

FEDERAL ASSISTANCE GUIDE

A Guide to Select Federal Programs for the Travel Industry

Foreword

As the travel industry looks ahead to the coming years, we must continue to build upon our previous decades of progress and growth. The pandemic was a setback, but it also presented an opportunity to reimagine our industry to be stronger than ever before. Travel can and should be a thriving source of commerce that elevates small businesses, sparks innovation and fosters a strong sense of community. The federal government can play a vital role in helping the industry live up to its potential—creating a more modern, accessible and sustainable travel experience in the process.

We encourage U.S. Travel members to use this guide to learn about the variety of federal programs available to support the needs and interests of your business, organization or local community. **NOTE: Click on the title of each program for a detailed description of the program.**

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Electric Vehicle (EV) Purchases

With consumers becoming increasingly carbon-conscious, electric vehicles (EVs) provide an opportunity for travel businesses and related entities to reduce their carbon footprint without reducing their overall mobility or service quality. The following programs provide subsidies to help reduce the cost of buying EVs.

IRS SECTION 45W COMMERCIAL CLEAN VEHICLE TAX CREDIT

Under the Inflation Reduction Act, businesses can claim a general business tax credit, beginning in 2023, for the purchase of commercial clean vehicles, worth the lesser of (1) 30% of the cost of EVs (15% in the case of hybrids and other types of clean vehicles) or (2) the price difference between the clean vehicle and a comparable fossil fuel vehicle, up to a max of \$7,500 for light vehicles and \$40,000 for heavy-duty vehicles. The 45W credit expires after December 31, 2032. **Note:** *The IRS has yet to issue regulations/guidance related to the new tax credit.*



Eligible Recipients: Businesses

IRS SECTION 30D ELECTRIC VEHICLE TAX CREDIT

Taxpayers can claim a tax credit for the purchase of a plug-in EV. Under the Inflation Reduction Act, the credit is now worth between \$3,750 and \$7,500 per EV (based on the composition and production location of the EV's battery). However, eligible EVs purchased after August 16, 2022 must be assembled in North America and be made with battery components sourced from the U.S. or a U.S. free trade partner. The tax credit expires after December 31, 2032. **Note:** See [here](#) for further guidance by the IRS.



Eligible Recipients: Taxpayers (individuals and pass-through businesses) making under \$150,000 annually (\$300,000 in the case of married couples)

EV Charging Infrastructure

In the early part of the 20th century, auto trail maps were designed to chart gas stations across the country, influencing the routes and destinations of early drivers. As EVs become more ubiquitous over time, EV charging stations will be needed along popular travel corridors and at travel businesses to reduce range anxiety and ensure continued access to travel destinations. The following programs are designed to increase the availability of EV charging stations.

DOT DISCRETIONARY GRANT PROGRAM FOR CHARGING AND FUELING INFRASTRUCTURE

Under the Infrastructure Investment and Jobs Act, \$2.5 billion is available in the form of competitive grants for the deployment of EV charging stations along designated [Alternative Fuel Corridors](#). The program will split funds into [Community Charging funding](#) and [Corridor Charging funding](#), with at least 50% of the funding set aside for projects in rural areas, low- and moderate-income neighborhoods and communities with a low ratio of private parking spaces. **Note:** *DOT has yet to issue regulations implementing the program.*



Eligible Recipients: State governments, local governments, metropolitan planning organizations, special purpose districts, public authorities with a transportation function, tribal governments and U.S. territory governments

DOT NATIONAL ELECTRIC VEHICLE INFRASTRUCTURE FORMULA PROGRAM

Under the Infrastructure Investment and Jobs Act, \$5 billion is available in the form of formula funding to states for the deployment of EV charging stations along designated [Alternative Fuel Corridors](#). Recipients must cover at least 20% of project costs. **Note:** *States had to submit applications by August 1, 2022. To find information on your state's deployment plan, please visit the Department of Transportation's website [here](#).*



Eligible Recipients: State governments (including the District of Columbia and Puerto Rico)

