



Budget, Governance and Intergovernmental Relations Committee

Meeting Pre-read

Materials for December 5, 2022

Committee Members: Dimple Ajmera (Chair), James Mitchell (Vice Chair), Danté Anderson, Tariq Bokhari, and LaWana Mayfield

Committee Purpose Statement: Reviews and recommends policies to fund community priorities, to optimize uses of public resources, and to collaborate with other government partners.

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Policy Topic Referral to City Council Committee

Date of Referral: November 17, 2022

Policy Topic Area: Infrastructure Meeting

Referred by: Mayor Vi Lyles

Referred to: All City Council Committees

Description/Background: An infrastructure meeting was suggested by Council at the September 26, 2022 Council Business meeting. To allow for an opportunity for Council to provide guidance to staff on the desired outcomes of the infrastructure meeting, I am requesting specific input from all Council Committees. Following feedback and discussion, I am requesting Mayor Pro Tem and Council members Bokhari and Johnson take Council feedback and work with staff to shape an agenda for the upcoming infrastructure meeting.

It is recommended that the infrastructure meeting take place on December 19 at 1 pm, with lunch served at 12 pm, prior to the zoning meeting.

Policy Question: As we work toward addressing the community's infrastructure needs, what strategies should we explore?

Committee Charge:

- Each Council Committee should spend a portion of its meeting on December 5 discussing infrastructure in line with the charge and focus of their committee.
- Assess and make recommendations specific to topics and issues to cover at the incoming infrastructure meeting.
- Through a discussion led by Mayor Pro Tem, report to full Council on suggestions and recommendations at the December 5 Council Committee Discussions meeting.

cc: Marcus Jones, City Manager
Patrick Baker, City Attorney
Stephanie Kelly, City Clerk

Budget, Governance, and Intergovernmental Relations Committee Pre-read Materials

The following includes the previous Committee's discussion on four-year terms and adding an 8th District. These materials are provided as reference for the BGIR Committee's review in determining next steps for recommendations for consideration by full Council.

Summary from the May 12, 2022 Budget and Governance Committee meeting:

Changing Form of Government

The Committee received an overview of the 2020 Citizen Advisory Committee of Governance (CACG) recommendations ([complete listing of recommendations attached; full report can be viewed at https://charlottenc.gov/Mayor/Pages/Citizen-Advisory-Committee-on-Governance.aspx](https://charlottenc.gov/Mayor/Pages/Citizen-Advisory-Committee-on-Governance.aspx)) that were still pending for consideration, which included:

- Four-Year terms (8-3 vote by CACG),
- Staggered Elections (10-1 vote by CACG), and
- Add an 8th District Representative and Remove One At-Large (unanimous vote by CACG).

The City Attorney's Office provided a comparison of the City of Charlotte's current governance structure to that of the CACG's recommendations, outlined considerations, detailed past Council discussion, and explained the process for amending the governance structure and next steps ([May 2022 Presentation attached for reference](#)). ***Please note timeline on presentation from May 2022 would need to be updated based on 2023 Council Meeting Schedule and the November 2023 elections timelines.***

Considerations included:

- Council may amend ordinance subject to approval by voters at a referendum (recommended by CACG), or
- Council may amend ordinance without a voter referendum; however, 5,000 signatures on a petition filed within 30 days forces a referendum.
- There may be budgetary implications to hold a special election for a referendum.

Consideration of changing to four-year, staggered terms:

Vote: To take up the process of moving towards a referendum in 2023 which would include a vote on four-year staggered terms for the City Council and Mayor. Passed three to two.

Consideration of changing from four at large seats to three at large seats and adding an 8th District:

Vote: To recommend to full Council eight districts and three at-large seats to be put on a voter referendum in 2023. Passed four to one.

Additional Committee Input:

Full Council gave consensus on 1/11/2021 at the Annual Strategy Meeting not to move forward with term limits, and not to move forward with consideration of changing to nonpartisan elections, however the committee chose to vote on these topics on 05/12/2022:

Vote: For the committee to recommend to full Council, contingent on General Assembly approval and four-year terms, City Council and the Mayor have a limit of serving two terms. Passed three to two.

Vote: For the committee to recommend to full Council, contingent on four-year terms, City Council and the Mayor have non-partisan elections. Passed four to one. *Note this would also be contingent on General Assembly approval*

RECOMMENDATIONS FROM THE CITIZEN ADVISORY COMMITTEE ON GOVERNANCE

Recommendation	Status
<p>Four-year terms</p> <p>Staggered terms</p> <p>Implement four-year terms through a Citizens' Referendum</p>	<p><u>Active</u></p> <ul style="list-style-type: none"> • Council Strategy Session 2/1/21 - Determination was made that the vote whether to move forward with four-year and staggered terms on a Citizens' referendum needs to come before the Council as well with a schedule for that. • Committee voted on May 12, 2022 to recommend to full Council moving forward with four year and staggered terms on a voter referendum. • Next steps: Review by BGIR for determination on moving former committee recommendation forward to full Council for discussion at an upcoming Action Review session
<p>Keep the number of council members at 12 (11 council members and the Mayor)</p> <p>Reassign one of the at-large representative seats as a new district representative seat</p>	<p><u>Active</u></p> <ul style="list-style-type: none"> • Council Annual Strategy Meeting 1/11/21 There was support for moving the discussions forward with consideration of this recommendation • Committee voted to recommend on May 12, 2022 • Next steps: Review by BGIR for determination on moving former committee recommendation forward to full Council for discussion at an upcoming Action Review meeting
<p>Two-term limit contingent on four-year terms</p>	<ul style="list-style-type: none"> • Committee: B&E 1/6/21 recommended removing from consideration (unanimous) • Council: Annual Strategy Meeting 1/11/21: Full Council gave consensus with removing from further consideration • On May 12, 2022 B&G committee voted to recommend term limits contingent on four-year terms to full Council
<p>Hold non-partisan elections</p>	<ul style="list-style-type: none"> • Full Council: Annual Strategy Meeting 1/11/21 Based on straw vote, determination was made <i>not</i> to move forward with non-partisan elections. • On May 12, 2022 B&G committee voted to recommend to full Council holding non-partisan elections
<p>Increase Mayor and City Council compensation to be comparable to that of the Mecklenburg County Board of County Commissioners</p>	<p><u>Completed</u> within FY 2022 Budget</p>
<p>Factors to consider in redistricting such as districts must have substantially equal population, should be reasonably compact, and district boundaries may follow neighborhood boundaries or the boundaries of areas containing residents sharing similar interests.</p>	<p><u>Completed</u> Mayor established Redistricting Ad Hoc Committee that recommended a redistricting plan that was adopted by council in November 2021.</p>

Council Budget and Governance Committee Meeting

May 12, 2022

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Agenda Item I (Changing Form of Government)

- ☐ Follow-Up on 2020 *Citizen Advisory Committee on Governance (CACG)* recommendations to B&G Committee:
 - Four-Year Terms (8-3 vote)
 - Staggered Elections (10-1 vote)
 - Add 8th District Representative and Remove One At-Large (unanimous vote)
- ☐ CACG Action recommended:
 - Council action, or
 - Council action subject to approval of voters at referendum

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Terms, Election Method & 8th District (CACG recommendations)

Current Status	Recommended
Two Year Terms	Four Year Terms by Way of Referendum
No Staggered Elections	Staggered Elections
12 Total Members* (Mayor and Council): <ul style="list-style-type: none"> • 1 Mayor • 11 Council Members <ul style="list-style-type: none"> • 4 At-Large • 7 District Representatives <small>*Total limited to 12 by law</small>	12 Total Members (Mayor and Council) <ul style="list-style-type: none"> • 1 Mayor • 11 Council Members <ul style="list-style-type: none"> • 3 At-Large • 8 District Representatives
Considerations	
<ul style="list-style-type: none"> - Council may amend ordinance subject to approval by the voters at a referendum, OR - Council may amend ordinance without voter referendum – however, 5,000 signatures on a petition filed within 30 days forces a referendum - May be budgetary implications to hold special election for referendum 	

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Timeline to Date

Date	Action
Nov 2, 2020	Council Strategy Session (CACG presented Report)
Dec 15, 2020	B&E Committee Meeting (Discussed CACG Report)
Jan 4, 2021	Council Business Meeting (Public Comment on CACG Report)
Jan 6, 2021	B&E Committee Meeting > Voted to remove Nonpartisan Elections & Term Limits from further consideration
Jan 11, 2021	Council Annual Strategy Session (B&E Committee Chair & City Attorney updated on CACG recommendations) <ul style="list-style-type: none"> - Four Year Terms (Consider) - Staggered Elections (Consider) - Two Term Limits (No further consideration) - Nonpartisan Elections (No further consideration)
Jan 26, 2021	B&E Committee Voted to Recommend 4-Year Terms and Staggered Elections to Council without further delay (Unanimous).
Feb 2, 2021	Council Strategy Session (Council discussed and determined that due to census delays and redistricting, referral remain in Committee and bring back to Council with proposed schedule)
Feb 3, 2022	Council Strategy Session (Consensus to refer back to B&G Committee for refresher of CACG recommendations)

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History of Local Elections (City & Mecklenburg Co.)

Date	Action
1974	NC Legislature changed Charlotte Mayor/City Council elections from nonpartisan to partisan
1975	Mayor and seven at-large member Council elected under partisan primary/general elections
1977	Petition-initiated referendum to change seven at-large City Council to seven district/four at-large (APPROVED)
1981	Petition-initiated referendum to return to seven at-large member City Council (DEFEATED)
1982	Referendum to change Board of County Commissioners (BOCC) from five at-large member to four district/three at-large member with district members nominated in district primaries and elected in county-wide voting (DEFEATED)
1984	Plan to change BOCC from five at-large to four district/three at-large members with district members nominated and elected in districts (APPROVED)
1985	Plan to change BOCC terms of office from two years to four years (DEFEATED)

History of local Elections (City & Mecklenburg Co.)-cont.

