ROAD Session
Virtual Exchange

WHAT’S IN IT FOR RURAL?
ACCESSING RURAL RESOURCES IN THE IIJA, CHIPs AND IRA
Today’s Moderator

Nathan Ohle
President and CEO
International Economic Development Council
Event Partners
But First!

An Introductory Poll

In a moment you will see a brief Zoom Poll pop up on your screen. These questions will help us get a sense of the geographic scope and type of organizations represented on today’s webinar.
Presentation: 2:05-2:25 p.m. ET
The Brookings Institution’s Tony Pipa reviews the latest Brookings report on accessing rural resources in the IIJA, CHIPs and IRA.

Panel Discussion: 2:25-3:30 p.m. ET
Our speakers share their experience with federal funding and accessing rural resources.
Use the **Chat Box** to share insights or to echo/underline a panelist’s point. 
*Please share your thoughts with civility and compassion.*

Use the **Q & A Box** to ask your question of the speakers. 
*Participant questions will be addressed during the event, in the last 15 minutes of the panel discussion.*
But First!

Results of the Poll…

*These questions will help us get a sense of the geographic scope and type of organizations represented on today’s webinar.*
Tony Pipa
Senior Fellow – Global Economy and Development, Center for Sustainable Development
The Brookings Institution
What’s in it for rural?

Analyzing the opportunities for rural America in IIJA, CHIPs, and IRA

Tony Pipa, Senior Fellow
Center for Sustainable Development, Brookings Institution
January 31, 2024
Pre-existing federal capital market for rural community & econ development

▷ Over 400 federal programs
  ○ 13 departments
  ○ 10 independent agencies
  ○ Over 50 offices and sub-agencies
▷ ¼ programs rural-exclusive
▷ Remaining ¾ often biased towards urban

Grants vs Financing Rural-exclusive programs

- Grants, $2.6B
- Direct loans, $11.6B
- Guaranteed loans, $26.9B

Federal Development Assistance for Rural and Tribal Communities
Program Categorizations

- **Rural Exclusive**: the legislation makes clear that the funding is available only to rural communities.
- **Rural Stipulated**: the authorizing, appropriating, or Notice of Funding Opportunity (NOFO) language stipulates a set-aside, minimum inclusion requirement, or a priority consideration for rural communities.
- **Rural Relevant**: the geographic distribution of the program is anticipated to be disproportionately rural, or the program objective addresses an issue of significant importance to rural places, as they may be disproportionately affected.

Funding Terms

- **Appropriated**: Total funding appropriated to date, via one of the three bills
- **Authorized**: Total funding authorized in one of the three bills
- **Direct to consumer**: Payments directly to consumers or entities, included because of their potential multiplying effects on rural economic development
- **Tax credits**: A specific type of direct-to-consumer benefit, used heavily in IRA
- **Direct federal spending**: the federal government spends this money directly on federal lands or facilities

*Our baseline is based on funding appropriated in the bills.*

*The overall opportunity – and impact – could be far greater, given authorizations, tax credits & direct-to-consumer benefits.*
An Enormous Opportunity

- Over $1T in combined appropriated funds; over $600B worth of authorized-only programs
- $464B (45%) of the appropriations are highly significant to rural places
  - Nearly 75% emanate from the IIJA
- Just $24B (2%) of appropriations are exclusive to rural places
- State govts will make final funding decisions on more than 50% of the rural-significant resources

Combined Appropriations from IIJA, CHIPS, and IRA

- Rural Relevant (23%)
- Rural Stipulations (20%)
- Rural Exclusive (2.3%)
- All Other (55%)

Source: Authors’ analysis. • Created with Datawrapper
Opportunities by Sector/Agency

- DOT, EPA, and Commerce combine for almost 75% of the rural-significant appropriations.

- The energy and power sector offers over $80B
  - 2nd largest by sector following transportation
  - Reflects importance of rural in clean energy transition
  - Dept. of Energy oversee distribution of $40B, heralding an impt role in rural dev’p

- USDA (59%), DOT (33%), Interior (4%), and DOE (4%) will distribute majority of the appropriations exclusive to rural.

