Federal Funding Opportunities and Small Business Economy

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DIRECTOR

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Washington State Department of Commerce

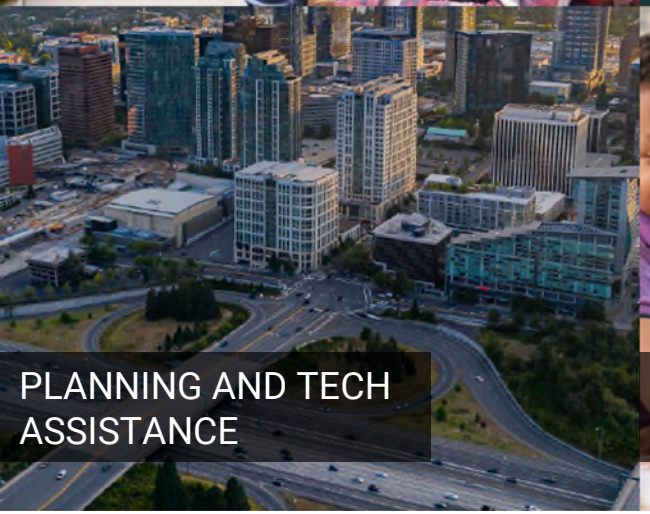
We strengthen communities

















Federal Funding Opportunities

Mike Fong, Director
Michael Furze, Assistant Director Energy
Mark Barkley, Assistant Director Local Government & Infrastructure

Summary of Funding Opportunities for WA Key Priorities

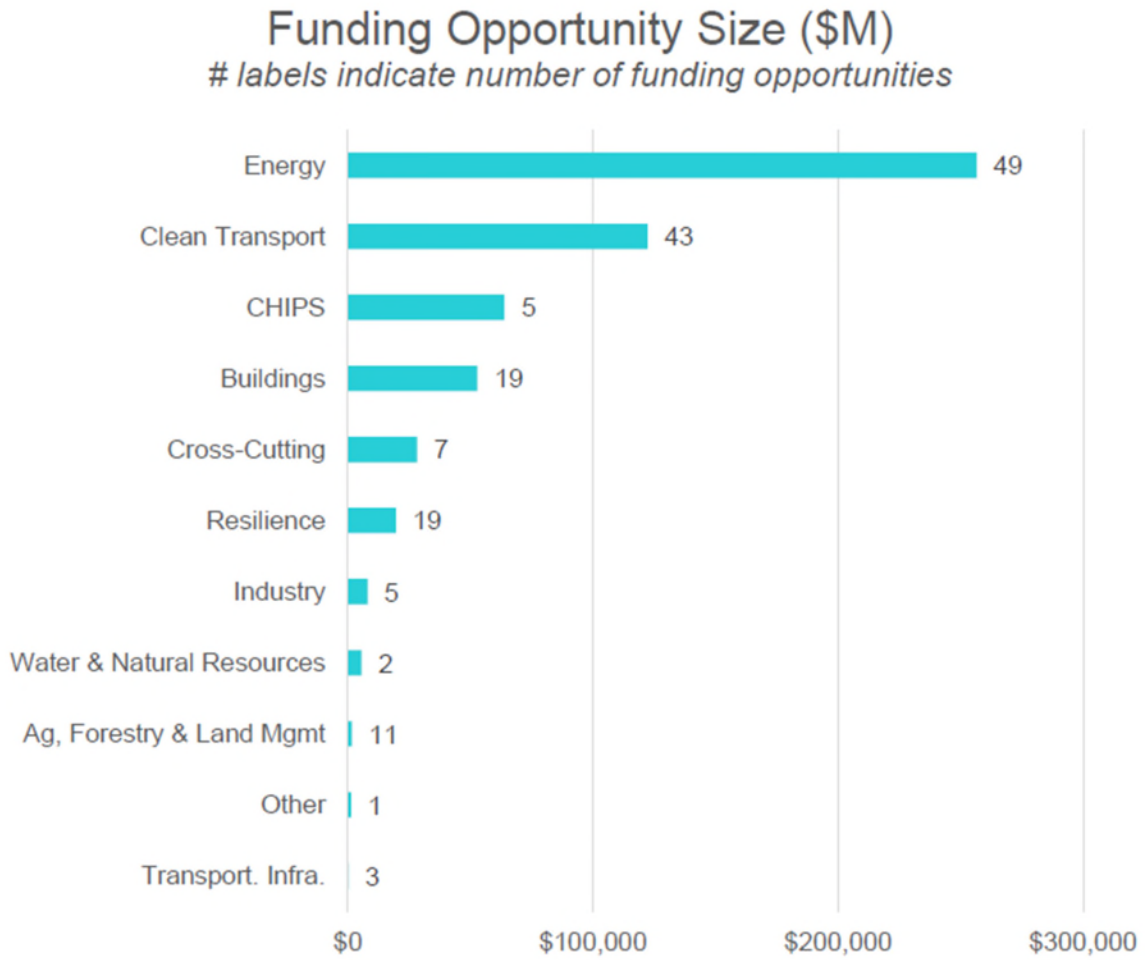
Priority funding opportunities identified across WA key decarbonization priorities total

