



FUTURE INFRASTRUCTURE FUNDING WEBINAR

THURSDAY, JUNE 11, 2020 | 11 A.M. – 12:00 P.M. (CST)

SHIVEHATTERY
ARCHITECTURE + ENGINEERING

 **CORNERSTONE**
— AN EMPLOYEE-OWNED COMPANY —

WITH YOU TODAY



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ABOUT CORNERSTONE

- Full-service, bipartisan professional consulting firm specializing in:
 - Federal Government Relations
 - State Government Relations
 - Public Affairs and Strategic Communications
 - Strategic Advisory Services
- Founded in 2002 with a shared vision, philosophy and business model
- 100 professionals across 10 office locations in seven states and D.C.
 - Washington, DC; Maryland; Georgia; Texas; Louisiana; Illinois; Iowa; Mississippi
- Top 10 Lobbying Firm; Top 2 Independent Firm
- Diverse client base and long-term relationships
 - Corporate, non-profit, association, coalition and small business clients

AGENDA

- CARES Act Overview
 - State/Local Government
 - Healthcare
 - Education
- Future Infrastructure Outlook
 - Stimulus Package
 - FAST Act Reauthorization
 - Appropriations
 - “Shovel Ready”

The Players



COVID-19 Relief Status

Phase 1

Initial support and vaccine development

H.R. 6074 — Coronavirus Preparedness and Response Supplemental Appropriations Act

- \$8.3 billion in COVID-19 response funding for developing a vaccine and preventing further spread of the virus
- Became law on 3/6/20

Phase 2

Paid leave, unemployment and food assistance

H.R. 6201 — Families First Coronavirus Response Act

- \$100 billion in worker assistance, including emergency paid sick leave, food assistance, and unemployment payments
- Became law on 3/18/20

Phase 3

Major economic stimulus package

H.R. 748 CARES Act

- Major stimulus package (\$2 trillion)
- Loans and support to major industries, including airlines and small businesses
- Direct payments to individuals and families
- Became law on 3/27/20

Phase 4 - TBD

Additional economic support, Infrastructure stimulus

- Democratic leadership introduced a \$3 trillion package to showcase priorities for the next phase of coronavirus response; however, the legislation is unlikely to pass through the GOP-controlled Senate
- Republicans have indicated they would like to put a pause on passing any more legislation

Phase 3b

Additional funding for small businesses/hospitals

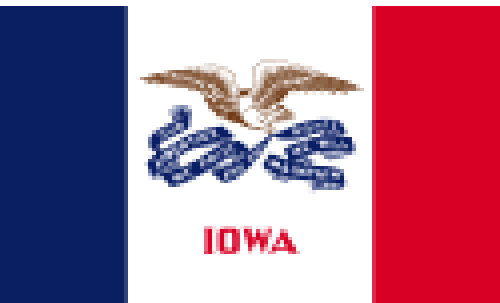
S.Amdt.1580 Paycheck Protection Program and Health Care Enhancement Act

- \$310 billion for the depleted Paycheck Protection Program, additional funding for hospitals and testing
- Became law on 4/24/20

CARES Act State/Local Relief Fund

- CARES Act includes \$150 billion for state and local relief
- Restricts Coronavirus Relief Fund to cover expenses that:
 - Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19)
 - Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government
 - Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

State and Local Relief Fund Breakdown

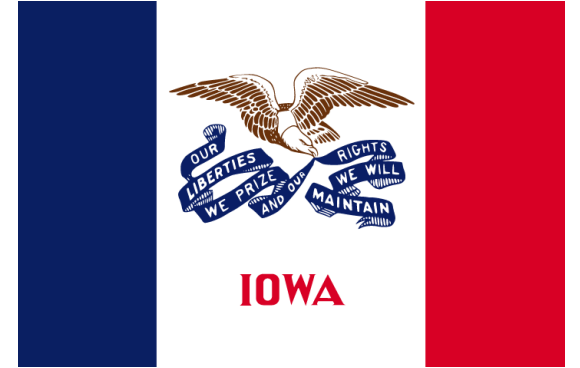


State/Local Government	Payments (as of 5/18)
Illinois	\$3,518,945,365
Chicago City	\$470,078,037
Cook County	\$428,597,905
DuPage County	\$161,042,597
Kane County	\$92,900,217
Lake County	\$121,539,986
Will County	\$120,529,326
Indiana	\$2,610,489,556
Indianapolis City/Marion County	\$168,312,120
Iowa	\$1,250,000,000
Nebraska	1,083,865,742
Douglas County	\$166,134,257