Date	Action
1986	BOCC elected under new four district/three at-large plan
1992	Referendum to change BOCC from four district/three at-large to six district/three at-large members (APPROVED)
1993	Referendum to change CMBOE from nine at-large members to six district/three at-large members with staggered four-year terms and providing the same districts for election as the BOCC (APPROVED)
1994	BOCC elected under new six district/three at-large plan
1995	CMBOE elected under new six district/three at-large plan with staggered four-year terms (at-large members initially elected for four years, district members initially elected for two years)
2015	BOCC Referendum seeking four-year terms (DEFEATED) Ballot Count: No (63,393 - 65.98%) Yes (31,136 - 34.02%)
Feb 11, 2019	City Council voted to adopt resolution of intent to approve to increase the terms of office of Mayor and Council from two years to four years if approved by referendum vote of people > Motion failed (7-3)

Process for Change by City Council

- Council adopts resolution of intent and sets date for public hearing
- Public hearing must be held at least 10 days after published notice and within 45 days of resolution
- Council must vote on adoption within 60 days of public hearing but not before next regular meeting
- Notice of adoption of ordinance must be published within 10 days after Council's adoption of ordinance
- If ordinance adopted subject to referendum vote, Council may, by resolution, call for a special election to submit the ordinance to vote.
- BUT if ordinance adopted without being subject to voter approval, then 5,000 signatures on petition filed within 30 days of adoption forces referendum on ballot
- Special election must be held at next date permitted under G.S. 163-287(a) *that is more than 70 days after the adoption of the ordinance*. Only option: Nov 8, 2022

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Please note this timeline is no longer applicable and would need to be updated for 2023

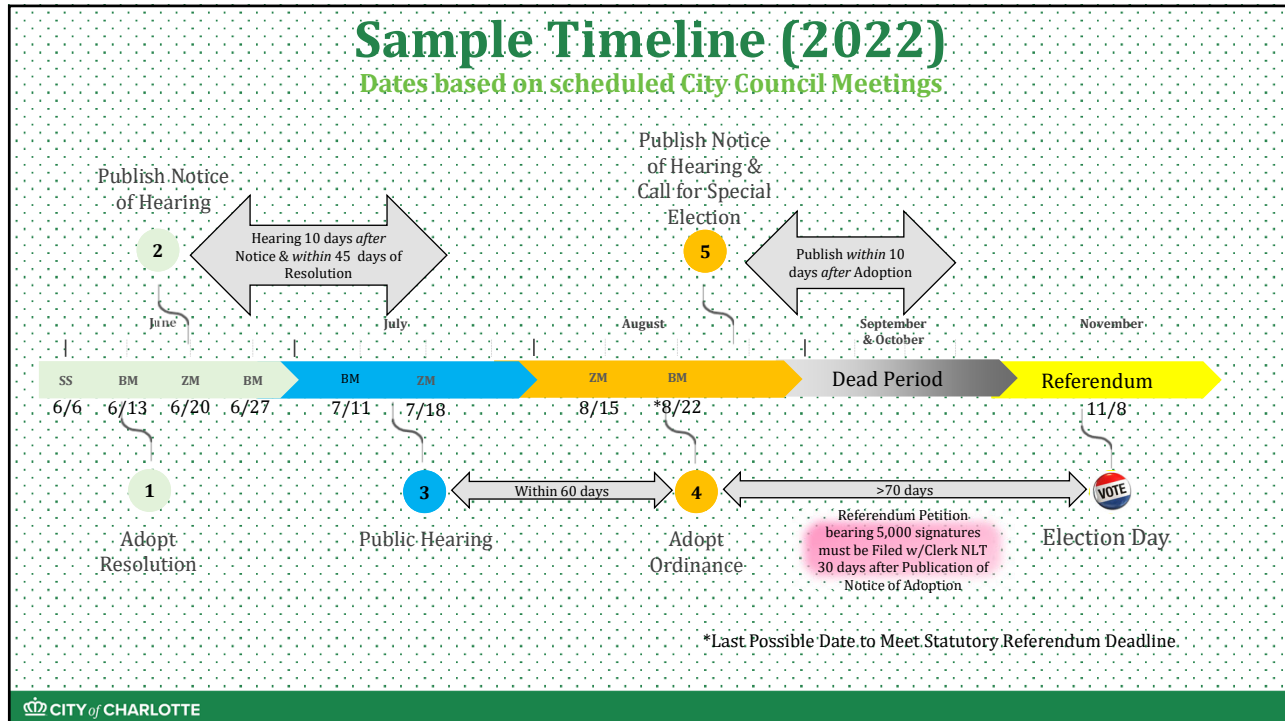
Timetable to Change Form of Government

Referendum at the November 8, 2022 General Election

- Adopt Resolution of Intent
 - June 6, 2022 (Strategy Session), or
 - June 13, 2022 (Business Mtg), or
 - June 20, 2022 (Zoning Mtg), or
 - June 27, 2022 (Business Mtg)
- 10 days before hearing > Publish Notice of Public Hearing
 - By June 17, 2022 or
 - By July 1, 2022, or
 - By July 8, 2022
- Public Hearing
 - June 27, 2022 (Business Mtg), or
 - July 11, 2022 (Business Mtg), or
 - July 18, 2022 (Zoning Mtg)
- Adopt Ordinance
 - August 15, 2022 (Zoning Mtg), or
 - August 22, 2022 (Business Mtg)
- Within 10 days of Adoption of Ordinance > Publish Notice of Adoption of Ordinance & Resolution Calling for Special Election
 - August 25, 2022, or
 - September 1, 2022
- Referendum on ballot
 - November 8, 2022

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Please note this timeline is no longer applicable and would need to be updated for 2023



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Referendum Ballot Language Requirement (NCGS 160A-105)

- State Statute Requires that the ballot must take substantially the following form:
- “Shall the ordinance (describe effect of the ordinance) be approved?
- ☐ YES
- ☐ NO”

CITY of CHARLOTTE

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Next Steps?

- Budget and Governance Committee Vote to Take to Full Council
- Consider Whether to Recommend Ordinance by:
 - Council action and subject to voter referendum, OR
 - Council action without being subject to voter approval (but 5,000 votes on petition within 30 days of adoption forces vote)
- What's on Ordinance?
 - Increase from Two-year to Four Year Terms
 - Staggered Election Terms
 - Added Eighth District (in lieu of one At-Large)

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Questions on Changing Form of Government?

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**PREREAD FOR
FEDERAL & STATE LEGISLATIVE REPORT
BUDGET, GOVERNANCE, AND INTERGOVERNMENTAL RELATIONS COMMITTEE
DECEMBER 5, 2022**

The following information is provided to familiarize Committee members with the planned Federal & State Legislative Report for December 5, 2022. The Federal and State Legislative Report covers staff-proposed federal and state legislative requests and discusses the Engagement Strategy referral made by Mayor Lyles in September.

Staff Legislative Requests

Staff is recommending the following items for inclusion in the proposed 2023 Federal Legislative Agenda for the City of Charlotte:

Destination CLT

Position: Continue working with Congress and the Administration to secure federal resources for the build-out of the Destination CLT capital program at Charlotte Douglas International Airport

- Secure a Letter of Intent for the federal government to provide federal funding for construction of the fourth parallel runway and north and south end around taxiways
- Secure competitive grant funding through the federal Airport Terminal Program for Destination CLT projects

Background: The Destination CLT position reflects the strategic priorities enumerated in the Airport Master Plan Update that was developed by Aviation staff and approved by the Federal Aviation Administration in 2016. The projects are budgeted for in the City's Capital Investment Plan that is adopted annually by the Charlotte City Council. The program enjoys strong business sector support in addition to strong political support from members of Congress on both sides of the aisle. Staff has been working with the Federal Aviation Administration and Congressional staff on the airfield improvement projects (fourth parallel runway and north and south end around taxiways) for several years. The estimated cost of these projects is approximately \$1 billion for which the City would seek a commitment of funding from the federal government. The second part of the statement references that Aviation will be seeking future federal grants for planned expansions of Concourses B, C, and E, which are also part of the Destination CLT capital improvements program.

2030 Transit Corridor System Plan

Position: Continue working with Congress and the Administration to secure federal resources for the build-out of the 2030 Transit Corridor System Plan

- Maintain liaison with the Congressional Delegation to keep them informed of progress in advancing the 2030 Plan
- Secure competitive grant funding through public transportation and multi-modal opportunities for capital improvements

Background: The 2030 Transit Corridor System Plan position reflects the priorities in the 2030 Transit Corridor System Plan, which was adopted by and subsequently amended periodically by the Metropolitan Transit Commission. The position statement above has been adopted by the

Metropolitan Transit Commission for its annual federal legislative agendas. The projects are budgeted for in the City's Capital Investment Plan that is adopted annually by the Charlotte City Council. The program enjoys strong business sector support, and our Congressional Delegation is very helpful in supporting the priorities when securing federal funding. The Plan supports development of pedestrian-friendly urban neighborhoods with a mixture of land uses, offers people a choice in meeting their mobility needs, increases transit's share of the local travel market, reduces the region's dependence on overloaded and gridlocked roads, eases air and noise pollution and enhances the overall quality of life in the region. In 2023, City will be focusing on keeping our Delegation informed of progress in completing design work on the LYNX Red Line and LYNX Silver Line, and progress with the Charlotte Gateway Station and replacement of the Charlotte Transportation Center. Additionally, CATS will actively be seeking federal funds for bus replacements and other opportunities that arise.

Immigration

Position: Support federal immigration policies that strengthens our economy and workforce, immigrant families and communities

- Continue the H-1B Visa Program and make program changes to address issues related to spouses and dependent children
- Support merit-based solutions to allow participants in the asylum, parole, temporary protected status, and deferred action for childhood arrivals programs to earn and keep legal status that eventually leads to citizenship
- Support increased funding and support of resettlement organizations as they work with refugees in our community

Background: The Immigration position reflects the priorities set forth in the 2019 Charlotte Compact on Immigration and final recommendations of the ad hoc City Council Immigrant Community Committee. The position has the strong backing of immigration advocates while business support is expressed for programs that keep the "talent pipeline" to the US flowing like the H-1B Visa Program. There are efforts currently underway in the Congress to enact changes to a limited set of immigration issues before the end of 2022 on the basis that the power shifts in Congress in 2023 are not conducive to resolving immigration issues for the next four to six years.

Sustainability and Resilience

Position: Support federal funding and policies that enable the City to reach its Strategic Energy Action Plan goals

- Fleet Electrification and Infrastructure
- Energy Efficiency
- Environmental Justice
- Workforce Development

Background: The Sustainability and Resilience position reflects the priorities set forth in the 2019 Strategic Energy Action Plan. The position has the strong backing of the environmental community. This position enables the City to advocate for specific types of action related to the Strategic Energy Action Plan including seeking competitive grant opportunities available through the Bipartisan Infrastructure Law of 2021 and Inflation Reduction Act of 2022.

Staff is requesting the following items for inclusion in the proposed 2023 State Legislative Agenda for the City of Charlotte:

Mobility

Position: Continue working with regional stakeholders and the General Assembly to secure mobility legislation

- Enables the voters of Mecklenburg County to authorize the Mecklenburg County Commission to levy dedicated, stable, and permanent sources of revenues for regional and local public transportation, roadway, bicycle, pedestrian, passenger rail, greenway, and safety projects
- Enables local governments to issue revenue bonds for projects that would be backed by the new local sources of revenue

Background: The Mobility position reflects the widely recognized need to increase local sources of funding for all forms of surface transportation. This would enable the region to match federal funding for large-scale projects to build-out the 2030 Transit Corridor System Plan and related mobility strategic objectives. The position enjoys strong support from the business sector.

State Transportation Funds

Position: Support data-driven approaches to the distribution of transportation funding that are fair and consistently applied

- Support the Strategic Transportation Investments program for prioritization of State transportation construction funding
- Restore statutory funding levels for all municipalities receiving local street maintenance funding through the Powell Bill Program

Background: The Transportation position reflects the needs inherent in the various transportation plans related to street, bicycle, pedestrian, and safety projects for sustained, consistent, and reliable State revenues to bring the projects online. The Strategic Transportation Investments and Powell Bill programs use data-driven approaches to the distribution of funding that are considered to be fair and related to this mission. The data-driven approaches that are in statute for these programs enjoy strong support from the business sector.

Safe Charlotte

Position: Support policies and increased resources that further initiatives to lower crime, increase public safety, and redeploy resources to areas of highest and best use

- Authorize police departments to convert low risk sworn duties to non-uniform units, such as investigations of non-lethal traffic accidents by trained civilians

Background: The Safe Charlotte position reflects the strategic priorities set forth in the Safe Charlotte Plan adopted by City Council in October 2020. The authorization to allow local police departments to pursue conversion of low-risk sworn duties to trained non-uniform units, such as creation of Civilian Traffic Investigators, is strongly supported by larger North Carolina cities and police chief organizations.