### Appropriations by agency, rural-significant and rural-exclusive

<table>
<thead>
<tr>
<th>Agency</th>
<th>Rural-significant</th>
<th>Rural-exclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOT</td>
<td>$154.55B</td>
<td>$7.76B</td>
</tr>
<tr>
<td>EPA</td>
<td>$93.7B</td>
<td></td>
</tr>
<tr>
<td>Commerce</td>
<td>$89.14B</td>
<td></td>
</tr>
<tr>
<td>USDA</td>
<td>$47.33B</td>
<td>$14.2B</td>
</tr>
<tr>
<td>DOE</td>
<td>$40.86B</td>
<td>$1B</td>
</tr>
<tr>
<td>Interior</td>
<td>$19.88B</td>
<td>$1B</td>
</tr>
<tr>
<td>FCC</td>
<td>$14.2B</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>$3.8B</td>
<td></td>
</tr>
<tr>
<td>Combined Regional Commissions</td>
<td>$1.38B</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$464.84B</td>
<td>$23.96B</td>
</tr>
</tbody>
</table>

Source: Authors' analysis
Match Requirements

- 66/111 programs are new
- > 50% require/prefer matching funds
  - > 60% for rural-exclusive programs
- Almost 95% of the rural-exclusive funds require or prefer a match
- Less than 1/3 of rural-exclusive and rural-stipulated programs offer match waivers or flexibility

<table>
<thead>
<tr>
<th>Match Requirements of Appropriated Rural-Significant Programs</th>
<th>New Programs</th>
<th>Rural Exclusive</th>
<th>Rural Stipulations</th>
<th>Rural Relevant</th>
<th>All Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share with Match Requirement</td>
<td>43.9%</td>
<td>57.9%</td>
<td>71.0%</td>
<td>21.3%</td>
<td>41.4%</td>
</tr>
<tr>
<td>Share with Match Preference</td>
<td>9.1%</td>
<td>5.3%</td>
<td>6.5%</td>
<td>13.1%</td>
<td>9.9%</td>
</tr>
<tr>
<td>Total Share with Match Required or Preferred</td>
<td>53.0%</td>
<td>63.2%</td>
<td>77.4%</td>
<td>34.4%</td>
<td>51.4%</td>
</tr>
<tr>
<td>Value of Match Required or Preferred Programs</td>
<td>126.9B</td>
<td>22.6B</td>
<td>149.7B</td>
<td>84.5B</td>
<td>256.8B</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis. • Created with Datawrapper
Other Implementation Takeaways

- **Timing:** nearly ¼ of the appropriated programs had fully allocated the funding by mid-October 2023
- **Funding type:** nearly 84% of the appropriated programs are grant-only, representing $372.9B in resources
- **43% of programs are part of Justice40**
- **Program intent:**
  - Five programs exclusively support planning/technical assistance
  - 46 programs can be used either for planning/technical assistance or for project implementation

### Share of appropriated programs by funding type

<table>
<thead>
<tr>
<th></th>
<th>Rural-exclusive (19)</th>
<th>Rural-stipulated (31)</th>
<th>Rural-relevant (61)</th>
<th>All programs (111)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant</td>
<td>68.4%</td>
<td>90.3%</td>
<td>85.2%</td>
<td>83.8%</td>
</tr>
<tr>
<td>Loan</td>
<td>5.3%</td>
<td>3.2%</td>
<td>0.0%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Combination</td>
<td>21.1%</td>
<td>6.5%</td>
<td>3.3%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Other (prize, rebate, TA, unspecified)</td>
<td>5.3%</td>
<td>0.0%</td>
<td>11.5%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Source:** Authors’ analysis
Authorized-only Programs