$560B in total estimated funding values

across

164 funding opportunities

50% of the total funding value is in tax incentives



FUNDING OPPORTUNITIES

Largest Funding Opportunities in Key Sectors ($B)

ENERGY

- **$10** Power Marketing Administration Transmission Borrowing Authority for Bonneville Power Authority
- **$9.7** Empowering Rural America (New ERA) (formerly USDA Assistance for Rural Electric Cooperatives)
- **$8** Regional Clean Hydrogen Hubs
- **$7** Solar for All Competition
- **$6** Civil Nuclear Credit Program
- **$5** Energy Infrastructure Reinvestment Financing

CROSS-CUTTING

- **$14** National Clean Investment Fund
- **$9.7** Clean Communities Investments Accelerator
- **$5** Climate Pollution Reduction Grants
- **$3** Environmental and Climate Justice Block Grants

CLEAN TRANSPORTATION

- **$36** Federal-State Partnership for Intercity Passenger Rail Grants
- **$33** Urbanized Area Formula Grants
- **$21** State of Good Repair Formula Grants (Public Transit)
- **$15.7** Amtrak National Network Grants
- **$8** Capital Investment Grants (Public Transit)
- **$6.4** Carbon Reduction Program

AGRICULTURE

- **$8.5** Environmental Quality Incentives Program (EQIP)
- **$5** Regional Conservation Partnership Program (RCPP)
- **$3.3** Conservation Stewardship Program (CSP)

WATER & NATURAL RESOURCES

- **$15** Drinking Water State Revolving Fund Lead Service Lines Replacement
- **$11.7** Clean Water State Revolving Fund
- **$11.7** Drinking Water State Revolving Fund
- **$5** Water Infra. Improvements for the Nation, Small and Underserved Communities Emerging Contaminants Grant Program

BUILDINGS

- **$4.5** Home Electrification and Appliance Rebates
- **$4.3** Home Efficiency Rebates
- **$3.5** Weatherization Assistance Program

RESILIENCE

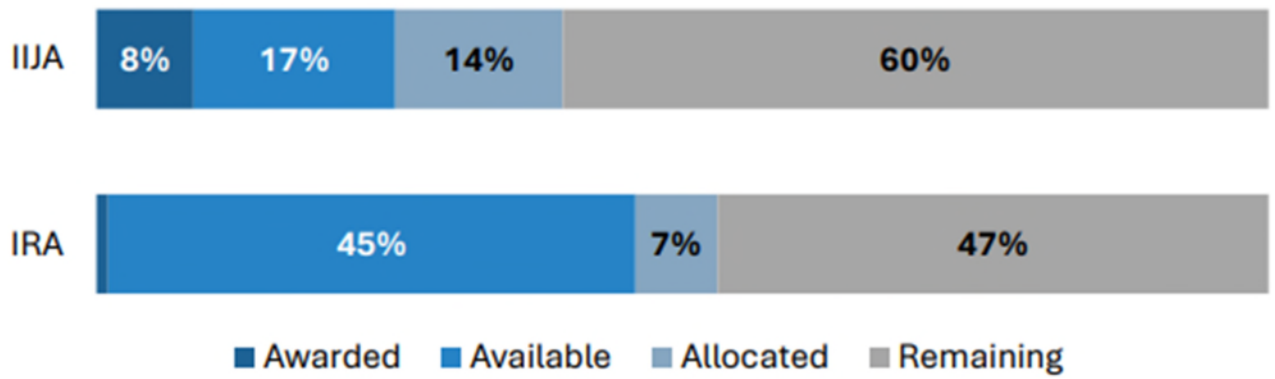
- **$7.3** Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT)
- **$3.5** Flood Mitigation Assistance Grants
- **$2.6** Investing in Coastal Communities and Climate Resilience

