Indian Health Service Infrastructure Investment and Jobs Act

Tribal Consultation January 5, 2021



Welcome & Opening Remarks



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Overview of the Infrastructure Investment & Jobs Act



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Infrastructure Investment & Jobs Act

The President signed the Infrastructure Investment and Jobs Act on November 15. This Act was often referred to as the "Bipartisan Infrastructure Bill."

- The IIJA includes \$3.5 billion over five years for the IHS Sanitation Facilities Construction program (\$700 million/year).
- This funding level is sufficient to address the current estimate of all projects in the Sanitation Deficiency System as of today.

Infrastructure Investment & Jobs Act (Cont.)

The Act includes several important directions to the IHS.

- Directs that up to \$2.2 billion should be used for "economically infeasible" projects.
- Caps funding for "salaries, expenses, and administration."
- Allocates 0.5% of funds each year to the HHS Office of the Inspector General for oversight activities.

Infrastructure Investment & Jobs Act Funding

The Infrastructure Investment & Jobs Act provides \$700 million per year, for FY 2022 – FY 2026.

| Funding Category | Annual Amount | Total Amount |
|---|------------------|------------------|
| Project | \$675,500,000 | \$3,377,500,000 |
| Salaries, Expenses, and Administration (up to 3% Total) | \$21,000,000 | \$105,000,000 |
| DHHS OIG (0.5% Total) | \$3,500,000 | \$17,500,000 |
| Total | \$700,000,000 | \$3,500,000,000^ |

[^]Provided further, That of the amounts made available under this heading, up to \$2,200,000,000 shall be for projects that exceed the economical unit cost and shall be available until expended.

FY 2021 Sanitation Facilities Needs

Existing Sanitation Needs (SDS Projects)

• Total Need: \$3,361,445,056

Total Number of Homes: 245,802

Sanitation Services for New & Like New Homes (Housing Projects)

• Total Need: \$85,150,431

• Total Number of Homes: 2,812

Note: End of fiscal year (FY) 2021 data collected by the Indian Health Service in collaboration with AI/ANs Tribes.

Current Project Allocation Methodology

The current Sanitation Deficiency Project Allocation Methodology supports the following goals:

| Jour T | Allocate funds using data following direction of the Indian Health Care Improvement Act 25 US Code Chapter 18. |
|--------|--|
| Goal 2 | Prioritize funds for projects addressing higher level deficiencies (DL 3, 4 & 5). |
| Godi 5 | Prioritize funds for economically feasible projects (Based on IHS Allowable Unit Cost). |

<u>Consultation</u>: Sanitation Facilities Construction Funding Allocation Workgroup.

Summary Report: June 1996

Proposed Project Allocation Methodology

For the Infrastructure Investment & Jobs Act funding, we are seeking your feedback on the following goals:

| Goal 1 | Allocate funds using data following direction of the Infrastructure Investment & Jobs Act, including economically infeasible projects. |
|--------|---|
| Goal 2 | Prioritize allocation of funds where the majority can be used to immediately construct projects following the current Sanitation Deficiency System priority. |
| Goal 3 | Make funding available to support planning & design activities to get projects ready to fund. Weigh these funds toward projects that address higher deficiencies. |

Ineligible Costs

The current Sanitation Deficiency System data shows 466 Tier 1 Projects with **\$98 million in Ineligible Costs** to provide sanitation facilities to serve non-Indian homes and buildings.

- Contributions will be needed from other funding sources prior to funding these projects.
- Funding sources could include EPA, USDA, BOR, BIA, and other State or Tribal funds.
- IHS Staff will support tribes in identifying and coordinating contributed funding sources.

Key Questions for Consideration - IIJA

Are the below goals appropriate to guide funding allocations?

| Goal 1 | Allocate funds using data following direction of the Infrastructure Investment & Jobs Act, including economically infeasible projects. |
|--------|---|
| Goal 2 | Prioritize allocation of funds where the majority can be used to immediately construct projects following the current Sanitation Deficiency System priority. |
| Goal 3 | Make funding available to support planning & design activities to get projects ready to fund. Weigh these funds toward projects that address higher deficiencies. |

 How can the IHS best support Tribes in identifying additional resources for ineligible costs?

