

Navigating the Challenges of IIJA Implementation: GFOA's Perspective

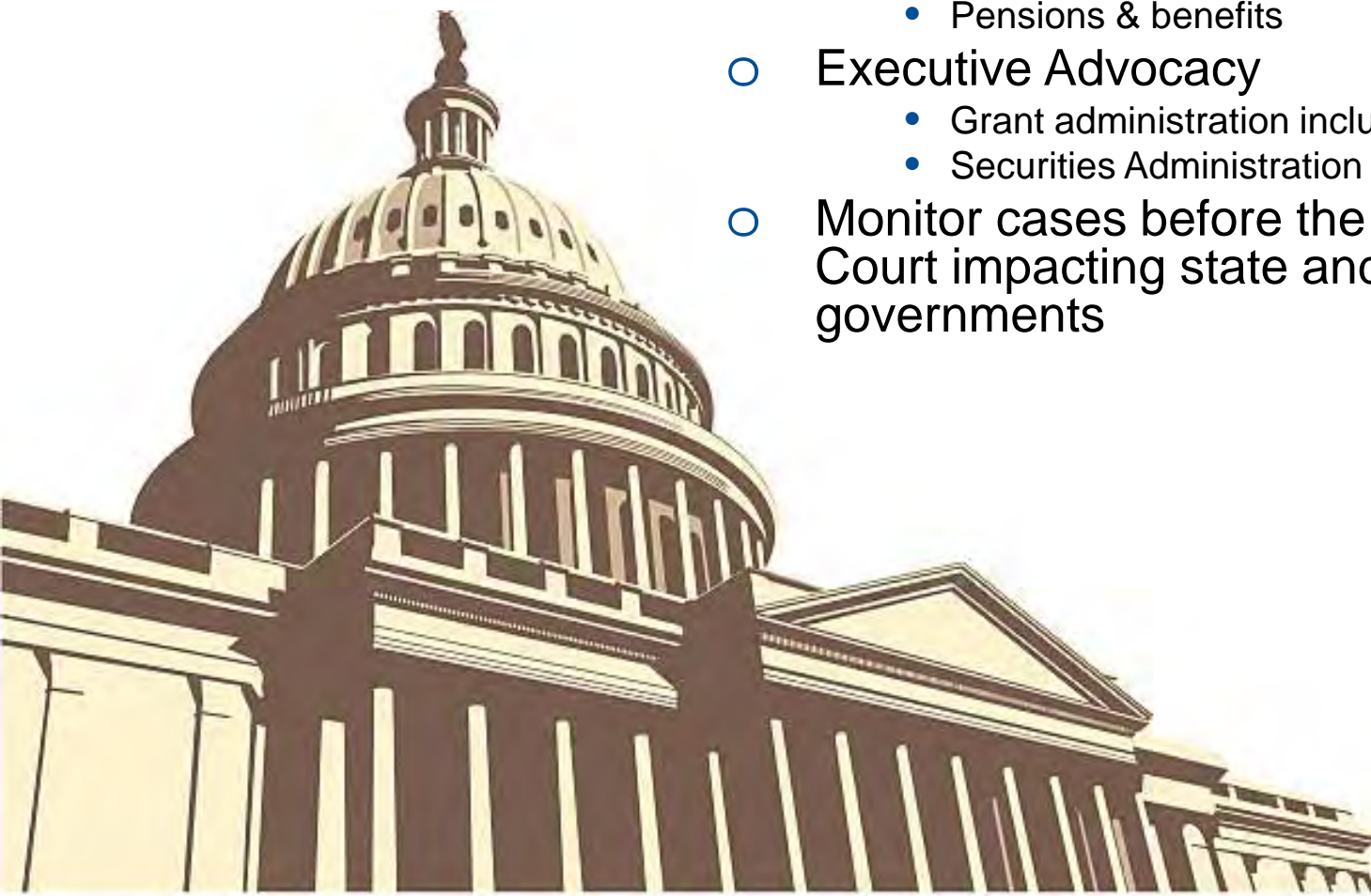
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- Executive Advocacy
 - Grant administration including ARPA, IJJA
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- Monitor cases before the U.S. Supreme Court impacting state and local governments





EPA Funding

- \$50 billion “to strengthen the nation’s drinking water and wastewater systems”
- Funding mechanisms: Clean Water and Drinking Water State Revolving Funds (SRFs)
 - Clean Water SRF Supplemental
 - Drinking Water SRF Supplemental
 - Clean Water Emerging Contaminants
 - Drinking Water Emerging Contaminants
 - Drinking Water Lead

State Revolving Funds

- Federal-state programs that provides funding and financing to...
 - CWSRF: “wastewater and storm water systems for a wide range of infrastructure projects”
 - DWSRF: “Federal-state program that provides funding and financing to public water systems for a wide range of drinking water infrastructure projects and activities”

Key Themes: Equity & Sustainability

- Investment in addressing legacy pollution
- Climate resiliency
- Access and resources for rural and disadvantaged communities

