



Puget Sound Regional Council

# Puget Sound Regional Council (PSRC)

Federal Update – April 2024

Holland & Knight

# Agenda

- DC Update and Policy Lookahead
- FY 2024 + FY 2025 Appropriations Update
- Surface Transportation Reauthorization 2025
- Upcoming Federal Funding Opportunities

# DC Update and Policy Lookahead

- Throughout the first quarter of the year, Congress worked on finalizing the FY24 spending package, beginning the process of considering FY25 appropriations, and addressing other pending items.
- **FAA Reauthorization:** The Senate Commerce Committee passed its version of the FAA reauthorization bill in February, and the House passed theirs last year. House and Senate leadership are now working to quickly pass a final version of the bill before the current FAA extension expires May 10.
- **Affordable Connectivity Program (ACP):** Senate Leader Schumer, along with several Senate Democrats, have indicated continued funding for the ACP program as a priority to address before the end of 2024.
- **Other Pending Items:** Farm Bill, National Defense Authorization Act (NDAA), Water Resources Development Act (WRDA), among others.

# FY24 Appropriations Update

- In March, Congress passed the FY24 appropriations package through two packages of bills known as “minibuses”, as outlined below:
  - Minibus #1 (\$459+ billion in funding): Agriculture-FDA; Commerce-Justice-Science; Energy and Water Development; Interior-Environment; MilCon-VA; Transportation-HUD
  - Minibus #2 (\$1.2 trillion in funding): Defense; Financial Services-General Government; Homeland Security; Labor-HHS-Education; Legislative Branch; State-Foreign Operations
- **House Appropriations Leadership Change:** On March 22, House Appropriations Chair Kay Granger (R-TX) announced that she would step down from her role on the committee. On Tuesday, April 9, the House Republican Steering Committee unanimously elected Rep. Tom Cole (R-OK) as the new Chair.

# FY24 Appropriations Update: Final Spending Totals

## Department of Transportation

- **Passenger Ferry Program: \$20M, in addition to \$30M in Bipartisan Infrastructure Law (BIL) funding**
  - **FY23 Amount : \$10M, in addition to \$30M in BIL funding**
  - The Passenger Ferry Program provides competitive funding to improve the condition and quality of existing passenger ferry services, support the establishment of new passenger ferry services, and repair and modernize ferry boats, terminals, and related facilities and equipment.
- **Electric or Low-Emitting Ferry Program: \$5M, in addition to \$50M in BIL funding**
  - **FY23 Amount: \$5M, in addition to \$50M in BIL funding**
  - The Electric or Low-Emitting Ferry Pilot Program provides competitive funding for projects that support the purchase of electric or low-emitting ferries and the electrification of or other reduction of emissions from existing ferries.

# FY24 Appropriations Update: Final Spending Totals

## Department of Transportation

- **Rural Ferry Program: \$20M, in addition to \$200M in BIL funding**
  - **FY23 Amount: \$17.5M, in addition to \$200M in BIL funding**
  - The Rural Ferry Program provides competitive funding for capital, operating, and planning expenses for ferry service to rural areas.
  
- **Federal-Aid Highways Obligation: \$60.095B, authorized by Bipartisan Infrastructure Law (BIL)**
  - **FY23 Amount: \$58.764B (authorized by BIL)**

This includes funding for FHWA formula programs including Surface Transportation Block Grant (STBG), Metropolitan Planning Program, and Congestion Mitigation and Air Quality (CMAQ).

  - WA STBG Apportionment: \$1.233B
  - WA CMAQ Apportionment: \$209.5M
  - WA Metropolitan Transportation Planning: \$10.04M

# FY24 Appropriations Update: Final Spending Totals

## Department of Transportation

- **RAISE: \$345M, in addition to \$1.5B in BIL funding**
  - **FY23 Amount: \$800M, in addition to \$1.5B in BIL funding**
  - RAISE is an existing competitive grant program to support construction and planning for road, rail, transit, and port projects that achieve national objectives.
  