Engagement Strategy

The Mayor's September 29, 2022, referral on an Engagement Strategy with the General Assembly was initially discussed at the October 3 BGIR meeting and is reprinted as follows:

"The City of Charlotte is a political subdivision of the State of North Carolina and must follow applicable state statutes and regulations. In order to enhance and preserve legislative authorities, it is important that Mayor and Council build relationships with members of the General Assembly. Doing so will enable both local and state elected officials to enhance their understanding and appreciation of the challenges that the other faces in their policy-making roles.

"The intent is to develop a sustainable strategy to guide Mayor and Council in developing stronger and deeper relationships with members of the General Assembly."

For the November 7 BGIR meeting, staff was asked by Chairperson Ajmera to present a three-point framework of an Engagement Strategy to review with the Committee. Due to time issues, the item was deferred to the December 5 meeting. The framework is as follows:

- Focus on mobility
- Develop communications strategy
- Schedule visits to the General Assembly

Major points of the Framework include:

- Mobility is a regional issue so the City will have to work with its regional partners and legislators
- Continuing with Mobility as a regional issue, the Delegation for the Charlotte Regional Business Alliance includes 46 State Representatives and State Senators from 11 NC counties. As a group, it's partisan balance is similar to that of the whole General Assembly and many of its members serve in leadership and committee chairmanship positions.
- Any communications strategy that is developed should be developed with and agreed to by our partners, including background information and talking points
- Finally, a tentative engagement schedule is provided but like the other parts of the strategy this should be agreed upon in coordination with our partners. Furthermore, the General Assembly has yet to set its internal schedule for 2023.

Next Steps

Date	Event
January 3	US Congress convenes Committee meets to: <ul style="list-style-type: none">• Continue discussion on Engagement Strategy with General Assembly• Proposes federal and state legislative agendas Committee Chair discusses proposed agendas at Council Committee Discussions
January 9	Staff presents proposed legislative agendas to City Council at Action Review
January 11	NC General Assembly Organizational Session (one-day)
January 23	City Council consideration of legislative agendas
January 25	NC General Assembly reconvenes long session
January 30 – February 10	State Delegation Briefing
March 26 - 29	Congressional Briefings

Budget, Governance, and Intergovernmental Relations Committee

Follow up Information from the
November 7, 2022 Committee Meeting

Internal Audit Update

1. Committee requested information on the status of current audit recommendations.

Please see link below to reference current recommendation status:

<https://dashboards.charlottenc.gov/views/RecommendationStatusDashboard/Dashboard?%3Aembed=y&%3Aiid=1&%3AisGuestRedirectFromVizportal=y>

2. Committee requested additional information related to IT readiness to respond and recover from security incidents and audits completed in this area.

Internal Audit engaged RSM and Focal Point to conduct information technology risk assessments and audits at the city. In FY20, RSM conducted a risk assessment and identified the need for disaster recovery and business continuity planning. In FY21 and FY22, Focal Point conducted audits of Information Technology Backup and Recovery and Patch Management. Where applicable, Internal Audit staff have assisted the consultants in performing IT audits. In addition, Internal Audit staff has previously conducted an audit of security awareness training and are currently conducting an audit of technology provider vendor management.

An audit conducted in accordance with the National Institute of Standards and Technology (NIST) cybersecurity framework (Identify, Protect, Detect, Respond, Recover) would assess the city's readiness for a cybersecurity event. While Internal Audit has not conducted an audit in this area, the city's Information and Technology Department (I&T) does contract with various consultants for penetration testing (Protect). The Focal Point audits also addressed certain components of the framework (Identify and Protect). Based on the most recent annual risk assessment, Internal Audit included a placeholder on the audit plan for a potential cybersecurity audit to be conducted as staffing and timing allows. That effort would most likely include verifying that I&T has implemented the recommendations made by consultants and assessing the city's readiness to detect, respond, and recover from a cybersecurity event.

Internal Audit continues to recognize the need for more information technology auditing. Audit has included the need through the Information Technology Master Plan process.

BUDGET, GOVERNANCE, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

FOLLOW-UP TO NOVEMBER 7 MEETING

The following are responses to questions and additional information requested by members of the Budget, Governance, and Intergovernmental Relations Committee during the Federal & State Legislative Updates at the November 7 meeting.

Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law (BIL), known formally as the Infrastructure Investment and Jobs Act, is a five-year, \$1.2 trillion program authorizing substantial federal funding from existing and new sources of revenue for a wide variety of infrastructure. Of that total, nearly \$550 billion is new funding broken down by major categories as follows:

- Roads and bridges (\$110 billion)
- Energy infrastructure (\$73 billion)
- Rail services (\$66 billion)
- Broadband (\$65 billion)
- Water infrastructure (\$55 billion)
- Flooding and climate resiliency (\$47 billion)
- Public transit (\$39 billion)
- Airports (\$25 billion)
- Environmental remediation (\$21 billion)
- Ports (\$17 billion)
- Electric and low emission vehicles (\$15 billion)
- Transportation safety (\$11 billion)

The city will access BIL funding through competitive grants, formula funding, sub-grants and loans through States, and federal loans. When selecting projects to pursue, city staff will look to the city's strategic priorities addressing public transportation, streets and highway, aviation, sustainability and resiliency, safety, and other areas for guidance. Also, city staff will work with stakeholders on joint applications where common interest can be established. Attached is a summary of the program opportunities that are of interest to city departments. The BIL can be [viewed via this link](#).

Sports Wagering

The sports wagering legislation considered by the General Assembly in 2021 and 2022 is **Sports Wagering (SB 688 – Perry)**. The legislation is the result of a coalition formed by the major sports leagues and North Carolina based sports franchisees and venue operators several years ago after the US Supreme Court in 2018 struck down federal legislation, the Professional and Amateur Sports Protection Act, prohibiting sports betting nationwide as unconstitutional. Since then, states have been authorized to legalize and regulate sports betting. SB 688 passed the Senate in August 2021 and failed in the House in June 2022.

Attached you will find a summary of the sports wagering legislation that was considered by the General Assembly in the 2021 and 2022 sessions, which was prepared by the non-partisan professional staff of the General Assembly. Highlighted language on page 3 of the attachment provides detail on the requirements for certain sports facilities to house betting parlors.

2024-2033 State Transportation Improvement Program

The local organization working directly with the NC Department of Transportation (NCDOT) in the development of the 2024-2033 State Transportation Improvement Program (STIP) is the Charlotte Regional Transportation Planning Organization (CRTPO). CRTPO is the Metropolitan Planning Organization that coordinates transportation planning initiatives for the greater Charlotte urbanized area, including Iredell, Mecklenburg, and Union counties.

The 2024-2033 STIP has been in development since early 2021 and is scheduled for adoption by the NC Board of Transportation in June 2023. Pursuant to federal law, a new STIP must be adopted by states every four years. The challenges in developing the 2024-2033 STIP can be attributed to declining gas tax revenues, higher project costs, and settlements paid out by NCDOT when the NC Supreme Court struck down the NC Map Act as unconstitutional, which means that some projects in the previous STIP, the 2020-2029 program, are in peril of delay. The 2024-2033 STIP, however, will include new federal revenues from the Bipartisan Infrastructure Law and legislative action taken by the General Assembly in 2022 to dedicate a portion of State General Fund sales tax revenues for transportation that should defray some of the challenges cited above. The draft 2024-2033 STIP is scheduled for release for public comment in the next few months, which will provide a clearer picture of the local projects that can be advanced.

CHIPS and Science Act

The CHIPS and Science Act (CHIPS) is intended to strengthen domestic manufacturing, supply chains, and national security, and invest in research and development, science and technology, and the workforce to keep the United States the leader in the industries of tomorrow, including nanotechnology, clean energy, quantum computing, and artificial intelligence. CHIPS provides:

- \$52.7 billion for domestic semiconductor research, development, manufacturing, and workforce development.
- \$1.5 billion for promoting and deploying wireless technologies that use open and interoperable radio access networks.
- \$102 billion over five-years for research and development, regional innovation centers, STEM education, and space and aeronautics.

In terms of accessing funding from the CHIPS Act, the federal government is very interested in evaluating and funding requests from partnerships / consortia of higher education and research institutions, economic development organizations, industries, labor or workforce training organizations, States, political subdivisions, and/or other entities that have common interests. At this time, staff foresees that the partnerships / consortia will largely be initiated by higher education and research institutions, economic development organizations, and/or industries. The CHIPS Act, which is formally referred to as the Supreme Court Security Funding Act of 2022, can be viewed [via this link](#).

BIPARTISAN INFRASTRUCTURE LAW

SECTION SUMMARIES

Program Area	Section Title and Summary
<u>Airports:</u>	
Competitive Grants for Airports	<p>New: Airport Terminal Program (\$5 billion over five years):</p> <ul style="list-style-type: none"> • 55 percent of the grants are required to be distributed to large hub airports, 20 percent for small hubs, 15 percent for medium hubs and 10 percent for non-primary airports. • Eligible projects include terminal development projects and projects for relocating, reconstructing, repairing, or improving air traffic control towers and on-airport rail projects. • 80 percent federal share for medium and large hubs and a 95 percent federal share for small airports. <p>Program factsheet is available here.</p>
Formula Funding for Airports	<p>New: Airport Infrastructure Grants (\$15 billion over five years):</p> <ul style="list-style-type: none"> • Passenger Facility Charge (PFC) eligible projects except debt service payments. • Local match mirrors Airport Improvement Program (AIP). • \$2.48 billion annually for primary airports. • \$500 million annual for general aviation and non-primary airports. • \$20 million annually for competitive grants to construct, rehabilitate or relocate airport-owned contract towers. No local match. FAA will prioritize projects that enhance aviation safety and improve air traffic efficiency. <p>Program factsheet is available here.</p>

Program Area	Section Title and Summary
<u>Bicycle / Pedestrian:</u>	
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Active Transportation Infrastructure Investment Program (\$1 billion over 5 years): Creates active transportation infrastructure investment program to make grants, on a competitive basis, to states, local governments, and metropolitan planning organizations for planning grants and to construct eligible projects that provide safe and connected active transportation facilities in an active transportation network or active transportation spine. The term “active transportation” means mobility options powered primarily by human energy, including bicycling and walking. The term “active transportation network” means facilities built for active transportation that connect between destinations within a community or metropolitan region, including:</p> <ul style="list-style-type: none"> • sidewalks • bikeways • pedestrian and bicycle trails
Competitive Grants for local governments and metropolitan planning organizations	<p>New: Safe Streets and Roads for All Grant Program (\$5 billion over 5 years): Establishes a grant program for metropolitan planning organizations, local governments, and tribal governments to develop and carry out comprehensive safety plans to prevent death and injury on roads and streets, commonly known as "Vision Zero" or "Toward Zero Deaths" initiatives.</p> <p>Program factsheet is available here. This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for States and local governments	<p>New: Stopping Threats on Pedestrians (\$25 million over 5 years): Establishes grant program to aid state departments of transportation and local government entities with bollard installation projects designed to prevent pedestrian injuries and acts of terrorism in areas used by large numbers of pedestrians.</p>

