

NACo MONTHLY FEDERAL POLICY UPDATE

JANUARY 17, 2023



FY 2023 OMNIBUS & COUNTY PRIORITIES

- One year of full, mandatory funding for PILT for federal public lands counties
- Funding for direct county investments authorized by the bipartisan CHIPS and Science Act, including \$500 million for technology hubs and \$200 million for the RECOMPETE pilot
- Reforms to the Medicaid Inmate Exclusion Policy, providing access to Medicaid and Children’s Health Insurance Program benefits for juveniles awaiting trial, for which NACo aggressively advocated
- County mental health priorities, such as funding for the 988 crisis line and reauthorization of the Community Mental Health Services Block Grant program
- \$75 million for Election Security Grants to improve the administration of federal elections, enhance election technology and make security improvements
- Additional funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund
- One-year reauthorization of the federal TANF program
- A \$100 million increase in funding for USDA Rural Development programs, with funding now totaling \$4 billion
- Funds the USDOT at the highest level in history, including additional funds for direct, county-eligible RAISE grants

FINAL WOTUS RULE

- Final WOTUS rule released on December 30, 2022
- WOTUS is critical for counties because it determines which waters are federally regulated
- Final rule relies heavily on both the relatively permanent standard and the significant nexus standard
- No exclusion for county-owned infrastructure
- Released ahead of the Supreme Court's decision in Sackett v. EPA



*Scan the QR code to access
NACo's WOTUS action hub*

BIPARTISAN INFRASTRUCTURE LAW :

OPEN NOTICES OF FUNDING

PROGRAM	AGENCY	AMOUNT AVAILABLE	TYPE OF FUNDING	DESCRIPTION	APPLICATION DEADLINE
Building Resilient Infrastructure and Communities Program	DHS	\$200 million @ 75% - 95% fed. Share	Competitive	Provides funding to states and localities to implement pre-disaster mitigation activities that reduce risk and disaster costs, and increase the resilience of critical infrastructure lifelines	Apply through state emergency management office by 1/27/23
Flood Mitigation Assistance Program	DHS	\$700 million @ 75% fed. Share	Competitive	Supports local governments in implementing changes to reduce or eliminate risk of flood damage to structures insured by the National Flood Insurance Program	Apply through state emergency management office by 1/27/23
Distance Learning and Telemedicine Grants	USDA	\$60 million @ 85% fed. share	Competitive	Provides financial assistance to enable and improve distance learning and telemedicine services in rural areas; <i>pop. must be < 20K</i>	Apply directly to USDA by 1/30/23
National Culvert Removal, Replacement, and Restoration Grants	USDOT	\$200 million @ 80% fed. share	Competitive	Provides funding for projects that replace, remove or repair culverts that would improve or restore fish passage for anadromous fish	Apply directly to USDOT by 2/6/23
Local and Regional Project Assistance (RAISE Grants)	USDOT	\$2.3 billion @ 80% fed. share	Competitive	Provides flexible, direct funding for a variety of surface transportation infrastructure projects	Apply directly to USDOT by 2/28/23
Federal-State Partnership for Intercity Passenger Rail (projects off the Northeast Corridor)	USDOT	\$2.3 billion @ 80% federal share	Competitive	Provides funding for capital projects off the Northeast Corridor (NEC) to repair, replace or rehabilitate qualified railroad assets to reduce the state of good repair backlog and improve intercity passenger rail performance	Apply directly to USDOT by 3/7/23

