

# Understanding How Infrastructure Bill Dollars Affect Your Community

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The federal government will spend \$1.2 trillion on transportation, infrastructure, energy, and climate resilience projects over the next five years through the Infrastructure Investment and Jobs Act, or IIJA, also known as the Bipartisan Infrastructure Law, or BIL. State and local governments will deploy up to \$984 billion of the total funds.

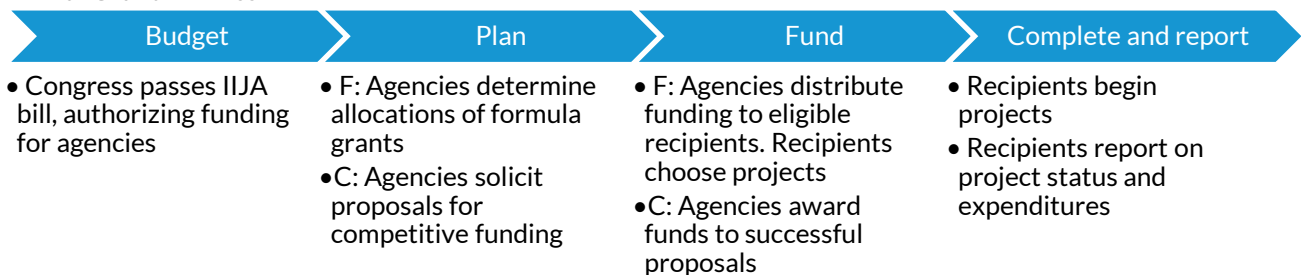
The IIJA stands apart from previous infrastructure spending bills because of its focus on remedying past inequities and directing funds to historically underserved communities. To help local policymakers align their infrastructure spending with an inclusive recovery, this fact sheet explains how federal infrastructure dollars flow to local communities. It further shows how community-based organizations, stakeholders, and advocates can learn about funding opportunities, amounts, and eligible uses.

## HOW FUNDS FLOW FROM THE FEDERAL GOVERNMENT TO YOUR COMMUNITY

After Congress funds federal grant programs, several steps must occur before local projects receive that funding. Those steps vary according to the type of grant (figure 1).

FIGURE 1

### Federal Grant Process



Source: Adapted from “[Bipartisan Infrastructure Law Six-Month Anniversary](#),” build.gov, accessed August 26, 2022.

Note: F = formula funding. C = competitive funding.

## WHAT FUNDING IS AVAILABLE TO LOCAL GOVERNMENTS?

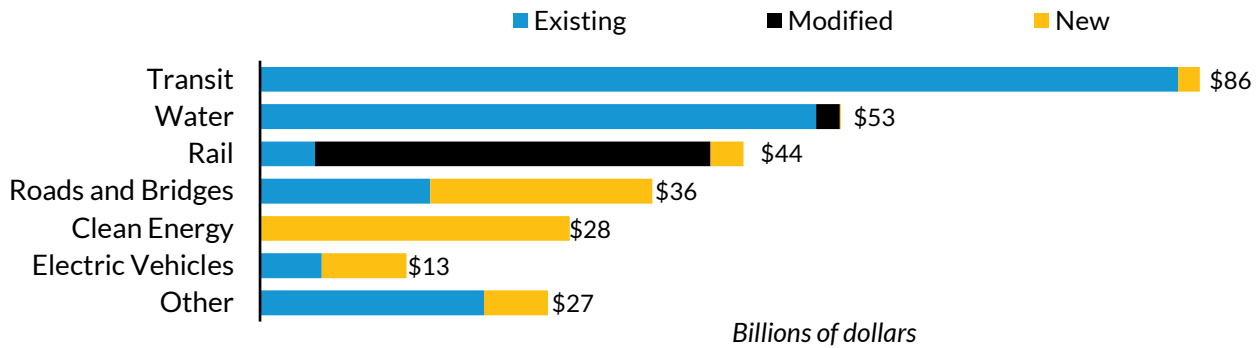
Local governments are eligible for \$287 billion in direct infrastructure funding through IIJA. They may also receive some “pass-through” funding from programs administered by state governments. State governments are directly eligible for \$697 billion in funding.