Program Area	Section Title and Summary
<u>Broadband:</u>	
<p>Formula Funding for States</p> <p>States will competitively award grants</p> <p>Local governments can serve as subgrantees</p>	<p>New: Broadband Equity, Access, and Deployment (BEAD) Program (\$42.45 billion):</p> <p>Authorizes formula-based grants to states to competitively award grants for qualifying broadband infrastructure, mapping, and adoption projects. The program would be administered by the National Telecommunications and Information Administration (NTIA), and funds would be available until expended. The U.S. Department of Commerce must provide a detailed spending plan to Congress 90 days after enactment. States would receive a minimum of \$100 million; the remaining funding would be allocated in accordance with a formula that considers the number of unserved and high-cost locations in the state, on a comparative basis. The funding includes a 10 percent set-aside for high-cost areas. All projects would have to meet a minimum download/upload build standard of 100/20 megabits per second. The bill requires local coordination on the part of the state. Specifically, the bill requires the state to submit a "5-year action-plan" as part of its proposal, which "shall be informed by collaboration with local and regional entities." States may use funds to competitively award sub-grants for:</p> <ul style="list-style-type: none"> • Unserved areas • Connecting eligible community anchor institutions, which is defined as an entity such as a school, library, health clinic, health center, hospital, or other medical provider; public safety entity; institution of higher education; public housing organization or community support organization that facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, and aged individuals. • Data collection, broadband mapping, and planning. • Installing broadband infrastructure or providing reduced-cost services within a multifamily residential building, with priority given to a building that has a "substantial share" of unserved households or in a designated poverty area. • Broadband adoption.
<p>Formula Funding to States</p>	<p>New: State Digital Equity Capacity Grant Program (\$1.5 billion):</p> <p>Appropriates \$60 million for planning grants to states to develop State Equity Plans. Funding of \$240 million for FY 2022 and \$300 million per year for FY 2023 to 2026 is provided to support implementation and digital inclusion initiatives. Makes distributions to states based on their populations, demographics, and availability and adoption of broadband.</p>

Program Area	Section Title and Summary
<p>Competitive Grants for States</p> <p>States will competitively award grants</p> <p>Local governments can serve as subgrantees</p>	<p>New: Digital Equity Competitive Grant Program (\$1.25 billion): Appropriates \$250 million per year for competitive grants to public and nonprofit entities for a range of digital inclusion and broadband adoption activities such as:</p> <ul style="list-style-type: none"> • To develop and implement digital inclusion activities that benefit covered populations • To facilitate the adoption of broadband by covered populations in order to provide educational and employment opportunities to those populations • To implement training programs for covered populations that cover based, advanced, and applied skills • To make available equipment, instrumentation, networking capability, hardware and software or digital network technology for broadband services to covered populations at low or no cost • To construct, upgrade, expend of operate new or existing public access computing centers for covered populations through community anchor institutions
<p>Competitive Grants for States, political subdivisions of states, and providers</p> <p>Added 5/14</p>	<p>New: Enabling Middle Broadband Infrastructure (\$1 billion over 5 years): Program expands middle mile infrastructure, to reduce the cost of connecting unserved and underserved areas. Middle mile infrastructure broadly refers to the mid-section of Internet infrastructure that carries large amounts of data at high speeds over long distances. This program will also increase the resilience of Internet infrastructure.</p>
<p>Federal Program Direct to Consumers</p>	<p>Broadband Affordability (\$14.2 billion): Makes the Emergency Broadband Benefit program at the Federal Communications Commission (FCC) permanent, renaming it to the Affordable Connectivity Program. The program provides a \$30 per month voucher for low-income families to use toward any internet service plan of their choosing. It builds on the Emergency Broadband Benefit, making the benefit permanent and expanding eligibility to help more low-income households.</p> <ul style="list-style-type: none"> • Consumer Broadband Labels: Requires the display of "consumer broadband labels." Consumer broadband labels were proposed by the FCC in 2016 to help consumers better understand what they are receiving in terms of pricing, performance levels and data caps. • Digital Discrimination: Requires the FCC to adopt rules within two years to address digital discrimination. It also directs the FCC to develop "model policies and best practices" for states and localities to prevent digital discrimination. <p>Program can be accessed at FCC Affordable Connectivity Program webpage.</p>

Program Area	Section Title and Summary
Policy	<p>New: Digital Discrimination Policy: Establishes as the policy of the US that:</p> <ul style="list-style-type: none"> • subscribers should benefit from equal access to broadband internet access service within the service area of a provider of such service • the term “equal access”, for purposes of this section, means the equal opportunity to subscribe to an offered service that provides comparable speeds, capacities, latency, and other quality of service metrics in a given area, for comparable terms and conditions • the Commission should take steps to ensure that all people of the United States benefit from equal access to broadband internet access service <p>The FCC is directed to develop model policies and best practices that can be adopted by states and local governments and is further directed to promulgate rules and regulations to facilitate equal access to broadband internet access service, taking into account the issues of technical and economic feasibility presented by that objective, including:</p> <ul style="list-style-type: none"> • preventing digital discrimination of access based on income level, race, ethnicity, color, religion, or national origin • identifying necessary steps for the Commissions to take to eliminate discrimination described above
Policy	<p>New: Sense of Congress on Broadband and Digital Literacy: It is the sense of Congress that:</p> <ul style="list-style-type: none"> • a broadband connection and digital literacy are increasingly critical to how individuals participate in the society, economy, and civic institutions of the United States; and access health care and essential services, obtain education, and build careers; • digital exclusion carries a high societal and economic cost; materially harms the opportunity of an individual with respect to the economic success, educational achievement, positive health outcomes, social inclusion, and civic engagement of that individual; and exacerbates existing wealth and income gaps, especially those experienced by covered populations • achieving digital equity for all people of the United States requires additional and sustained investment and research efforts; • the Federal Government, as well as State, tribal, territorial, and local governments, have made social, legal, and economic obligations that necessarily extend to how the citizens and residents of those governments access and use the internet; and • achieving digital equity is a matter of social and economic justice and is worth pursuing

Program Area	Section Title and Summary
Cybersecurity:	
Reimbursement Program for States and local governments	<p>New: Cyber Response and Recovery Fund (\$100 million): Appropriates \$100 million (\$20 million per year for five years; unused funds will remain available until expended with program ending on September 30, 2028) to establish the Cyber Response and Recovery Fund, a fund for federal, state, local and tribal entities as well as private entities to seek reimbursement and technical assistance following significant cyber incidents. The program would be administered by the Cybersecurity and Infrastructure Security Agency (CISA). The legislation would authorize the National Cyber Director, in consultation with the Homeland Security Secretary, to declare a significant cybersecurity incident. It would define a significant cybersecurity incident as one that results in harm to national security interests, foreign relations, or the U.S. economy; or the public confidence, civil liberties or the public health and safety of the U.S. This provision includes language from the Cyber Response and Recovery Act (S. 1316) sponsored by Senate Homeland Security and Governmental Affairs Chairman Gary Peters (D-Mich.) and ranking member Rob Portman (R-Ohio).</p>
Competitive Grants to States States will competitively award grants Local governments can serve as subgrantees	<p>New: State and Local Cybersecurity Grant Program (\$1 billion): Establishes a grant program at the Department of Homeland Security (DHS) to provide funding to state and local governments to address cybersecurity risks and threats.</p> <ul style="list-style-type: none"> • Cybersecurity Plans: In order to submit an application for this grant, eligible entities must submit a cybersecurity plan that incorporates plans to protect against cybersecurity risks and threats and describes plans to enhance cybersecurity. • Eligible Use of Funds: Funding recipients can use funding to implement a Cybersecurity Plan; develop or revise a Cybersecurity Plan; pay expenses related to grant administration; and assist with activities that address imminent cybersecurity threats, on a flexible basis. <p>Program factsheet can be viewed here.</p>
Policy	<p>New: Cybersecurity Support for Public Water Systems: Amends the Safe Drinking Water Act to add new section on Cybersecurity Support for Public Water Systems. Not later than 280 days after the date of enactment of this section, the Administrator shall submit to the appropriate Congressional committees (i) the Support Plan; and (ii) a list describing any public water systems identified by the Administrator, in coordination with the Director, as needing technical support for cybersecurity during the development of the Support Plan.</p>

Program Area	Section Title and Summary
<u>Environmental:</u>	
Formula funding to States States award to local agencies	Brownfields Grants (\$1.2 billion over 5 years): Provides \$1.2 billion over five years to the EPA's Brownfields program. This program provides grants for assessments of and cleanup of brownfields. This program is authorized by section 9604 of title 42 . This is a Justice40 Covered Program. Click here to access the White House page on Justice40 .
Formula funding to States States award to public water systems	Drinking Water State Revolving Loan Fund (\$14.65 billion over 5 years): Authorizes funding through FY 2026 for the Drinking Water SRF, which provides capitalization grants to states for loans supporting water infrastructure projects. It would authorize: \$2.4 billion for FY 2022; \$2.75 billion for FY 2023; \$3 billion for FY 2024; and \$3.25 billion for each of FY 2025 and FY 2026. This program is authorized by section 300j-12 of title 42 . This is a Justice40 Covered Program. Click here to access the White House page on Justice40 .
Formula funding to States States award to public water systems	Drinking Water State Revolving Loan Fund Lead Funding (\$11.73 billion over 5 years): Lead service line placement projects and associated activities directly connected to the identification, planning, design, and replacement of lead service lines. 49 percent of the funds shall be used by the state to provide subsidy with 100 percent forgiveness of principal or grants (or any combination of these). This program is authorized by section 300j-19b of title 42 . This is a Justice40 Covered Program. Click here to access the White House page on Justice40 .
Formula funding to States States award to public water systems	New: Drinking Water State Revolving Funds / Emerging Contaminants (\$4 billion over five years): Additional \$4 billion is appropriated to address emerging contaminants or “forever” chemicals through the Drinking Water State Revolving Funds program. This program is authorized by section 300j-12 of title 42 . This is a Justice40 Covered Program. Click here to access the White House page on Justice40 .

