

# Overview of the Bipartisan Infrastructure Law

## INTRODUCTION

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- The new infrastructure law appropriates to the EPA more than \$60 billion over the next five fiscal years.
- This bipartisan law represents a historic investment in the mission of the agency that will have significant impact on the health and environment in communities across the Nation.
- EPA is dedicated to implementing and managing these resources with transparency, efficiency, and effectiveness in order to achieve the results for the American people.

# EARLY IMPLEMENTATION ACCOMPLISHMENTS

- ✓ **Sent SRF letter to governors** outlining IIJA aspirations and announcing \$7.4 billion in allocations
- ✓ **Announced \$1 billion in funding to clear 49 Superfund backlog sites** at an event in Philadelphia
- ✓ **Announced stronger lead regulations** with the Vice President
- ✓ **Hosted multiple listening sessions** that reached 3,000+ stakeholders including tribal representatives, schools, state water officials, and community members.
- ✓ **Announced how \$1B will be invested in the Great Lakes** to accelerate clean-up at long-standing Areas of Concern
- ✓ **Submitted our first Clean School Bus report** to Congress on January 31st



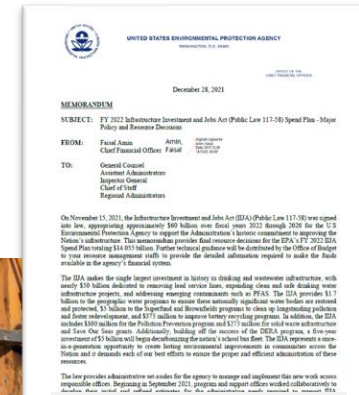
**Lead Pipes Action Plan**



**Water State Allocations**



**\$1B Superfund Announcement**



**Agency Spend Plan**

This is a subset of initial activity and not comprehensive of all our work



## OVERVIEW OF EPA IIJA RESOURCES

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- The IIJA supports and enhances EPA programs and also starts new efforts to address existing or emerging issues:
  - \$23.4 billion to traditional Clean Water and Drinking Water State Revolving Funds
  - \$15 billion dedicated to lead pipe replacement
  - \$10 billion to addressing emerging contaminants like PFAS
  - \$5 billion for Superfund and Brownfields
  - \$5 billion for Clean School Buses
  - \$1.7 billion across 12 geographic water programs
  - \$375 million for solid waste infrastructure and battery recycling programs
  - \$267 million for other water quality programs
  - \$100 million for the Pollution Prevention program



# ALL PROGRAMS WILL MAKE SIGNIFICANT ADVANCEMENTS THIS YEAR

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
SRFs	EPA drafts & finalizes SRF memo		▲ 3/8 Release SRF Implementation Memo					EPA reviews IUPs		▲ Capitalization grants		
Brownfields		▲ RLF application opens		▲ First round of targeted assessment obligated			Grant application and review period (job training, TA, state and Tribal cooperative agreements)				▲ Year 1 Grant Awards	
Solid Waste Infrastructure			Stakeholder engagement on solid waste infrastructure grants							▲ SWIFR and Reduce, Reuse, Recycle Grant guidance posted		
Superfund	Announce site plans, funding, and timing for new starts		Continue obligation of funds to new and ongoing construction projects when needed Begin design for additional sites to be funded in the next 2-5 years									
Clean School Buses				Rebate application open						▲ Award rebates	Competitive grants application open	
Pollution Prevention		Competitive grants open						Announce and publicize P2 grant recipients (Rolling basis)				

**Additional Programs Not Shown:** [Office of Water] Geographic and Estuary programs to obligate funds through existing grants, contracts, and IAs on a rolling basis. Implementation planning underway for WIIN grants, UIC, and Class VI Wells programs. [Office of Land and Emergency Management] EPA is developing best practices for battery collection and a new voluntary labeling program for batteries to facilitate safe recycling. Draft voluntary battery labeling guidelines will be posted for public comment this summer.