Iowa COVID-19 Programs

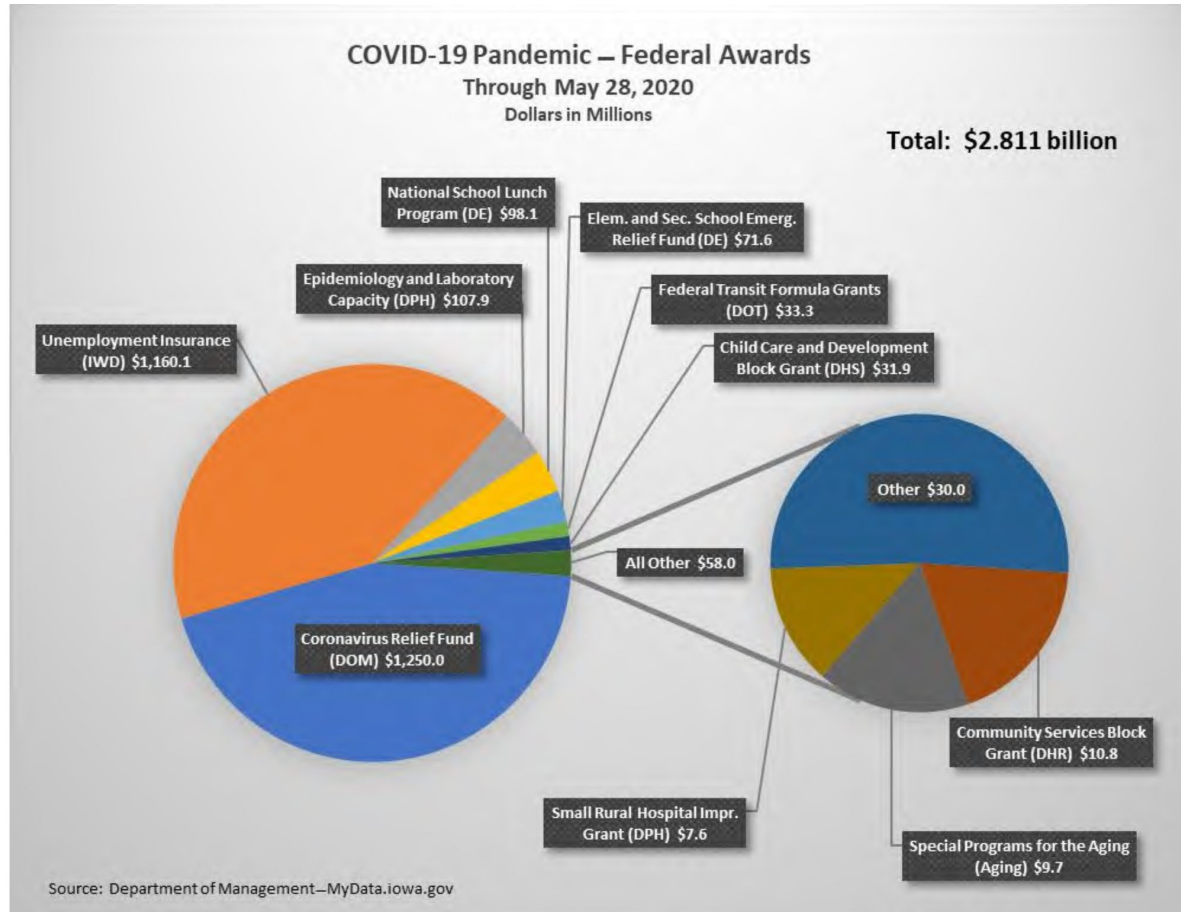
- Relief for Businesses and Families - \$215,000,000
 - Small Business Relief
 - Housing assistance
 - Workforce Assistance
 - Feeding Iowa
- Relief for Iowa Farmers - \$100,000,000
- Relief for Iowa Communities - \$125,000,000
 - Home and Community Based Providers
 - Substance Use Providers
 - Mental Health Providers
- Expanding Access to Telework, Telehealth, Telelearning - \$85,000,000
 - Broadband Expansion and IT Upgrades
- State Response to COVID-19 - \$125,000,000



