



IIJA

INFRASTRUCTURE INVESTMENT AND JOBS ACT

CALTRANS POLICY NARRATIVE



INFRASTRUCTURE INVESTMENT AND JOBS ACT

On November 15, 2021, President Biden signed the [Infrastructure Investment and Jobs Act](#) (IIJA, P.L. 117-58, also known as the “Bipartisan Infrastructure Law”) into law, providing a historic investment in our nation’s core infrastructure priorities — including roads and bridges, rail, transit, safety, ports and waterways, airports, clean energy and power, resiliency, and broadband.

The law authorizes \$1.2 trillion for transportation and infrastructure funding over five years (Federal Fiscal Year (FFY) 2022 through FFY 2026), with \$550 billion of the funding going toward new investments and programs. It also includes federal policy direction and funding in the areas of climate action, zero-emission vehicle deployment, equity, goods movement, and multimodal transportation investment—key priorities that the California State Transportation Agency (CalSTA), the California Department of Transportation (Caltrans), and many California partners have been focused on, and leading the nation in, for many years. Since the IIJA’s enactment, CalSTA

and Caltrans have been working with its partners to implement the legislation. At the year-one mark, we have made significant progress that is outlined in this document, but we have more work to do. Therefore, we expect this to be the first in a series of annual reports updating our progress implementing the IIJA.

The IIJA is expected to bring California approximately [\\$41.9 billion](#) in formula funding. As of November 2022, Caltrans has received \$5.49 billion in highway formula funding ([Federal Aid Highway Programs](#), [Bridge Formula Program](#), [National Electric Vehicle Infrastructure \(NEVI\)](#)).

[Formula Program](#)) and \$1.97 billion in [transit](#) formula funding. In addition, the IIJA includes a variety of [discretionary grant programs](#), which provides an extraordinary opportunity to direct these funds to advance projects to support Caltrans' 4 Foundational Principles: Safety, Equity, Climate Action, and Economic Prosperity in our Communities; noted below. Caltrans is working with its partner agencies, local governments, and public stakeholders, and leveraging state and local funding to ensure California successfully maximizes and competes for this discretionary funding.

- **Safety** — California and the rest of the nation are seeing an increase in fatalities and serious injuries on the roadways. To address this trend, Caltrans is aligning departmental activities, as appropriate, with the Safe System Approach, which aims to eliminate fatal and serious injuries by 2050 for all road users through a holistic view of the roadway system.
- **Equity** — As communicated in [Caltrans' Equity Statement](#), we recognize our leadership role and unique responsibility in state government to eliminate barriers that will lead to more

equitable communities and mobility options for all Californians. This understanding serves as the foundation for intentional decision-making that recognizes past, stops current, and prevents future harm from our actions. For these reasons, Caltrans seeks to center equity in every area of our work.

- **Climate Action** — We will accelerate the implementation of actions identified within CalSTA's [Climate Action Plan for Transportation Infrastructure \(CAPTI\)](#), while also engaging with communities most impacted by the climate crisis, to collectively create a healthier and safer California for all.
- **Economic Prosperity in our Communities** — The confluence of jobs, housing, safety, a clean environment, and access to healthcare and other services helps deliver the substructure necessary for a community to thrive economically. The health and wellness of our communities — physical, emotional, and economic — are big indicators of what we are doing right — as well as what we must continue to improve upon.



COMMITMENT TO FUNDING A SHARED VISION FOR CALIFORNIA WITH OUR PARTNERS

Governor Gavin Newsom has ramped up California's investments in transportation infrastructure. The [2022-23 California Budget](#) includes approximately \$15 billion in additional state-funded investments in transportation infrastructure over the next four years, delivering climate, equity, and health benefits, while creating a foundation for the development of sustainable and inclusive communities. The package focuses on increasing mobility options for Californians through rail, transit, and active transportation projects; equity-related investments to reconnect communities; and projects that improve transportation safety. In addition to the sizeable infrastructure investments in transit and green transportation, the Budget includes funding and oversight for high-speed rail, and investments that will strengthen and modernize the state's goods movement capacity at ports. Notable highlights include:

