



# 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

Community Strategies Group



THE ASPEN INSTITUTE



Rural Community Assistance Partnership

RURAL LSC



INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL



HAC

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.*

# What's In It For Rural?

## Exchange Format

### **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.*

# Rural Disaster Preparedness

## Exchange Format

**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

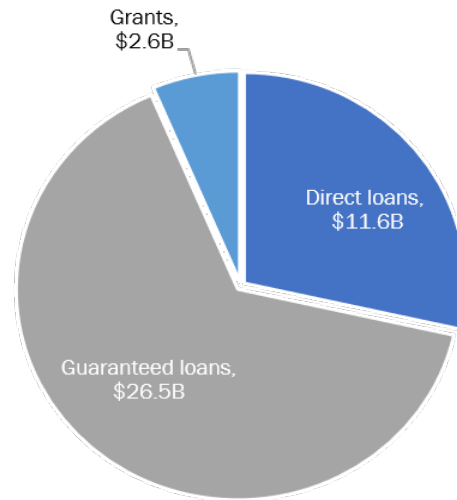
Center for Sustainable Development, Brookings Institution

January 31, 2024

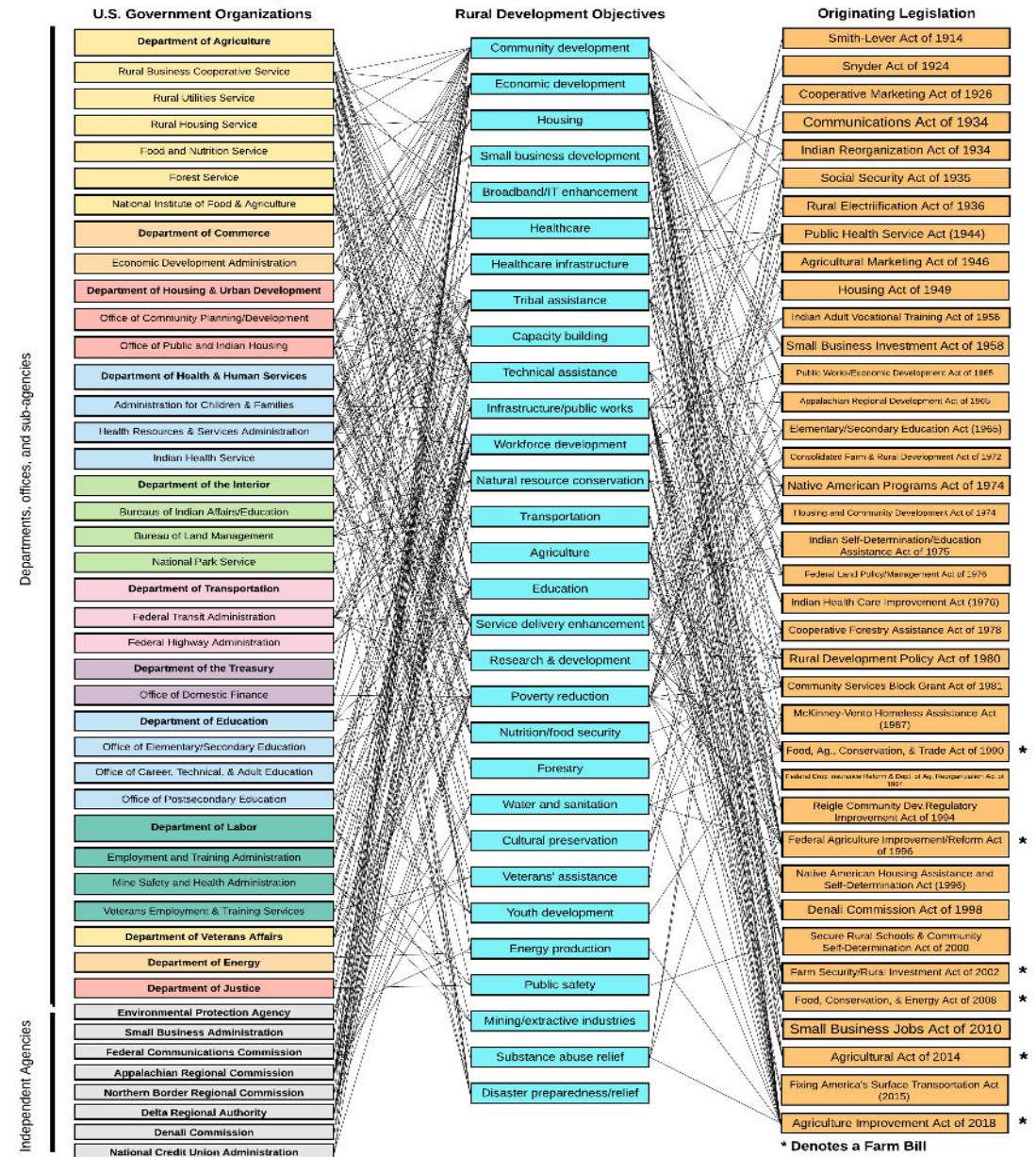
# Pre-existing federal capital market for rural community & econ development

