



NATIONAL ASPHALT
PAVEMENT ASSOCIATION

INFRASTRUCTURE INVESTMENT AND JOBS ACT A SUMMARY FOR THE ASPHALT PAVEMENT INDUSTRY

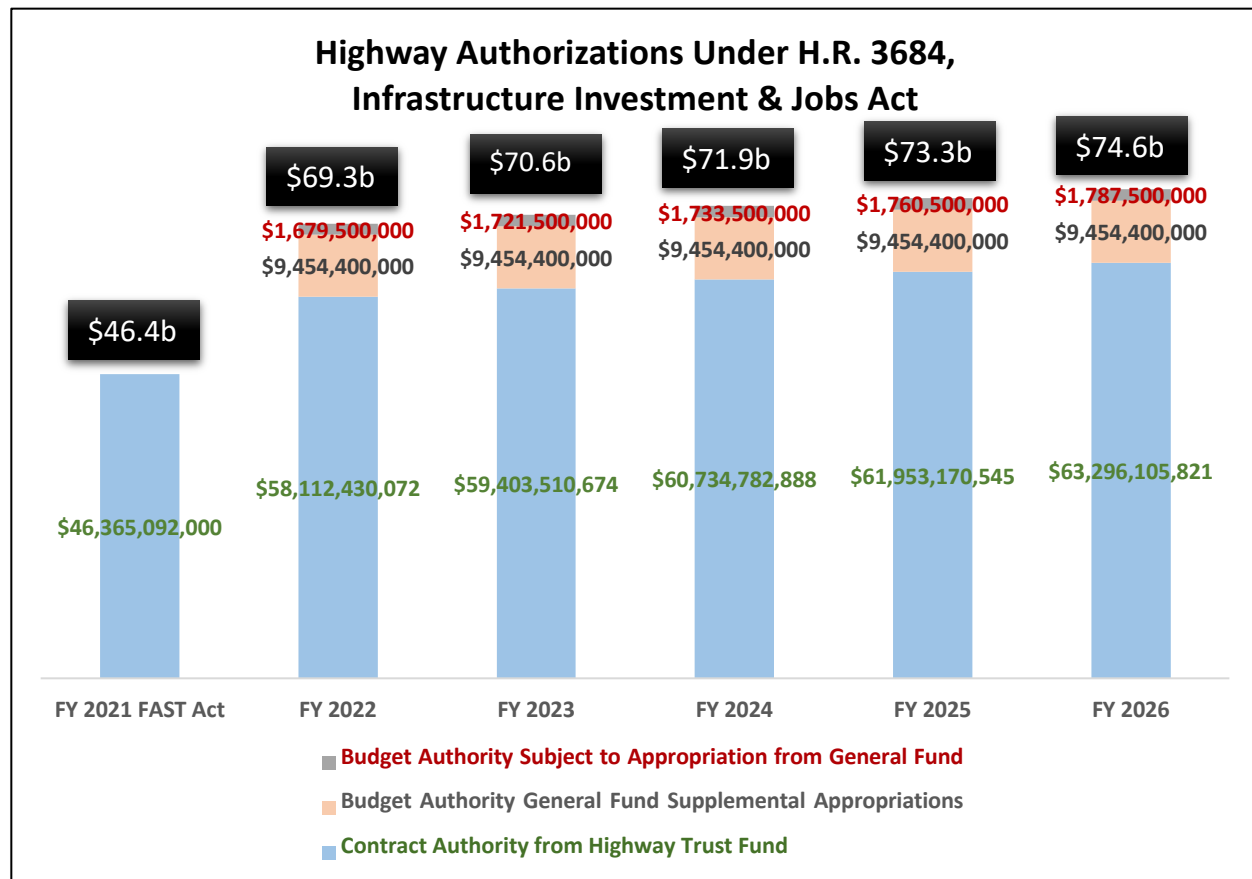
On November 5th, the House of Representatives approved the Senate-passed [H.R. 3684, the Infrastructure Investment and Jobs Act](#) (IIJA) [by a vote of 69-30](#). The bill will be enrolled and sent to the President, who will sign the legislation into Public Law. The total cost of the bill is \$1.2 trillion with \$548 billion in new infrastructure spending. The bill reauthorizes the traditional surface transportation programs for five years, and provides additional funding for highways, bridges, transit, rail, energy, water, and broadband.

