institution projects.**

HOW COUNTIES CAN ACCESS FUNDS ALLOCATED UNDER THE BIPARTISAN INFRASTRUCTURE PACKAGE



Federal Agencies Administering Funds

Transportation

U.S. Department of Transportation

- Surface Transportation Block Grant (STBG),
- Bridge Infrastructure Program (BIP),
- Nationally Significant Freight and Highway Projects (INFRA) grant program
- Variety of other grants for highways, bridges, roads, rail, airports

Water

Environmental Protection Agency

- Drinking Water State Revolving Fund
- Clean Water State Revolving Fund (CWSRF)

Broadband

U.S. Department of Commerce

- Broadband Equity, Access and Deployment Program
- "Middle Mile" grants to facilitate broadband deployment

Energy & Power

U.S. Department of Energy

- Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program
- Energy Efficiency and Conservation Block Grant Program

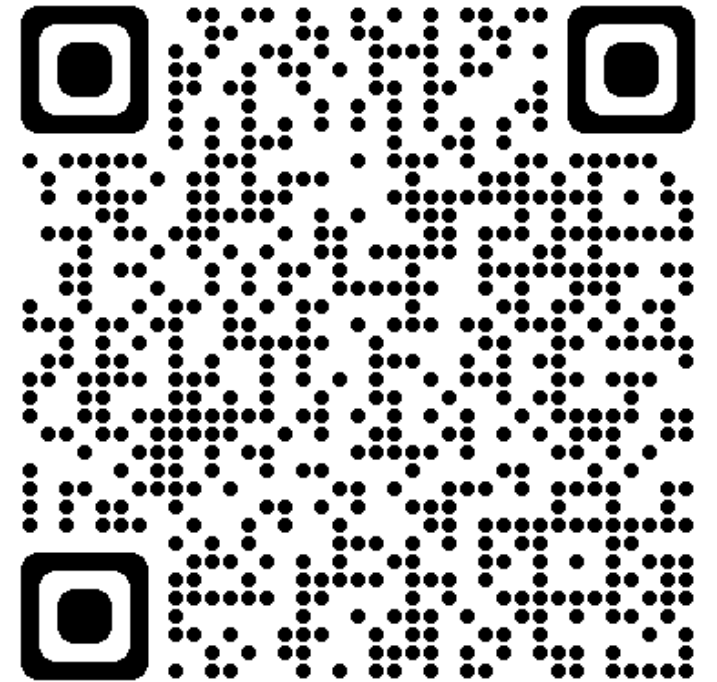
Resiliency

U.S. Department of Homeland Security

- STORM Act
- Building Resilient Infrastructure and Communities (BRIC) Program
- State and Local Cybersecurity Grant (Only broadband being handled by DHS)

NACO LEGISLATIVE ANALYSIS

BUILD BACK BETTER ACT



INVESTS IN AFFORDABLE HOUSING | \$150 BILLION



- The bill would provide a total of \$150 billion for affordable housing, including funding for the following U.S. Department of Housing and Urban Development programs:
 - \$3.05 billion for the Community Development Block Grant (CDBG) program
 - \$24 billion for Housing Choice Vouchers and supportive services, including \$7.1 billion for those experiencing or at-risk of homelessness and survivors of domestic violence and human trafficking
 - \$1 billion for Project Based Rental Assistance
- \$25 billion for the HOME Investment Partnerships Program, including \$15 billion to preserve and create affordable rental homes

CDBG provides increased opportunities for elected officials to plan, implement and evaluate local community development and housing assistance programs.

The HOME Investment Partnership Program builds upon the significant capacity and experience of county and other local and state governments to design and implement affordable housing programs for low and moderate-income persons.

INVESTS IN AFFORDABLE HOUSING ACCESS PROGRAM |

\$10 BILLION



- The BBBA would provide **\$9.75 billion through competitive grants to local public transit agencies** and other entities eligible for assistance through transit formula grants
- Funds would remain available through FY 2026 (or FY 2028 for certain programs) to expand accessibility to affordable housing, including through the:
 - Construction of new fixed guideway capital projects
 - Construction of bus rapid transit projects that utilize zero-emission vehicles
 - Establishment or expansion of high-frequency bus service utilizing zero-emission buses
 - Purchase of zero-emission vehicles to expand service
 - Expansion of service in urban or rural areas, including by providing reduced or free fares
 - Renovation or construction of transit facilities in disadvantaged communities or where service benefits low-income passengers generally
 - Accessibility expansions or enhancements for disabled passengers
 - Fleet transition
- \$150 million would be available for research, technical assistance and training for counties or local transit agencies to support activities under these sections that promote the deployment of zero-emission transit assets in disadvantaged communities or rural areas