- ▷ 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*



## 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

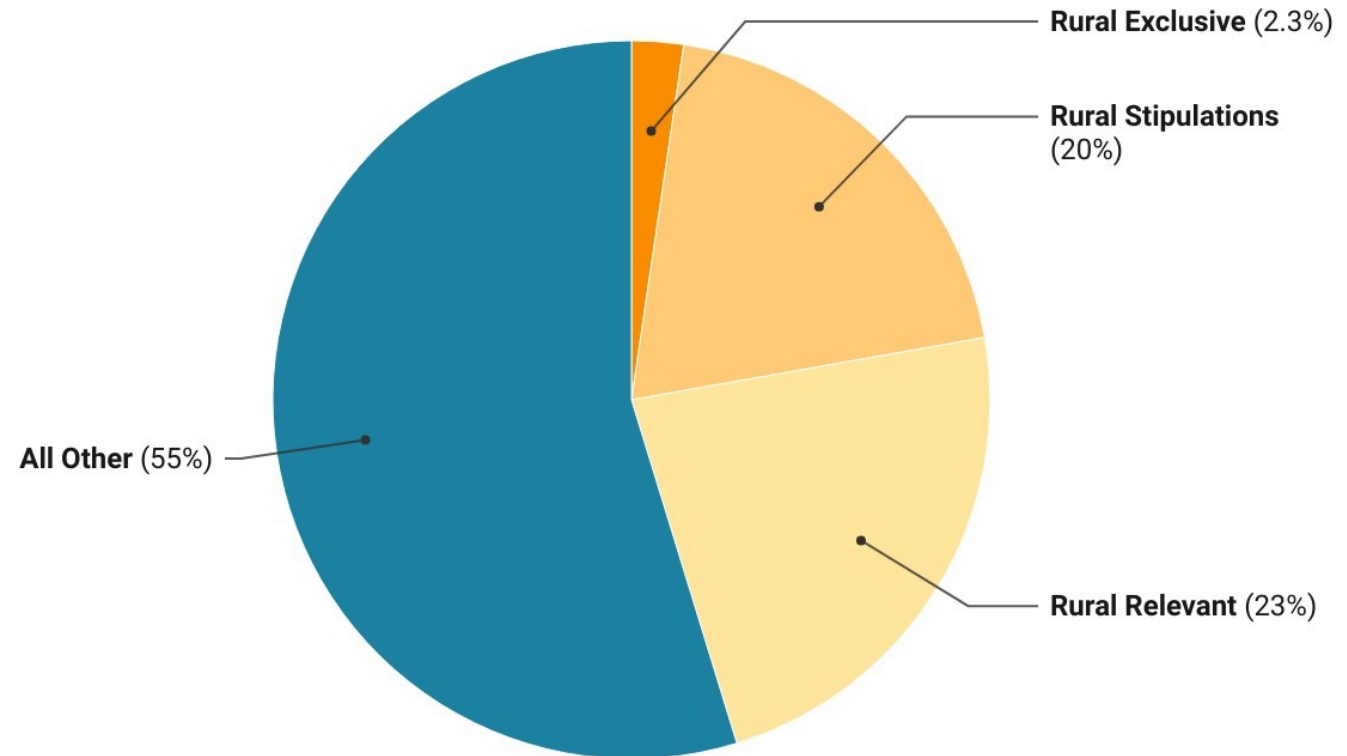
*Our baseline is based on funding appropriated in the bills.*

*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 IJA
- 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 IJA, CHIPS, and IRA