Program Area	Section Title and Summary
Competitive Grants for public water systems	<p>New: Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Programs (\$250 million over 5 years):</p> <p>Authorizes \$50 million annually for the Drinking Water System Infrastructure Resilience and Sustainability grant program and creates a corresponding \$25 million per year Clean Water Infrastructure Resiliency and Sustainability Program, both of which would provide financing for resiliency projects, including conservation and supply augmentation projects, and reducing cybersecurity vulnerabilities.</p>
<p>Formula funding to States</p> <p>States award to public water systems</p>	<p>Clean Water State Revolving Funds (\$14.65 billion over 5 years):</p> <p>Authorizes funding through FY 2026 for the Clean Water SRF, which provides capitalization grants to states for loans supporting water quality improvement projects. It would authorize: \$2.4 billion for FY 2022; \$2.75 billion for FY 2023; \$3 billion for FY 2024; and \$3.25 billion for each of FY 2025 and FY 2026. This program is authorized by section 1383 of title 33.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
<p>Formula funding to States</p> <p>States award to public water systems</p>	<p>New: Clean Water State Revolving Funds / Emerging Contaminants (\$1 billion over five years):</p> <p>Additional \$1 billion is appropriated to address emerging contaminants or “forever” chemicals through the Clean Water State Revolving Funds program.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for public water systems	<p>New: Clean Water Infrastructure Resiliency and Sustainability Program (\$25 million per year over 5 years):</p> <p>Planning, designing, or constructing projects (on a systemwide or area-wide basis) that increase the resilience of a publicly owned treatment works to a natural hazard or cybersecurity vulnerabilities.</p>
Competitive Grants for public water systems	<p>Sewer Overflow and Stormwater Reuse Municipal Grants (\$1.4 billion over 5 years):</p> <p>Authorizes funding for the Sanitary Sewer Overflow and Stormwater Reuse municipal grants at \$280 million annually for FY 2022 through FY 2026, with requirements to allocate at least 25 percent of such funds toward systems serving rural or otherwise disadvantaged communities. This program is authorized by section 1301 of title 33.</p>

Program Area	Section Title and Summary
Competitive Grants for public water systems	<p>Water Data Sharing Pilot Program (\$15 million per year): Authorizes grants to eligible entities to establish systems that improve the sharing of information concerning water quality, water infrastructure needs, and water technology, including cybersecurity technology, between States or among counties and other units of local government within a State, which may include—</p> <ul style="list-style-type: none"> • establishing a website or data hub to exchange water data, including data on water quality or water technology, including new and emerging, but proven, water technology; and • intercounty communications initiatives related to water data.
Competitive Grants for public water systems	<p>New: Low Income Water Assistance Pilot Program (Funding not specified): Directs EPA to launch a pilot grant program to address water affordability. The pilot program will award grants to eligible entities to develop and implement programs to assist qualifying households with maintaining access to drinking water and wastewater treatment. Assistance could include discounted rates or direct financial support to households or debt relief to water system owners or operators.</p>
States and public water systems are eligible	<p>Water Infrastructure Financing Reauthorization (\$250 million): Reauthorizes the Water Infrastructure Financing Act for five years at \$50 million each year. This loan program is available for a number of environmental projects including projects for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility. This program is authorized by chapter 52 of title 33.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Multimodal:	
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>Local and Regional Project Assistance (\$7.5 billion over 5 years): Authorizes and renames the RAISE/BUILD/TIGER program. Limits the size of each grant to \$25 million and provides an equal split between rural and urban areas. Local governments and metropolitan planning organizations are eligible entities. Program website is available here.</p> <p>Eligible projects include:</p> <ul style="list-style-type: none"> • highway or bridge projects • public transportation projects • passenger rail or freight rail projects • port infrastructure • surface transportation components of an airport • project to replace or rehabilitate a culvert or prevent stormwater runoff for the purpose of improving habitat for aquatic species • any other surface transportation project that the Secretary considers to be necessary to advance the goals of the program <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: National Infrastructure Project Assistance (\$10 billion over 5 years): Establishes the National Infrastructure Project Assistance Program, which is commonly referred to as MEGA Grant Program, to provide single- or multiyear grants to projects generating national or regional economic, mobility or safety. Local governments and metropolitan planning organizations are eligible entities.</p> <p>Program website is available here.</p> <p>Eligible projects include:</p> <ul style="list-style-type: none"> • highway or bridge projects • freight intermodal or freight rail project • railway-highway grade separation or elimination projects • intercity passenger rail projects • certain public transportation projects <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>Nationally Significant Multimodal Freight and Highway Projects (\$8 billion over 5 years): Renames the Infrastructure for Rebuilding America (or INFRA grant program) to be the Nationally Significant Multimodal Freight and Highway Program but keeps the INFRA acronym in place. Raises the cap on multimodal (rail/port) projects from 10 percent to 30 percent of the grants for each year. Local governments and metropolitan planning organizations serving an urbanized area with a population of over 200,000 are eligible to apply for grants. This program is authorized by section 117 of title 23.</p> <p>Follow this link to the USDOT INFRA Website.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
States and local governments are eligible	<p>Transportation Infrastructure Finance and Innovation Act of 1998 Amendments (\$1.25 billion over 5 years): Adds new criteria to the streamlined application process for public agency borrowers to increase the likelihood that the U.S. Department of Transportation (DOT) Secretary will be able to move more projects through the process expeditiously. This program is authorized by chapter 6 of title 23 and is described in the USDOT Credit Programs Guide. New eligibilities include:</p> <ul style="list-style-type: none"> • Public infrastructure located near transportation facilities to promote transit-oriented development • Airport-related projects • Economic development, including commercial and residential development, and related infrastructure and activities

Program Area	Section Title and Summary
<u>Planning:</u>	
Policy	<p>Metropolitan Transportation Planning for Highways: Amends the metropolitan transportation planning statute that is in the Highways title. The metropolitan transportation planning function is mandated by section 134 of title 23.</p> <p>Program website is available here.</p> <p>An optional role for metropolitan planning organizations related to housing is added to section 134.</p>
Policy	<p>Metropolitan Transportation Planning for Public Transportation: Amendments to the metropolitan transportation planning statute that is in the Public Transportation chapter. This program is authorized by section 5303 of title 49.</p> <p>An optional role for metropolitan planning organizations related to housing is added to section 5303.</p>
Competitive Grants for States and metropolitan planning organizations	<p>New: Prioritization Process Pilot Program (\$50 million over 5 years): Establishes a prioritization process pilot program to support data-driven approaches to planning that, on completion, can be evaluated for public benefit. Metropolitan planning organizations serving an urbanized area with a population of over 200,000 are eligible to apply for grants.</p>
Competitive Grants for States and metropolitan planning organizations	<p>New: Transportation Access Pilot Program (Funds to be from administrative expenses): Establishes a Transportation Access Pilot program to develop or procure accessibility data and make it available to each eligible entity selected to participate in the pilot program to improve transportation planning. States and metropolitan planning organizations are eligible to apply for competitive grants. The pilot will measure the level of access by surface transportation mode to important destinations such as jobs, healthcare facilities, childcare facilities, educational and workforce training facilities, housing, food sources, points within the supply chain for freight commodities, and domestic and international markets and connections between surface transportation modes</p>

Program Area	Section Title and Summary
<p>Competitive Grants</p> <p>Added 5/11</p>	<p>Transit-Oriented Development Planning (\$68 million over five years): Continues the competitive Transit Oriented Development (TOD) planning program, that provides funding for efforts associated with an eligible transit project for which the project sponsor will seek funding through FTA's Capital Investment Grants Program. TOD focuses growth around transit stations to create compact, mixed-use communities with easy access to jobs and services. TOD capitalizes on public investments in transit and supports transit systems by increasing ridership and fare revenue.</p> <p>Program website is available here.</p>

Program Area	Section Title and Summary
<u>Rail:</u>	
Formula Funding for States Added 5/11	Railway-Highway Crossing Program (\$1.225 billion over five years): Continues the Railway-Highway Crossings Program (RHCP), which provides funds for safety improvements to reduce the number of fatalities, injuries, and crashes at public railway-highway grade crossings. Program is authorized by section 130 of title 23 . Program website is available here .
Competitive Grants for States, local governments, and MPOs	New: Railroad Crossing Elimination Program (\$3 billion over 5 years): Authorizes a new competitive grant program for the elimination of hazards at railway-highway crossings. Local governments and metropolitan planning organizations are eligible entities. Federal Railway Administration presentation on program is available here . This is a Justice40 Covered Program. Click here to access the White House page on Justice40 .
States and local governments are eligible	Railroad Rehabilitation and Improvement Financing Reforms: The program is described fully in the USDOT Credit Programs Guide . New eligibilities are added for: <ul style="list-style-type: none"> • housing near fixed guideway transit stations • develop or establish new intermodal rail facilities • to acquire, improve, or rehabilitate intermodal or rail equipment or facilities, including track, components of track, cuts and fills, stations, tunnels, bridges, yards, buildings, and shops, and to finance costs related to those activities, including pre-construction costs

Program Area	Section Title and Summary
Competitive Grants for States and political subdivisions	<p data-bbox="431 302 1417 373">Consolidated Rail Infrastructure and Safety Improvements (\$5 billion over 5 years):</p> <p data-bbox="431 373 1417 445">Funds projects that improve the safety, efficiency, and reliability of intercity passenger and freight rail. Political subdivisions of states are eligible entities. Section 22907 of title 49 authorizes this program.</p> <p data-bbox="431 516 727 552">Eligible projects include:</p> <ul data-bbox="480 552 1417 1451" style="list-style-type: none"> <li data-bbox="480 552 1417 623">• Deployment of railroad safety technology, including positive train control and rail integrity inspection systems <li data-bbox="480 623 1417 695">• Capital project identified by the Secretary as being necessary to address congestion challenges affecting rail service. <li data-bbox="480 695 1417 804">• Capital project identified by the Secretary as being necessary to reduce congestion and facilitate ridership growth in intercity passenger rail transportation along heavily traveled rail corridors. <li data-bbox="480 804 1417 1052">• Highway-rail grade crossing improvement project, including installation, repair, or improvement of grade separations, railroad crossing signals, gates, and related technologies, highway traffic signalization, highway lighting and crossing approach signage, roadway improvements such as medians or other barriers, railroad crossing panels and surfaces, and safety engineering improvements to reduce risk in quiet zones or potential quiet zones. <li data-bbox="480 1052 1068 1087">• Rail line relocation and improvement project. <li data-bbox="480 1087 1417 1159">• Preparation of regional rail and corridor service development plans and corresponding environmental analyses. <li data-bbox="480 1159 1417 1304">• Any project that the Secretary considers necessary to enhance multimodal connections or facilitate service integration between rail service and other modes, including between intercity rail passenger transportation and intercity bus service or commercial air service. <li data-bbox="480 1304 1417 1451">• Workforce development and training activities, coordinated to the extent practicable with the existing local training programs supported by the Department of Transportation, the Department of Labor, and the Department of Education. <p data-bbox="431 1486 1417 1558">This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
<u>Roads:</u>	
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Bridge Investment Program (\$3.265 billion over 5 years): Establishes a new competitive grant program to assist state, local, federal, and tribal entities in rehabilitating or replacing bridges, including culverts. The minimum grant amount for a large project is not less than \$50 million; the minimum grant amount for any other eligible project is \$2.5 million. Grant amounts, in combination with other anticipated funds, should be of a size enough to enable the project to proceed through completion. The bridge program would include an application and evaluation process for large projects, after which the Transportation Secretary would submit an annual report to Congress on funding recommendations, based on project evaluations. Large projects will be funded with multi-year funding agreements like the Federal Transit Administration (FTA) Full Funding Grant Agreement (FFGA) program. At least 50 percent of program funds over five years must be used for large projects.</p> <p>Program factsheet can be viewed here.</p>
Competitive Grants for States and local governments	<p>New: National Culvert Removal, Replacement and Restoration Grant Program (\$4 billion over 5 years): Creates a National Culvert Removal, Replacement and Restoration Program to provide grants to states, local governments and tribes to address anadromous fish passage as well as provide funding for certain freshwater impacts to marine fish and shellfish species.</p> <p>Program factsheet can be viewed here.</p>
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Wildlife Crossings Pilot (\$350 million over 5 years): Establishes a competitive wildlife crossings pilot program to provide grants for projects that seek to achieve a reduction in the number of wildlife-vehicle collisions and improve habitat connectivity for terrestrial and aquatic species. States, metropolitan planning organizations and local governments are eligible to compete for such grants.</p>
Formula Funding for States	<p>New: Invasive Plant Elimination Program (\$250 million over 5 years): New program that provides formula funding to States to either eliminate or manage certain nonnative invasive plants.</p>