Commerce Federal Funding Highlights

Program	Law/Federal Agency	Description
Hydrogen Hubs	IIJA / Dept. of Energy	Awarded $1 Billion to support PNW Hydrogen Hub
Broadband Equity, Access and Deployment (BEAD)	IIJA / National Telecommunications & Information Admin.	Awarded $1.2 Billion for WA
Climate Pollution Reduction Planning Grant	IRA / Environmental Protection Agency	Awarded $3 Million for WA
Grid Resilience Formula Grants	IIJA / Dept. of Energy	Awarded $23+ Million for grid resilience projects
Enhancements to Formula Funds	IIJA / Dept. of Energy	Awarded additional allocations to existing energy formula funds
Energy Efficiency Revolving Loan Fund	IIJA / Dept. of Energy	Awaiting Award of $1.8 Million to develop revolving loan fund for residential energy retrofits
Joint Office Ride and Drive Electric	IIJA / Joint Office of Energy & Transportation	Awaiting Result of ~$1.5 Million competitive application to support EV infrastructure training
Greenhouse Gas Reduction Fund Solar for All	IRA / Environmental Protection Agency	Awaiting Result of $250 Million to support 4 new solar programs - competitive
Home Energy Rebates	IRA / Dept. of Energy	Applying for formula funds - $166 million to support home energy improvements
Climate Pollution Reduction Implementation Grant	IRA / Environmental Protection Agency	Applying for competitive award - $500 million or more to support Washington climate projects

Potential Impact on State Budgets

- More formula allocations expected under IIJA
- More competitive opportunities expected under both IIJA and IRA
- **Most funding has not been awarded**



Analysis by Atlas Public Policy on national data, September 2023

Potential Funding Impact on Washingtonians

Enormous Opportunity:

- New/expanded federal grants for WA communities, local governments, organizations, and businesses
- Clean energy tax credits are newly available to previously non-eligible entities (e.g., local government, nonprofits)
- Strong focus on Justice40, aligning with WA's EJ goals

Significant Challenges:

- Federal grant process (timelines, applications, award management) prevent some from applying
- Tax incentives are complicated; risks of WA communities not accessing them and leaving money on the table

Commerce Budget Request

Governor’s Supplemental Budget Request 2024

Leveraging and Investing in Projects

- $136.5 million to leverage federal funding for green jobs and infrastructure
  - $84 million for direct state matching funds for federal grants that support projects demonstrating high-wage, clean job creation in Washington.
  - $52.5 million for investments in public and private infrastructure to enhance industrial lands to increase a community's capacity for clean manufacturing and workforce development to attract and train the workforce required to grow the clean energy economy.
- $100 million to create Clean Communities program aimed at developing community-driven, neighborhood-scale sustainability projects in low income and overburdened communities.
- $11 million increase to $50 million broadband infrastructure match
  - Intended $246 million match total in next biennial budget
- $2 million for Tribal Clean Energy and Innovation Training Center
- $800,000 in administrative support to develop a green bank