- **Consolidated Rail Infrastructure and Safety Grants (CRISI): \$198.9M, in addition to \$1B in BIL funding**
  - **FY23 Amount: \$560M, in addition to \$1B in BIL funding**
  - CRISI is an existing competitive grant program to fund a wide range of freight and intercity passenger rail projects to improve the safety, efficiency, and reliability of the nation's rail system.

# FY24 Appropriations Update: Final Spending Totals Cont.

## Department of Transportation

- **Capital Investment Grants: \$2.205B, in addition to \$3B in BIL funding**
  - **FY23 Amount: \$2.635B in addition to \$3B in BIL funding**
  - This program funds transit capital investments, including heavy rail, commuter rail, light rail, streetcars, and bus rapid transit (BRT).
    - New Starts Program: \$2.13B
    - Expedited Project Delivery Pilot Program: Up to \$52M
- **Port Infrastructure Program: \$120.46M, in addition to \$450M in BIL funding**
  - **FY23 Amount: \$212.2 million, in addition to \$450M in BIL funding**
  - This existing competitive grant program invests in improving port infrastructure and facilities to stimulate economic growth and address climate change, environmental justice, safety, and transportation equity.



# FY24 Appropriations Update: Final Spending Totals Cont.

## Department of Transportation

- **Active Transportation Infrastructure and Investment Program: \$0**
  - **FY23 Amount: \$45M**
  - This new competitive grant program provides funding to construct projects to provide safe and connected active transportation facilities within and between communities.
  
- **Safe Streets and Roads for All: \$1B from BIL funding**
  - **FY23 Amount: \$1B from BIL funding**
  - This new competitive grant program improves roadway safety by significantly reducing or eliminating roadway fatalities and serious injuries through safety action plan development and refinement and implementation focused on all users, including pedestrians, bicyclists, public transportation users, motorists, personal conveyance and micromobility users, and commercial vehicle operators.

# FY24 Appropriations Update: Final Spending Totals Cont.

## Department of Transportation

- **Airport Infrastructure Grants: \$2.89B from BIL funding**
  - **FY23 Amount: \$2.89B from BIL funding**
  - This program provides competitive grant funding for improving airport infrastructure, specifically to invest in improved runways, taxiways, safety and sustainability projects, as well as terminal, airport-transit connections, and roadway projects.

## Department of Housing and Urban Development

- **Pathways to Removing Obstacles to Housing (PRO Housing/YIMBY Grants): \$100M**
  - **FY23 Amount: \$85M**
  - This competitive grant program supports communities across the country to identify and remove barriers to affordable housing production and preservation.

# Key Report Language

- **Safe Streets and Roads for All Planning Grants:** Decreases the funding set-aside for planning grants in FY24 from 40% to 30%.
- **Unobligated Balances Report to Congress:**
  - Directs the FHWA to submit a list of all unobligated balances of formula funding, as of September 30, 2023, to the House/Senate Appropriations Committees by March 31, 2024.
  - FHWA should solicit feedback from State DOTs to identify any amounts allocated to a specific State that the State DOT does not intend to obligate and submit list to House/Senate Appropriations Committees by October 1, 2024, including a list of State DOTs that did not provide feedback in a reasonable amount of time.