- **Transit and Rail Projects** — \$7.7 billion over four years to invest in high-priority transit and rail infrastructure projects throughout the State. Funding will be administered through the Transit and Intercity Rail Capital Program.
- **High Speed Rail** — \$4.2 billion High-Speed Passenger Train Bond Fund (Proposition 1A) to complete high-speed rail construction in the Central Valley.
- **Goods Movement and Ports** — \$1.2 billion for port-specific projects that increase goods movement capacity on rail and roadways at port terminals, including railyard expansions, new bridges, and zero-emission modernization.
- **Active Transportation** — \$1 billion for Active Transportation Program projects that encourage the increased use of active modes of transportation, such as walking and biking, and increase the safety and mobility of non-motorized users.
- **Grade Separations** — \$350 million to support critical high-priority grade separation safety improvements throughout the state.
- **Climate Adaptation Programs** — \$200 million to identify transportation-related climate vulnerabilities throughout the state and assist in developing and implementing projects to adapt infrastructure given climate change impacts. The Budget also allocates \$200 million federal funds for these purposes.
- **Highways to Boulevards Pilot** — \$150 million to establish the Reconnecting Communities: Highways to Boulevards Pilot Program, which will inform the future conversion of key underutilized highways into multimodal corridors that serve existing residents. The program will further the development of complete streets features as outlined in CAPTI, our holistic framework for aligning state transportation infrastructure investments with the state's climate, health, and social equity goals.
- **Clean California Local Grants** — \$100 million in additional funding for the Clean California Local Grant Program in 2023-24.

In addition, since being enacted in 2017, [Senate Bill 1 \(SB 1\)](#) has invested more than \$16 billion in SB 1 programs, with 4,000 completed projects and another 4,500 projects planned or in progress. Benefits to California communities include reduced climate impact, reduced traffic delays, enhanced efficiency for movement of goods, improved equity of access, and safer active transportation facilities. The state maintains the website, rebuildingca.ca.gov to provide transparency to the public on project selection, benefits, progress, and efficiencies gained in project delivery over the term of the initiative.



IIJA IMPLEMENTATION

On December 18, 2021, CalSTA convened the IIJA Transportation Implementation Working Group (Working Group), comprised of state and local transportation agencies, the Federal Highway Administration (FHWA), and other transportation stakeholders, to implement the transportation-related provisions of the IIJA.

Additionally, Caltrans staff are leading 12 Sub-Working Groups (SWGs) to have more in-depth discussions on specific policy areas and to develop action plans. As of the end of October 2022, the Working Group has held 12 meetings that have included up to 400 participants per meeting, and the SWGs have had over 50 meetings, with hundreds of participants

per meeting. More information, meeting notes, and outcomes can be found on the [CalSTA IIJA website](#). Year-one highlights include:

Overall Funding Split between the State/Locals and across Formula Programs

Caltrans' SWG negotiated year-one IIJA formula funding distributions to the state versus regional/local agencies; noted in the chart (Page 4). The objective was to maintain an overall 60/40 fundings split for apportioned (formula) program funds that flow through the FHWA (60 percent to the state/Caltrans and 40 percent to local agencies); this 60/40 funding split maintains the status quo from prior federal surface transportation reauthorization laws, most recently the Fixing America's Surface Transportation Act (FAST Act). Based on the timing as to when the IIJA funding was first enacted, and the delay in releasing all pertinent formula program funding guidance, the SWG agreed upon a funding split for the first FFY and to reconvene later to negotiate years 2-5.

Formula Funding Programs	IIJA FFY 2022	State	Local
National Highway Performance Program (NHPP)	\$2,460	\$2,226	\$231
Surface Transportation Block Grant Program (STBGP)	\$1,197	\$360	\$837
Highway Safety Improvement Program (HSIP)	\$262	\$142	\$120
Railway-Highway Grade Crossings Program (RHCP)	\$17	\$0	\$17
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	\$506	\$0	\$506
Metropolitan Planning Program (MPP)	\$66	\$0	\$66
National Highway Freight Program (NHFP)	\$127	\$0	\$0
Carbon Reduction Program (CRP)	\$107	\$37	\$69
PROTECT Formula Program (PROTECT)	\$121	\$73	\$49
Electric Vehicle Formula Program (NEVI)	\$57	\$57	\$0
Bridge Replace & Rehab Program (BRIDGE)	\$575	\$322	\$253
Total	\$5,495	\$3,217	\$2,147
		60%	40%

California is very well-aligned with the Biden Administration’s federal policies; thus, Caltrans is leveraging its IIJA funds to support innovative, critical programs such as Fix-it-First, Goods Movement, Reconnecting Communities, Climate Resilience and Adaptation, Carbon Reduction, and many more. Caltrans’ IIJA-funded projects and other important details are also being housed on the rebuildingca.ca.gov website.