AFFORDABLE CHILD CARE AND UNIVERSAL PRESCHOOL ENTITLEMENT PROGRAM | \$400 Billion



- The BBBA would provide **\$400 billion** to establish a new child care entitlement program and a new universal preschool program from FY 2022-FY 2027, which would function as a **voluntary** state-federal partnership and phase in over three fiscal years
- **Affordable Child Care Program:**
 - Would eventually cap the cost of high-quality child care (under age 6) for working families at no more than 7 percent of household income
 - Sets aside **\$950 million annually** for **direct, competitive grants to localities** in non-participating states
- **Universal Preschool Program:**
 - Would ensure access to free high-quality preschool via a mixed delivery system for all 3 and 4 year olds
 - Includes \$2.5 billion annually to improve compensation for Head Start workforce
 - Sets aside **\$1.9 billion annually** for **direct, competitive grants to localities** in non-participating states

Counties play a major role in shaping early childhood systems and investing in core services for children, including by administering the federal Child Care and Development Fund in eight states and serving as Head Start grantees across the nation.

ENACTS THE MEDICAID REENTRY ACT

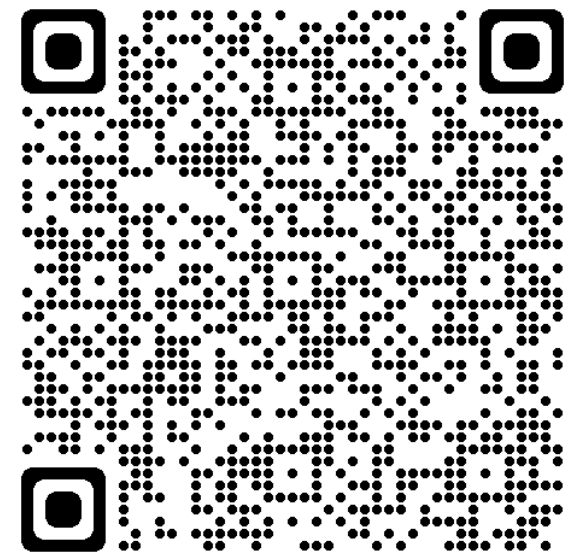
- The Medicaid Reentry Act amends the Federal Medicaid Inmate Exclusion policy (MIEP) by authorizing incarcerated individuals to receive services covered by Medicaid 30 days prior to their release from jail or prison. This provision would take effect 2 years after the bill's enactment.

Allows individuals to re-enroll in Medicaid benefits 30 days prior to release would allow for continuous health care coverage and access to necessary behavioral health and addiction treatment that will alleviate the fiscal strains on county systems while making local communities safer and healthier.



LEGISLATIVE ANALYSIS FOR COUNTIES

STATE, LOCAL, TRIBAL AND TERRITORIAL FISCAL RECOVERY, INFRASTRUCTURE AND DISASTER RELIEF FLEXIBILITY ACT



Allows Counties to Use ARPA Recovery Funds for Government Services

- The bill would allow counties to consider up to \$10 million of their ARPA Recovery Fund allocation as if it were “lost revenue” that could be used toward the provision of government services, as defined by the U.S. Department of Treasury’s Interim Final Rule, including but not limited to:
 - Maintenance of infrastructure
 - Pay-go funded construction of infrastructure, such as roads (pay-go refers to “paying-as-you-go” or utilizing current revenue rather than borrowing against it, ex. by issuing a bond)
 - Modernization of cybersecurity, including hardware, software and protection of critical infrastructure
 - Healthcare services
 - Environmental remediation
 - School or educational services
 - Provision of police, fire and other public safety services

ELIGIBLE TRANSPORTATION & INFRASTRUCTURE PROJECTS

National Highway Performance Program

Bridge Investment Program

Surface Transportation Block Grant Program

Metropolitan Transportation Planning

Highway Safety Improvement Program

Congestion Mitigation and Air Quality Improvement Program

Territorial and Puerto Rico Highway Program

National Highway Freight Program

Rural Surface Transportation Grant Program

Carbon Reduction Program

PROTECT Program

Alternative Fueling Infrastructure

Federal Lands Transportation Program

Federal Lands Access Program

RAISE Grant Program

ADHS Program

Urbanized Area Formula Grants

Formula Grants for Rural Areas

State of Good Repair Grants

Grants for Buses and Bus Facilities

National Culvert Removal, Replacement, and Restoration Program

Community Development Block Grant

Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program

Tribal Transportation Program

+ CDBG and Disaster Aid

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