- CHIPS accounts for approximately 86% of the value of authorized-only programs
- Three significant place-based programs:
  - Recompete received $200M approps of $1B auth (20% of potential value)
    - Phase 1: 565 applications, 22 finalists
    - Phase 2: 4-8 awards anticipated
  - Tech Hubs received $500M approps of $10B auth (5% of potential value)
    - Phase 1: nearly 200 applications, 31 finalists
    - Phase 2: 3-8 awards anticipated
  - Regional Innovation Engines awarded funds to 16 finalists in Aug. 2023 (188 applications, 34 semifinalists)
<table>
<thead>
<tr>
<th>Program</th>
<th>Agency</th>
<th>Total Appropriations</th>
<th>Sector</th>
<th>Rural Relevance</th>
<th>Match Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking Water State Revolving Fund</td>
<td>EPA</td>
<td>$11.7B ($1.76B for rural)</td>
<td>Water</td>
<td>Rural Stipulations</td>
<td>Yes, no waiver available.</td>
</tr>
<tr>
<td>Building Resilient Infrastructure and Communities</td>
<td>FEMA</td>
<td>$1B</td>
<td>Climate Resilience</td>
<td>Rural Stipulations</td>
<td>Yes, no waiver available.</td>
</tr>
<tr>
<td>Broadband Equity, Access, and Deployment</td>
<td>Commerce</td>
<td>$42.5B</td>
<td>Broadband</td>
<td>Rural Relevant</td>
<td>Yes, waivers available.</td>
</tr>
<tr>
<td>Rebuilding America’s Infrastructure with Sustainability and Equity</td>
<td>DOT</td>
<td>$7.5B ($3.8B for rural)</td>
<td>Transportation</td>
<td>Rural Stipulations</td>
<td>Yes, waivers available.</td>
</tr>
<tr>
<td>Solar for All (Greenhouse Gas Reduction Fund)</td>
<td>EPA</td>
<td>$7B</td>
<td>Energy and Power</td>
<td>Rural Relevant</td>
<td>No</td>
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<tr>
<td>Clean Communities Investment Accelerator (Greenhouse Gas Reduction Fund)</td>
<td>EPA</td>
<td>$6B</td>
<td>Energy and Power</td>
<td>Rural Relevant</td>
<td>No</td>
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<tr>
<td>Community Wildfire Defense Grant Program for At-Risk Communities</td>
<td>USDA</td>
<td>$1B</td>
<td>Climate Resilience</td>
<td>Rural Relevant</td>
<td>Yes, waivers available.</td>
</tr>
<tr>
<td>Abandoned Mine Reclamation Fund</td>
<td>Interior</td>
<td>$11.3B</td>
<td>Environment</td>
<td>Rural Relevant</td>
<td>No</td>
</tr>
<tr>
<td>Program</td>
<td>Agency</td>
<td>Total Appropriations</td>
<td>Sector</td>
<td>Match Requirements</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
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<td></td>
</tr>
<tr>
<td>Rural Energy for America</td>
<td>USDA</td>
<td>$1.7B</td>
<td>Energy and Power</td>
<td>Yes, no waiver available.</td>
<td></td>
</tr>
<tr>
<td>Energy Improvements in Rural or Remote Areas (ERA)</td>
<td>DOE</td>
<td>$711M</td>
<td>Energy and Power</td>
<td>Yes, no waiver available</td>
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<tr>
<td>Demo Projects (ERA)</td>
<td>DOE</td>
<td>$300M</td>
<td>Energy and Power</td>
<td>Yes, no waiver available.</td>
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<tr>
<td>Energizing Rural Communities (ERA)</td>
<td>DOE</td>
<td>$15M</td>
<td>Energy and Power</td>
<td>No</td>
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</tr>
<tr>
<td>Fixed Award Grant Program (ERA)</td>
<td>DOE</td>
<td>$50M</td>
<td>Energy and Power</td>
<td>No</td>
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<tr>
<td>Enhanced Mobility of Seniors and Individuals with Disabilities</td>
<td>DOT</td>
<td>$439M</td>
<td>Transportation</td>
<td>Yes, no waiver available.</td>
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<tr>
<td>Ferry Service for Rural Communities</td>
<td>DOT</td>
<td>$1B</td>
<td>Transportation</td>
<td>Yes, no waiver available.</td>
<td></td>
</tr>
<tr>
<td>Rural And Tribal Assistance Pilot Program</td>
<td>DOT</td>
<td>$10M</td>
<td>Transportation</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Volunteer Fire Assistance (renamed Rural Fire Capacity)</td>
<td>USDA</td>
<td>$20M</td>
<td>Climate Resilience</td>
<td>Yes, no waiver available.</td>
<td></td>
</tr>
</tbody>
</table>
# Publicly Available Database: Rural-exclusive programs w/o match req

<table>
<thead>
<tr>
<th>Provision</th>
<th>Agency</th>
<th>Bureau/Office</th>
<th>Description</th>
<th>Sector</th>
<th>Program (Y/N)</th>
<th>Rural Significance</th>
<th>Authorized (Y/N)</th>
<th>Appropriated (Y/N)</th>
<th>Funding Type</th>
<th>Match Required</th>
</tr>
</thead>
</table>
Recommendations for national policymakers

• Ensure transparent, accessible, and timely reporting of funds and the location of their intended impacts. Data should be:
  • Comprehensive, easily accessible, attributed to location of impact, and easily filtered by jurisdiction and demographics
• Review the applicability and use of match requirements
• Expand resources for capacity and technical assistance
For more:

- What’s in it for Rural? Report
  - At a Glance summary
  - Federal programs database
- Reimagining Rural Policy home page
- Reimagine Rural podcast available on Apple, Spotify, or wherever you listen
- On the Front Porch with Tony and Brent: A conversation with Kathy Edin and Tim Nelson about ‘The Injustice of Place’
  - February 8, 2:00-3:30pm ET
Questions?
Panel Discussion

Bill Brown
Assistant Director for Strategy and Engagement
Indiana University Rural Resilience Hub

Ann Lichter
Director
Resource Rural

Brett Doney
President and CEO
Great Falls Development Authority

Josh Mejia
CEO
Mejia & Company
Thank You For Joining Us!