# AGENDA

## Land Programs

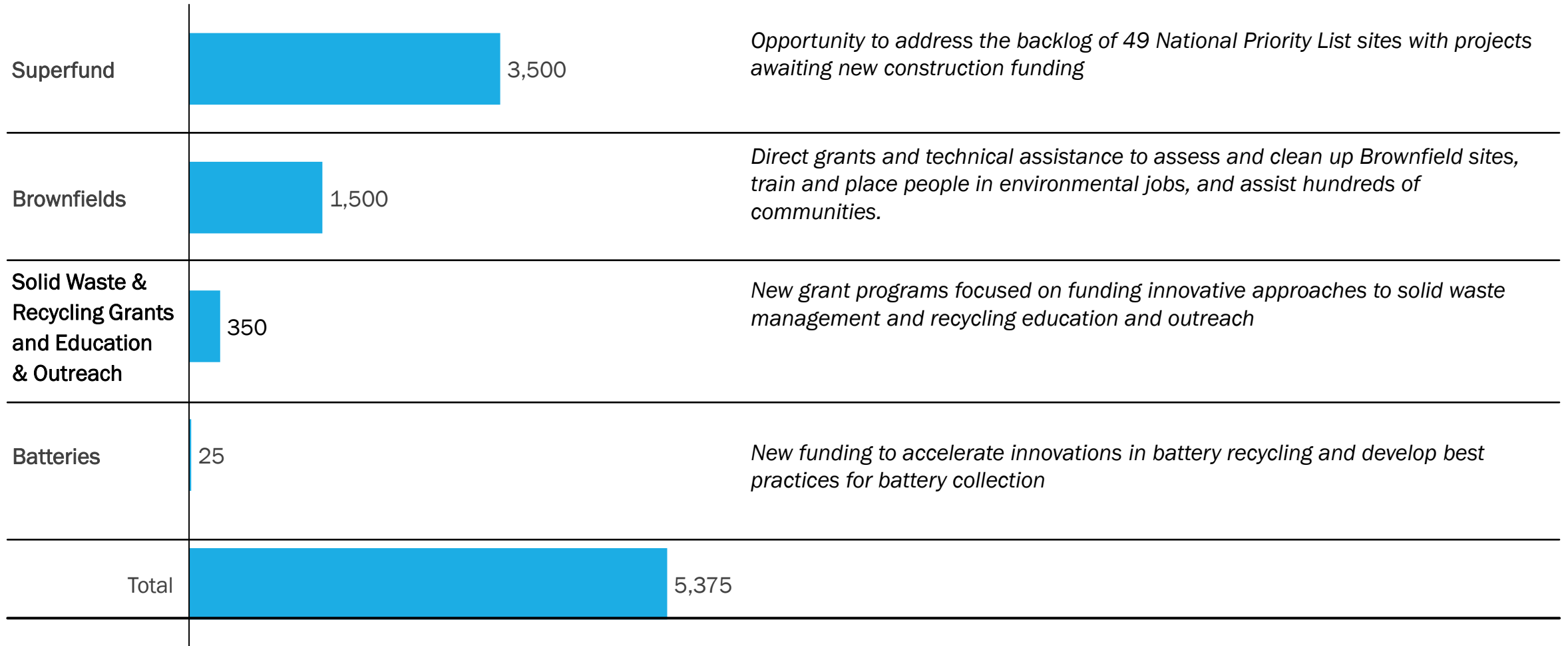
Clean School Bus Program

Water Programs

Pollution Prevention Program

# LAND & EMERGENCY MANAGEMENT – IJA INVESTMENTS

\$, Millions



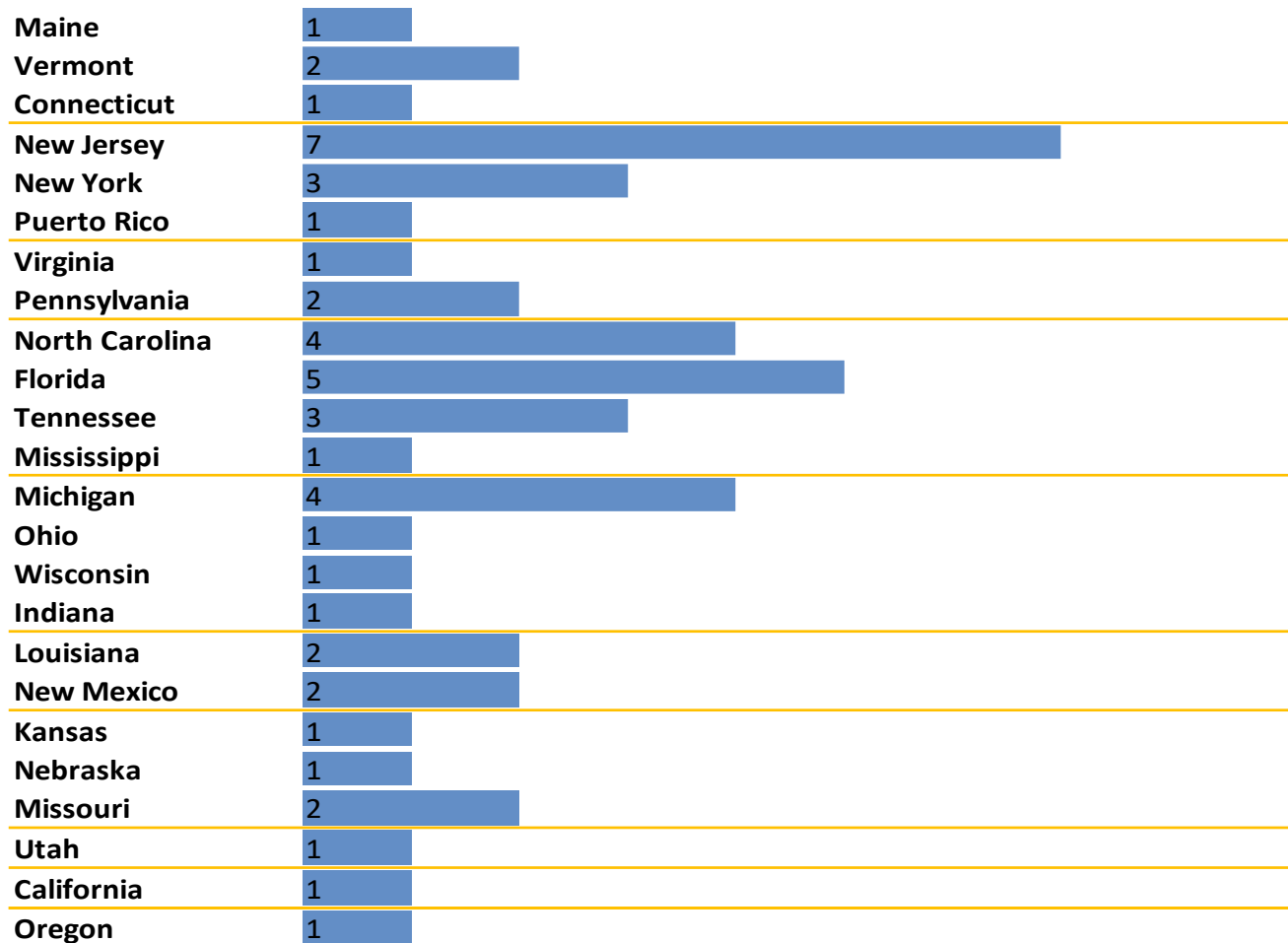
# SUPERFUND: YEAR 1 IMPLEMENTATION PLAN

EPA approved funding for new cleanup construction projects at 49 Superfund National Priority List sites that will clear the entire backlog of sites awaiting remedial construction funding to start work.

Sites are in all 10 EPA regions, 24 states and territories.



**Philadelphia Superfund Announcement**







# BROWNFIELDS: YEAR 1 IMPLEMENTATION PLAN

GRANTS	FUNDING	YEAR 1 Implementation
MULTIPURPOSE GRANTS	<ul style="list-style-type: none"><li>\$150 Million over 5 years; up to \$10 Million per grant</li></ul>	<ul style="list-style-type: none"><li>First Round of proposals due <b>November 2022</b>. Projects announced May 2023 (will use FY23 BIL allocation).</li></ul>
ASSESSMENT GRANTS	<ul style="list-style-type: none"><li>\$600 Million over 5 years; up to \$10 Million per grant</li></ul>	<ul style="list-style-type: none"><li>Up to \$40 Million awarded in 2022 with FY22 BIL Funds (Up to \$2 M per “Mega” Assessment Grant to States &amp; Tribes only)</li><li>Next round of proposals due <b>November 2022</b>. Projects announced May 2023 (will use FY23 BIL allocation).</li></ul>
