

The American Recovery and Reinvestment Act of 2009 Bill Summary Prepared by CDOT (1/22/2009)

Current Bill Status: The House Appropriations Committee approved the bill the evening of January 21. Next stop should be the House floor next week. The Senate will have a bill heard next week, although it is still in drafting at this time.

Significant Changes Since Last Update: House Appropriations changed the first timing deadlines from “contract in 90 days” and “contract in 120 days” to “obligate in 150 days” and “obligate in 180 days.” The July 2010 deadline shifts to June 2010. August 2010 deadline shifts to July 2010. How the bill’s funding levels translates to TMA funding in Colorado is still being analyzed. Transit funding estimates for Colorado have been reduced through CDOT further analysis of bill, not amendments to the bill. Concerns remain over language regarding “economically distressed areas” but are eased somewhat since the last update.

Funding Levels: \$40 billion for transportation infrastructure

- No earmarks are contained in the bill
- Projects are 100% federally funded (no match requirements)

Aviation Funding

Nationally: \$3 Billion nationally through the AIP Program

Colorado: Colorado will have to compete through our FAA Region for funding of specific projects

Highway Funding

Nationally: \$30 billion

Colorado: ~\$422 million (if eligible based on the eligibility requirements, listed below)

- 55% flexible funding to CDOT (~\$232 million)
- 45% of funds sub-allocated to the STP Metro formula, which includes:
 - Funding to Colorado’s three TMAs (Transportation Management Areas)
DRCOG share = ~\$ 49.1M (numbers are still being analyzed at this time)
PPACG share = ~\$ 11.5M (numbers are still being analyzed at this time)
NFRMPO share = ~\$ 5.1M (numbers are still being analyzed at this time)
Total to TMAs = ~\$ 65.7M
 - Enhancement funding in the amount of \$~18.9 million statewide
 - STP Dollars to CDOT that are more flexible in the amount of \$ ~104.4 million

“Priority shall be given to projects:”

- Is in the TIP and/or STIP
- Is projected for completion within three years
- Is located in an economically distressed area as defined by section 301 or the Public Works and Economic Development Act of 1965, as amended (42 USC 3161).
Requirements include fulfilling one of the following criteria:
 - Low per capita income (80% of national average)
 - Higher unemployment than national average
 - Unemployment or economic adjustment problem (Secretary determines this)
- (Note: The bill is somewhat unclear whether only projects meeting all of these requirements may be funded, or simply if preference must be given to projects meeting these requirements. Congressional committee staff indicate to CDOT that these criteria are preferred guidelines, not mandates. Congressman Salazar is seeking clarification for us).

Transit Funding

Capital Investment Grants:

Nationally: \$7 billion (\$5.4 billion for 5307, \$600 million for 5311, and \$1 billion for 5309)

Colorado: ~ \$90 million

Urban Formula: ~\$79.4 million

Rural Formula: ~\$9.9 million

Also:

- Capital Assistance for Intercity Passenger Rail Service: \$300 million nationally
- Amtrak: \$800 million nationally
- Fixed Guideway Infrastructure Investment: \$2 billion nationally

Award Guidelines: 50% of dollars Obligated in 180 days or less, remainder by July, 2010.

Aviation Funding:

- Short Term: Grantees must enter into contracts or other binding commitments to make use of not less than 50% of the funds awarded within 180 days after award of the grant or funds will be rescinded and redistributed (this is not a firm interpretation of the bill, as the rescission language is not in the FAA section, but in another section and references the FAA funding)
- Long Term: No specific timeline requirements listed in bill for remainder of funds in the FTA section, but timelines may be outlined elsewhere in the bill.

Highway Funding Short Term:

“STP Metro” / TMA Funding (~\$65.7 million total for Colorado):

- 50% of funds (~\$32.5 million) must be obligated in 150 days.
- Any remaining portion of the funds not obligated in 150 days will then be transferred to the State (which can spend it anywhere).

Overall State Funding (~\$422 million)

- 50% of all funds statewide (~211 million) must be obligated within 180 days
- Any remaining funds not obligated in 180 days will be rescinded and redistributed to eligible states (those states that obligated 50% of their funds in the allotted time).

Highway Funding Long Term

“STP Metro” / TMA Funding (~\$65.7 million total for Colorado):

- All remaining funds must be obligated by June 1, 2010.
- Any remaining portion of the funds not obligated by June 1, 2010 will be transferred to the State (which can spend it anywhere).

Overall State Funding (~\$422 million)

- All remaining funds must be obligated by July 1, 2010.
- Any remaining funds not obligated by July 1, 2010, will be rescinded and redistributed to eligible states (those states that obligated all of their funds in the allotted time).

Transit Funding: Capital Investment Grants and Transit Capital Assistance

(~\$90 million total for Colorado)

- Short Term: 50% of funds must be obligated within 180 days, or funds will be rescinded and redistributed (this is not a firm interpretation of the bill, as the rescission language is not in the FTA section, but in another section and references the FTA funding)
- Long Term: No specific timeline requirements listed in bill for remainder of funds in the FTA section, but timelines may be outlined elsewhere in the bill.
- Other: 5309 Funds: Priority given to projects that are currently under construction or are able to award contracts based on bids within 180 days of enactment.