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INFRASTRUCTURE FUNDING

Highways

The *Infrastructure Investment and Jobs Act of 2021 (IIJA)* includes the [Surface Transportation Reauthorization Act of 2021](#), legislation reported by the Senate Committee on Environment and Public Works (EPW) in May 2021, the [Surface Transportation Investment Act of 2021](#), legislation reported out of the Senate Commerce, Science and Technology Committee in June 2021, and the [Bipartisan Infrastructure Bill](#), introduced in the U.S. Senate on August 1. This legislation would invest record amounts of funding in our nation's highway programs to improve and repair our highways and bridges. Highway programs authorized in the bill can be downloaded [here](#).



How Big

For the Federal-Aid Highway Program, the IIJA starts out with \$232 billion in Highway Trust Fund contract authority, which is the baseline amount provided in fiscal year 2021 (\$46.4 billion times 5) for the 2022-2026 five-year period. The IIJA then adds \$71.675 billion in additional contract authority above the baseline for a total of \$303.5 billion. Next, the bill adds an additional \$47.272 billion in appropriations from the general fund distributed in five equal installments on October 1, 2022, 2023, 2024, 2025 and 2026. Lastly, the IIJA authorizes \$8.682 billion in general funds over five years subject to future appropriation bills. Ninety percent of the total funding from the HTF is allocated to the states by formula.

Highway Authorizations under H.R. 3684, Infrastructure Investment And Jobs Act	Funding over 5 years FY 2022-2026	Total	Percentage Increase from Baseline
Baseline Contract Authority (FY 2021 = \$46.4b x 5)	\$231,825,000,000	\$231,825,000,000	0%
Add additional Contract Authority above baseline	\$71,675,000,000	\$303,500,000,000	31%
Add General Fund Supplemental Appropriations	\$47,272,000,000	\$350,772,000,000	51%
Add General Fund Subject to Appropriations	\$8,682,500,000	\$359,454,500,000	55%

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Airfields

The bill includes \$25 billion for airports. Of that amount, \$15 billion is distributed by formula over five years for grants to airports to use for their Airport Improvement Program (AIP). Grants can be used for runways, taxiways, and aprons.

Private Activity Bonds

IIJA doubles the aggregate limitation on private activity bonds (PABs) from \$15 billion to \$30 billion for qualified highway or surface freight transportation facilities. \$13.54 billion in existing bond allocations had already gone out as bond issuances (see list of projects [here](#)).

COMPETITIVE HIGHWAY, ROAD, & BRIDGE GRANTS

Discretionary Grant Programs

The bill includes significant funding for projects over FY 2022-2026 for the U.S. Department of Transportation to distribute via competitive grants to state and local governments.

Major Competitive DOT/FHWA Grants to be awarded to States/Local Govt's Over Next Five Years

Megaprojects	\$5.0b – For critical projects too large or complex for existing funding programs.
RAISE	\$7.5b – To support surface transportation projects of local or regional significance.
Safe Streets	\$5.0b – Support local government's "vision zero" plans.
Culverts	\$1.0b – For removing, replacing, or restoring culverts to facilitate fish passage.
Bridge	\$12.5b – To replace and restore major bridges.
INFRA	\$8.0b – To rebuild infrastructure projects.
Rural	\$2.0b - To improve and expand the surface transportation infrastructure in rural areas.
<u>PROTECT</u>	<u>\$1.4b</u> – For resilience improvement, evacuation routes, and at-risk coastal infrastructure.
TOTAL	\$40.4b

Megaprojects

IIJA establishes and authorizes \$5 billion over five years for a new “National Infrastructure Project Assistance Program.” This program would provide single- or multi-year grants to projects generating national or regional economic, mobility, or safety benefits for both large and smaller-scale projects. Eligible projects include highway or bridge projects, freight intermodal or freight rail projects, railway-highway grade separation or elimination projects, intercity passenger rail projects, and certain public transportation projects.

RAISE

IIJA invests \$1.5 billion a year for the “Local and Regional Project Assistance Program” (the RAISE/BUILD program) to provide grants for surface transportation projects that will have significant local or regional impacts. Eligible projects include highway or bridge projects, passenger or freight rail projects, port infrastructure projects, and surface transportation components of airport projects, among other surface transportation projects.

Culverts

IIJA authorizes \$200 million a year over five years for a new “National Culvert Removal, Replacement, and Restoration Program” to provide grants to States, local governments, and Tribes to address anadromous fish passage as well as provide funding for certain freshwater impacts to marine fish and shellfish species.

Bridge

IIJA invests a total of \$40 billion in bridge funding. The bill provides \$3.3 billion from the Highway Trust Fund and \$9.2 billion from the general fund for a total of \$12.5 billion to fund a new competitive bridge grant program. In addition, the bill provides \$27.5 billion (\$5.5 billion annually) in general funds for a new bridge replacement formula program. The bill establishes a new formula to distribute the funds with each state guaranteed to receive a minimum of \$45 million annually.