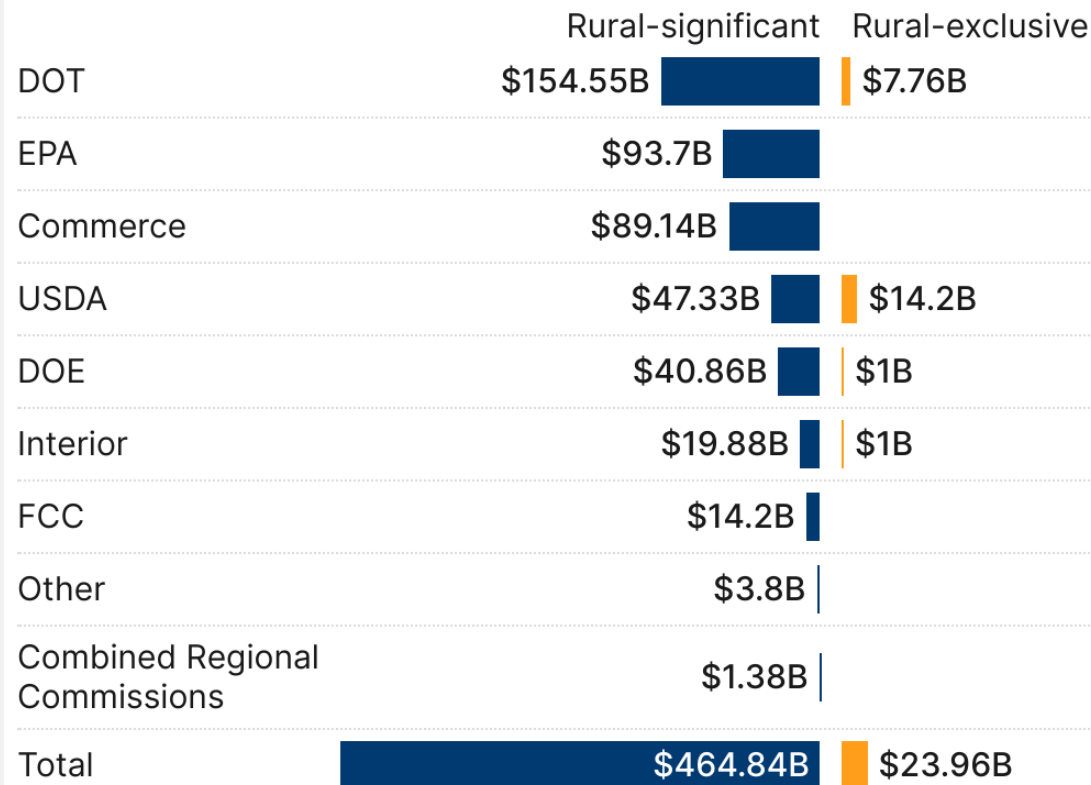


Source: Authors' analysis. • Created with Datawrapper

## 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
  - 2<sup>nd</sup> 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



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

## Match Requirements of Appropriated Rural-Significant Programs

	New Programs	Rural Exclusive	Rural Stipulations	Rural Relevant	All Programs
Share with Match Requirement	43.9%	57.9%	71.0%	21.3%	<b>41.4%</b>
Share with Match Preference	9.1%	5.3%	6.5%	13.1%	<b>9.9%</b>
Total Share with Match Required or Preferred	53.0%	63.2%	77.4%	34.4%	<b>51.4%</b>
Value of Match Required or Preferred Programs	126.9B	22.6B	149.7B	84.5B	<b>256.8B</b>