# FY24 Appropriations Update Cont.

<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FY 2024 FEDERAL APPROPRIATIONS</b>				
	<b>FY 2023 Enacted</b>	<b>FY 2024 House</b>	<b>FY 2024 Senate</b>	<b>FY 2024 Budget</b>
<b>Department of Housing and Urban Development (Program Funding)</b>	<b>\$72.2 B</b>	<b>\$68.217 B</b>	<b>\$70.06 B</b>	<b>\$70.07 B</b>
<b>Tenant-Based Rental Assistance</b>	<b>\$30.25 B</b>	<b>\$31.132 B</b>	<b>\$31.7 B</b>	<b>\$32.4 B</b>
<b>Public Housing Fund - Capital Fund</b>	<b>\$3.38 B</b>	<b>\$3.18 B</b>	<b>\$3.2 B</b>	<b>\$3.2 B</b>
<b>Public Housing Fund - Operating Fund</b>	<b>\$5.134 B</b>	<b>\$5.1 B</b>	<b>\$5.53 B</b>	<b>\$5.475 B</b>
<b>Choice Neighborhoods Initiative</b>	<b>\$350 M</b>	<b>\$0</b>	<b>\$150 M</b>	<b>\$75 M</b>
<b>Manufactured Housing Improvement and Financing Program</b>	<b>\$225 M</b>	<b>\$20 M</b>	<b>\$0</b>	<b>\$10 M</b>
<b>Homelessness Assistance Grants</b>	<b>\$3.63 B</b>	<b>\$3.729 B</b>	<b>\$3.9 B</b>	<b>\$4.05 B</b>
<b>Housing Opportunities for Persons with AIDS</b>	<b>\$449 M</b>	<b>\$505 M</b>	<b>\$505 M</b>	<b>\$505 M</b>
<b>Project Based Rental Assistance</b>	<b>\$14.9 B</b>	<b>\$15.82 B</b>	<b>\$15.79</b>	<b>\$16 B</b>
<b>Community Development Block Grants</b>	<b>\$3.3 B</b>	<b>\$3.3 B</b>	<b>\$3.3 B</b>	<b>\$3.3 B</b>
<b>HOME Investment Program</b>	<b>\$1.5 B</b>	<b>\$500 M</b>	<b>\$1.5 B</b>	<b>\$1.25 B</b>
<b>YIMBY Grant Program</b>	<b>\$85 M</b>	<b>\$0</b>	<b>\$100 M</b>	<b>\$100 M</b>

# FY25 Budget/Appropriations Update

**President's FY25 Budget Request:** On March 11, President Biden released his FY25 budget request. The President's budget proposal is limited by the strict spending caps agreed to by Congress and the White House under the "Fiscal Responsibility Act of 2023," which allows for a spending increase of only 1% in FY25 compared to FY24.

# FY25 Budget/Appropriations Update Cont.

## Key FY25 Transportation Budget Highlights

- **Passenger Ferry Program: \$30M in BIL funding**
- **Electric or Low-Emitting Ferry Program: \$50M in BIL funding**
- **Rural Ferry Program: \$200M in BIL funding**
- **Federal-Aid Highways Obligation: \$62.114B (authorized by BIL)**
  - This account includes formula funding for FHWA formula programs including Surface Transportation Block Grant (STBG), Metropolitan Planning, and Congestion Mitigation and Air Quality (CMAQ).
  - STBG: \$14.682B
  - CMAQ: \$2.69B
  - Metropolitan Transportation Planning: \$465M

# FY25 Budget/Appropriations Update Cont.

## Key FY25 Transportation Budget Highlights

- **Bridge Investment Program: \$2.52B (in addition to \$1.8B from BIL)**
- **CRISI Grants: \$250M (in addition to \$1B from BIL)**
- **Metropolitan Planning Program: \$478M**
- **Capital Investment Grants: \$2.365B (in addition to \$1.6B from BIL)**
  - New Starts: \$2.183B
  - Small Starts: \$592.1M
  - Expedited Project Delivery: \$60M

# FY25 Budget/Appropriations Update Cont.

## Key FY25 Transportation Budget Highlights Cont.

- **RAISE and MEGA: \$800M, in addition to BIL**
- **EV Charging and Fueling Infrastructure (CFI): \$600M from BIL**
- **Port Infrastructure Program: \$80M, in addition to \$450M from BIL**

## Additional FY25 Budget Highlights

- **Affordable Connectivity Program (ACP): \$6B**
  - The ACP program provides a discount of up to \$30 per month toward internet service for eligible households and up to \$75 per month for households on qualifying Tribal lands.
  - Bipartisan House Legislation (*Affordable Connectivity Program Extension Act*): **\$7B**
- **Pathways to Removing Obstacles in Housing (PRO Housing): \$100M**
  - This competitive grant program supports communities across the country to identify and remove barriers to affordable housing production and preservation.