Public transportation, water, and intercity passenger and freight rail programs are the largest categories of local government IIJA funds (figure 2). Almost all of this spending will be through programs that existed before IIJA or that were modified by IIJA. Overall, a quarter of local government funding will come from newly established programs, particularly in clean energy, electric vehicles, and roads and bridges.

Overall, more than 70 percent of IIJA funds directly available to local governments are competitive opportunities. The remaining funds, largely in transit, will be distributed to eligible cities according to formulas based on population. These processes are described further below.

FIGURE 2

**Infrastructure Funds Directly Available to Local Governments**



Source: Authors’ analysis of "Building a Better America: A Guidebook to the Bipartisan Infrastructure Law," build.gov, accessed August 26, 2022, <https://www.whitehouse.gov/wp-content/uploads/2022/05/BUILDING-A-BETTER-AMERICA-V2.pdf>.

**WHEN AND HOW DO FUNDING OPPORTUNITIES BECOME AVAILABLE TO LOCAL COMMUNITIES?**

The infrastructure bill increases funding for existing programs and creates new programs. In both cases, federal agencies are responsible for distributing IIJA dollars and publishing guidance about how to apply for funds and spend funds on eligible uses. To distribute funds, agencies must calculate formula funding allocations and solicit and review proposals for competitive funding.

**Formula Grant Programs**

IIJA reauthorized and increased funding for several existing formula grant programs, and implementing agencies announced allocations to eligible recipients for fiscal year 2022 starting in December 2021. Annual allocations to local communities will continue to be announced for each fiscal year on dates determined by each agency, likely toward the beginning of each calendar year.

None of IIJA’s newly established formula grant programs are directly available to local governments, instead being distributed to states, which may “pass-through” some funds to localities. Most allocations of newly established formula funding programs are complete. Allocation information can be found on agency websites, such as

- [fiscal year 2022 allocations for federal-aid highway programs](#) (“Apportionment of Federal-Aid Highway Program Funds for Fiscal Year 2022,” FHWA Notice 4510.858, December 2021); and
- [fiscal year 2022 allocations for local transit systems](#) (“Current Apportionments,” Federal Transit Administration, April 2021).

**Competitive Grants**

Competitive grant opportunities will continue to open through the end of 2022, and federal grantmaking agencies will announce requests for proposals multiple times in the coming years.<sup>1</sup> All federal grant opportunities, known as Notices of Funding Opportunity or NOFOs, are posted on grants.gov and feature details about program eligibility and application guidelines (box 1).

- [Bridge Investment Program Notice of Funding Opportunity](#) (“Grant Opportunity 693JJ322NF00009, Bridge Investment Program - Planning, Bridge Projects, and Large Bridge Projects,” accessed August 26, 2022)

## BOX 1

### How to Find Competitive Grant Opportunities

1. Identify a program in the searchable list of infrastructure bill programs at build.gov

PROGRAM NAME	CATEGORY	AGENCY NAME	BUREAU NAME	FUNDING AMOUNT	FUNDING MECHANISM	NEW?
Local and Regional Project Assistance Grants (RAISE)	Roads, Bridges and Major Projects	Department of Transportation	Office of the Secretary	\$7,500,000,000	Competitive Grant	No

2. Open the SAM.gov listing for that program

SAM.GOV LINK	<a href="https://sam.gov/fal/f0fa6d30e0be4fb98f67e3250fbe30ca/view">https://sam.gov/fal/f0fa6d30e0be4fb98f67e3250fbe30ca/view</a>
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3. Search for opportunities on Grants.gov under the Assistance Listing number, using the link highlighted in yellow.

Assistance Listing

**Popular Name**  
Rebuilding Transportation Infrastructure with Sustainability and Equity (RAISE)/Better Utilizing Investments to Leverage Development (BUILD) Grants

**Sub-tier**  
OFFICE OF THE SECRETARY

**Assistance Listing Number**  
20.933

**Related Federal Assistance**  
Not Applicable.

[View available opportunities on Grants.gov related to this Assistance Listing](#)

**Notes:** A database of infrastructure programs, containing links to their Assistance Listing Numbers is available at [https://www.whitehouse.gov/build/?utm\\_source=build.gov](https://www.whitehouse.gov/build/?utm_source=build.gov) For further guidance, see “Tracking Federal Economic Recovery Funds to Communities: A Guide for Local Governments, Advocates, and Community-Based Organizations.” Washington, DC: Urban Institute.