CLEANUP GRANTS	<ul style="list-style-type: none"><li>\$160 Million over 5 years; up to \$10 Million per grant</li></ul>	<ul style="list-style-type: none"><li>First Round of proposals due <b>November 2022</b>. Projects announced May 2023 (will use FY23 BIL allocation).</li></ul>
REVOLVING LOAN FUND (RLF) GRANTS	<ul style="list-style-type: none"><li>\$150 Million over 5 years; up to \$10 Million per grant</li></ul>	<ul style="list-style-type: none"><li>Supplemental requests from existing grantees due <b>March 2022</b>. Projects awarded <b>August 2022</b>.</li></ul>
JOB TRAINING GRANTS	<ul style="list-style-type: none"><li>\$30 Million over 5 years; up to \$1 Million per grant</li></ul>	<ul style="list-style-type: none"><li>First Round of proposals due <b>July 2022</b>. Projects awarded <b>Nov 2022</b>.</li></ul>
COOPERATIVE AGREEMENTS TO STATE & TRIBAL RESPONSE PROGRAMS	<ul style="list-style-type: none"><li>\$300 Million over 5 years; up to \$60 Million per year</li></ul>	<ul style="list-style-type: none"><li>Requests due <b>July 2022</b>. Projects awarded <b>Nov 2022</b>.</li></ul>
TECHNICAL ASSISTANCE	<ul style="list-style-type: none"><li>\$110 Million over 5 years; projects awarded on a rolling basis</li></ul>	<ul style="list-style-type: none"><li>First round of Targeted Brownfields Assessments funding obligated <b>April 2022</b>.</li></ul>