IRS SECTION 30C ELECTRIC VEHICLE CHARGING INFRASTRUCTURE TAX CREDIT

Taxpayers can claim a tax credit worth 30% of the cost of EV charging stations (or 6% if the installation fails to meet new [prevailing wage and apprenticeship requirements](#) and apprenticeship requirements). Under the Inflation Reduction Act, the credit is capped at \$100,000 per charging station beginning in 2023. However, the Act also changes eligibility criteria for the 30C credit, only allowing it for property installed in non-urban areas or low-income areas. The credit expires after December 31, 2032. **Note:** *The IRS has yet to issue regulations/guidance related to the recent changes to the tax credit.*



Eligible Recipients: Taxpayers (individuals and businesses)

Workforce

As workforce challenges continue to plague the industry and become a chronic problem, U.S. Travel is committed to not only improving temporary worker programs, but also identifying ways to make existing workforce development programs work better for the industry—ensuring a strong pipeline of travel workers over the long term. In the near term, U.S. Travel members are encouraged to utilize the following programs and coordinate with local academic institutions, local officials and other partners where appropriate to support local industry needs.

IRS WORK OPPORTUNITY TAX CREDIT (WOTC)

Businesses can claim a tax credit for hiring individuals from targeted, economically challenged groups, worth 40% of the wages paid to the targeted employees in their first year of employment. Targeted employment groups include teenagers working during the summer, individuals with disabilities, veterans, ex-felons, individuals receiving welfare (aka TANF), young adults from a low-income area, young adults receiving food stamps (aka SNAP), individuals receiving Supplemental Security Income and those who have been unemployed for 27 consecutive weeks or more. **Note:** *The FY21 Omnibus extended the credit through December 31, 2025.*



Eligible Recipients: Businesses

DOL GROWTH OPPORTUNITIES GRANT PROGRAM

Competitive grants are available for local programs designed to help teenagers and young adults impacted by community violence gain work experience or develop strategies to prevent and avoid violence, particularly for those residing in areas of concentrated crime and poverty. **Note: The application deadline for the current round of funding was October 19, 2022.** More information can be found [here](#).



Eligible Recipients: Local governments, tribal governments, 501(c)(3) nonprofits and independent school districts

DOL STRENGTHENING COMMUNITY COLLEGES TRAINING GRANTS

Competitive grants are available to help community colleges meet the skill development needs of employers in “in-demand industries” (undefined) for the purpose of filling union jobs that pay “family-sustaining wages” with the availability of wage progression, benefits, access to paid leave, and opportunities for career advancement through training and education. Preference will be given to applicants seeking to help historically underrepresented or marginalized groups. **Note: The application deadline for the current round of funding was October 21, 2022.** More information can be found [here](#).



Eligible Recipients: Community colleges

DOE CAREER SKILLS TRAINING PROGRAM

Under the Infrastructure Investment and Jobs Act, \$10 million is available in the form of competitive grants for skills training programs that provide both academic classes and on-the-job training to students seeking certifications related to the installation of energy efficient building technologies. **Note: DOE has yet to issue regulations implementing the program.**



Eligible Recipients: Nonprofits

Energy Efficient Buildings

Under the following programs, hotels, convention centers, stadiums, restaurants, attractions, and other travel-dependent buildings can receive financial assistance to help cover the cost of energy efficient upgrades to the buildings. U.S. Travel members are encouraged to coordinate with state and local officials where appropriate to support local industry needs.

IRS SECTION 179D ENERGY EFFICIENT COMMERCIAL BUILDINGS TAX DEDUCTION

Taxpayers can claim a deduction for the cost of energy efficiency upgrades to a commercial building’s envelope, interior lighting systems, HVAC or hot water systems. Under the Inflation Reduction Act, projects can qualify if they reduce the building’s energy use by at least 25%. The credit is capped at between \$0.50-\$1.00 per square foot, based on the reduction of energy use (or \$2.50-\$5.00 per square foot for projects that pay workers a [prevailing wage and meet certain apprenticeship requirements](#)).

