



Infrastructure Investment and Jobs Act (IIJA) Discretionary Grant Programs

The current discretionary grant process creates additional burdens for state, regional, and local governments. Formula allocation is more efficient and allows stakeholders to implement community driven initiatives. “USDOT will need to enhance and, in some cases, establish effective and efficient processes for awarding and administering IIJA grants and overseeing grantees’ compliance with Federal requirements.” (USDOT Office of Inspector General)

The IIJA has created a **lengthy implementation process.**



Match requirements combined with lengthy award delays constrain Florida’s financial resources **and places heavy burden on local governments to implement projects.**



IIJA discretionary programs take money away from formula dollars. **30% of funding is discretionary programs,** which are priorities set by the federal government rather than the states.

Many states are **not getting their fair share.**

The State of Florida currently receives the equivalent of \$22.52 per person. (2nd lowest rate in the country)



IIJA Overview

- The IIJA was signed into law on November 15, 2021, providing \$550 billion in new investments of discretionary grants and formula funds for infrastructure, including roads, bridges, transit, water infrastructure, resilience, and broadband.
- Under the IIJA, the number of competitive grant programs has skyrocketed from 13 to 45.
- With the increase in discretionary programs, FDOT and local agencies are required to compete for federal funding which can be costly and burdensome to states and our local partners.

Discretionary Program Awards

- As of February 2024, only three of eight FDOT surface transportation projects funded with IIJA discretionary funds has been obligated and approved for spending and only 35% of the USDOT discretionary authorized funding has been distributed nationally.
- As of January 10, 2024, Florida has only received 1% of the total grant funds awarded nationwide, the equivalent of \$22.52 per person. In contrast, Maryland received \$1,174 (19%) of grant funding per person ([whitehouse.gov](https://www.whitehouse.gov)).
- The IIJA is funded by tax dollars and should be allocated fairly. Two of the most populous states in the nation, Florida and Texas, have received some of the lowest funding amounts per capita from these discretionary programs.

IIJA Discretionary Grant Program Impacts

- Funding from discretionary grant programs results in significant project delays. For some of the FDOT projects that received awards under IIJA’s discretionary grant programs, it took 18 to 24 months to enter into a grant agreement with USDOT. This makes many of Florida’s top priority projects unsuitable candidates for grants, as delays jeopardize project execution and result in cost overruns not included in the original grant request.
- To meet the federal match requirements for application submissions, a 20% match of state funds must be available. This ties up a considerable amount of resources in FDOT’s work program, that could be used on other projects. FDOT has had to set aside over \$71 million for the applications that are still waiting for announcement or agreement which is not being put towards building infrastructure.

The number of discretionary programs have significantly increased, and the implementation process is time consuming and inefficient. This results in project delays and ties up state matching resources that are urgently needed by communities.