# Surface Transportation Reauthorization 2025

- Every 5 years, Congress passes legislation to authorize Federal surface transportation programs for improving infrastructure including highways, bridges, mass transit, rail, and transportation safety.
- **The current surface transportation authorization, within the BIL, authorizes funding for surface transportation programs from 2021 to 2026.**
- Congressional committees are beginning to think about the next surface transportation authorization package — collecting ideas, holding hearings, etc. ***Holland & Knight will continue to provide updates as this legislation develops, as well as strategy for advocating for programs and language that are aligned with PSRC's interests in surface transportation.***

# Key Competitive Bipartisan Infrastructure Law (BIL) Opportunities

Program	Funding level over 5 years	Status
<ul style="list-style-type: none"> <li>• <b>Passenger Ferry Program (Round 3) – <i>COMPETITIVE</i></b></li> <li>• The Passenger Ferry Program provides funding to improve the condition and quality of existing passenger ferry services, support the establishment of new passenger ferry services, and repair and modernize ferry boats, terminals, and related facilities and equipment.</li> <li>• 2022 Awards:               <ul style="list-style-type: none"> <li>• WSDOT - \$5M (Construction of Southworth Ferry Terminal)</li> <li>• WSDOT - \$1M (Upgrading of ferry payment system)</li> </ul> </li> </ul>	<p>\$150 million</p>	<p>FY23 Awards announced.</p> <p>FY24 NOFO due June 17, 2024.</p>

# Key Competitive Bipartisan Infrastructure Law (BIL) Opportunities

Program	Funding level over 5 years	Status
<ul style="list-style-type: none"><li>• <b>Electric or Low-Emitting Ferry Program–<i>COMPETITIVE</i></b><ul style="list-style-type: none"><li>• The Electric or Low-Emitting Ferry Pilot Program provides competitive funding for projects that support the purchase of electric or low-emitting ferries and the electrification of or other reduction of emissions from existing ferries.</li><li>• <u>2022 Award</u>: \$4.9M for WSDOT Construction of EV charging facility at Clinton Ferry Terminal</li></ul></li></ul>	\$250 million	FY22/FY23 Awards announced.  FY24 NOFO due June 17, 2024.

# Key Competitive Bipartisan Infrastructure Law (BIL) Opportunities

Program	Funding level over 5 years	Status
<ul style="list-style-type: none"><li>• <b>Rural Ferry Program (Round 3) – COMPETITIVE</b><ul style="list-style-type: none"><li>• The Ferry Service for Rural Communities Program provides competitive funding to states to ensure basic essential ferry service is provided to rural areas.</li></ul></li></ul>	\$1 billion	FY24 NOFO due June 17, 2024.

# Key Competitive Bipartisan Infrastructure Law (BIL) Opportunities

Program	Funding level over 5 years	Status
<ul style="list-style-type: none"> <li>• <b>Bridge Investment Program – Planning Grants (Round 3) – COMPETITIVE</b> <ul style="list-style-type: none"> <li>• Planning grants for bridge projects.</li> <li>• <u>2022 Award</u>: \$2.5M for City of Seattle (Replacement of the 4th Street Bridge over the Argo Railyard)</li> </ul> </li> </ul>	\$80 million	FY25 NOFO open until October 2024.
<ul style="list-style-type: none"> <li>• <b>Bridge Investment Program – Bridge Projects (Round 3) – COMPETITIVE</b> <ul style="list-style-type: none"> <li>• Projects to replace, rehabilitate, preserve or protect bridges on the National Bridge Inventory.</li> </ul> </li> </ul>	\$2.34 billion	FY25 NOFO open until November 2024.
<ul style="list-style-type: none"> <li>• <b>Bridge Investment Program – Large Bridges (Round 3) – COMPETITIVE</b> <ul style="list-style-type: none"> <li>• Large bridge projects with eligible costs greater than \$100 million.</li> </ul> </li> </ul>	\$9.62 billion	FY25 NOFO open until August 1, 2024.