Iowa Federal COVID-19 Funding



IOWA



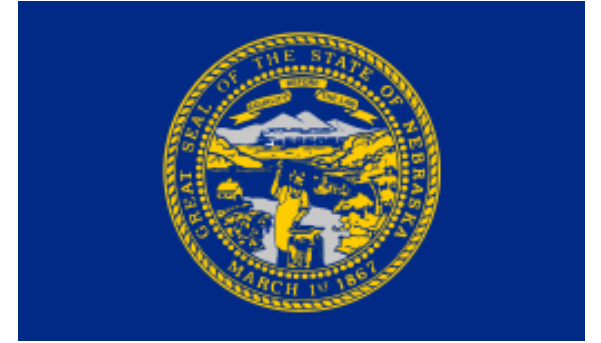
Federal Awards by State Agency

As of May 28, 2020

In Millions

State Department	Award Amount
Department of Management	\$ 1,250.0
Workforce Development	1,160.1
Department of Education	170.0
Department of Public Health	126.5
Department of Human Services	34.3
Department of Transportation	33.3
Department of Human Rights	15.0
Department on Aging	10.7
Governor's Office of Drug Control Policy	5.8
Secretary of State	4.8
Department of Cultural Affairs	0.4
Total	\$ 2,810.9

Nebraska COVID-19 Programs



Public Health:

- Assistance for Children and Families: \$39.6 million
- Assistance for Aging and Disabled: \$7 million
- Public Health Response and Preparedness: \$84 million
- Health Centers and Rural Hospitals: \$15.1 million
- Emergency Food Assistance: \$7.6 million
- Substance Abuse and Mental Health: \$2 million
- Homeless and Housing Assistance: \$10.4 million
- Direct local healthcare provider appropriations: \$507 million (community health centers, provider relief funds, and hospital preparedness)
- FMAP increase of \$70 million

Miscellaneous (\$155 million)

- urban and rural transit, airport grants, state election security, library services, department of justice, and community development block grants

Education

- \$151.3 million: higher education emergency relief,
- Elementary & secondary education school districts: \$65 million.
- \$69.8 million: University of Nebraska, the State College System, community college areas, & private institutions.

Coronavirus Relief Fund (\$1.25 billion)

- Douglas County received \$166 million while the remaining \$1.084 billion will be spread across the rest of the state.
- State and local governments will receive \$180 million.
 - \$80 million for COVID-19 medical supplies, medical leave, temporary staffing, & payroll
 - Local governments will receive \$100 million for costs like those listed for the state.

Remote Access

- \$62 million will be spent on increasing remote access capabilities -- like broadband internet connections in rural areas

CARES Act Healthcare Provider Relief

- \$50 billion general distribution
- \$50 billion targeted allocations
- \$12 billion “high-impact” allocation
- \$10 billion rural distribution
- \$4.9 billion for Skilled Nursing Facilities
- \$500 million for the Indian Health Service

CARES Act Provider Relief Distributions

- \$50 billion fund for Medicare facilities and providers impacted by COVID-19
- Distributed proportionate to provider's share of Medicare fee-for-service reimbursements in 2019
- Remaining \$20 billion to be distributed based on 2018 net patient revenue

State	Number of providers and systems funded	First Distribution payments
Iowa	3,264	\$297,929,171
Nebraska	2,359	\$225,027,912
Illinois	12,609	\$1,204,103,180
Indiana	4,495	\$668,604,614

CARES Act Education Funding

- \$30.75 billion Education Stabilization Fund
 - \$13.95 billion for higher education
 - \$6.72 billion directly for students
 - \$13.75 billion formula grant for K-12 schools
 - \$3 billion Governor's Education Relief Fund
- K-12 Education providers can use funds for:
 - Purchasing technology to support online learning
 - Administrative planning during long-term school closures
 - Addressing the needs of low-income students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth
 - Providing mental health services and supports
 - Coordinating the distribution of meals to eligible students
 - Summer learning programs and supplemental afterschool activities
 - Training for sanitation supplies

CARES Higher Education Funding

- \$13.95 billion for colleges and universities
 - 90% distributed through Title IV distribution
 - Based on enrollment of Pell Grant recipients (75% of calculation) and non-Pell Grant students (25% of calculation)
 - \$349 million reserved for schools hit especially hard by COVID-19
 - 50% of allotments designated for direct aid to students, including food, housing, course materials, technology, healthcare and childcare
 - Remaining 50% can be used to “defray expenses for institutions of higher education”
 - May not be used to endowments, athletic or religious facilities, or enrollment recruitment contractors