Safe Streets

IIJA establishes a new “Safe Streets and Roads for All” grant program for metropolitan planning organizations, local governments, and Tribal governments to develop and carry out comprehensive safety plans to prevent death and injury on roads and streets, commonly known as “Vision Zero” or “Toward Zero Deaths” initiatives. The bill authorizes \$1 billion for this program, with no less than 40 percent allocated to support the development of comprehensive safety plans.

INFRA

The bill provides \$8 billion over five years for the “National Significant Freight and Highway Projects Program,” known as “INFRA.” INFRA provides competitive grants for highway, bridge, and multimodal freight projects of national and regional significance. The funding includes \$4.8 billion from the Highway Trust Fund and an additional \$3.2 billion appropriated from the general fund.

Rural

IIJA establishes a rural surface transportation grant program funded at \$2 billion over 5 years to provide grants, on a competitive basis, to eligible entities to improve and expand the surface transportation infrastructure in rural areas. The goals of the program include increasing connectivity, improving safety and reliability of the movement of people and freight, generating regional economic growth, and improving quality of life. The program sets aside 15 percent of the funding for eligible projects in States with higher-than-average rural roadway lane departure fatalities.

Resiliency (PROTECT)

IIJA establishes a new formula program (\$7.3 billion over five years) and grant competitive program (\$1.4b over 5 years) to help states improve the resiliency of transportation infrastructure. The programs are referred to as PROTECT or “Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation.” The bill requires a voluntary resilience improvement plan and allows a State or eligible entity that receives a grant to have the non-Federal share of projects reduced if the State meets voluntary planning requirements.

PROCUREMENT

Buy America

The bill includes provisions reflecting the Build America, Buy America Act (S. 1303). The bill would limit federal financial assistance to infrastructure projects that only use iron, steel, manufactured products, and construction materials produced in the United States. NAPA worked to secure the following statutory exemption for aggregates, asphalt binders, polymers, and additives:

- **Sec. 70917 - Buy America Exemption**

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The term “construction materials” shall not include cement and cementitious materials, aggregates such as stone, sand or gravel, or aggregate binding agents or additives as inputs of the construction material.

Pavement Mandates

IIJA contains no pavement design or pavement-type selection mandates.

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Project Delivery

The IIJA codifies the [One Federal Decision](#) policy to streamline project delivery. This includes accountable schedules and timelines for reviews, as well as page limitations for Environmental Assessments and Environmental Impact Statements. The bill also streamlines the Section 4(f) review process and makes revisions to the implementation of certain National Environmental Policy Act provisions with the goal of improving overall review timelines.

RESEARCH & TECHNOLOGY

Accelerated Implementation Pavement Technology (AID-PT) Program

Congress established the AID-PT program in 2012 under the Moving Ahead for Progress in the 21st Century Act (MAP-21). In 2015, Congress continued the program in the FAST Act through fiscal year 2020. The AID-PT program focuses on promoting, implementing, and deploying proven asphalt and concrete pavement technologies and practices.

- **Sec. 13006 - Research and Technology Development and Deployment**

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IIJA authorizes \$60 million over five years for the Secretary of Transportation to carry out the AID-PT Program.

- **Sec. 13006 - adds the following overarching goals to the AID-PT program:**

- pavement monitoring and data collection practices;
- pavement durability and resilience;
- stormwater management;

- impacts on vehicle efficiency;
- the energy efficiency of the production of paving materials and the ability of paving materials to enhance the environment and promote sustainability; and
- integration of renewable energy in pavement designs.

Highway Cost Allocation Study

The bill requires USDOT, in coordination with State DOTs, to carry out a highway cost allocation study to determine the direct costs of highway use by various types of users, including vehicles of different dimensions, weights, number of axles, etc., frequency of those vehicles in the traffic stream, and safety, emissions, congestion, and noise-related costs of highway use by various types of users. The study will determine the proportionate share of the direct costs that are attributable to each class of highway users. The USDOT is required to submit interim and final reports to Congress including recommendations for a set of revenue options to fully cover the costs by highway users.

SAFETY

Safety Contingency Funds to Improve Work Zones

Unforeseen conditions often arise during the construction phase of a project which may result in expensive and time-intensive change orders. By developing a safety contingency line item as part of the project estimate phase, transportation agencies can address and mitigate work zone safety challenges during active operations.

- **Sec. 1107 - Federal Share Payable**

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IIJA provides for a Federal share payable of up to 100 percent for [contractual provisions that provide safety contingency funds](#) to incorporate safety enhancements to work zones prior to or during roadway construction activities. Allowing states to increase the Federal share can accelerate the adoption of new practices that have shown promise to increase safety in work zones.