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

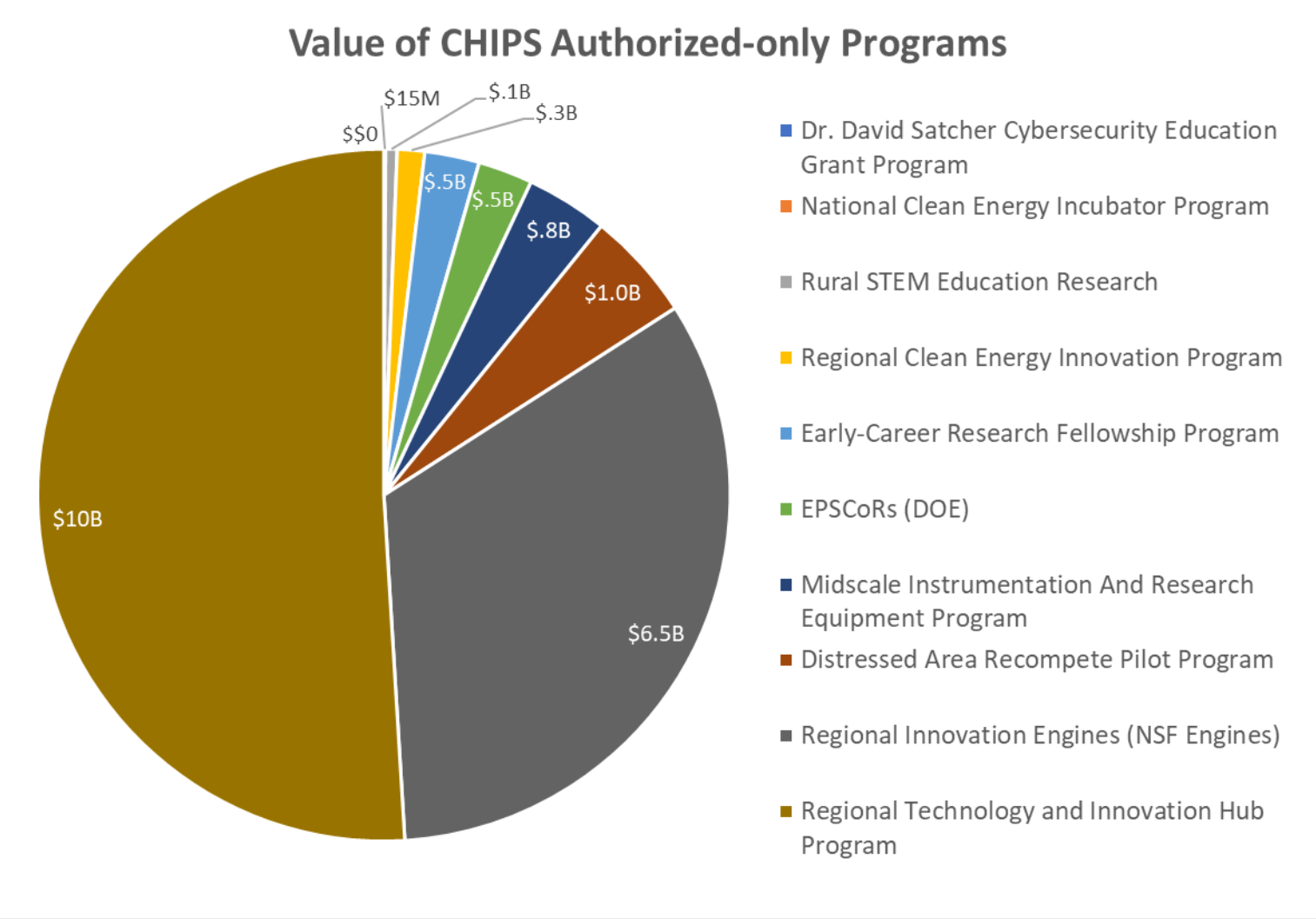
	Rural-exclusive (19)	Rural-stipulated (31)	Rural-relevant (61)	All programs (111)
Grant	68.4%	90.3%	85.2%	<b>83.8%</b>
Loan	5.3%	3.2%	0.0%	<b>1.8%</b>
Combination	21.1%	6.5%	3.3%	<b>7.2%</b>
Other (prize, rebate, TA, unspecified)	5.3%	0.0%	11.5%	<b>7.2%</b>
Total	100%	100%	100%	<b>100%</b>

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)





# Selected Programs w/ Funding Available

Program	Agency	Total Appropriations	Sector	Rural Relevance	Match Requirements
Drinking Water State Revolving Fund	EPA	\$11.7B (\$1.76B for rural)	Water	Rural Stipulations	Yes, no waiver available.
Building Resilient Infrastructure and Communities	FEMA	\$1B	Climate Resilience	Rural Stipulations	Yes, no waiver available.
Broadband Equity, Access, and Deployment	Commerce	\$42.5B	Broadband	Rural Relevant	Yes, waivers available.
Rebuilding America's Infrastructure with Sustainability and Equity	DOT	\$7.5B (\$3.8B for rural)	Transportation	Rural Stipulations	Yes, waivers available.
Solar for All (Greenhouse Gas Reduction Fund)	EPA	\$7B	Energy and Power	Rural Relevant	No
Clean Communities Investment Accelerator (Greenhouse Gas Reduction Fund)	EPA	\$6B	Energy and Power	Rural Relevant	No
Community Wildfire Defense Grant Program for At-Risk Communities	USDA	\$1B	Climate Resilience	Rural Relevant	Yes, waivers available.
Abandoned Mine Reclamation Fund	Interior	\$11.3B	Environment	Rural Relevant	No

