

Discussion on Extra 2023 IIJA Funding

Technical Advisory Committee



July 6, 2022

Overview

Extra Infrastructure Investment and Jobs Act (IIJA) Funding in 2023

- The IIJA covers 2022-2026.
- MnDOT is using the Programming Update Workgroup (PUW) to make recommendations on implementation of certain aspects of the new bill.
- For the additional IIJA \$ in 2022, the PUW recommended that MnDOT use the 2022 funding and give the same amount back to the MPO and other Area Transportation Partnerships (ATPs) in later years.
- For the additional IIJA \$ in 2023, the MPO and other ATPs can either use the funding in 2023 or follow the same approach as the extra 2022 \$ (push it to later years).
 - The Regional Solicitation (i.e., the funding sources that flow into the Regional Solicitation) increase in 2023 is \$14.2M
 - The Metro District competitive Highway Safety Improvement Program (HSIP) increase in 2023 is \$3.7M
- The next PUW meeting is scheduled for 7/22 and PUW members (Roseville, Burnsville, St. Michael, Anoka Co, Scott Co, Met Council, and Metro District) seek input from our other partners on a preferred approach to the 2023 funding increase.

TAB Policy Guidance

Federal Funds Reallocation Policy (2019)

- The extra \$14.2M and \$3.7M in 2023 would be considered “Current Program Year Funds” and the policy prioritizes advancing existing projects and paying existing projects back earlier.
 - There is enough funding from existing selected projects to bring forward to use the 2023 funding and free up funding in later years for the 2022 Regional Solicitation.
 - \$26M can move forward from past selected Regional Solicitation projects (\$14.2M of extra funds available)
 - \$3.8M can move forward from past selected HSIP projects (\$3.7M of extra funds available)
- Extra IJA funding in 2024-2025 would be considered “Future Program Year Funds:”
 - “For future-year funds, the TAB Coordinator will work with MnDOT Metro State Aid and/or Metro Transit Grants staff, Metropolitan Council staff and project sponsors to provide a set of options to be considered by the TAC Funding & Programming Committee, TAC, and TAB. The first priority for use of future-year funds will be to include the funds in a future TAB solicitation process if at all possible.”
 - May be able to also pay off existing program year extensions first and still add all of the funding to the 2022 Regional Solicitation cycle.
 - Or other options.

Regional Solicitation and HSIP

- The next Regional Solicitation and HSIP covers 2026 and 2027, but some projects may be selected for 2024 and 2025 with the increased funding levels in those years.
- The total funding available for the 2022 Regional Solicitation will be approximately \$230M-\$240M, plus any overprogramming that may be approved. This funding will be spread between 2024 and 2027.
 - There were 155 applications requesting \$589M in the ongoing cycle.
 - Many applicants indicated that they could take 2024 or 2025 funds (e.g., \$191M of requests indicated that they could use 2024 or later funds)
- The total funding available for the ongoing 2022 HSIP Solicitation will be approximately \$50M.
- MnDOT will issue specific funding guidance in the near future pending decisions on the 2023 funding increases.

Next Steps

- Presentation at MnDOT CIC on 7/8
- PUW meeting on 7/22 with discussion on 2023, then recommendation at the August PUW meeting
- MnDOT leadership make decision on 2023

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