Justice40:

- 40% “of the overall benefits of certain Federal investments flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution”
- **Interim Implementation Guidance for Federal agencies**
- **The Climate and Economic Justice Screening Tool (CEJST):**
 - Mapping tool for identifying disadvantaged communities that are marginalized, underserved, and overburdened by pollution

Justice40 and Water Programs

- 49% of DWSRF General Supplemental Funding and Lead Service Line Replacement Funding must be provided as grants and forgivable loans to disadvantaged communities
- At least 25% of DWSRF Emerging Contaminants Funding must be provided as grants and forgivable loans to disadvantaged communities or public water systems serving fewer than 25,000 people
- 49% of CWSRF General Supplemental Funding must be provided as grants and forgivable loans to communities that meet the state's affordability criteria or certain project types, consistent with the Clean Water Act





Challenges in Implementation

Finding Funding

- Challenge: Sorting through programs and NOFOs
- Solutions:
 - Use [BIL Guidebook](#) to find programs that would benefit your entity
 - Find further details for programs on implementing agency's website
 - Sign-up for email alerts from program offices
 - [Grants.gov](#): Sort by IIJA Grants
 - Funding trackers
 - [GFOA's IIJA Funding Tracker](#)

Build America, Buy America (BABA) Act

- Challenge: Domestic preference
 - Expands American Iron and Steel (AIS) requirements
 - Initial [implementation guidance](#) released in April
- IIJA also codified [Made in America Office](#) (MIAO)



BABA Waivers

- Waivers granted by agencies:
 - Public Interest Waiver: preference would be inconsistent with public interest
 - Nonavailability waiver: types of materials not produced in sufficient, reasonably available quantities
 - Unreasonable Cost Waiver: inclusion of such materials will increase project costs more than 25%
- Waiver principles
 - Time-limited
 - Targeted
 - Conditional

Cost Sharing Requirements

- Challenge: Cost sharing requirements being an obstacle to being able to apply
- “SLFRF under ARPA available for the provision of government services...may be used to meet the non-federal match requirements of the DWSRF and CWSRF programs” up to the amount of the recipient’s reduction in revenue due to the public health emergency
- Some programs with no matching requirements
 - Lead service line replacement
 - PFA and emerging contaminants exposure reduction



Technical Knowledge

- Challenge: Obtaining funding without technical staff
- Solutions
 - EPA technical assistance program
 - EPA and state collaboration to share examples, models, and build state capacity to target resources to disadvantaged communities
 - Combined applications (when applicable)
 - Work with other local facilities on joint applications when available

Flexibility in Implementation of BIL SRF Funding

Challenge: Obligating funds in the best way for *your* community

Solutions:

- EPA continues to support and actively encourage flexibility in the implementation of BIL SRF funding.
- Supplemental funding to the CWSRF and DWSRF and dedicated funding for addressing lead and emerging contaminants

Further Resources



EPA Resources

An official website of the United States government [Learn how you can help](#)

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Related Topics: [Drinking Water State Revolving Fund \(DWSRF\)](#) CONTACT US

Bipartisan Infrastructure Law SRF Memorandum



EPA's memorandum outlines a strategy for collaborative implementation with state, local, and Tribal partners of \$43 billion in water infrastructure funding through the Bipartisan Infrastructure Law. EPA's implementation memo highlights the flexibility provided to states and borrowers to address a wide variety of local water quality and public health challenges.

EPA will be working with state co-regulators, Tribal partners, and stakeholders on next steps. The agency will provide training and technical assistance to support the development of intended use plans that identify priority projects for SRF funding. EPA intends to review these plans aligned with the requirements and recommendations of the implementation memo with the goal of expeditiously investing in communities across the country.

- [Memorandum: Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law \(pdf\) \(726.89 KB, March 2022\)](#)

<https://www.epa.gov/infrastructure> 50% srf lead service line replacement

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Bipartisan Infrastructure Law (BIL)



EPA & The Bipartisan Infrastructure Law (BIL)

With unprecedented funding to support our national infrastructure, EPA will improve people's health and safety, create good-paying jobs, and increase climate resilience throughout the country.

- [Read the statement by Administrator Monrath](#)
- [Review the fact sheet](#)

Learn about EPA BIL Funding

- [Review EPA funding through the BIL](#)
- [Read the statement by Administrator Monrath](#)
- [Review BIL fact sheets](#)

BIL Investments

- [Water Infrastructure Investments](#)
- [Climate Resiliency and the Value of Nature](#)
- [Electric Load Reduction Incentive Program](#)
- [Investments in Tribal Communities](#)
- [Investments in Pollution Prevention](#)

Related Information

- [EPA's BIL Guidelines for State, Local, Tribal and Territorial Governments and Other Parties \(pdf\) \(January 2022\)](#)
- [White House fact sheet: Bipartisan Infrastructure Investment and Jobs Act](#)



Thank you!

Galen McDonald
gmcdonald@gfoa.org
Policy Associate