Tax-exempt entities (including 501(c)(6) organizations, governmental entities, and quasi-governmental entities) can give the deduction they would otherwise get as the building owner to the designer of the project (in exchange for a price reduction). **Note:** *The IRS has yet to issue regulations/guidance related to the recent changes to the tax credit.*



Eligible Recipients: Taxpayers (individuals and businesses) and tax-exempt entities that own commercial buildings

DOE ENERGY EFFICIENT TRANSFORMER REBATES

Under the Infrastructure Investment and Jobs Act, \$10 million is available in the form of rebates for replacing an old transformer with a qualified energy efficient transformer. **Note:** *DOE has yet to issue regulations implementing the program. More information can be found [here](#).*



Eligible Recipients: Utility companies and owners of commercial buildings

DOE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) PROGRAM

Under the Infrastructure Investment and Jobs Act, \$550 million is available in the form of formula grants and competitive grants for projects that reduce energy consumption, reduce fossil fuel emissions, and improve energy efficiency. **Note:** *DOE has yet to issue regulations fully implementing the program. More information can be found [here](#).*



Eligible Recipients: State governments, local governments and tribal governments

Airport Infrastructure and Sustainable Aviation Fuel (SAF)

The following programs provide financial support for airport infrastructure and the transition to Sustainable Aviation Fuel (SAF).

FAA ALTERNATIVE FUEL AND LOW-EMISSION AVIATION TECHNOLOGY PROGRAM

The Inflation Reduction Act provides \$297 million in competitive grants for projects designed to support (1) low-emission aviation technologies; or (2) the production, transportation, blending or storage of SAF. Recipients are required to cover at least 25% of project costs (or 10 percent in the case of small hub or non-hub airports). **Note:** *FAA has yet to issue regulations implementing the program, but is holding a listening session on December 14, 2022 to hear from stakeholders in advance of any such regulations. See [here](#) for more information on the listening session.*



Eligible Recipients: State governments, local governments, air carriers, airports, academic institutions, research institutions, certain nonprofits and businesses (those with experience in SAFs, low-emission aviation technologies, or other clean transportation research programs)

IRS SECTIONS 40B & 45Z SUSTAINABLE AVIATION FUEL TAX CREDITS

Under the Inflation Reduction Act, businesses can claim a general business tax credit under Section 40B of the tax code for the sale or use of blended SAF in the U.S. in 2023 and 2024. The 40B credit is worth \$1.25 to \$1.75 per gallon (based on the fuel's reduction in greenhouse gas emissions). Starting in 2025, the 40B credit is replaced with the Section 45Z Clean Fuel Production Credit, worth a flat \$1.75 per gallon for the production of SAF (or \$0.35 per gallon if the production facility does not meet [prevailing wage and apprenticeship requirements](#)). The 45Z credit expires after December 31, 2027. **Note:** *The IRS has yet to issue regulations implementing the tax credits.*



Eligible Recipients: Businesses

Passenger Rail and Traffic Management

The following programs provide support for passenger rail service and traffic management systems, which could reduce traffic congestion and increase mobility, making it easier for travelers to get to and around destinations, in harmony with local commuters. U.S. Travel members are encouraged to coordinate with state and local officials where appropriate to support local industry needs.

FRA FEDERAL-STATE PARTNERSHIP FOR INTERCITY PASSENGER RAIL GRANT PROGRAM

Under the Infrastructure Investment and Jobs Act, \$36 billion is available in the form of competitive grants for intercity passenger rail projects, including for privately-operated intercity passenger rail service.

