

BY SAM LOUIS TAYLOR

After the Infrastructure Bill

In 1988, the congressionally chartered National Council on Public Works Improvements issued its final report card on the state of U.S. infrastructure. That report gave America's infrastructure a grade of C, and subsequent report cards issued by the American Society of Civil Engineers, or ASCE, have found that U.S. infrastructure needs have only grown since. The most recent report cards from ASCE ranked states in the Fifth District at about the national average, with infrastructure in Maryland and North Carolina receiving the highest overall grades of C and West Virginia and South Carolina the lowest, receiving a D and D+, respectively.

In November, partly in response to such concerns, Congress passed the Infrastructure Investment and Jobs Act (IIJA). This legislation will spend \$1.2 trillion over the next 10 years, of which \$550 billion in new funding is authorized over the next five years to rebuild transportation infrastructure and energy grids and to expand broadband access across the country. Though supporters estimate that the bill will produce up to \$519 billion in new revenues to largely offset the cost of the new spending, the Congressional Budget Office estimated that the IIJA will produce a lower amount of new revenues and offsets and will add \$256 billion to the deficit over the 10-year period. Though not quite as large as the public works programs of the New Deal era or the development of the Interstate Highway System, the IIJA represents the largest such spending program in generations and is expected to make a significant dent in the backlog of infrastructure needs across the country.

What does the IIJA mean for states and communities in the Fifth District, especially for small towns and rural areas? Based on estimated amounts of funding designated to be routed

through existing formula-based spending programs, it's possible to estimate the minimum amount of funding that will come into the district.

The region will benefit from an estimated \$27 billion routed through the Highway Trust Fund in order to upgrade and repair roads, including the heavily traveled roads in Washington, D.C., as well as those of the rural, mountainous terrain in West Virginia. Additionally, \$2.4 billion will go toward repairing bridges, with each state having a large number of bridges that are either considered to be structurally deficient or approaching the end of their useful life. The Fifth District will see \$5.5 billion over the next five years go toward public transit, with a substantial percentage of that funding going to Virginia, Maryland, and Washington, D.C., to help with maintenance backlogs of the large public transit areas around the Capital Region. Approximately \$4 billion will go to repair and replace deficient drinking water and wastewater systems. Finally, Fifth District states will receive \$411 million over the next five years to build out electric vehicle charging infrastructure along major road networks as well as throughout other communities.

One area of need that is of particular interest to rural areas in the Fifth District is access to high-speed internet service, known as broadband. The IIJA allocates a total of \$65 billion toward broadband, with over \$42 billion of that going directly to states to fund projects meeting minimum speeds; it requires participating states to fund projects that provide at least one affordable service option. Ten percent of the funding must go to meeting service needs in the hardest-to-reach areas. Each state will receive



a minimum allocation of \$100 million; additional funding will be allocated based on broadband access maps being developed by the FCC. In addition to this funding, \$2 billion will be available to rural areas through the U.S. Department of Agriculture. The legislation also addresses barriers to internet access by sending \$2.7 billion to states to help their most disadvantaged communities with training and equipment and by making COVID-era affordability vouchers permanent at a cost of \$14.2 billion. All together, the Biden administration projects that this funding could help over 1.7 million people in the Fifth District who are currently without access to any broadband service gain access, and it could help 8.3 million people gain access who currently cannot afford to do so.

The Biden administration is only starting to implement this legislation, with the first payments going out to states for roads and water infrastructure in December 2021. There are still substantial hurdles to overcome in rolling out the new spending, including finding the necessary number of workers to undertake nationwide construction projects in the midst of tightness in the labor market. Legislation of this kind is always enacted with the promise of improving the lives of Americans. Success, however, will be measured where the rubber meets the road. **EF**