



Maximizing New Federal Infrastructure Funds

New Federal Funding for Infrastructure

The Infrastructure Investment and Jobs Act (IIJA) one of the largest infrastructure bills in American history.¹ Signed into law on November 15, 2021, the bill allocates \$1.2 trillion to infrastructure needs over the next 10 years – including but not limited to roads, bridges, highways, broadband, water, transit, airports, and ports.² IIJA is an opportunity for state and local governments to accelerate capital project delivery, address deferred maintenance needs, invest in priorities that enhance fiscal sustainability and financial competitiveness, and build a more accessible and equitable economy.

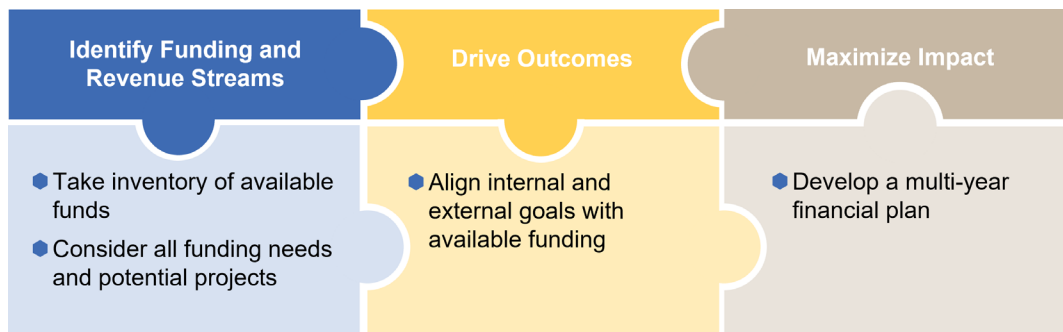
State and Local Government Agencies Need to Plan to Win

To maximize the benefits of IIJA, state and local governments need to plan strategically. For government agencies, the time to act is now – some IIJA funds (more than \$110 billion) have already been committed/awarded.³ Some of the new funding will flow through formula grants, and significant funding will be awarded through competitive grants, where the federal government has made it clear that it seeks to address equity, promote sustainability, and build partnerships.

PFM's strategic approach to IIJA for state and local governments starts with three steps:

1. Understand how IIJA's available funding streams and potential revenues can be used in your community
2. Drive outcomes by crafting a strategy that aligns internal and external goals with available funding
3. Develop a multi-year financial plan to leverage federal, state, local and other funds, ensuring that the whole is greater than the sum of its parts

Our approach involves intentional and innovative financial planning which can be bolstered through partnerships between and among state and local agencies, the non-profit sector, philanthropy and the business community.



¹ "The Opportunity for U.S. Infrastructure," S&P Global, last modified December 30, 2021, <https://www.spglobal.com/en/research-insights/featured/latest-on-us-infrastructure-bill>

² Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021), <https://www.congress.gov/bill/117th-congress/house-bill/3684/text/pl>

³ "Six months after infrastructure bill signed, \$110 billion has gone out," Bond Buyer, published May 17, 2022, <https://www.bondbuyer.com/news/six-months-after-infrastructure-bill-signed-110-billion-has-gone-out>



How PFM Can Help

PFM has a record of experience with IIJA Funding, as well as with the America Rescue Plan Act of 2021 (ARPA), and the Coronavirus Aid, Relief, and Economic Security Act of 2020. As a leading independent financial advisor to state and local governments, PFM Financial Advisors LLC works with government agencies every day to plan their capital investments. PFM Group Consulting LLC helps state and local governments tackle their most pressing budget and operational challenges and opportunities, including on the effective use of ARPA funding.

PFM can help state and local governments maximize the benefits of new federal infrastructure funding by:

- Engaging in financial planning for IIJA programs at the statewide level, regional level, and/or local level
- Assisting in identifying and establishing goals for each IIJA formula program (e.g., environmental, equity, and other goals) so state and local governments can measure program success
- Advising on innovative finance initiatives for IIJA programs such as public/private partnerships (P3/P4), financing and revenue strategies
- Developing tools, data, or both, to enhance program analytics and to support evaluation of projects for discretionary grants, programs, and applications
- Creating a framework for equitable budgeting to inform decision-makers of how to allocate resources to meet equity goals
- Advising on formula and competitive funding proposals

To learn more about how PFM can assist you to optimize IIJA funding, please reach out to your PFM representative or send an email to federalinfrastructure@pfm.com.

About PFM

At PFM, financial advisors and consultants partner with clients to transform their world. Our clients have individual needs, and our tailored advice reflects this. We have the flexibility to support the largest endeavors any client could contemplate with teams that maintain the camaraderie, the collaboration, and the creativity that define working with PFM. We combine superior financial advice, disciplined management and ingenuity to build, power, move and educate.

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC, a registered municipal advisor with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. PFM's financial modeling platform for strategic forecasting is provided through PFM Solutions LLC. A web-based platform for municipal bond information is provided through Munita LLC.

For more information regarding PFM's services or entities, please visit www.pfm.com.