Providing Technical Assistance

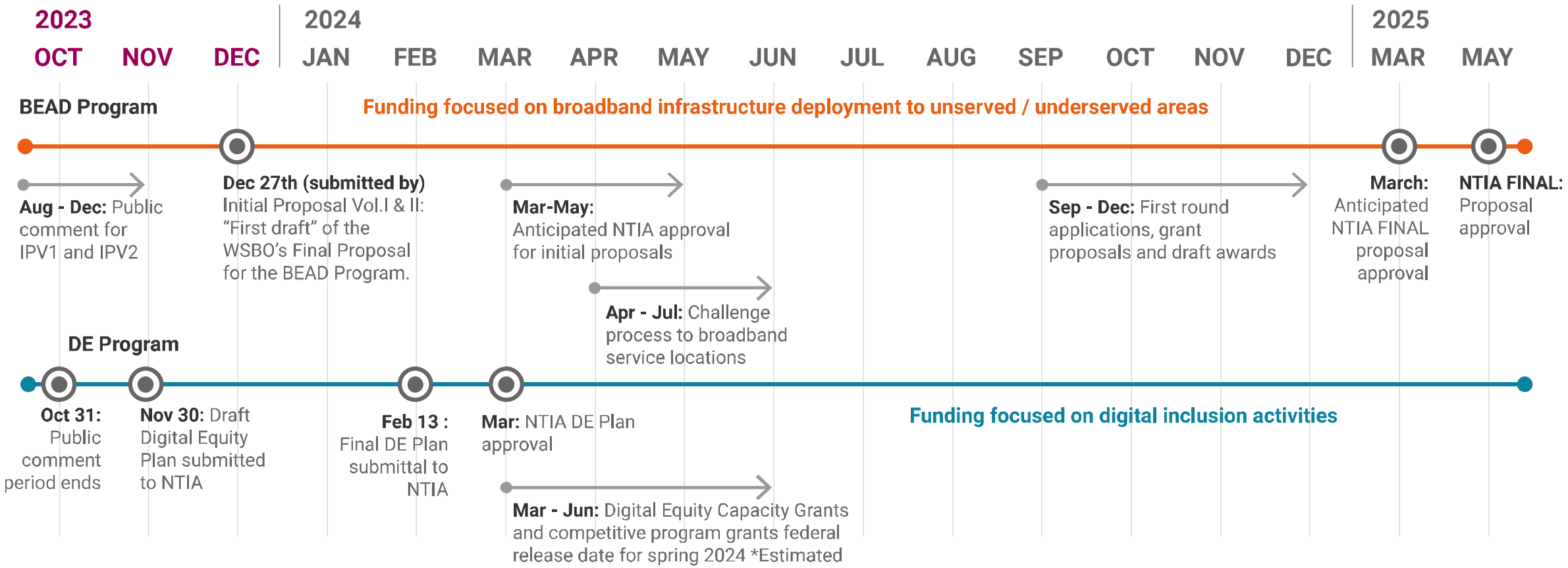
- $3.86 million to provide tax assistance for organizations, local governments and communities utilizing federal tax breaks for clean energy
- $1.1 million for green hydrogen technical assistance aligned with Pacific Northwest Hydrogen Association $1 billion Hydrogen Hub
- $4 million to develop a project portal and outreach for project support
- $2.5 million to assist counties and Tribes in Broadband planning
- $7.5 million to enhance current digital navigator grant program to assist communities in internet adoption

Building Capacity Across Washington

- $2.6 million to expand Innovation Cluster Accelerator Program (ICAP) to provide industries and new innovation clusters support
- $10 million for ambassadors to help government and community leaders of vulnerable and overburdened communities develop and implement clean energy projects, including energy efficiency improvements and renewable energy generation
- $8.14 million for grant writing support for state agencies

Federal submission requirements and timeline

Broadband Equity, Access and Deployment (BEAD) Program and Digital Equity (DE) Program – complementary programs running in parallel



Current Coordination and Partnerships

- Commerce serves as a coordination hub with business, community, associations and funders
- Focus on building technical assistance to bring projects to the fund resources
- Current efforts:
  - Securing Federal Funding Initiative with local partners
  - CHIPS and Science Act
  - Broadband Project funding
  - Digital Equity Coordination