Program Area	Section Title and Summary
<p>Formula Funding for States</p> <p>States must consult with local governments and metropolitan planning organizations</p>	<p>Surface Transportation Block Grant Program (\$72 billion over 5 years): Program is authorized by section 133 of title 23.</p> <p>Program website is available here.</p> <p>Adds new eligibilities to the Surface Transportation Block Grant (STBG) Program, including:</p> <ul style="list-style-type: none"> • electric vehicle charging infrastructure and vehicle-to-grid infrastructure • installation and deployment of intelligent transportation technologies • projects that facilitate intermodal connections between emerging transportation technologies • resilience features • cybersecurity protections • waterfront infrastructure projects • projects to enhance travel and tourism
<p>Formula Funding for States</p> <p>States must consult with local governments and metropolitan planning organizations</p>	<p>Highway Safety Improvement Program (\$15.575 billion over 5 years): Allows flexibility for Highway Safety Improvement Program (HSIP) to be used for non-infrastructure activities and behavioral safety projects, such as educational campaigns about traffic safety and enforcement activities; and allows a state to spend up to 10 percent of its HSIP funding on such projects and Safe Routes to School non-infrastructure-related activities. This program is authorized by section 148 of title 23.</p> <p>Program website is available here.</p> <p>Adds projects eligible for HSIP funding:</p> <ul style="list-style-type: none"> • Grade separation projects. • Construction or installation of features, measures, and road designs to calm traffic and reduce vehicle speeds. • Installation or upgrades of traffic control devices for pedestrians and bicyclists, including pedestrian hybrid beacons and the addition of bicycle movement phases to traffic signals. • Roadway improvements that provide separation between pedestrians and motor vehicles or between bicyclists and motor vehicles, including medians, pedestrian crossing islands, protected bike lanes and protected intersection features.

Program Area	Section Title and Summary
Formula Funding for States	<p>Congestion Mitigation and Air Quality Improvement Program (\$13.2 billion over 5 years): Adds eligibility for Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds to be used on shared micro mobility, including bike share and shared scooter systems, as well as for the purchase of medium- or heavy-duty zero emission vehicles and related charging equipment. This program is authorized by section 149 of title 23.</p> <p>Program website is available here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Formula Funding for States Added 2/13	<p>New: Bridge Formula Program (\$27.5 billion over 5 years): Title VIII of division J of the BIP appropriated \$27.5 billion over 5 years or \$5.5 billion annually for bridge replacement, rehabilitation, preservation, protection, and construction program (hereafter, Bridge Formula Program (BFP)).</p> <p>Program webpage can be accessed by clicking here.</p>

Program Area	Section Title and Summary
<u>Solid Waste:</u>	
Competitive grants for States Added 6/1	Solid Waste Infrastructure for Recycling (\$275 million over 5 years): Provides \$275 million for grants under section 302(a) of the Save Our Seas 2.0 Act (Public Law 116–224) (\$55 million/year from Fiscal Year 2022-2026 to remain available until expended). These funds may be used to: implement the strategy developed under section 301(a) of the Save Our Seas 2.0 Act, support improvements to local post-consumer materials management, including municipal recycling programs; and assist local waste management authorities in making improvements to local waste management systems. Program factsheet can be viewed here .
Competitive Grants for local governments Added 6/1	Reduce, Reuse, Recycle Education and Outreach Grants (\$75 million over 5 years): Provides \$75 million (\$15 million year from Fiscal Year 2022- 2026 to remain available until expended) to award grants focused on improving the effectiveness of residential and community recycling programs through public education and outreach. Funded projects should inform the public about residential or community recycling programs, provide information about the recycled materials that are accepted, increase collection rates, and decrease contamination. Program factsheet can be viewed here .

Program Area	Section Title and Summary
<u>Sustainability & Resiliency:</u>	
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Grants for Charging and Fueling Infrastructure (\$2.5 billion): This is a new competitive grant program added to the end of Section 151 of Title 23. Authorizes \$2.5 billion over five years to establish a grant program at DOT for Alternative Fuel Corridors as proposed in the Senate Committee on Environment and Public Works surface transportation reauthorization bill (S. 1931). The grant program would include a set-aside for Community Grants, under the surface transportation reauthorization. The program is designed to strategically deploy publicly accessible alternative fuel vehicle charging infrastructure along designated alternative fuel corridors or in certain other locations that will be accessible to all drivers of alternative fuel vehicles.</p> <ul style="list-style-type: none"> • Eligibility: Eligible entities are state and local governments, MPOs and other public-sector entities. • Use of Funds: Grants are to be used to contract with a private entity for acquisition and installation of publicly accessible alternative fuel vehicle charging and fueling infrastructure that is directly related to the charging or fueling of a vehicle. Eligible entities may use a portion of grant funds to provide a private entity operating assistance for the first five years of operations after infrastructure installation. • Community Grant Set-Aside: 50 percent of the total program funds will be made available each fiscal year for Community Grants, to install charging infrastructure in locations on public roads, schools, parks, and in publicly accessible parking facilities. These grants will be prioritized for rural areas, low- and moderate income neighborhoods and communities with low ratios of private parking or high ratios of multiunit dwellings. • Cost-Share: The federal cost share for a project may not exceed 80 percent. Further, as a condition of contracting with an eligible entity, a private entity must agree to pay the non-federal share of project costs. <p>Program factsheet can be viewed here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Formula Funding for States	<p>New: National Electric Vehicle Formula Program (\$5 billion over 5 years): Appropriates \$1 billion per year for five years (\$5 billion total) to establish a National Electric Vehicle Formula Program to provide additional funding to states to deploy EV charging infrastructure.</p> <ul style="list-style-type: none"> • Eligible Use of Funds: 1) Acquisition and installation of EV infrastructure to serve as a catalyst for the deployment of such infrastructure and to connect it to a network to facilitate data collection, access, and reliability; 2) operation and maintenance; and 3) data sharing about EV infrastructure. Charging stations must be located along a designated Alternative Fuel Corridor. • Cost Share: The federal cost-share for a project may not exceed 80 percent. Private entity may pay the non-federal share of the cost of the project. • State Proposals: Directs DOT to establish a deadline for states to provide a plan describing how the state plans to use the funding. Requires DOT and the U.S. Department of Energy (DOE) to develop, in concert, guidance for states and localities to strategically deploy EV charging infrastructure. • Contract with Private Entity: Grants may be used to contract with a private entity for acquisition and installation of publicly accessible alternative fuel vehicle charging and fueling infrastructure that is directly related to the charging or fueling of a vehicle. • Establishes Joint Office of Energy and Transportation: Establishes a Joint Office of Energy and Transportation at DOT and DOE to coordinate work on EV infrastructure, which would include new installation and interoperability standards. <p>Program website is available here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
<p>Competitive Grants for States</p> <p>Local governments are sub-applicants and must work through the State of North Carolina</p>	<p>Building Resilient Infrastructure and Communities (BRIC) Program (\$1 billion over 5 years): Provides \$1 billion over five years (\$200 million per year) for the Building Resilient Infrastructure and Communities (BRIC) Program. FEMA provides federal funds for the Building Resilient Infrastructures and Communities (BRIC) grant program to states, local communities, tribes, and territories for mitigation activities. BRIC is a pre-disaster hazard mitigation program. Section 5133 of title 42 authorizes this program. The priorities are to:</p> <ul style="list-style-type: none"> • Incentivize natural hazard risk reduction activities that mitigate risk to public infrastructure • Prioritize benefits to disadvantaged communities • Mitigate risk to one or more community lifelines • Incorporate nature-based solutions • Enhance climate resilience and adaptation • Increase funding to applicants that facilitate the adoption and enforcement of the latest published editions of building codes <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p> <p>Link to CRS Report on Program</p>
<p>Competitive Grants for States</p> <p>Local governments are sub-applicants and must work through the State of North Carolina</p>	<p>Flood Mitigation Assistance Program (\$3.5 billion over 5 years): Provides \$3.5 billion over five years (\$700 million per year) for the Flood Mitigation Assistance program, which helps provide financial and technical assistance to states and communities to reduce the risk of flood damage to homes and businesses through buyouts, elevation, and other activities. This is a pre-disaster hazard mitigation program. Section 4104c of title 42 authorizes this program.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p> <p>Link to CRS Report on Program</p>