Future COVID-19 Relief

- House passed \$3 Trillion HEROES Act
 - \$500 billion for state governments
 - \$375 billion for local governments
 - \$175 billion for testing and other health-related expenses
 - \$75 billion in housing assistance
 - \$25 billion for the U.S. Postal Service
 - \$20 billion for tribal relief
 - \$20 billion for relief for territories
 - \$10 billion for small businesses
 - \$3.6 billion for election security and preparation
 - \$1.5 billion to address broadband issues

Future COVID-19 Relief

- House, Senate and White House are far apart on next relief package
- HEROES is the starting point in negotiations
- Senate wants to see effects of CARES first, wary of spending more money
- Liability shield is a red line
- Most likely to include additional PPP fixes, liability protections, state and local support

Future Infrastructure Outlook

- Surface Transportation
- Water Resources
- Appropriations
- Stimulus package
- Shovel Ready

Water Resources and Development Act (WRDA)

- \$6.1 billion 2018 WRDA bill expires in September
- Authorize water resources studies and projects
- Sets policies for navigation, flood control, hydropower, recreation, water supply and emergency management for the U.S Army Corps of Engineers

Senate WRDA Bills

- America's Water Infrastructure Act of 2020:
 - \$17 billion in funding
 - Sets two-year goal for USACE feasibility studies
 - Reauthorizes Clean Water State Revolving Loan Fund
 - Reauthorizes WIFIA program for shovel ready water infrastructure projects
- Drinking Water Infrastructure Act of 2020:
 - \$2.5 billion in funding
 - Reauthorizes Safe Drinking Water Act emergency fund
 - Increases funding for EPA Assistance for Small and Disadvantaged Communities Grant Program

Water Resources and Development Act

Senate Committee on Environment and Public Works

Jurisdiction over: Highways, bridges, and tunnels



Chair:
Sen. John Barrasso (R-WY)



Ranking member:
Sen. Thomas Carper (D-DE)

- On May 6, 2020, **marked up two bills** related to water infrastructure: the Drinking Water Infrastructure Act of 2020 and America's Water Infrastructure Act of 2020
- Chair John Barrasso (R-WY) has suggested **merging WRDA reauthorization with surface transportation reauthorization** as part of COVID-19 stimulus efforts

House Committee on Transportation and Infrastructure

Jurisdiction over: Transportation



Chair:
Rep. Peter DeFazio (D-OR-4)



Ranking member:
Rep. Sam Graves (R-MO-6)

- Held a **hearing on February 27, 2020** entitled, "Proposals for a Water Resources Development Act of 2020: Members' Day Hearing"

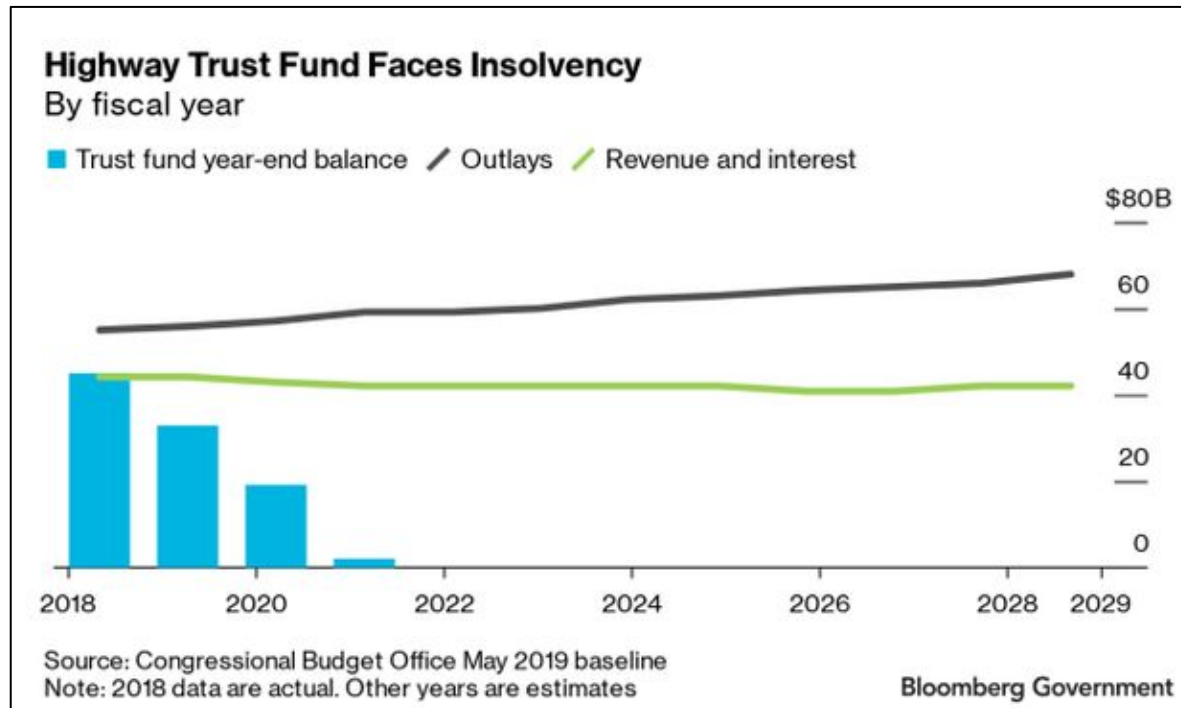
Sources: National Association of Counties, GovTrack.us, Congressional Research Service, The Waterways Journal Weekly, House Transportation Committee, Senate EPW Committee, Politico.