Small Business Economy

Mike Fong, Director
Cheryl Smith, Director of Community Engagement and Outreach

Small Business Resiliency Network

Supported by Washington State Department of Commerce























































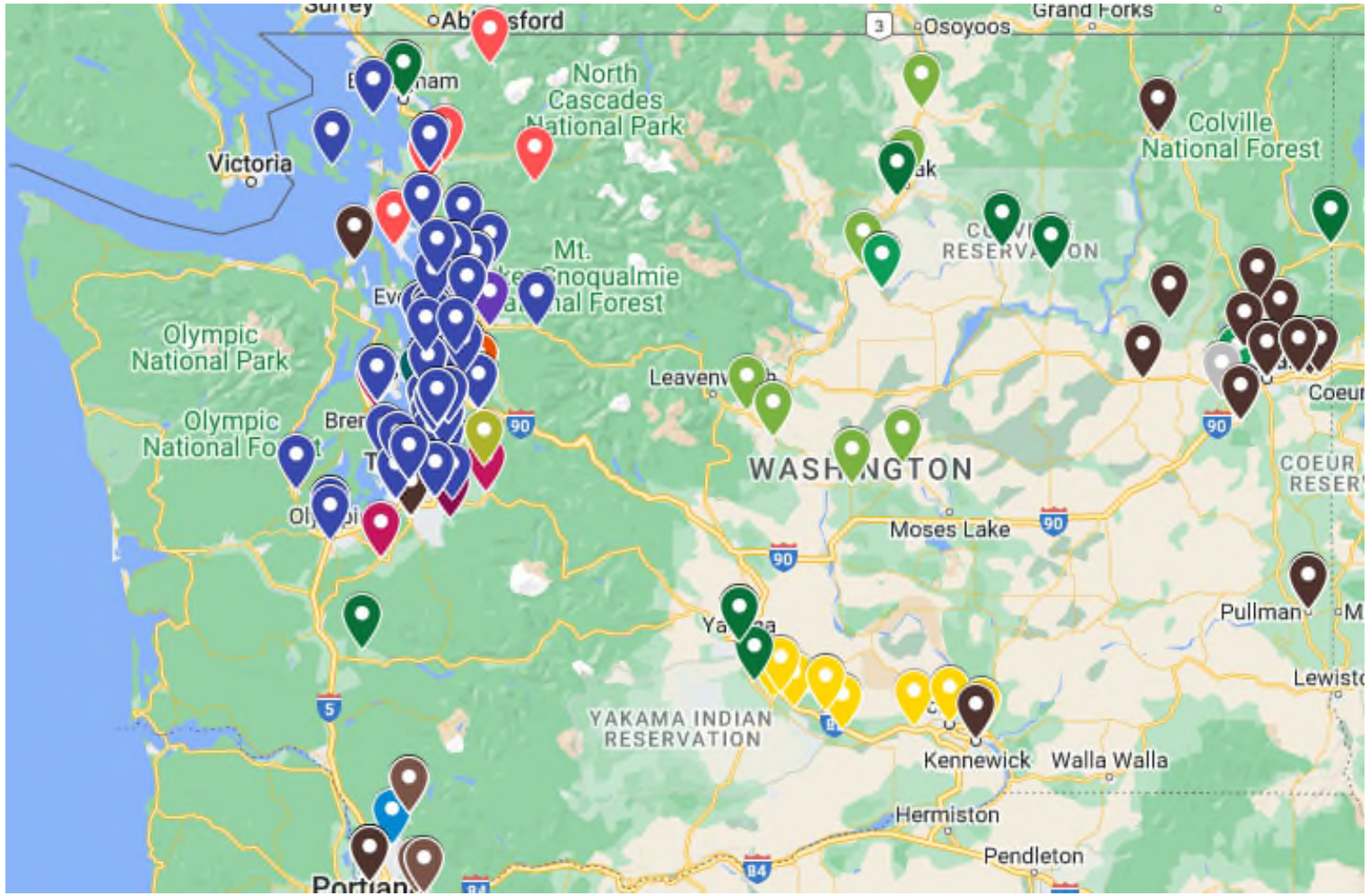








Geographic Areas Served



State Funding $2.7M per year
One-time Federal funding proviso $15M

$2.7 million GF-S



30 Community Partner Organizations

- In language & culturally relevant support
- Ongoing outreach
- Training, navigation, coaching, business assistance through business life cycles

$5 million



Increase Partner Orgs

- Increase partner funding to approx. 1 FTE per partner
- Operational & financial mgt tools

$10 million



Credit Building Loan Program

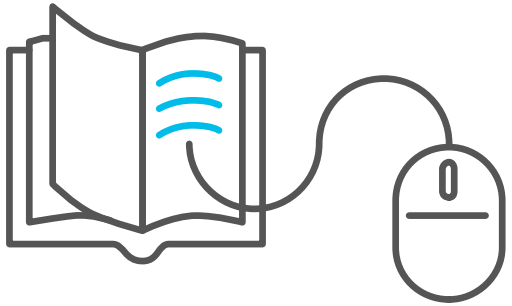
- Businesses farthest from opportunity
- Reduce qualification barriers
- Wrap around Technical Assistance
- Banking Relationship
- Improve credit scores

SBRN Partner Efforts

The Resiliency Network is made up trusted community nonprofit organizations across the state that provide culturally appropriate and in-language case management style technical assistance to historically marginalized and underserved persons – at no cost.