Electric Vehicle Infrastructure

[California’s NEVI Deployment Plan](#) was developed in partnership between Caltrans and the California Energy Commission (CEC) and approved by the FHWA in September 2022. The FHWA’s approval makes an initial \$56.7 million in funding available to install charging stations throughout the state. The federal funding will build on California’s historic \$10 billion, multi-year investment to accelerate the transition to zero-emission vehicles by improving affordability and expanding charging infrastructure.

Climate Resilience and Adaptation

IIJA created the first dedicated transportation infrastructure program for climate adaptation and resilience, the [PROTECT Program](#), which is allocating approximately \$631 million to California over five years in formula funding. In California, the State Legislature created two capital programs to oversee these formula funds and augmented the funding in a one-time allocation through [Senate Bill \(SB\) 198](#): the State Transportation Infrastructure Climate Adaptation Program (State Program) and the Local Transportation Infrastructure Climate Adaptation Project Program (Local Program). Caltrans is working to implement the State Program through the State Highway Operations and Protection Program (SHOPP), and develop a funding plan and list of eligible projects. In parallel, the California Transportation Commission (CTC) is developing and managing the Local Program.

Competitive Grant Awards

California has been awarded approximately \$1.27 billion in transportation-related discretionary grant funding for [219 projects](#) to improve roadways and bridges, freight, public transportation, safety, security, and address climate change. Notable awards are included in the table below.

(RCP), Caltrans developed the [Reconnecting Communities Program](#), inviting nominations for project ideas that aligned with federal and state goals for reconnecting communities. In partnership with tribes and community-based organizations, as well as local governments and regional agencies, Caltrans provided 22 letters of support and partnered on 21 project applications for this funding round.

Innovative Partnerships to Reconnect Communities

In anticipation of the U.S. Department of Transportation's (US DOT) Notice of Funding Opportunity (NOFO) for the \$195 million FFY 2022 Reconnecting Communities Pilot Grant Program

August Redistribution

Caltrans received \$681 million in additional federal highway spending authority for FFY 2022. This represents 11 percent of the national total for "[August Redistribution](#)" and is the highest amount for any state.

Agency	Amount (\$ millions)	Project	Grant Program
Caltrans	\$150	Otay Mesa East, Port of Entry Project	Infrastructure for Rebuilding America (INFRA) Program
California High-Speed Rail Authority	\$25	Merced Extension of the California High-Speed Rail Project	Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program
Port of Los Angeles	\$20	Maritime Support Facility Access/Terminal Island Rail System	RAISE Program
Los Angeles County Metropolitan Transportation Authority	\$104.1	Purchase as many as 160 new battery-electric buses and charging equipment	Low or No Emission Grant Program
San Francisco Municipal Transportation Agency	\$23	Transform Howard Street for a Safe and Equitable Mobility Project	RAISE Program
Santa Clara Valley Transportation Authority	\$15.5	Purchase as many as six battery electric buses and charging equipment at a key multi-modal transit	Bus and Bus Facilities Program
Port of Oakland	\$30.1	Construction of a roughly 25-acre off-dock container support facility with battery storage and charging stations	Port Infrastructure Development Program (PIDP)

ACTIONS FOR FISCAL YEAR 2023

- **IIJA Communication and Coordination** — Continue to communicate pertinent IIJA information and convene the IIJA Working Group, as needed.
- **IIJA SWG Action Plans** — Finalize Plans to ensure successful implementation of IIJA. Specific FY 2023 actions are as follows:
 1. **Safety** — Set aside 30 percent of the IIJA funding for [Vulnerable Road Users \(VRU\)](#) for both state and local Highway Safety Improvement Program (HSIP) components.
 2. **Fix-it-First** — State and local bridge owners will identify poor condition bridges for rehabilitation or replacement using IIJA funding.
 3. **Reimaging Highway Investments/Carbon Reduction Program** — Develop the Carbon Reduction Strategy in consultation with Metropolitan Planning Organizations (MPOs) and research support from the University of California Institute of Transportation Studies.
 4. **Climate Resilience and Adaptation** — This SWG will serve as a hub for coordination with local and regional agencies on the development of the PROTECT Program Resilience Improvement Plans. Future meetings will serve as a place to exchange ideas, support the development of plans, and to identify opportunities for collaboration and alignment between jurisdictions.
 5. **Active Transportation** — Continue to explore pathways to increase dedicated investments to active transportation.
 6. **Transition to Zero Emissions** — Continue working with the CEC to develop the solicitation for California's NEVI program. We expect the solicitation to be released in Quarter 1 of 2023.
 7. **Local Hire/Contracting/Workforce Development** — Implement and incentivize local hire and contract provisions that encourage disadvantaged job seekers and small businesses participate in and benefit from these investments. Align new workforce development efforts with existing successful training programs and job placement coordination.
 8. **Transit and Commuter Rail** — Coordinate with the California Department of Motor Vehicles (DMV) to prioritize and expedite commercial driver's license preparation, testing, and processing for bus drivers.
 9. **Intercity Passenger Rail** — Develop a funding strategy for rail projects and initiatives that mitigate climate change and natural disaster threats, including short-term substitution and restoration of train services disrupted by track damage and long-term projects to reinforce or relocate vulnerable passenger rail lines.
 10. **Freight and Goods Movement** — Complete the State Freight Plan development and increase membership to the California Freight Advisory Committee (CFAC) based on IIJA requirements, so California can appropriate National Highway Freight Program funding.
 11. **Overall Funding Split between State/Local and Across Programs** — Reconvene the SWG to negotiate the formula funding splits for years 2-5.