Program Area	Section Title and Summary
<p>Competitive Grants for States</p> <p>Local governments are sub-applicants and must work through the State of North Carolina</p> <p>Added 2/13</p>	<p>New: Safeguarding Tomorrow Through Ongoing Risk Mitigation (\$500 million over 5 years):</p> <p>This is a new source of pre-disaster hazard mitigation funding will be available in FY2022, through the Safeguarding Tomorrow through Ongoing Risk Mitigation Act of 2020, or the STORM Act (P.L. 116-284). This law amends the Stafford Act by authorizing FEMA to enter into agreements with eligible entities to establish hazard mitigation revolving loan funds. Funds made available through the STORM Act may be used to assist homeowners, businesses, certain nonprofit organizations, and communities to reduce risk in order to decrease the loss of life and property, the cost of flood insurance, and federal disaster payments. The legislation is intended to provide states with funding that will help them carry out their own hazard mitigation projects. PL 116-284 created the program.</p> <p>Link to CRS Report on Program</p>
<p>Formula Funding for States</p> <p>States must consult with metropolitan planning organizations</p>	<p>New: Carbon Reduction Program (\$6.42 billion over 5 years):</p> <p>Establishes a new carbon reduction program to reduce transportation emissions. 65 percent of funding under this program would be sub-allocated by population. Each State is required to develop a carbon reduction strategy, in consultation with any metropolitan planning organization, within two years after enactment. Program website is available here.</p> <p>Eligible projects include:</p> <ul style="list-style-type: none"> • Traffic monitoring, management and control facility or program • Public transportation • On-road and off-road trail facilities for pedestrians and bicyclists • Advanced transportation and congestion management technologies • Deployment of infrastructure-based intelligent transportation systems (ITS) capital improvements and the • Installation of vehicle to infrastructure communications equipment • Replacing street lighting and traffic control devices with energy-efficient alternatives • Development of a carbon reduction strategy. <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Congestion Relief Program (\$250 million over 5 years): Establishes a congestion relief program in section 129 of title 23 to provide competitive grants to states, local governments and metropolitan planning organizations for projects in large urbanized areas (more than 1 million people) to advance innovative, integrated and multimodal solutions to congestion relief in the most congested metropolitan areas of the United States. Local governments in urbanized areas of populations of 1 million or more are included in the list of eligible entities. Grant awards shall be not less than \$10 million. When selecting grants, the DOT Secretary shall give priority to eligible projects located in urbanized areas that are experiencing high degrees of recurrent congestion. The federal cost-share shall not exceed 80 percent of the total cost of a project.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Healthy Streets Program (\$500 million over 5 years): Establishes the Healthy Streets program to provide grants to eligible entities to deploy cool pavements and porous pavements and to expand tree cover. The goals of the program are to mitigate urban heat islands, improve air quality and reduce the extent of impervious surfaces, storm water runoff and flood risks and heat impacts to infrastructure and road users. Local governments and metropolitan planning organizations are eligible to apply for competitive grants.</p>
Competitive Grants for States, local governments, and metropolitan planning organizations Formula funding for States	<p>New: Promoting Resilient Operations for Transformative, Efficient and Cost-Saving Transportation (PROTECT) Program (\$7.3 billion in formula and \$1.4 billion in competitive grants, over 5 years): Establishes the PROTECT Grant Program, which would provide \$7.3 billion in formula funding and \$1.4 billion in competitive set-aside grants (over five years) for resilience improvements at the state and municipal levels. The PROTECT grants are intended to incentivize state and local communities as they seek to improve the resiliency of natural infrastructure such as wetlands, floodplains, and aquatic ecosystems. Specifically, the grants would provide planning and resilience improvement funding to communities to help to assess vulnerabilities to current and future weather events or other natural disasters, and to enhance transportation assets such as ports and port infrastructure. In addition to evaluating vulnerabilities, resilience improvement grants can be utilized to relocate infrastructure out of the floodplain and restore aquatic ecosystems connected to a transportation improvement. Local governments and metropolitan planning organizations are eligible to apply for competitive grants</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Reconnecting Communities Pilot Program (\$500 million over 5 years): Establishes the Community Connectivity Pilot program through which eligible entities may apply for: 1) planning funds to study the feasibility and impacts of removing, retrofitting or mitigating existing transportation facilities that create barriers to mobility, access or economic development and 2) construction funds to carry out a project to remove, retrofit or mitigate an eligible facility and, if appropriate, to replace it with a new. An eligible facility includes a limited access highway, viaduct or any other principal arterial facility that creates a barrier to community connectivity, including barriers to mobility, access, or economic development, due to high speeds, grade separations or other design factors. Planning grant awards may not exceed \$2 million, and the federal cost share for a project may not exceed 80 percent. Capital construction grants must be at least \$5 million, and the federal cost share for a project may not exceed 50 percent. Local governments and metropolitan planning organizations are eligible to apply for both planning and construction competitive grants.</p> <p>Program factsheet is available here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for port owners and operators	<p>New: Reduction of Truck Emissions at Port Facilities (\$250 million over 5 years): Establishes a program to reduce idling and emissions at port and intermodal port facilities, including through port electrification. Requires the DOT Secretary to:</p> <ul style="list-style-type: none"> • Study how ports would benefit from electrification and to study emerging technologies that reduce emissions from idling trucks • Coordinate and fund projects through competitive grants that reduce port-related emissions from idling trucks • Submit a report to Congress detailing the status and effectiveness of the program <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Competitive Grants for States, local governments, and metropolitan planning organizations	<p>New: Strengthening Mobility and Revolutionizing Grants Program (\$500 million over 5 years): Creates new competitive grant program for eligible entities, such as local governments and metropolitan planning organizations, to conduct demonstration projects focused on advanced smart city or community technologies and systems in a variety of communities to improve transportation efficiency and safety.</p> <p>Program factsheet can be viewed here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Formula Funds for States and local governments Added 9/15	<p>Energy Efficiency and Conservation Block Grant Program (\$550 million available immediately): Program assists eligible entities in implementing strategies to reduce energy use, to reduce fossil fuel emissions, and to improve energy efficiency. Expands the allowable uses of the Energy Efficiency and Conservation Block Grant Program to include programs for financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure), capital investments, projects, and programs, which may include loan programs and performance contracting programs, for leveraging of additional public and private sector funds, and programs that allow rebates, grants, or other incentives for the purchase and installation of energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure) measures. City of Charlotte is eligible to receive these funds.</p> <p>Program factsheet can be viewed here.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
<u>Transit:</u>	
Competitive Grants for Transit Agencies	<p>Fixed Guideway Capital Investment Grants 5309 (\$15 billion over 5 years <u>plus</u> \$8 billion additional funding): This program is authorized under section 5309 of title 49. Program described in program factsheet and program website. Among the changes made to the program are:</p> <ul style="list-style-type: none"> Increases the threshold for capital costs from \$300 million to \$400 million, and federal share from \$100 million to \$150 million for Small Starts. Amends Core Capacity eligibility to use a 10- year timeframe versus 5 years to demonstrate capacity needs. Establishes a process to allow multiple projects in a community to move forward simultaneously for immediate and future bundling of projects allowing sponsors to seek savings during the contracting process. This replaces the "Program of Interrelated Projects" eligibility. <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for Transit Agencies	<p>Bus and Bus Facilities Competitive 5339(b) (\$2.34 billion over 5 years): Competitive grant program that assists in financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing, or leasing buses or related equipment; and rehabilitating, purchasing, constructing, or leasing bus-related facilities. No less than 25 percent of funds shall be for projects related to the acquisition of low or no emission buses or bus facilities other than zero emission vehicles. Program factsheet is available here. This program is authorized by section 5339b of title 49.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>
Competitive Grants for Transit Agencies	<p>Low or No Emissions Grants Competitive 5339(c) (\$5.6 billion over five years): Program assists in acquiring, leasing, constructing facilities, and rehabilitating or improving facilities for low or no emissions transit vehicles. Program factsheet is available here. Section 5339(c) of title 49 authorizes this program.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
Competitive Grants for Transit Agencies	New: Rail Vehicle Replacement – State of Good Repair Grants 5337(f) (\$1.5 billion over 5 years): New competitive grant program for rail vehicle replacement. Assists state and local governments in financing capital projects for replacement of rail rolling stock. Federal share up to 50% of eligible costs. Program factsheet is available here .
Formula Funding for Transit Agencies	Urbanized Area Formula Grants Formula 5307 (\$33.54 billion over 5 years): Assist eligible transit agencies in financing capital projects to replace, rehabilitate, and purchase buses and related equipment, including technological changes or innovations to modify low or no emission vehicles or facilities; and to construct bus-related facilities. Program factsheet is available here . This program is authorized by section 5307 of title 49 .
Formula Funding for Transit Agencies Added 5/10	Enhanced Mobility for Seniors & Individuals with Disabilities 5310 (\$2.19 billion over five years): Assist transit agencies in planning, designing, and carrying out projects to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable. Program fact sheet is available here . This program is authorized by section 5310 of title 49 .
Formula Funding for Transit Agencies	State of Good Repair Grants Formula 5337 (\$16.89 billion over 5 years <u>plus</u> \$4.75 billion in additional funding): Assist State and local governmental authorities in financing capital projects to maintain public transportation systems in a state of good repair, including projects to replace and rehabilitate rolling stock; track; line equipment and structures; signals and communications; power equipment and substations; passenger stations and terminals; security equipment and systems; maintenance facilities and equipment; operational support equipment, including computer hardware and software; development and implementation of a transit asset management plan; and other replacement and rehabilitation projects the Secretary determines appropriate. This program is authorized section 5337 of title 49 . Additional funding of \$4.75 billion is allocated grants under section 5337 (c) and (d) of title 49, High Intensity Fixed Guideways and High Intensity Motorbus. Program factsheet is available here .

Program Area	Section Title and Summary
Formula Funding for Transit Agencies	<p>Bus and Bus Facilities Formula 5339(a) (\$3.1 billion over 5 years): Formula funding that assists in financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing, or leasing buses or related equipment; and rehabilitating, purchasing, constructing, or leasing bus-related facilities. Program factsheet is available here. This program is authorized by section 5339a of title 49.</p> <p>This is a Justice40 Covered Program. Click here to access the White House page on Justice40.</p>

Program Area	Section Title and Summary
<u>Research & Studies:</u>	
New: Advanced Research Projects Agency-Infrastructure and Open Research Initiative:	<ul style="list-style-type: none"> Establishes the Advanced Research Projects Agency-Infrastructure (ARPA-I) to fund research and development on advanced transportation infrastructure technologies. ARPA-I would support novel, early-stage research as well as advance conceptual research into testing and development. <u>ARPA-I would establish process for eligible entities, including local governments, to submit unsolicited research proposals, which would be supported by \$50 million per year for each of fiscal years 2022 through 2026.</u> <p>This program was one of the higher priorities of the Secretary of Transportation for the Bipartisan Infrastructure Plan.</p>
Research and Technology Development and Deployment:	<p>This program is authorized by section 503 of title 23. Changes include:</p> <ul style="list-style-type: none"> Expands the objectives of the DOT Turner Fairbank Highway Research Center to support research on nonmarket ready technologies in consultation with public and private entities. Establishes an Open Challenge and Research Proposal Pilot Program (subsection e) that provides grants for proposals to research needs or challenges identified or determined to be important by the Transportation Secretary. <u>Local governments are eligible to propose open highway challenges and research proposals that are linked to identified or potential research needs.</u> Expands the Technology and Innovation Deployment Program by adding a focus on accelerated market readiness efforts, and increases funding for the program, including \$100 million in new and innovative construction technologies for smarter, accelerated project delivery. Modifies the Advanced Transportation Technologies and Innovative Mobility Deployment program to include intermodal connectivity and a rural set-aside of not less than 20 percent; and expands the eligibility under this program to include retrofitting dedicated short-range communications (DSRC) technology deployed as part of an existing pilot program to cellular vehicle-to-everything technology, as well as advanced transportation technologies. Authorizes a new Center of Excellence on New Mobility and Automated Vehicles to research the impact of highly automated vehicles and new mobility, such as docked and dockless bicycles and electric scooters.
New: Safety Data Initiative:	<p>Provides grants to support and carry out applied research to develop practices and products that will encourage the integration and use of traditional and new sources of safety data and safety information to improve policy and decision-making at Federal, State, and local government levels. States, local governments, and metropolitan planning organizations are eligible entities.</p>
New: Stormwater Infrastructure Technology:	<p>Authorizes not less than three nor more than five Centers of Excellence for Stormwater Control Infrastructure Technologies to be located throughout the country. Centers would be in educational institutions</p>

Program Area	Section Title and Summary
	<p>New: Research into Water Infrastructure Technologies and Community Needs: Requires EPA to study safe drinking water technologies and community needs in the year following bill enactment. Provides \$75 million annually through FY 2026 for research, investigations, training, and informational grants authorized under Section 104 of the Clean Water Act.</p>
	<p>New: Disaster Relief Mobilization Study: Requires the Secretary of Transportation to study to determine the utility of incorporating the use of bicycles into the disaster preparedness and disaster response plans of local communities.</p>
	<p><u>Workforce Development</u></p>
	<p>New: State Human Capital Plans for Surface Transportation: Requires the Secretary of Transportation to encourage each State to develop a voluntary plan, to be known as a ‘human capital plan’, that provides for the immediate and long-term personnel and workforce needs of the State with respect to the capacity of the State to deliver transportation and public infrastructure.</p>
	<p>Workforce Development, Training and Education for Surface Transportation: Allows states greater flexibility to address surface transportation workforce development, training, and education needs, including activities that address current workforce gaps, such as work on construction projects. Permits states to obligate funds for pre-apprenticeships, apprenticeships and career opportunities for on-the-job training and vocational school support. This program is authorized by section 504 of title 23. The program provides formula funding to States.</p>
	<p>Water Infrastructure and Workforce Investment (\$25 million): Authorizes funding through FY 2026 for workforce development efforts. Grants will expand public awareness about job opportunities in the drinking water and wastewater utility sector and will address the workforce needs of drinking water and wastewater utilities. This program is authorized by section 300j-19e of title 42. Competitive grants are available for States.</p>

SPORTS WAGERING

ATTACHMENTS



SENATE BILL 688: Sports Wagering.