Note: *The application deadline for projects NOT located in the Northeast Corridor (NEC) is March 7, 2023. The Federal Railroad Administration has yet to issue a Notice of Funding Opportunity for projects located in the Northeast Corridor (from Boston to DC), but have announced that eligible NEC projects must be on the [NEC Inventory list](#). Please see [here](#) for more details on the program and [here](#) for specific application instructions for non-NEC projects.*



Eligible Recipients: State governments, local governments, tribal governments, publicly chartered authorities and Amtrak

EPA GREENHOUSE GAS REDUCTION FUND

Under the [Inflation Reduction Act](#), \$27 billion is available in the form of competitive grants to help states and local governments make investments in zero-emission technology and any related infrastructure that would allow low-income or disadvantaged communities to benefit from such technology. **Note:** *EPA has yet to issue regulations implementing the program. The agency is currently commencing a series of listening sessions to hear from stakeholders on potential ways to implement the program. To find more information on these listening sessions, please visit the EPA's website [here](#).*



Eligible Recipients: State governments, local governments and certain types of nonprofits (i.e. those solely set up to manage zero-emission projects)

FRA RESTORATION AND ENHANCEMENT GRANT PROGRAM

Under the Infrastructure Investment and Jobs Act, \$250 million is available in the form of competitive grants for projects designed to increase the frequency of intercity passenger rail service, establish new rail service, extend current service, restore previously operated rail service, or add new on-board services.

Note: *The Federal Railroad Administration has yet to issue a Notice of Funding Opportunity for the funds.*



Eligible Recipients: State governments, local governments, Amtrak, rail carriers and publicly chartered authorities

DOT LOCAL AND REGIONAL PROJECT ASSISTANCE GRANTS (RAISE)

Under the Infrastructure Investment and Jobs Act, \$7.5 billion is available in the form of competitive grants for projects designed to modernize roads, bridges, transit, rail, ports, and intermodal transportation facilities, with special consideration for projects that improve safety, environmental sustainability, quality of life, mobility, community connectivity, and/or tourism. U.S. Travel worked to ensure the bill included language competitively favorable to tourism-related projects. **Note: The application deadline for the latest round of funding is February 28, 2023, with final selections announced no later than June 28, 2023.**

Please see [here](#) for program details and [here](#) for application instructions.



Eligible Recipients: State governments, local governments, tribal governments, publicly chartered authorities and special purpose districts with a transportation function

DOT NATIONAL INFRASTRUCTURE PROJECT ASSISTANCE (MEGA GRANT PROGRAM)

Under the Infrastructure Investment and Jobs Act, \$5 billion is available in the form of competitive grants for large, complex transportation projects that are difficult to fund by other means, including highway and bridge projects, intercity passenger rail projects, and certain transit projects. **Note: DOT has yet to issue a Notice of Funding Opportunity for the funds. More information can be found [here](#).**



Eligible Recipients: State governments, local governments, tribal governments, metropolitan planning organizations, special purpose districts and publicly chartered authorities

DOT ADVANCED TRANSPORTATION TECHNOLOGIES & INNOVATIVE MOBILITY

Under the Infrastructure Investment and Jobs Act, \$900 million is available in the form of competitive grants or contracts for the deployment, installation, or operation of advanced transportation technologies. The program was previously called the “Advanced Transportation and Congestion Management Technologies Deployment” program. **Note: The application deadline for the latest round of funding was due November 18, 2022. More information can be found [here](#).**



Eligible Recipients: State governments, local governments, metropolitan planning organizations, transit agencies and a multijurisdictional group of research or academic institutions

DOT CONGESTION RELIEF PROGRAM

Under the Infrastructure Investment and Jobs Act, \$250 million is available in the form of competitive grants for projects or incentive programs designed to manage traffic congestion or reduce traffic during peak periods. **Note:** DOT has yet to issue regulations implementing the program.



Eligible Recipients: State governments, local governments and metropolitan planning organizations

Electricity Infrastructure

With automakers and many others in the business community planning for an all-electric future, demand for electricity is likely to rise in the coming years, putting a strain on power resources. The following programs are designed to increase the capacity, flexibility, reliability and resilience of electricity infrastructure. U.S. Travel members are encouraged to coordinate with state and local officials where appropriate to support local industry needs for electricity.