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>Port Infrastructure Development Program (PIDP) (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"><li>Competitive grant program to improve port and related freight infrastructure to meet the nation’s freight transportation needs and ensure port infrastructure can meet anticipated growth in freight volumes.</li></ul>	\$2.25 billion	FY24 NOFO open until April 30, 2024

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>PROTECT Grant Program (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"> <li>Funding for planning, resiliency improvements, community resilience, evacuation routes and at-risk coastal infrastructure.</li> <li><u>2022/2023 Award</u>: \$24.5M for Northwest Seaport Alliance (Wapato Creek Connect: 300 Feet of Critical Infrastructure)</li> </ul>	\$1.4 billion	<p>FY23 Awards announced in April.</p> <p>FY24 NOFO expected Q2 2024.</p>
<p><b>National Infrastructure Project Assistance (MEGA) (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"> <li>Supports large, complex projects that are difficult to fund by other means and will generate national or regional economic, mobility or safety benefits.</li> </ul>	\$5 billion	<p>FY24 NOFO open until May 6, 2024.</p>

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>Nationally Significant Freight and Highway Projects (INFRA) (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"> <li>Awards competitive grants for multimodal freight and highway projects of national or regional significance to improve the safety, efficiency and reliability of the movement of freight and people in and across rural and urban areas.</li> </ul>	<p>\$8 billion</p>	<p>FY23 Awards Announced.</p> <p>FY24 open until May 6, 2024.</p>
<p><b>Charging and Fueling Infrastructure (CFI) Program (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"> <li>Funding to deploy EV charging and alternative fueling infrastructure along designated alternative fuel corridors in communities.</li> <li><u>2022/2023 Award</u>: \$12M for Northwest Seaport Alliance (Catalyzing Zero-Emission Drayage Trucking Infrastructure &amp; Opportunities in the Seattle–Tacoma Region Catalyzing)</li> </ul>	<p>\$2.5 billion</p>	<p>FY24 NOFO expected Q2 2024.</p>



# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>Bus and Bus Facilities – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"> <li>Existing program that provides capital funding to replace, rehabilitate, purchase or lease buses and bus related equipment.</li> </ul>	\$1.9 billion	FY 2024 NOFO closes April 25, 2024.
<p><b>Low-No Emission Buses – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"> <li>Existing program that supports the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities.</li> <li><u>2023 Award</u>: \$33.55M for King County Metro Transit</li> </ul>	\$5.5 billion	

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>Safe Streets and Roads for All (Round 3) – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"> <li>• New competitive grant program that supports planning and implementation of local Vision Zero initiatives.</li> <li>• <u>2023 Planning Awards:</u> <ul style="list-style-type: none"> <li>• <b>Puget Sound Regional Council: \$2.87M</b></li> <li>• City of Bellevue: \$2.78M</li> <li>• City of Buckley: \$200,000</li> <li>• City of Mercer Island: \$160,000</li> <li>• City of Mill Creek: \$160,000</li> <li>• City of Orting: \$120,000</li> <li>• City of Tacoma: \$600,000</li> </ul> </li> </ul>	<p>\$5 billion</p>	<p>FY24 Implementation Grants due May 16, 2024</p> <p>FY24 Planning Grants due August 29, 2024</p>

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>RAISE Grant Program (Round 3) – COMPETITIVE</b></p> <ul style="list-style-type: none"><li>Existing competitive grant program that supports construction and planning for road, rail, transit and port projects that achieve national objectives.</li><li><u>2023 Awards:</u><ul style="list-style-type: none"><li>Jamestown S’Klallum Tribe - \$25M</li><li>City of Shoreline, WA - \$20M</li><li>City of Port Angeles - \$16.13M</li><li>Port of Bremerton - \$9.4M</li><li>City of Seattle - \$1.2M</li></ul></li></ul>	\$7.5 billion	FY24 NOFO closed; awards expected end of June 2024.