## WASTE AND RECYCLING: OVERVIEW OF FUNDING

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### (NEW) Solid Waste Infrastructure for Recycling Grants

- **\$275,000,000** for grants under section 302(a) of the Save Our Seas 2.0 Act (55M/yr).
- Year 1 milestones will be to issue a Request for Information, conduct stakeholder outreach, develop the program, and issue the Request for Applications and Program Guidance.

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### (NEW) Reduce, Reuse, Recycle Education and Outreach Grants

- **\$75,000,000** (\$15M/yr from FY22-26).
- Year 1 milestones will be to issue a Request for Information, conduct stakeholder outreach to develop the toolkit, while at the same time developing the grant program and issuing the Request for Applications.

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### Battery Collection Best Practices

- **\$10,000,000** for fiscal year 2022, available to be expended until September 30, 2026.
- Year 1 milestones will be to issue a Request for Information on existing battery collection practices, conduct an international survey of battery collection best practices, and outline the report requested.

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### Voluntary Battery Labeling Guidelines

- **\$15,000,000** for fiscal year 2022, available to be expended until September 30, 2026.
- Year 1 milestones will be to issue a Request for Information on voluntary labeling information and conduct an international survey of voluntary battery labelling.

# AGENDA

Land Programs

**Clean School Bus Program**

Water Programs

Pollution Prevention Program

## AIR & RADIATION– IIJA INVESTMENTS

### **\$5 billion to decarbonize the nation’s school bus fleet** through:

- \$500M annually for zero emission school buses
- \$500M annually for clean school buses and zero emission school buses

**Zero emission school buses** are defined as a vehicle that does not emit any pollutant under section 108(a) of the Clean Air Act or any greenhouse gas.

**Clean school buses** are defined as zero emission school buses or a bus that reduces emissions while using natural gas, hydrogen, propane, or biofuels.

There are **approximately 500,000 school buses** in the United States that transport over 20 million students to and from school.

- Less than 2,000 school buses are currently electric
- Studies show students in school buses can be exposed to air pollution that significantly exceed ambient levels

**Electric school buses save money over the long-term**, but school districts often need assistance meeting up-front capital requirements.

Through a mix of **rebates and competitive grants** we will be able to accelerate school bus decarbonization while **targeting efforts to reduce emissions in vulnerable communities**.

# IMPLEMENTATION CONSIDERATIONS

## Eligible entities

- **State or local governmental entities responsible for:**
  - Providing school bus service to one or more public school systems; or
  - Purchase of school buses
- **Eligible contractor**
  - For profit, not-for-profit, or nonprofit entity that has the capacity to:
    - Sell clean school buses, zero emission buses, charging or fueling infrastructure, or other equipment needed to charge, fuel, or maintain **clean/zero emission school buses; or**
    - **Arrange financing for such a sale**
- **Nonprofit school transportation association**
- **Indian Tribe**

## Funding Mechanisms

- Up to 100% the cost of the replacement bus and charging / fueling infrastructure
- Competitive *grants* and *rebates* to eligible recipients for bus replacement
- *Contracts* to eligible contractors to provide rebates for bus replacement
- Limitation: no state shall receive more than 10% of a fiscal year's available funds

