

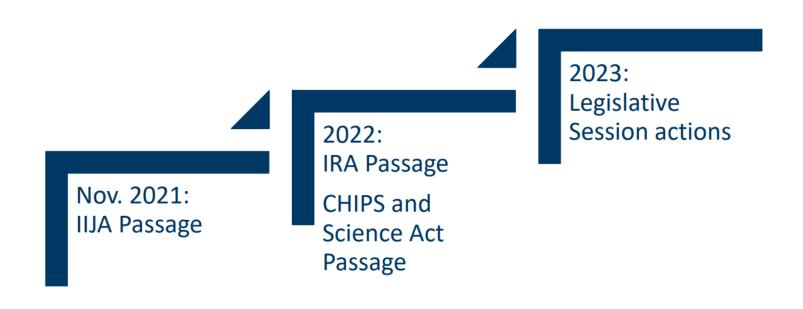
#### Federal Infrastructure Funds (IIJA, IRA, CHIPs) Update

Leah Corey, Federal Funds Implementation Director, Minnesota Management and Budget

### Agenda

- Background
- Enterprise progress
- What's next

#### **Historical Context**



Agencies seek and bring home resources

#### Federal Funds Implementation Team Overview

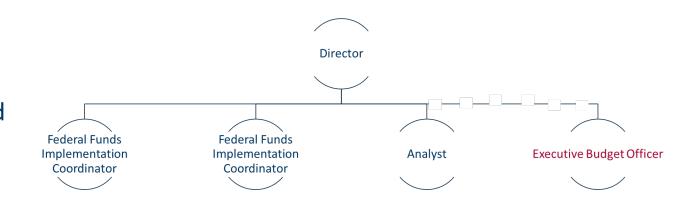
The Federal Funds Implementation Team (FFIT) was established during the 2023 legislative session. The purpose of the FFIT is to maximize federal funding received by recipients across Minnesota including but not limited to funds under:

- The Infrastructure Investment and Jobs Act (IIJA), Public Law 117-58;
- The Inflation Reduction Act of 2022, Public Law 117-169;
- The CHIPS and Science Act of 2022, Public Law 117-167; and
- Subsequent federal appropriations acts associated with a spending authorization or appropriation under clauses (1) to (3).

#### Work Streams and Org Structure

#### FFIT maximizes federal funding through:

- Federal investment strategy development, implementation, and evaluation
- Federal investment opportunity promotion and coordinated pursuit of federal investment programs, loans, and tax incentives
- Curating, developing and sharing tools and technical assistance resources
- Federal investment monitoring and reporting





#### **Enterprise Progress**

#### IIJA, IRA & CHIPS Funding

\$12.3 Billion

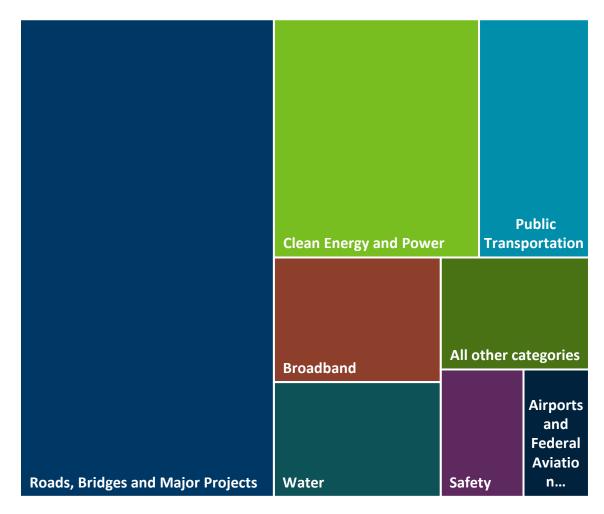
Secured for Minnesota under the IIJA, IRA, and CHIPS & Science Act

1,800+

Minnesota projects funded by the IIJA, IRA, and CHIPS & Science Act

### IIJA, IRA & CHIPS Funding

Category	\$ (in 000s)	% of Total
Roads, Bridges and Major Projects	\$5,477,558	44.63%
Clean Energy and Power	\$2,207,301	17.98%
Public Transportation	\$1,182,382	9.63%
Broadband	\$940,384	7.66%
Water	\$864,050	7.04%
Safety	\$476,073	3.88%
Airports and Federal Aviation Administration Facilities	\$376,303	3.07%
Resilience	\$229,218	1.87%
CHIPS and Science Act	\$173,363	1.41%
Other	\$125,493	1.02%
Electric Vehicles, Buses and Ferries	\$116,374	0.95%
Passenger and Freight Rail	\$76,502	0.62%
Ports and Waterways	\$20,518	0.17%
Environmental Remediation	\$8,000	0.07%
Grand Total	\$12,273,518	100.00%