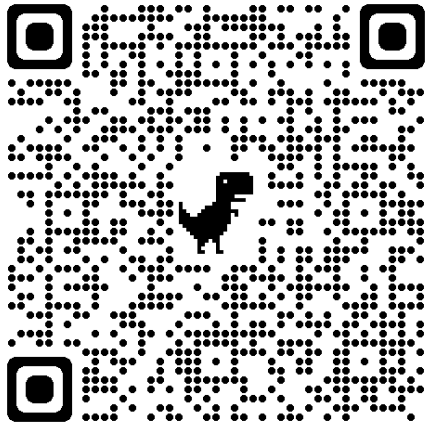
BIPARTISAN INFRASTRUCTURE LAW: OPEN NOTICES OF FUNDING



PROGRAM	AGENCY	AMOUNT AVAILABLE	TYPE OF FUNDING	DESCRIPTION	APPLICATION DEADLINE
Grid Resilience and Innovation Partnerships (GRIP) Program: Smart Grid Grants	DOE	\$1.08 billion @ 50% fed. share	Competitive	Provides funding for projects to increase the flexibility, efficiency and reliability of the electric power system, with a focus on increasing system capacity and preventing faults	Apply directly to USDOE by 3/17/23
Federal-State Partnership for Intercity Passenger Rail (projects on the Northeast Corridor)	USDOT	\$9 billion @ 80% federal share	Competitive	Provides funding for capital projects on the NEC to repair, replace or rehabilitate qualified railroad assets to reduce the state of good repair backlog and improve intercity passenger rail performance	Apply directly to USDOT by 3/27/23
GRIP Program: Grid Resilience Grants	DOE	\$918 million @ 50% fed. share	Competitive	Provides funding for comprehensive transformational transmission and distribution technology solutions that will mitigate multiple hazards across a region or within a community; <i>counties indirectly eligible as grid operators, transmission owners, etc.</i>	Apply directly to USDOE by 4/6/2023
Port Infrastructure Development Program	USDOT	\$662.2 million @ 80% federal share	Competitive	Provides funding for capital improvements to ports and port facilities	Apply directly to USDOT by 4/28/23
GRIP Program: Grid Innovation Program Grants	DOE	\$1.8 billion @ 50% fed. share	Cooperative Agreement	Provides funding for projects using innovative approaches to transmission, storage and distribution infrastructure to enhance grid resilience and reliability	Submit final applications to USDOE by 5/19/23 (<i>concept papers were due to DOE by 1/13/22</i>)

BIPARTISAN INFRASTRUCTURE LAW : FY 2023 RAISE GRANTS

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AUTHORIZATION LEVELS

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
\$1.5 BILLION	\$1.5 BILLION	\$1.5 BILLION	\$1.5 BILLION	\$1.5 BILLION

+ APPROPRIATIONS LEVELS

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
\$750 MILLION	\$800 MILLION	TBD	TBD	TBD

- Rebuilding American Infrastructure Sustainably and Equitably (RAISE) Grants are competitive grants that counties can apply for annually directly through USDOT to carry out a wide variety of surface transportation projects of local and regional significance.
- **\$2.3 billion is available now** – thanks to additional appropriations from the FY23 omnibus
- Created in 2009, RAISE grants are previously known as BUILD (Trump) and TIGER (Obama)

FY 2023 OMNIBUS & CORNYN/PADILLA AMENDMENT

- The FY 2023 omnibus appropriations packeted included the bipartisan State, Local, Tribal and Territorial Fiscal Recovery, Infrastructure and Disaster Relief Flexibility Act. Key highlights of the amendment, known as Cornyn/Padilla, include:
 - Permits counties to invest the greater of \$10 million or 30 percent of their total ARPA SLFRF allocation in infrastructure-related and Community Development Block Grant projects
 - Permit counties to invest funds to provide relief from natural disasters or the negative economic impacts of natural disasters
 - Expands eligibility to receive payments from the LATCF to include consolidated city-county governments
 - Unlocks administrative funds for Treasury to continue working with counties to implement this historic investment
 - **KEY CHANGE:** SLFRF dollars used under this provision still need to be obligated by December 31, 2024, BUT now expended by September 30, 2026 – *only applies to infrastructure-related projects*

FY 2023 OMNIBUS & CORNYN/PADILLA AMENDMENT

Updates to the Local Assistance and Tribal Consistency Fund (LATCF)

- Makes consolidated city-county governments with federal lands within their jurisdiction eligible for LATCF payments – *no previously eligible county will be negatively impacted*
- Counties that are newly eligible for LATCF dollars are NOT required to certify by Jan. 31, 2023, deadline – *Treasury will release additional information about the timeline to open the LATCF certification portal*
- Counties that are newly eligible (post passage of omnibus appropriations package) are encouraged to certify for LATCF as soon as possible to avoid Buy America, Build America (BABA) requirements – *Treasury issued a waiver for BABA requirements until March 24, 2023*

FY 2023 OMNIBUS & CORNYN/PADILLA AMENDMENT

Updates to infrastructure-related and CDBG projects

- Permits counties to invest the greater of \$10 million or 30 percent of their total ARPA SLFRF allocation in infrastructure-related and Community Development Block Grant projects
- If a county previously claimed the \$10 million revenue loss standard allowance, the C/P amendment can be used IN ADDITION to that previous investment
- Funds can be used for 28 different infrastructure-related projects
 - Funds can be used as the local match for 4 programs under the Bipartisan Infrastructure Law