## Considerations

- Lowest overall cost of bus replacement
- Local conditions, including length of bus route and weather conditions
- Technologies that most reduce emissions
- Whether funds will bring new technologies to scale or promote cost parity between old and new technology



## TIMELINE FOR YEAR 1 – FY 2022

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### ■ Objectives for Year 1:

- Award BIL rebates in FY 2022
- Establish an outreach and engagement structure to reach underserved communities within 120 days
- Design a competitive grant program that can begin awarding funds in FY 2023

### ■ Milestones for Year 1:

- December 15: Stakeholder listening session with school districts, manufacturers/vendors, utilities, community organizations, clean air organizations
- January 31: Submit initial report to Congress
- April: Launch rebate application
- ~June: Close rebate application
- ~September: Announce initial rebate awards
- Fall: Release RFA for competitive grant program

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## WATER – IIJA INVESTMENTS

\$, Millions

Clean Water SRF	11,713	Grants to states, tribes, and territories through the existing State Revolving Fund program to support clean water and drinking water objectives
Drinking Water SRF	11,713	
Drinking Water SRF - Lead Service Lines	15,000	New appropriations towards the ~\$45B requested to replace lead service pipes
Clean Water SRF - Emerging Contaminants	1,000	
Drinking Water SRF - Emerging Contaminants	4,000	New appropriations that fully fund the President's \$10B request for emerging contaminants such as PFAS
WIIN Grants - Emerging Contaminants	5,000	
Place-based programs (Geos, Estuaries, Hypoxia)	1,909	Additional funding for 12 geographic programs (e.g., Chesapeake Bay); 28 National Estuary Programs, Gulf Hypoxia Task Force
Underground Injection Control	75	New funding to support EPA and state permitting primacy applications for sub-surface CCS
Total	50,410	