IRS SECTION 48 SOLAR INVESTMENT TAX CREDIT

Taxpayers can claim a general business tax credit for installing solar systems on commercial properties (including batteries and microgrid controllers). Under the Inflation Reduction Act, the credit is now worth between 26% and 30% of the cost of the systems (based on when the project commences construction and is placed in service), but decreases to 6% if the project fails to meet [prevailing wage and apprenticeship requirements](#). Solar projects placed in service in certain economically depressed areas (including areas with high unemployment) or tribal lands are eligible for a +2% or +10% bonus (based on if the project meets [prevailing wage and apprenticeship requirements](#)). These changes to the tax credit expire at the end of 2024, after which the credit reverts to 6% for eligible projects. **Note:** The IRS has yet to issue regulations/guidance related to the recent changes to the tax credit.



Eligible Recipients: Businesses (including short-term lodging businesses)

DOE ENERGY STORAGE DEMONSTRATION AND PILOT GRANT PROGRAM

Under the Infrastructure Investment and Jobs Act, \$355 million is available in the form of grants or contracts for 3 projects designed to reduce the peak loads of businesses, provide grid stability, increase the feasibility of microgrids, enable the fast charging of EVs, improve energy efficiency, or improve the reliability of transmission and distribution systems (particularly in rural areas). **Note: Interested applicants must submit an initial Letter of Intent by December 22, 2022, with a final application deadline of March 3, 2023. For more information, please see [here](#).**



Eligible Recipients: State governments, local governments, tribal governments, businesses, academic institutions, community-based nonprofits, utility companies and national laboratories

DOE DEPLOYMENT OF TECHNOLOGIES TO ENHANCE GRID FLEXIBILITY

Under the Infrastructure Investment and Jobs Act, \$3 billion is available in the form of grants or contracts for projects that allow buildings to engage in demand flexibility or “Smart Grid” functions, including data sharing technology, technologies and programs that integrate EV charging stations into the grid, advance transmission technologies, and technology that supports building demand flexibility. **Note:** DOE has yet to issue regulations implementing the program.



Eligible Recipients: Utility companies

DOE UPGRADING OUR ELECTRIC GRID AND ENSURING RELIABILITY AND RESILIENCY PROGRAM

Under the Infrastructure Investment and Jobs Act, \$5 billion is available in the form of competitive grants or contracts for projects designed to demonstrate innovative approaches to hardening and enhancing the resilience and reliability of electricity transmission, storage and distribution infrastructure. **Note:** DOE has yet to issue regulations implementing the program.



Eligible Recipients: State governments, local governments, tribal governments and public utility commissions

DOE ENERGY IMPROVEMENT IN RURAL OR REMOTE AREAS

Under the Infrastructure Investment and Jobs Act, \$1 billion is available in the form of grants or contracts for projects designed to improve the resilience, safety, reliability, and availability of electricity in rural or remote areas of the United States. **Note:** DOE has yet to issue regulations implementing the program, but have held workshops on the program, which you can view [here](#) and [here](#).



Eligible Recipients: Local governments in rural areas (or areas with 10,000 residents or less)

Preservation and Restoration

The following programs provide financial support to improve the attractiveness of U.S. destinations, including efforts to beautify marine environments or improve community connectivity and walkability. U.S. Travel members are encouraged to coordinate with state and local officials and other partners where appropriate to support local industry needs.

NOAA MARINE DEBRIS PROGRAM

Under the Infrastructure Investment and Jobs Act, \$200 million is available in the form of competitive grants for projects designed to research or prevent the adverse impacts of marine debris, including efforts to prevent common consumer debris from entering the marine environment. **Note:** The application deadline for the latest round of funding was October 14, 2022. More information can be found [here](#).



Eligible Recipients: State governments, local governments, tribal governments, U.S. territory governments, academic institutions and businesses (with expertise in marine debris)

DOT RECONNECTING COMMUNITIES PILOT PROGRAM

Under the Infrastructure Investment and Jobs Act, \$1 billion is available in the form of competitive grants for projects that remove, retrofit, or mitigate highways, railyards, or other transportation facilities that create barriers to community connectivity, mobility, access, or economic development. **Note: The application deadline was October 13, 2022.** More information can be found [here](#).



Eligible Recipients: State governments, local governments, tribal governments, metropolitan planning organizations and nonprofits