30
SBRN PARTNERS



19,803
BUSINESSES RECEIVED TA



76,973
HOURS DOING SBRN WORK



2,619,208
PEOPLE REACHED VIA OUTREACH EFFORTS

What it Means to be an SBRN Partner

TIME

40-80

HOURS OF WRAP AROUND SUPPORT PER BUSINESS

TRUST

LONG-TERM INVOLVEMENT IN COMMUNTY AND SHARED LIVED EXPERIENCE

TECHNOLOGY

ACCESS TO BROADBAND AND DIGITAL TOOLS









Outreach—Branded Marketing Materials





SBRN Pilot Programs—Food Based Businesses











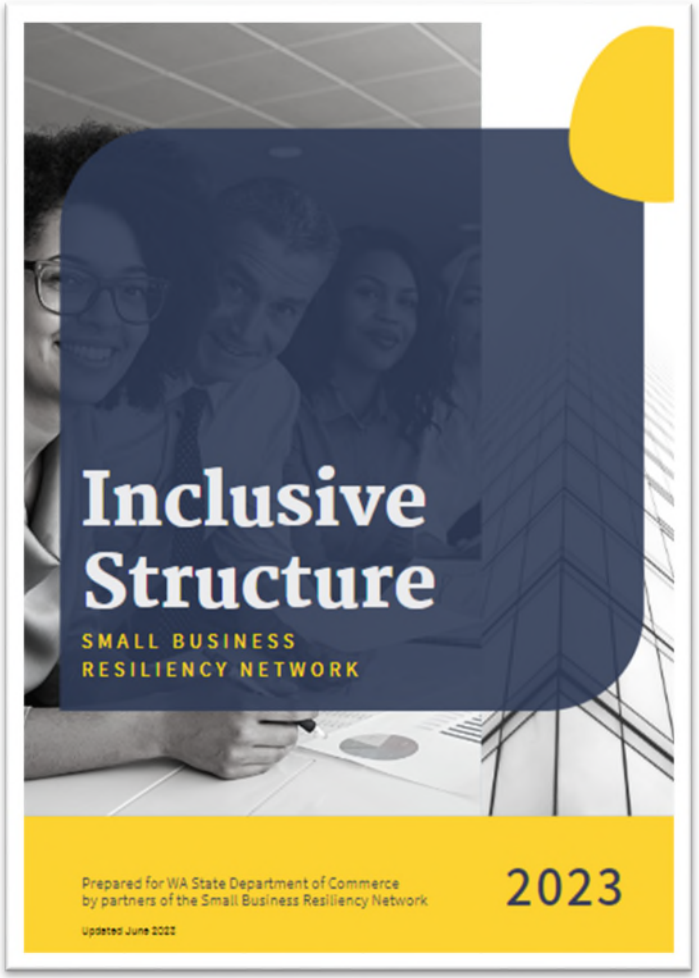








Inclusive Structure Report



SPECTRUM OF INCLUSION

This Spectrum of Inclusion provides clarity and transparency about the impact SBRN has in partnership with Commerce. It defines the participation goals and promises to our community along a spectrum of increasing impact on decisions, ascending from left to right. This spectrum is used internationally in public participation plans around the world.

Increasing Impact on the Decision

	Inform	Consult	Involve	Collaborate	Empower
Participation Goal	To provide our community with balanced and objective information to assist in understanding the problem, alternatives, opportunities, and/or solutions.	To obtain community feedback on analysis, alternatives, and/or decisions.	To work directly with the community throughout the process to ensure that our concerns and aspirations are consistently understood and considered.	To partner with community in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the community.
Promise to our community	You will keep us informed.	You will keep us informed, listen to and acknowledge our concerns and aspirations, and provide feedback on how community input influenced the decision.	You will work with us to ensure that our concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how community input influenced the decision.	You will look to us for advice and innovation in formulating solutions and incorporate our advice and recommendations into the decisions to the maximum extent possible.	You will implement what we decide.