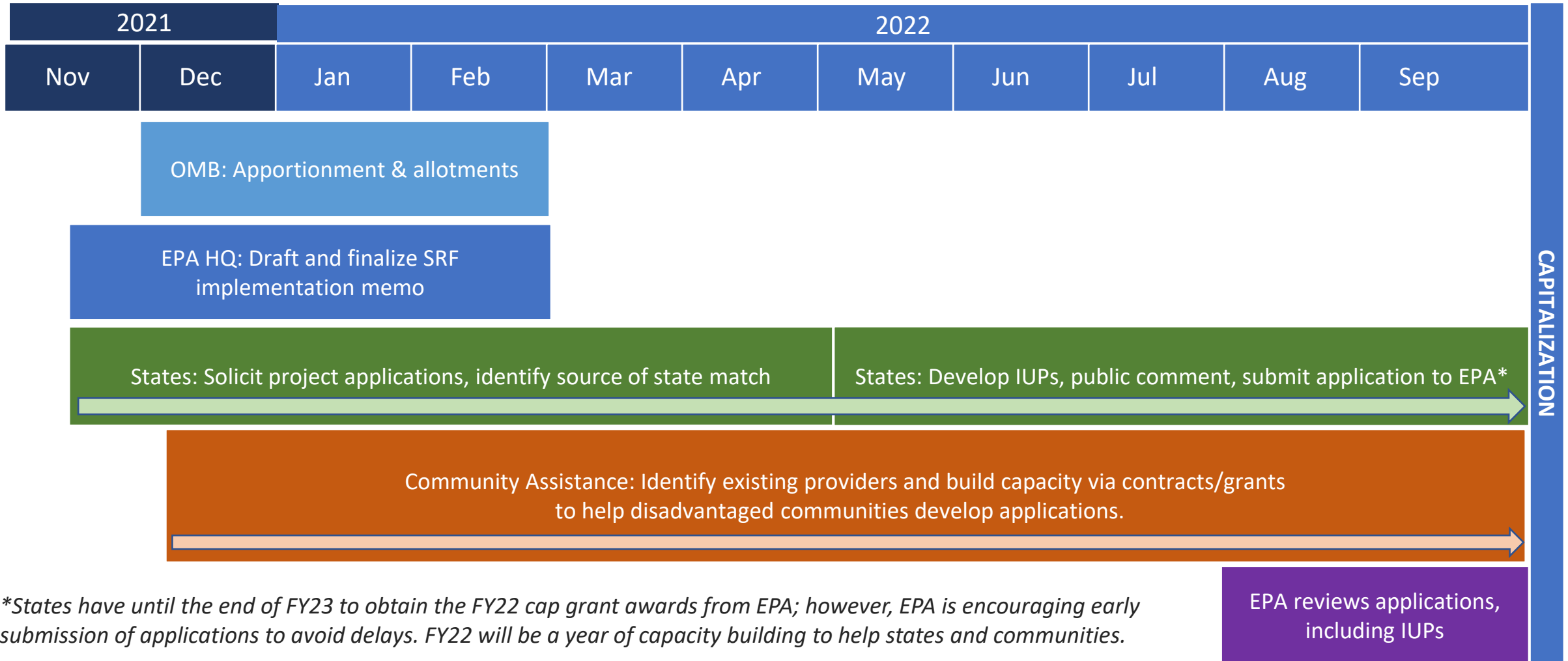
## SRF: PRIMARY GOALS IN YEAR 1

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- **Target resources to disadvantaged communities.** Prioritize funding to underserved communities. Leverage the 49% of SRF funds eligible to be grants/fully forgivable loans.
- **Make rapid progress on lead-free water for all.** Maximize the \$15 billion dedicated to lead service line removal, as well as other funding streams, towards President Biden's 100% goal. Leverage the 49% of SRF funds eligible to be grants/fully forgivable loans.
- **Tackle forever chemicals.** Leverage the \$10 billion in the BIL to provide relief to communities on the frontlines of contamination by PFAS and other emerging contaminants. All of these funds will be grants or fully forgivable loans.



# SRF: STREAMS OF ACTIVITIES AND WORK IN YEAR ONE



CAPITALIZATION

*\*States have until the end of FY23 to obtain the FY22 cap grant awards from EPA; however, EPA is encouraging early submission of applications to avoid delays. FY22 will be a year of capacity building to help states and communities.*



## SRF: SUPPORTING STATES

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### Challenge

- Some state SRF programs are already at capacity, understaffed, or face statutory and political hurdles to expanding their internal capacity.
- Some states may struggle to manage the scale of BIL allotments, and to manage an influx of many more, smaller applications from small and disadvantaged communities.

### ■ Approach

- States can increase staffing and capacity through BIL state administrative funds.
- Trainings, webinars, playbooks and best practices.
- Dialogues with state programs to understand unique hurdles and build a tailored, state-by-state approach to supporting SRFs.
- EPA can provide implementation support through contractors that can relieve burdens on state programs.

# WIIN EMERGING CONTAMINANTS FUNDS IN YEAR 1

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- **Primary Goal in Year 1:** Provide grant funding to small and disadvantaged communities to address emerging contaminants (including PFAS) from drinking water.
- **Implementation Approach:**
  - Develop allocation formula, considering: Congressional intent to prioritize PFAS, focus of the funding to small and disadvantaged communities, and available data on emerging contaminants, population in poverty, etc.
  - Engage state programs and stakeholders (including non-profit organizations) to ground-truth potential implementation challenges and build a tailored approach to support states and their respective small and disadvantaged communities.
  - Engage EPA regions, states, and stakeholders throughout the implementation process and assist in grant implementation.
- **Implementation Activities and Year 1 Milestones:**
  - Plan to finalize allocation formula for FY22 funding by Spring '22 and release implementation document by Summer '22.
  - Provide technical assistance to states and support, in collaboration with state associations and local organizations, to communities targeted for funding and assist in preparing, planning, scoping activities in grant applications.
  - Coordinate with DWSRF technical assistance effort and outreach to small and disadvantaged communities. These systems would also be eligible for funding under the DWSRF.

# GEOGRAPHIC AND NATIONAL ESTUARY PROGRAMS IN YEAR 1

- **EPA Place-based Programs include:** 12 Geographic Programs and 28 National Estuary Programs
- **Implementation approaches** will be informed by and seek to achieve the goals of each program's unique governing authorities:
  - Geographic Programs: Various statutory authorities, interstate agreements, and governing councils (e.g. Chesapeake Bay Watershed Agreement; Great Lakes Restoration Initiative; Lake Champlain *Opportunities for Action*)
  - NEPs: Implementation of each Estuary Program's Comprehensive Conservation Management Plan (CCMP). OW to release BIL NEP Guidance in Spring 2022.
- **Focus areas for BIL EPM funds include,** among program-specific activities, planning and implementation of projects that:
  - Build coastal/estuarine climate adaptation and resilience
  - Address mission-relevant needs and opportunities in underserved communities
  - Monitor and improve water quality
  - Support outreach, education, and local capacity building
  - Restore ecosystems
  - Reduce nutrient and nonpoint source pollution
  - Coordinate EPA place-based activities and investments with other federal agencies, states, and Tribes
  - Use BIL place-based funding to leverage other resources
- **Year 1 Milestones:**
  - Engagement with federal, state, Tribal, interstate, local, and NGO partners on BIL implementation opportunities.
  - Guidance and priority memos issued (where applicable).
  - Announcements for competitive and non-competitive funding opportunities. Timing of announcements and awards will vary widely by program. In most cases, anticipate RFA and funding announcements in second half of FY22, with most awards beginning in FY23.