CLIMATE CHANGE

Carbon Reduction Program

IIJA establishes a carbon reduction program funded at \$6.4 billion over five years to reduce transportation emissions. Two years after the bill is enacted, a State, in consultation with any metropolitan planning organization designated within the State, shall develop a carbon reduction strategy that supports efforts to reduce greenhouse gas emissions, identifies projects and strategies to reduce transportation emissions, supports the achievement of targets for the reduction of transportation emissions, quantifies the total carbon emissions from the production, transport, and use of materials used in the construction of transportation facilities within the State.

NAPA's Government Affairs Team advocated for this legislation and prepared this summary.

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**Guaranteed Federal Highway Administration Funding
Apportioned to the States under
Infrastructure Investment & Jobs Act
As passed by the US Senate on August 10, 2021
(in millions of dollars)**

	FY 2016 - FY 2020 FAST Act Total	Highway Trust Fund Contract Authority	Guaranteed Advanced Appropriations	Total over 5-year 2022-2026
Alabama	4,018.2	5,230.6	304.3	5,534.9
Alaska	2,655.7	3,456.9	277.4	3,734.3
Arizona	3,875.1	5,044.3	301.5	5,345.8
Arkansas	2,742.1	3,569.5	332.8	3,902.3
California	19,439.2	25,304.4	4,629.0	29,933.5
Colorado	2,832.1	3,728.8	281.5	4,010.3
Connecticut	2,660.2	3,462.8	613.8	4,076.5
Delaware	895.9	1,166.2	242.7	1,408.9
Dist. of Col.	845.1	1,100.1	241.7	1,341.7
Florida	10,034.8	13,062.4	443.0	13,505.3
Georgia	6,838.6	8,902.0	360.0	9,262.0
Hawaii	895.8	1,166.1	356.7	1,522.8
Idaho	1,514.9	1,971.9	254.9	2,226.8
Illinois	7,530.0	9,802.0	1,522.1	11,324.1
Indiana	5,046.6	6,569.3	500.2	7,069.4
Iowa	2,602.9	3,388.3	483.0	3,871.3
Kansas	2,001.5	2,605.3	264.5	2,869.8
Kentucky	3,519.0	4,580.8	507.6	5,088.4
Louisiana	3,717.2	4,838.8	1,086.3	5,925.0
Maine	977.7	1,272.7	244.3	1,516.9
Maryland	3,182.8	4,143.1	472.3	4,615.4

Massachusetts	3,216.7	4,187.3	1,189.3	5,376.6
Michigan	5,576.4	7,258.9	673.0	7,931.9
Minnesota	3,453.6	4,495.7	370.3	4,866.0
Mississippi	2,561.5	3,334.4	275.6	3,610.0
Missouri	5,014.0	6,526.7	583.1	7,109.9
Montana	2,173.1	2,828.7	267.9	3,096.6
Nebraska	1,530.9	1,992.7	255.2	2,248.0
Nevada	1,923.2	2,503.5	263.0	2,766.4
New Hampshire	875.1	1,139.1	242.3	1,381.4
New Jersey	5,288.2	6,883.7	1,251.2	8,134.9
New Mexico	1,945.0	2,531.8	263.4	2,795.2
New York	8,890.2	11,572.5	2,066.8	13,639.4
North Carolina	5,523.8	7,190.4	565.7	7,756.1
North Dakota	1,314.9	1,711.6	251.0	1,962.6
Ohio	7,099.3	9,241.3	623.3	9,864.7
Oklahoma	3,359.0	4,372.5	333.1	4,705.6
Oregon	2,647.3	3,446.0	320.5	3,766.5
Pennsylvania	8,689.9	11,311.8	1,806.9	13,118.7
Rhode Island	1,158.3	1,507.8	264.8	1,772.6
South Carolina	3,546.6	4,616.6	344.2	4,960.8
South Dakota	1,493.6	1,944.3	254.5	2,198.8
Tennessee	4,475.6	5,825.9	390.4	6,216.3
Texas	18,281.9	26,893.8	944.9	27,838.8
Utah	1,839.1	2,394.0	261.3	2,655.3
Vermont	1,074.9	1,399.2	246.2	1,645.5
Virginia	5,389.6	7,015.8	643.1	7,658.9
Washington	3,590.5	4,673.8	675.7	5,349.5
West Virginia	2,314.6	3,012.9	552.2	3,565.1
Wisconsin	3,985.1	5,187.5	303.7	5,491.1
Wyoming	1,356.8	1,766.2	251.8	2,018.0
TOTAL	207,414.0	273,132.5	33,750.0	306,882.5

Source: Federal Highway Administration, ENO