2021-2022 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	June 22, 2022
Introduced by:	Sens. Perry, Lowe	Prepared by:	Nicholas Giddings and Erika Churchill,
Analysis of:	Fourth Edition		Staff Attorneys

OVERVIEW: *Senate Bill 688 would do the following:*

- *Authorize, regulate, and tax sports wagering in North Carolina. The Lottery Commission would be responsible for issuing licenses to involved parties and regulating sports wagering in North Carolina.*
- *Create and provide funding for the North Carolina Major Events, Games, and Attractions Fund, which would be administered by the Department of Commerce to provide grants for local governments or nonprofit entities working with local governments to attract major entertainment, musical, political, sporting, and theatrical events to the State to stimulate economic activity and create jobs.*

[As introduced, this bill was identical to H631, as introduced by Reps. Saine, Hardister, Hawkins, which is currently in House Commerce.]

CURRENT LAW: In 1992, Congress passed the Professional and Amateur Sports Protection Act (PASPA), which effectively prohibited sports betting nationwide. However, PASPA grandfathered in states that had legal sports gambling regulations in place at the time of the act took effect¹ and provided states that operated licensed casino games for the previous ten-year period prior to the act taking effect a one-year deadline to pass legislation permitting sports wagering.² In 2014, New Jersey repealed its previous legislation prohibiting certain sports gambling in the state in an effort to challenge PASPA and was sued by the NCAA, among others. The case made it to the United States Supreme Court which struck down PASPA as unconstitutional in 2018.³ Since PASPA was overturned, states have been authorized to legalize and regulate sports betting. Currently, according to the American Gaming Association over 30 states, plus the District of Columbia, authorize sports wagering in some capacity.

¹ Only four states had regulations in place: Delaware, Montana, Nevada and Oregon. Only Nevada authorized and regulated sports betting of all types, while Delaware, Montana and Oregon authorized and regulated limited forms of sports betting.

² New Jersey had operated licensed casino games for the previous ten-year period but did not pass legislation to authorize sports wagering within the grace period afforded by Congress.

³ *Murphy v. National Collegiate Athletic Association*, 584 U.S. ____ (2018).

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Director



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Sports wagering is not generally authorized in North Carolina; however, certain approved Indian lands are authorized to conduct sports wagering in the State.⁴

BILL ANALYSIS: Senate Bill 688 would create Article 9 of Chapter 18C of the General Statutes to authorize sports wagering generally in North Carolina. The North Carolina State Lottery Commission (Commission) would be charged with regulating sports wagering in the State.

Licenses

The Commission would be responsible for issuing licenses and collecting any license application fee. Licenses would be valid for five years. Except for sports wagering supplier license applicants, all license applicants, as well as any directors or officers required by the Commission, would be subject to extensive background checks by the Commission. The types of licenses are as follows:

- Interactive Sports Wagering License – required to offer and accept sports wagers in North Carolina. The Commission must authorize at least 10, but not more than 12, interactive sports wagering licenses. If there are more than 12 applicants, the Commission, in its discretion, must select the most qualified applicants. Certain tribal gaming enterprises that file an application and pay the application fee will automatically be provided an interactive sports wagering license and not count toward the 12-license limit. The application fees for an interactive sports wagering license are as follows:
 - Initial application fee: \$500,000.
 - Renewal application fee: \$100,000.
- Service Provider License – required for a person to provide covered services to any interactive sports wagering licensee. Covered services are services that involve the operation, management, or control of sports wagers, including development or operation of a sports wagering platform and the provision of odds and line information. Covered services does not include payment processing, customer identity, age verification, geolocation services, streaming or other video and data that does not include odds or line information, telecommunications or internet service that is not designed for sports wagering, or other goods or services not designed for use in connection with sports wagering. The application fees for a service provider license are as follows:
 - Initial application fee: \$25,000.
 - Renewal application fee: \$10,000.
- Sports Wagering Supplier License – required to sell, lease, distribute, offer, or otherwise provide services, goods, software, or other components necessary for the creation of betting markets and determining bet outcomes, directly or indirectly, to any license holder or applicant involved in the acceptance of bets. Upon approval of the Commission, a provisional sports wagering supplier license may be issued prior to issuance of a sports wagering supplier license. A sports wagering supplier license is not required for interactive sports wagering licensees that act as a sports wagering supplier. The application fees for a sports wagering supplier license are as follows:
 - Initial application fee: \$15,000.
 - Renewal application fee: \$5,000.

⁴ G.S. 14-292.2 authorizes certain federally recognized Indian tribes with a valid Tribal-State Gaming Compact to accept wagers on the outcome of professional and collegiate sports contests. Currently, only the Eastern Band of Cherokee Indians and the Catawba Indian Nation have valid Tribal-State Gaming Compacts with the State of North Carolina.

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Interactive Account and Placing a Sports Wager

Only registered players would be permitted to create an interactive account and place wagers with an interactive sports wagering operator. The interactive sports wagering operator would be responsible for ensuring the identity and age of any registered player. A registered player must be at least 21 years of age. Individuals would be allowed to voluntarily exclude themselves from placing sports wagers through a voluntary exclusion program established by the Commission. The interactive account could be funded with any of the following:

- Foreign currency and coin.
- Personal checks and drafts.
- Digital, crypto, and virtual currencies.
- Online and mobile payment systems that support online money transfers.
- Credit cards and debit cards.
- A prepaid access instrument.
- Any other form of cash or cash equivalent approved by the Commission.
- Cash, when at a place of accommodation with a cashier.

Sports wagers would be authorized via mobile devices, computer terminals, or similar access devices. Bettors could place their sports wagers anywhere in the State, excluding on tribal lands. Bettors could also place their sports wagers at a sports facility or at a place of public accommodation associated with a sports facility. A sports facility is a facility that hosts professional sports with a minimum seating capacity of 17,000 people or is a facility that hosts an annual professional golf tournament with more than 50,000 live spectators anticipated to attend based on similar prior tournaments. The place of accommodation associated with a sports facility is a property owned or controlled by the owner or operator of a sports facility or affiliated with the owner or operator that is within one-half mile of the sports facility.

Sports wagers would be authorized on professional sports, college sports, electronic sports, amateur sports, or any other event approved by the Commission. Electronic sports are competitions where individuals or teams play video games, either in-person or online, for prizes, money, or entertainment. Amateur sports are not professional, college or youth sports and includes domestic, international, or Olympic sporting competitions.

Guidance from Commission

The Commission would be responsible for providing guidance to parties regulated by the newly created Article 9 of Chapter 18C. The guidance must address electronic sports with due consideration to the key role of game publishers as creators of the underlying video game.

The Commission may accept license applications when the act becomes law; however, any license issued would not become effective until January 1, 2022. If more than 12 interactive sports wagering license applications are received, the Commission shall, in its discretion, select and notify the 12 most qualified applicants of their licensure by December 1, 2021. Once notified, selected applicants may establish structure and operations so that sports wagering may begin on January 1, 2022.

Civil and Criminal Penalties

The Commission would be authorized, subject to 15 days' notice and a hearing, to suspend or revoke a license, impose a penalty of not more than \$10,000 per violation of any licensee, or both.

The bill would also create the following criminal offenses:

- Class 2 misdemeanor for knowingly offering or engaging in sports wagering in violation of the Article.

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- Class 2 misdemeanor for engaging in sports wagering when under the age of 21.
- Class G felony for knowingly attempting to collude or conspire to influence the outcome of a competition subject to sports wagering in this State.
- Class I felony for any interactive sports wagering licensee or service provider licensee who willfully gives false information on their license application.

Tax and Revenues

A tax of 8% would be levied on the adjusted gross revenue of each interactive sports wagering operator, in addition to any corporate income taxes paid by the licensee. Adjusted gross revenue includes all gross wagering revenue received by an interactive sports wagering operator minus winnings paid, costs of personal property distributed as a result of a sports wager, cash value of bonuses or promotional credits provided to registered players which are returned in the form of a deposit or wager, uncollectible receivables (up to 4%, unless a greater amount is authorized by the Commission), and excise tax payments on sports wagers remitted to the federal government. The tax would be due monthly to the Commission.

The Commission would be required to do the following with revenues, which includes the tax levied and the license application fees collected:

- Remit 50% of the tax collected (does not include license application fee revenue) to the newly created North Carolina Major Events, Games, and Attractions Fund.
- Reimburse itself for expenses in administering sports wagering in the State.
- Remit the revenues that remain to the Department of Revenue, which would credit the revenue to the General Fund.

North Carolina Major Events, Games, and Attractions Fund

The bill would also create the North Carolina Major Events, Games, and Attractions Fund (Fund). The Fund would be administered by the Department of Commerce (Department). The Department would use revenues in the Fund to enter into multiparty agreements with site selection organizations and local entities to provide grants to promote the attraction of major events to the State which stimulate economic activity and create jobs. A major event is an entertainment, musical, political, sporting, or theatrical event that satisfies certain criteria. Site selection organizations are organizations responsible for determining the location of major events. A local entity, which is a city, county, or local organizing committee, would be responsible for applying for a grant from the Fund. A local organizing committee is a nonprofit authorized by a local government to work with site selection organizations with the goal of hosting a major event in the State.

The Department, in conjunction with the Governor's Office, would be required to develop guidelines on the administration of the Fund, the selection of projects to receive grants from the Fund, and the disbursement of any grants awarded.

EFFECTIVE DATE: Section 5 of the act which requires the Commission to issue guidance would be effective when the act becomes law. The remainder of the act would become effective January 1, 2022.

BACKGROUND: In its current edition, Senate Bill 688 raises two constitutional concerns. First, Section 16 of Article 1 of the North Carolina Constitution prohibits ex post facto laws, or retrospective laws, punishing acts committed before the existence of such laws. As the effective date is a date in the past, and

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the current edition establishes new criminal acts, the bill raises a constitutional concern. Among other substantive changes, the second edition of Senate Bill 38, 2021 Regular Session, would amend the effective date of Senate Bill 688 to be January 1, 2023.

Second, Section 2(6) of Article 5 of the North Carolina Constitution prohibits the rate of tax on incomes exceeding seven percent (7%). As the current edition establishes an eight percent (8%) tax on adjusted gross wagering revenue, which is gross wagering revenue minus deductions for winnings paid, costs of personal property distributed as a result of a wager, promotional credits, uncollectible receivables and federal excise tax payments, the bill raises a constitutional concern. Among other substantive changes, the second edition of Senate Bill 38, 2021 Regular Session, would amend these provisions of Senate Bill 688 to be a privilege tax on licensure, with the license revoked for failure to pay. The second edition of Senate Bill 38 would create a 14% privilege tax on interactive sports wagering operators to be paid monthly and calculated against gross wagering revenue minus deductions for winnings paid to registered players, costs paid for any personal property distributed to a registered player as a result of a sports wager, promotional credits or bonuses given to registered players, at cash value, when returned to the operator in the form of a wager or deposit, uncollectible receivables from registered players, not to exceed 4% of gross wagering revenue, and federal excise tax payments. The deduction for promotional credits would be phased out over 5 years.