# GULF HYPOXIA PROGRAM IN YEAR 1

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- **New Program:** Gulf Hypoxia Program
- **Implementation approach:** as directed by Congress, support actions under the Gulf Hypoxia Action Plan, including implementing state nutrient reduction strategies.
- **Priorities for Gulf Hypoxia funds include:**
  - Supporting states as they implement and scale their nutrient reduction strategies
  - Supporting tribes in leveraging nutrient reduction strategies
  - Ensuring benefits are realized by disadvantaged communities
  - Advancing water quality actions with climate resilience co-benefits
  - Advancing multi-state collaboration
  - Communicating progress at the basin scale to the public
  - Advancing research in support of nutrient reduction strategies
  - Leveraging federal, state, non-governmental, and Tribal programs to advance nutrient reduction strategies
- **Year 1 Milestones:**
  - Engagement with Hypoxia Task Force partners on opportunities to advance the goals of Gulf Hypoxia Action Plan
  - Guidance for grants to states in 2nd quarter FY22.
  - Considering guidance for other Gulf Hypoxia Action Plan partners in 3rd quarter; eligible entities could include tribes, interstate organizations, and Land Grant University consortia.

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## CHEMICAL SAFETY AND POLLUTION PREVENTION – IIJA INVESTMENTS

### **\$100 million to expand the Pollution Prevention (P2) program**

- P2 Grants provide technical assistance to businesses to help them develop and adopt source reduction practices that reduce toxic pollutants, the use of water, energy and other raw materials, while also lowering business costs.
- P2 grants are awarded to States, state-sponsored colleges and universities, and federally-recognized tribes and intertribal consortia.

**IIJA provides a significant increase in annual funding** that will be used to both increase the number and size of awards.

The significant increase in funding will accelerate our **engagement in disadvantaged communities and across P2 National Emphasis Areas** that include:

- Food and Beverage Manufacturing and Processing
- Chemical Manufacturing, Processing and Formulation
- Automotive Manufacturing and Maintenance
- Aerospace Product and Parts Manufacturing and Maintenance
- Metal Manufacturing and Fabrication; and
- A new National Emphasis Area to support P2 technical assistance among businesses in Indian Country

## VISION FOR THE PROGRAMS

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- BIL funds for EPA's P2 Grant program will deliver technical assistance to businesses to identify and adopt source reduction practices (and technologies) that benefit businesses, communities, and local economies.
- P2 Grants will benefit the environment and communities by preventing pollution at the source, and reduce exposure to pollutants by individuals, communities, and the environment. P2 has also proven to be cost-saving and support jobs and local economies.
- EPA is developing specific metrics, measures, and accounting tools to provide additional oversight. In addition to OIG oversight the P2 Program plans to conduct program evaluation for the BIL initiatives associated with P2 Grants.

## HOW FUNDS WILL BE DEPLOYED

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- P2 Grant funds will be awarded through competitive grants to eligible entities: states, Tribes, and state/Tribe sponsored institutions (e.g., colleges and universities)
- EPA will develop a portfolio of grants, leveraging the current P2 Grant framework and introduce two additional grant programs to focus on P2 for facilities in disadvantaged communities and increasing their access to safer/sustainable products and services
- BIL removes the matching requirement for P2 Grants (which would otherwise be 50%), increasing access to P2 Grants.

## TIMELINE FOR YEAR 1 – FY 2022

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- Q1FY22: finalize RFA for sector-based P2 Grants– two-year grants
- Q2FY22: Issue RFA for sector-based P2 Grants
- Q3FY22: Review/evaluate P2 Grant applicants for sector-based grants
- Q4FY22: Award sector-based P2 Grants

**QUESTIONS?**