12. Equity and Tribal Government — The Equity and Tribal SWGs combined efforts in response to stakeholder feedback and met in the spring to review and survey working group participants' interests for discussion in their SWG. The SWG will wrap up this fall by distribution and review of a resources document, which supports all the programs and projects under IJA to engage in— including Equity and Tribal principles across all efforts, and supports priority population benefits and outcomes.

- **Strategic Investment Planning** — Develop a final, data and performance-driven Caltrans Strategic Investment Strategy (CSIS) for Caltrans' internal project prioritization process

in spring 2023. Caltrans will continue to ensure that new, state-sponsored projects nominated for federal, and state discretionary funding programs, align with the 10 Guiding Principles of CAPTI.

- **Enhanced Outreach and Technical Assistance for Discretionary Grant Programs** — Caltrans' Office of the Federal Liaison will engage partners and stakeholders (e.g., Tribal Governments, community-based organizations, local governments, and regional agencies, etc.) to communicate and provide resources, tools, and technical support for IJA grant application development.



EMBARKING ON A MEANINGFUL JOURNEY TOGETHER

This is an exciting new age for transportation in California! With historic investments in transportation infrastructure at both the federal and state levels, now is the time to transform our state. Together, employing

Caltrans' 4 Foundational Principles to guide the department's plans and projects, we will make transformative investments to our vast travel network that will result in impactful benefits for all Californians.

ACKNOWLEDGEMENTS

IIJA IMPLEMENTATION LEADS

Tony Tavares, *Caltrans Director*

Jeanie Ward-Waller, *Deputy Director, Planning & Modal Programs*

Nicole Longoria, *Federal Liaison*

Ryan Greenway, *Assistant Federal Liaison*

SAFETY

Harsimran Bains
harsimran.bains@dot.ca.gov

Robert Peterson
robert.peterson@dot.ca.gov

FIX-IT-FIRST

Michael Johnson
michael.b.johnson@dot.ca.gov

Robert Peterson
robert.peterson@dot.ca.gov

Sergio Aceves
sergio.aceves@dot.ca.gov

REIMAGINING HIGHWAY INVESTMENTS / CARBON REDUCTION PROGRAM

Jeanie Ward-Waller
jeanie.ward-waller@dot.ca.gov

Cory Binns
cory.binns@dot.ca.gov

CLIMATE RESILIENCE AND ADAPTATION

Leah Fisher
leah.fisher@dot.ca.gov

ACTIVE TRANSPORTATION

Tony Dang
tony.dang@dot.ca.gov

Janice Benton
janice.benton@dot.ca.gov

TRANSITION TO ZERO-EMISSIONS

Tony Dang
tony.dang@dot.ca.gov

Barby Valentine
barbara.valentine@dot.ca.gov

LOCAL HIRE / CONTRACTING / WORKFORCE DEVELOPMENT

David Deluz
david.deluz@dot.ca.gov

Ray Hopkins
ramon.hopkins@dot.ca.gov

TRANSIT AND COMMUTER RAIL

Momo Tamaoki
momoko.tamaoki@dot.ca.gov

INTERCITY PASSENGER RAIL

Momo Tamaoki
momoko.tamaoki@dot.ca.gov

FREIGHT/GOODS MOVEMENT

Yatman Kwan
yatman.kwan@dot.ca.gov

OVERALL FUNDING SPLIT BETWEEN STATE/ LOCALS AND ACROSS PROGRAMS

Keith Duncan
keith.duncan@dot.ca.gov

TRIBAL GOVERNMENT / EQUITY

Lonora Graves
lonora.graves@dot.ca.gov

Amar Cid
amar.cid@dot.ca.gov