### WHAT FUNDING DECISIONS HAVE GRANTMAKING AGENCIES MADE?

The first rounds of competitive funding opportunities began in early 2022, starting with RAISE grants for infrastructure programs that improve quality of life<sup>2</sup> followed by funding for freight and highways, rural surface transportation, and other megaprojects.<sup>3</sup> Over the next several years, federal agencies will announce requests for proposals for other competitive grant programs, with specifics that vary by program and federal agency and according to funding availability.

- RAISE NOFO: <https://www.grants.gov/web/grants/search-grants.html>
- RAISE 2022 selections: <https://www.transportation.gov/sites/dot.gov/files/2022-08/RAISE%202022%20Award%20Fact%20Sheets.pdf>

As of July 2022, IIJA had funded over 7,200 projects totaling \$110 billion. Approximately \$18 billion of this total went directly to projects in local communities, though that may include projects administered by federal or state governments. The remaining funds went to grants to state and tribal governments, direct spending by federal agencies, and other forms of assistance such as loans. Projects in local communities are searchable on the interactive map published to mark the six-month anniversary of the infrastructure bill.<sup>4</sup>

**HOW CAN COMMUNITY MEMBERS TRACK THE PROGRESS OF PROJECTS?**

Once federal agencies distribute funds to local communities and projects, recipients must report back on the progress of the grant-funded projects. Select information from those reports is aggregated and displayed on [usaspending.gov](https://usaspending.gov). Importantly, however, [USAspending.gov](https://usaspending.gov) only tracks payment agreements (obligations) and transactions (outlays) made by the federal government. Recipient spending is not included unless recipients have used grant funds to award a grant or contract to another recipient (called subawards, subgrants, or subcontracts.) Because of varying reporting deadlines, it can take between two days and one month for transactions to be displayed on [usaspending.gov](https://usaspending.gov). Table 1 shows how to interpret key pieces of information available on [usaspending.gov](https://usaspending.gov).

**TABLE 1**  
**Selected Data Available on USAspending.gov**  
*Examples, definitions, and data quality notes*

<b>Field name</b>	<b>Sample value</b>	
Prime Recipient	State Department of Transportation	
Recipient Location	123 State Street, Capital City, State	← Recipient location
Primary Place of Performance	State; Congressional District 00	← The principal place of business, where the majority of the work is performed. Note that information in this field is sometimes incomplete or misleading for prime award recipients that do work or distribute funding to subrecipients across many locations (GAO 2019)
Assistance Listing number	20.205 Highway Planning and Construction	
Obligated Amount	\$5,000,000	← Amount of money the federal government has agreed to pay (i.e., total grant amount)
Outlayed Amount	\$1,000,000	← Amount of money federal government has transferred to recipient
<b>Subawards</b>		
Subrecipient 1	City Department of Transportation	
Amount 1	\$150,000	← Amount of money that prime recipient has agreed to pay to another party. Equivalent to obligations.
Description 1	Specific transportation project	

Source: USAspending.gov glossary.  
 Note: Does not represent full set of variables available on USAspending.gov and related federal data sources.

The Infrastructure Implementation Task Force has been charged with developing more extensive data reporting on project implementation.<sup>5</sup> Some recipients have also opted to provide updates on the status of IIJA-funded projects

or to publish information submitted to the federal government. For instance, the New Mexico Department for Finance & Administration's dashboard displays estimated state funding allocations and competitive grant opportunities from both the federal and state government. This is a promising model for information sharing in the early stages of IIJA implementation.