Annual Appropriations

- Current discretionary funding expires September 30th
- Fiscal Year (FY) 2020 includes 21 block grant programs totaling \$58 billion
- Transportation, Housing and Urban Development get \$135.6 billion for FY2020
- \$1 billion in FY2020 for BUILD grants

Surface Transportation – Must Pass

- \$305 billion highway funding bill expires September 30th
- Most likely legislative vehicle for an infrastructure package



INVEST In America Act

- \$494 billion, 5-year House Surface Transportation proposal
- Includes:
 - \$319 billion for highways
 - \$105 billion for transit
 - \$10 billion for safety
 - \$60 billion for rail
- Changes federal cost share to 100% for grant programs in FY2021
- Expands eligible uses to include state, local, transit agency and tribal transportation agency salaries and operating expenses

INVEST in America Discretionary Grants

- Projects of National and Regional Significance - \$9 billion for large highway, transit, and freight projects.
- Community Transportation Investment Grants - \$600 million per year for local governments for highway and transit projects.
- Federal Lands and Tribal Major Projects Program - \$400 million per year split 50/50 between tribes and Federal lands agencies through the highway trust fund
- Tribal High Priority Projects - \$50 for grants up to \$5 million for the high priority projects for tribes through highway trust fund
- Electric Vehicle Charging and Hydrogen Fueling Infrastructure Grants - \$350 million per year for grants for electric vehicle charging and hydrogen fueling infrastructure.
- Community Climate Innovation Grants - \$250 million per year to non-State applicants for highway, transit, and rail projects, provided they reduce GHGs.
- Metro Performance Program - \$750 million over 5 years directly to MPOs to carry out projects selected by the MPO.

Potential Stimulus Package

- House rolling out plan, likely to include:
 - Surface Transportation funding
 - Ways and Means GREEN Act, various tax credits
 - Energy & Commerce LIFT America Act
 - Education funding
 - Housing funding
 - No pay-fors
- Bipartisan interest in infrastructure
- White House plan

White House Framework

- Released February 2018
- \$100 billion in direct spending
- \$100 billion in incentives, intended to spur \$1.5 trillion in public-private investment
- Not much action since release
- Skepticism whether incentives would result in much public-private investment

January House Democrat Framework

- \$319 billion for highways
- \$105 billion for transit systems
- \$10 billion for safety
- \$55 billion for rail
- \$30 billion for airports
- \$19.7 billion for ports
- \$10 billion for water resources
- \$50.5 billion for clean water
- \$34 billion for green energy
- \$98 billion for broadband

The Latest

- House Democrats plan to pass a bill in July
- In addition to road/air/rail, leaders are signaling:
 - \$86 billion for improving broadband in underserved areas
 - \$25 billion for drinking water improvements
 - \$35 billion for electricity grid improvements
 - \$25 billion for hospitals
 - \$10 billion for community health centers
- Pay-fors are the biggest sticking point
 - Infrastructure advocates hope to capitalize on COVID-19 spending spree
- June 4th Senate EPW hearing on infrastructure

How to be “Shovel Ready”

- Lessons from ARRA
- Planning and Permitting
- Infrastructure Executive Order
- “Shovel worthy”

QUESTIONS?