If a county previously claimed the \$10 million revenue loss standard allowance, the C/P amendment can be used IN ADDITION to that previous investment

LOCAL ASSISTANCE & TRIBAL CONSISTENCY FUND

- Provides \$1.5 billion in two equal payments for FYs 2022 and 2023 to “eligible revenue sharing counties” under ARPA – *counties can apply for the funds immediately*
- Formula is based on federal acreage, population and economic conditions
- Annual minimum payment is \$50,000 and a maximum of \$6 million per county
- Funds can be used for any governmental purpose other than lobbying activities (i.e. non-federal match or cost-share)
- Can cover costs that occurred after March 15, 2021, and there is no timeline to obligate and/or spend the funds
- 2,086 local governments are considered eligible revenue sharing counties
- Davis-Bacon does not apply to the funds
- Infrastructure projects financed by LATCF are subject to requirements under Build America, Buy America Act (BABA), but Treasury announced a waiver until March 2023



*Scan QR code with your device to
visit the NACo LATCF Resource
Center*

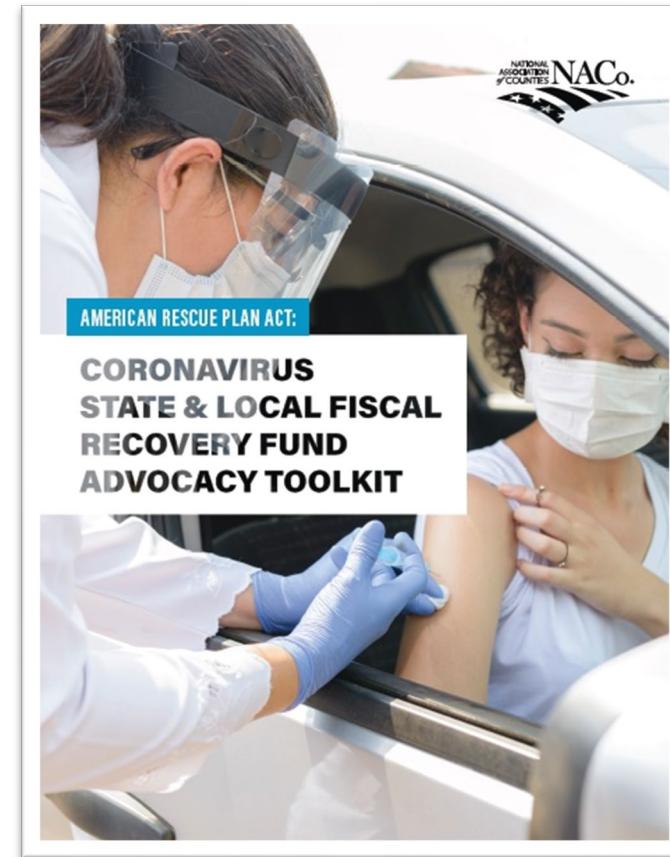
LOCAL ASSISTANCE & TRIBAL CONSISTENCY FUND

- 347 counties remaining that have not yet claimed
- The individual that applied for ARPA SLFRF should be the SAME PERSON to apply for LATCF
- Counties must maintain an active SAM.gov registration and obtain a Unique Entity Identification (UEI) number – *this is the biggest barrier to LATCF certification*
 - This is maintained by GSA, not Treasury Department
- Award will be distributed into two separate tranches one year apart
- Deadline to apply for LATCF is January 31, 2023 – *if a county does not apply, they will no longer be eligible to receive either tranche of funding*

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STORY TELLING OF ARPA COUNTY INVESTMENTS

- Tell your county's story by highlighting key investments your county has made using Coronavirus State and Local Fiscal Recovery Funds
 - Write to your Member of Congress
 - Write an Op-Ed
 - Schedule a tour
- ARPA filming at NACo 2023 Legislative Conference – *registration coming soon*
- NACo ARPA Advocacy Toolkit for Counties
- Participate in Untold Stories Campaign – www.NACo.org/UntoldStories



*Scan the QR code to access
NACo's ARPA Advocacy Toolkit*

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