## ADDITIONAL READING

### *Federal Grants Information*

- Infrastructure programs database: [https://www.whitehouse.gov/build/?utm\\_source=build.gov](https://www.whitehouse.gov/build/?utm_source=build.gov)
- Bipartisan Infrastructure Law Technical Assistance Guide: [https://www.whitehouse.gov/wp-content/uploads/2022/05/Infrastructure-Technical-Assistance-Guide\\_FINAL2.pdf](https://www.whitehouse.gov/wp-content/uploads/2022/05/Infrastructure-Technical-Assistance-Guide_FINAL2.pdf)
- Notices of Funding Opportunity: <https://www.grants.gov/>
- System for Award Management (program profiles): <https://sam.gov/content/home>

### *Federal Agency Infrastructure Implementation*

- Department of Transportation
  - » BIL home page: <https://www.transportation.gov/bipartisan-infrastructure-law>
  - » Bipartisan Infrastructure Law Dashboard: <https://www.transportation.gov/mission/budget/bipartisan-infrastructure-law-dashboard>
  - » Federal Transit Administration allocations: <https://www.transit.dot.gov/funding/apportionments>
  - » Federal Highway Administration allocations: <https://www.fhwa.dot.gov/legsregs/directives/notices/n4510858/index.cfm>
  - » National Electric Vehicle Infrastructure Formula Program (new): <https://www.fhwa.dot.gov/legsregs/directives/notices/n4510863.cfm>
  - » Federal Motor Carrier Safety Administration grants: <https://www.fmcsa.dot.gov/mission/grants>
  - » Federal Aviation Administration allocations: <https://www.faa.gov/general/bipartisan-infrastructure-law-airport-infrastructure-grant-funding-amounts>
- Department of Energy
  - » BIL home page: <https://www.energy.gov/bil/bipartisan-infrastructure-law-homepage>
  - » Weatherization Assistance Program: <https://www.energy.gov/eere/wap/articles/weatherization-program-notice-bil-22-1-and-22-2>
  - » Energy Efficiency and Conservation Block Grant Program: <https://www.energy.gov/eere/wipo/energy-efficiency-and-conservation-block-grant-program-bipartisan-infrastructure-law-2021>
- Environmental Protection Agency: BIL home page: <https://www.epa.gov/infrastructure>
- Department of Commerce BIL home page: <https://www.commerce.gov/news/fact-sheets/2022/04/building-better-america-commerce-department-fact-sheet-rural-communities>
- National Telecommunications and Information Administration: Broadband Equity, Access, and Deployment information: <https://broadbandusa.ntia.doc.gov/broadband-equity-access-and-deployment-bead-program>
- Department of Agriculture BIL home page: <https://www.usda.gov/infrastructure>

## NOTES

- <sup>1</sup> See “[Implementing Infrastructure Investments at the County Level](#),” National Association of Counties, accessed August 26, 2022.
- <sup>2</sup> For more information see Yonah Freemark, Christina Plerhoples Stacy, and Rebecca Dedert, “[Funding More Equitable Projects with RAISE: A Short Guide to Using Federal RAISE Funds to Improve Communities](#)” (Washington, DC: Urban Institute, 2022).
- <sup>3</sup> See “[President Biden, U.S. DOT Announce \\$2.9 Billion of Bipartisan Infrastructure Law Funding for Major Infrastructure Projects of Regional or National Significance](#),” US Department of Transportation, March 22, 2022.
- <sup>4</sup> Urban analysis of data accessed from “[Maps of Progress](#),” WhiteHouse.gov, last updated July 2022.
- <sup>5</sup> See “[Fact Sheet: Biden-Harris Administration Prioritizes Effectiveness, Accountability, and Transparency in Bipartisan Infrastructure Law Implementation](#),” press release, WhiteHouse.gov, May 2, 2022.

## REFERENCE

GAO (Government Accountability Office). 2019. “[Data Act: Quality of Data Submissions Has Improved but Further Action Is Needed to Disclose Known Data Limitations](#).” GAO-20-75. Washington, DC: GAO.

## ABOUT THE AUTHOR

Nikhita Airi is a research analyst in the Urban-Brookings Tax Policy Center and a contributor to the Urban Institute’s State and Local Finance Initiative. Her research focuses on the earned-income tax credit and child tax credit, state income and sales taxes, and federal grants to state and local governments. Airi holds a BA in economics from Reed College.

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