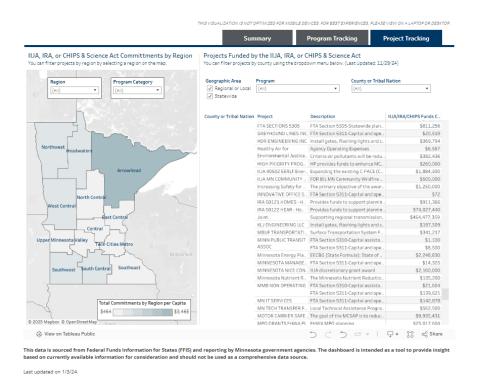


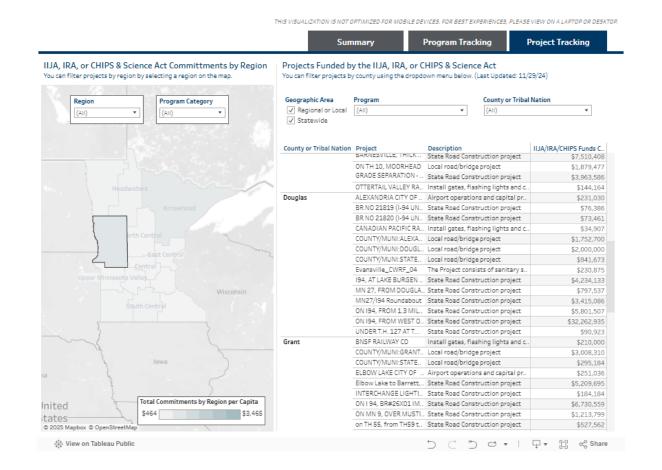
#### IIJA, IRA & CHIPS Comprehensive Project List

#### Program Awards and Project Tracking for Minnesota

Under the IIJA, IRA and CHIPS & Science Act

Please email Federal.Investments.MMB@state.mn.us to request an accessible format of this data.





#### Flexible State Match Funds

Match fund programs appropriated during 2023 legislative session

- IIJA Discretionary Match Program (ch. 68)
  - Administered by MnDOT
  - Amount: \$205.4M
- State Competitiveness Fund (ch. 57)
  - Administered by Commerce
  - Amount: \$190M
- Forward Fund (ch. 53)
  - Administered by DEED
  - Amount: \$400M

#### State Match: IIJA Discretionary Match Fund

**Purpose**: Provide resources that the state can leverage to increase the success of Minnesota applicants in the pursuit of federal funds for transportation projects available through the IIJA.

State Commitments	Federal Funds
\$185.2M	\$1.2B

#### State Match: State Competitiveness Fund

**Purpose**: Provide resources that the state can leverage to increase the success of Minnesota applicants in the pursuit of federal funds for energy projects available through the IIJA and IRA.

State Commitments	Federal Funds
\$16.9M	\$89.3M

#### State Match: Forward Fund

**Purpose**: Provide resources that the state can leverage to increase business retention, expansion, and the attraction of projects in both new and existing industries; it also provides funding to meet the state match requirements of federal funding programs.

<b>State Commitments</b>	Federal Funds	Private Funds
\$224.0M	\$541.3M	\$616.3M

#### Match Summary

Fund	State Commitment	Fed Funds Unlocked	Private Funds Unlocked	Non-State Dollars Leveraged for Every State Dollar Invested
Forward Fund	\$224.0M	\$541.3M	\$616.3M	\$5.2
State Competitiveness Fund	\$16.9M	\$89.3M	Not available	At least \$5.3
IIJA Dis. Match Fund	\$185.2M	\$1.2B	Not available	At least \$6.5
TOTAL	\$426.1M	\$1.8B	\$616.3M	At least \$5.7

For every \$1.0 in state dollars we have invested in match programs, we have generated an additional \$5.7 in non-state dollars



#### What's Next

#### Direct Pay

Direct pay (also known as Elective Pay) allows non-taxed entities to claim and receive the cash value of certain clean energy and related tax credits for eligible projects. Eligible projects fall into four categories:

- Energy generation & carbon capture
- Manufacturing
- Vehicles
- Fuels

Direct pay is non-competitive and uncapped: if an entity satisfies the credit requirements, the entity will receive payment in the form of a tax return.

#### Direct Pay Resources

The Federal Funds Implementation team offers support for tax-exempt entities—including local units of government, tribal governments, and non-profits—as they navigate the new tax provisions. These services include:

- Educational opportunities about specific filing requirements and best practices,
- Connections to guidance and resources about specific credits and filing processes,
- In the near future, will include one-on-one consultation with tax experts, including filing assistance.

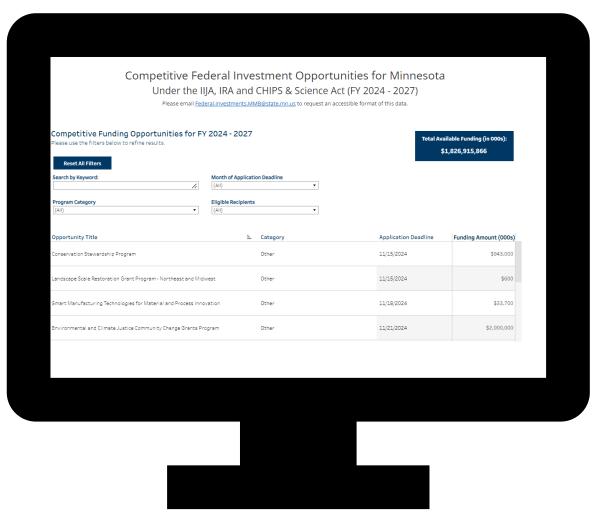
#### Bridge Financing

Minnesota Climate Innovation Finance Authority (MnCIFA) was established during the 2023 legislative session to remove barriers to and create financial tools for the adoption of qualified clean energy and greenhouse gas reduction projects.

#### Example projects funded include:

- \$4.7M loan to the Heights Community Energy to contract and operate a district geothermal energy system at the Heights development on the East Side of St. Paul.
- \$4.5M loan to Avenues for Youth to purchase and install a geothermal renewable energy system and associated HVAC components at one of its facilities in North Minneapolis.
- \$1.2M loan to fund solar and battery storage on four Minneapolis school district buildings in North Minneapolis.

## Opportunity Tracker





# Thank You!

**Leah Corey** 

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