# Rural Exclusive Programs w/ Funding Available

Program	Agency	Total Appropriations	Sector	Match Requirements
Rural Energy for America	USDA	\$1.7B	Energy and Power	Yes, no waiver available.
Rural Energy for America: Underutilized Renewable Energy Technologies	USDA	\$304M	Energy and Power	Yes, no waiver available.
Energy Improvements in Rural or Remote Areas (ERA)	DOE	\$711M	Energy and Power	Yes, no waiver available
Demo Projects (ERA)	DOE	\$300M	Energy and Power	Yes, no waiver available.
Energizing Rural Communities (ERA)	DOE	\$15M	Energy and Power	No
Fixed Award Grant Program (ERA)	DOE	\$50M	Energy and Power	No
Enhanced Mobility of Seniors and Individuals with Disabilities	DOT	\$439M	Transportation	Yes, no waiver available.
Ferry Service for Rural Communities	DOT	\$1B	Transportation	Yes, no waiver available.
Rural And Tribal Assistance Pilot Program	DOT	\$10M	Transportation	No
Volunteer Fire Assistance (renamed Rural Fire Capacity)	USDA	\$20M	Climate Resilience	Yes, no waiver available.

# Publicly Available Database: Rural-exclusive programs w/o match req

Provision	Agency	Bureau /Office	Bill	Description	Sector	Program (Y/N)	Rural Significance	Authorized (Y/N)	Appropriated (Y/N)	Funding Type	Match Required
<a href="#">Fixed Award Grant Program</a>	DOE	Office of	IIJA	environmental protection from adverse impacts of energy generation, in communities of 10,000 or less. IIJA authorizes and	Energy and Power	Yes	1-Rural Exclusive	Yes	Yes	Grant	No
<a href="#">Energizing Rural Communities</a>	DOE	Office of	IIJA	environmental protection from adverse impacts of energy generation, in communities of 10,000 or less. IIJA authorizes and	Energy and Power	Yes	1-Rural Exclusive	Yes	Yes	Prize	No
<a href="#">Appalachian Development Public Transportation Assistance Program</a>	DOT	Federal T	IIJA	<b>provide public transit services in rural areas</b> . Funded as a 3% set-aside of Sec 5311 (formula grants for rural areas). <b>Set-</b>	Transportation	Yes	1-Rural Exclusive	Yes	Yes	Grant	No
<a href="#">Rural Transportation Assistance Program</a>	DOT	Federal T	IIJA	nationally competitive projects (max 15% approps). <b>State formula funding is for transportation research, technical</b>	Transportation	Yes	1-Rural Exclusive	Yes	Yes	Grant	No
<a href="#">National Rural Transportation Assistance Program</a>	DOT	Federal T	IIJA	nationally competitive projects (max 15% approps). The <b>National Rural Transit Assistance Program is essentially a website</b>	Transportation	Yes	1-Rural Exclusive	Yes	Yes	Grant	No
<a href="#">Rural And Tribal Assistance Pilot Program</a>	DOT	National	IIJA	of an urbanized area with a population of more than 150,000) <b>to hire staff or firms to provide financial, technical, and</b>	Transportation	Yes	1-Rural Exclusive	Yes	Yes	Grant	No
Rural STEM Education Research	NSF	National	CHIPS	<b>Sec. 10512 NSF Rural STEM Activities</b> ( a) competitive awards to institutions of higher ed or nonprofits for R&D to support STEM	Workforce	Yes	1-Rural Exclusive	Yes	No	Grant	No
<a href="#">DLTB: Broadband Loans</a>	USDA	Rural Util	IIJA	The <b>Rural Broadband Access Loan and Loan Guarantee Pro</b>	Broadband	Yes	1-Rural Exclusive	No	Yes	Loan	No

# 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!

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Rural Community  
Assistance  
Partnership

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