pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Infrastructure Investment and Jobs Act (IIJA)

June 15, 2022

DEP-Chamber Quarterly Meeting

Infrastructure Investment and Jobs Act

- Commonly referred to as the Bipartisan Infrastructure Law (BIL)
- Passed 69-30 in the Senate
- Passed 228-206 in the House
- Signed by President Biden on November 15, 2021
- Provides $1.2 trillion through new and existing programs

IIJA at DEP

- DEP intends to take advantage of federal funding opportunities in four ways:
  - Receive and implement formula funding;
  - Apply for competitive opportunities offered by DOI, EPA, DHS, and DOE for PA;
  - Provide support to other funding applicants within PA via partnerships, letters of support, or financial match;
  - Share federal funding opportunities to ensure potential applicants like Pennsylvania businesses, schools, communities, and nonprofits are aware of and competing for investments.
- Additionally, we intend to support sibling-agencies in their IIJA implementation.

Justice 40

- On Jan. 27, 2021, Executive Order 14008 established a commitment to deliver **40% of the overall benefits** of federal climate, clean energy, affordable housing, clean water, clean transit, training and workforce development, remediation and reduction of legacy pollution, and other investments to disadvantaged communities that are marginalized, underserved, or overburdened by pollution.
- White House issued a formal Interim Implementation Guidance to all Federal agencies to identify and begin transforming their programs covered
- CEQ published their draft Climate and Economic Justice Screening Tool
- Community engagement is a critical component

Build America Buy America (BABA)

- Buy more American-made items to boost domestic manufacturing and good jobs.

- Requires that these conditions apply to federal financial assistance obligations for infrastructure made after May 14, 2022:
  - For iron and steel – all manufacturing processes from the initial melting stage forward must occur in the US (everything but the raw material)
  - For manufactured products – the final manufacturing process must occur in the US and cost components of mined, produced, or manufactured in the US must be greater than 55%
  - For construction materials – all manufacturing processes must occur in the US.
  - Waivers for these requirements must be in writing and published for public comment.

Oil and Gas Well Plugging

- Between 305,000 and 395,000 oil and gas wells have been drilled
- DEP can account for ~160,000 wells.
- On average it costs about $68,000 to plug an AO well
- IIJA could provide up to $400 million to Pennsylvania to plug abandoned and orphan wells through September 30, 2030
- $25 million in initial formula funding being provided (any day)
- Additional programs and funding
  - Performance Grant
  - Matching Performance Grant

Abandoned Mine Reclamation

- Funding to clean up abandoned coal mine sites and related problems
- $244.9 million per year for 15 years (total of $3.2 billion)
- Comment/Feedback period on grant guidelines just closed on 6/13

Energy

- State Energy Program Formula Grant –
  - ~$18.5 million anticipated
  - DEP must update the State Energy Security Plan to access funds
  - In process of securing a contractor to do this
- Energy Efficiency Revolving Loan Fund Capitalization Grant Program
  - ~$3.7 million anticipated
- Building Codes Implementation for Efficiency and Resilience
  - ~ $3 million anticipated
- Energy Efficiency & Conservation Block Grant
  - ~$4.7 million anticipated

Energy (cont)

- “Building a Better Grid” –
  - Preventing Outages and Enhancing the Resilience of the Electric Grid Grants ~$40 million over 5 years ($8 m annually)
  - Energy Improvement in Rural and Remote Areas - $1 billion nationwide
  - Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency - $5 billion nationwide
- Energy Auditor Training Grant Program
  - <$2 million

State Revolving Funds (SRF) FY 22-26

- Clean Water SRF Existing Program - $441 million
- Drinking Water SRF Existing Program - $343 million
- Drinking Water SRF Lead Service Lines - $439 million
- Clean Water SRF Emerging Contaminants - $3.7 million
- Drinking Water SRF Emerging Contaminants - $117 million

Not SRF, but related:

- Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program - $140 million

Water Programs

- National Dam Safety Program Formula Grant - $148 million nationwide
- Coastal Zone Management - $107 million nationwide
- Habitat Restoration - $491 million nationwide
- Chesapeake Bay Program - $238 million total; PA total allocation anticipated to be ~$5.6 million
- Great Lakes Restoration Initiative - $1 billion total; unclear if PA will receive any funding

- PEMA will receive funding for Rehabilitation of High Hazard Potential Dams, DEP provides technical assistance
  - $585 million nationwide

Environmental Cleanup

- Brownfields Categorical Grant - $300 million nationwide over 5 years
- Brownfields Projects - $1.2 billion nationwide
  - Competitive grants
  - Eligible recipients: states, counties, cities/townships, public housing authorities, tribal governments, nonprofits with 501(C)(3) status
- Superfund Remediation - $3.5 billion nationwide
  - EPA Region 3 - $375 million over 5 years
  - ~$100 million dedicated to PA
  - State cost-share has been waived
  - Recipients: industry partners, federal, state, and local governments

Recycling

- Solid Waste Infrastructure for Recycling Grant Program - $275 million total ($55 million/year) nationwide
  - States and subdivisions are eligible for improvements to recycling programs, post-consumer materials management, and waste management infrastructure
- Recycling Education and Outreach Grant - $75 million total ($15 million/year) nationwide
  - States, local governments, non-profits, public-private partnerships for:
    - education and outreach on consumer recycling and waste prevention;
    - Increase in collection rates and decrease in recycling contamination.

Sibling Agency Support

- National Electric Vehicle Infrastructure Formula Program (PennDOT) - $171 million
- Regional Clean Hydrogen Hubs (DCED) - $8 billion nationwide for 4 regional clean hydrogen hubs
- Clean School Bus Program (PennDOT/PDE) - $5 billion nationwide
- Weatherization Assistance Program (DCED) - $186 million

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