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<p><b>Active Transportation Infrastructure Investment Program (ATIIP) – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"><li>• New competitive grant program for projects that connect walking and biking infrastructure into accessible, affordable and safe active transportation networks that allow people to reach destinations within a community, as well as travel between communities, without needing a car.</li></ul>	\$1 billion authorized (subject to annual appropriations)	NOFO open until June 17, 2024. \$45 million available
<p><b>Congestion Relief Program – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"><li>• This program advances innovative, integrated, and multimodal solutions to congestion relief in the most congested metropolitan areas of the United States with an urbanized area population greater than 1,000,000.</li></ul>	\$250 million	FY22-FY24 NOFO closes April 22, 2024.

# Key Competitive BIL Opportunities

Program	Funding level over 5 years	Status
<b>Broadband, Equity, Access, and Deployment Program – <i>FORMULA</i></b> <ul style="list-style-type: none"><li>• Formula funding to assist States in the deployment, mapping, and adoption of broadband.</li><li>• 2024 WA Allocation: \$1.227 billion</li></ul>	\$42.5 billion	FY24 allocations announced Q2 2024.
<b>Digital Equity Competitive Grants – <i>COMPETITIVE</i></b> <ul style="list-style-type: none"><li>• Grants to support digital equity, promote digital inclusion activities, and spur greater adoption of broadband among underserved populations.</li></ul>	\$1.25 billion	FY24 NOFO TBD.

# Inflation Reduction Act (IRA) Opportunities

Program	Funding level over 5 years	Status
<p><b>EPA Climate Pollution Reduction Grants (CPRG) – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"><li>• The CPRG program provides grants to states, local governments, tribes, and territories to develop and implement ambitious plans for reducing greenhouse gas emissions and other harmful air pollution.</li><li>• <u>2023 Planning Grant Award (all up to \$1M):</u><ul style="list-style-type: none"><li>• Puget Sound Clean Air Agency</li></ul></li></ul>	\$9.85 billion	<p>Planning Grants: NOFO closed March/April 2023.</p> <p>Implementation Grants: NOFO closes May 1, 2024.</p>

# IRA Opportunities – Cont.

Program	Funding level over 5 years	Status
<p><b>EPA Clean Heavy-Duty Vehicles Grant Program – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"><li>• Funding to incentivize and accelerate the replacement of existing non-zero-emission (ZE) Class 6 and 7 heavy-duty vehicles with ZE vehicles.</li><li>• Eligible activities also include:<ul style="list-style-type: none"><li>• Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain the new ZE vehicles;</li><li>• Workforce development and training to support the maintenance, charging, fueling, and operation of ZE vehicles.</li></ul></li></ul>	\$932 million	NOFO closes 7/25/2024

# IRA Opportunities – Cont.

Program	Funding level over 5 years	Status
<p><b>EPA Environmental and Climate Justice Program (ECJ) – <i>COMPETITIVE</i></b></p> <ul style="list-style-type: none"> <li>• The ECJ Program provides funding for financial and technical assistance to carry out environmental and climate justice activities to benefit underserved and overburdened communities.               <ul style="list-style-type: none"> <li>• Community Change Grants Program: \$2 billion</li> <li>• Thriving Communities Grantmaking Program (EJ TCGM): \$550 million</li> <li>• EJ Government-to-Government Program (EJ G2G): \$70 million                   <ul style="list-style-type: none"> <li>• Awards: Both Tulalip Tribe and Seattle/King County both received approx. \$1 million.</li> </ul> </li> <li>• Environmental Justice Collaborative Problem-Solving Cooperative Agreement Program (EJ CPS): \$30 million</li> <li>• Technical Assistance: \$200 million</li> </ul> </li> </ul>	<p>\$3 billion in total</p>	<p>Community Change Grants: FY24 NOFO open until November 21, 2024.</p> <p>EJ TCGM: Awards announced February 2024.</p> <p>EJ G2G: 2023 Awards announced October 2023.</p> <p>EJ CPS: Awards announced October 2023.</p>



**Thank You**