RECOVERY ACT: PROGRESS REPORT FOR INFRASTRUCTURE INVESTMENTS

(111–133)

HEARING

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

July 27, 2010

Printed for the use of the
Committee on Transportation and Infrastructure

U.S. GOVERNMENT PRINTING OFFICE

57–634PDF WASHINGTON : 2010

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

JAMES L. OBERSTAR, Minnesota, *Chairman*

NICK J. RAHALL, II, West Virginia, *Vice Chair*
PETER A. DEFAZIO, Oregon
JERRY F. COSTELLO, Illinois
ELEANOR HOLMES NORTON, District of Columbia
JERROLD NADLER, New York
CORRINE BROWN, Florida
BOB FILNER, California
EDDIE BERNICE JOHNSON, Texas
GENE TAYLOR, Mississippi
ELIJAH E. CUMMINGS, Maryland
LEONARD L. BOSWELL, Iowa
TIM HOLDEN, Pennsylvania
BRIAN BAIRD, Washington
RICK LARSEN, Washington
MICHAEL E. CAPUANO, Massachusetts
TIMOTHY H. BISHOP, New York
MICHAEL H. MICHAUD, Maine
RUSS CARNAHAN, Missouri
GRACE F. NAPOLITANO, California
DANIEL LIPINSKI, Illinois
MAZIE K. HIRONO, Hawaii
JASON ALTMIRE, Pennsylvania
TIMOTHY J. WALZ, Minnesota
HEATH SHULER, North Carolina
MICHAEL A. ARCURI, New York
HARRY E. MITCHELL, Arizona
CHRISTOPHER P. CARNEY, Pennsylvania
JOHN J. HALL, New York
STEVE KAGEN, Wisconsin
STEVE COHEN, Tennessee
LAURA A. RICHARDSON, California
ALBIO SIRES, New Jersey
DONNA F. EDWARDS, Maryland
SOLOMON P. ORTIZ, Texas
PHIL HARE, Illinois
JOHN A. BOCCIERI, Ohio
MARK H. SCHAUER, Michigan
BETSY MARKEY, Colorado
MICHAEL E. MCMAHON, New York
THOMAS S. P. PERRIELLO, Virginia
DINA TITUS, Nevada
HARRY TEAGUE, New Mexico
JOHN GARAMENDI, California
HANK JOHNSON, Georgia

JOHN L. MICA, Florida
DON YOUNG, Alaska
THOMAS E. PETRI, Wisconsin
HOWARD COBLE, North Carolina
JOHN J. DUNCAN, JR., Tennessee
VERNON J. EHLERS, Michigan
FRANK A. LOBIONDO, New Jersey
JERRY MORAN, Kansas
GARY G. MILLER, California
HENRY E. BROWN, JR., South Carolina
TIMOTHY V. JOHNSON, Illinois
TODD RUSSELL PLATTS, Pennsylvania
SAM GRAVES, Missouri
BILL SHUSTER, Pennsylvania
JOHN BOOZMAN, Arkansas
SHELLEY MOORE CAPITO, West Virginia
JIM GERLACH, Pennsylvania
MARIO DIAZ-BALART, Florida
CHARLES W. DENT, Pennsylvania
CONNIE MACK, Florida
LYNN A WESTMORELAND, Georgia
JEAN SCHMIDT, Ohio
CANDICE S. MILLER, Michigan
MARY FALLIN, Oklahoma
VERN BUCHANAN, Florida
BRETT GUTHRIE, Kentucky
ANH “JOSEPH” CAO, Louisiana
AARON SCHOCK, Illinois
PETE OLSON, Texas
TOM GRAVES, Georgia

CONTENTS

U.S. House of Representatives
Committee on Transportation and Infrastructure

James L. Oberstar
Chairman

Washington, DC 20515

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

July 26, 2010

James W. Coon II, Republican Chief of Staff

SUMMARY OF SUBJECT MATTER

TO: Members of the Committee on Transportation and Infrastructure

FROM: Committee on Transportation and Infrastructure Staff

SUBJECT: Hearing on "Recovery Act: Progress Report for Infrastructure Investments"

PURPOSE OF HEARING

The Committee on Transportation and Infrastructure will meet on Tuesday, July 27, 2010, at 10:00 a.m., in room 2167 of the Rayburn House Office Building to examine progress to date on implementing the American Recovery and Reinvestment Act (P.L. 111-5) (Recovery Act). The hearing will address implementation efforts in transportation programs under the Committee's jurisdiction, including highways, bridges, public transportation, rail, and aviation.

BACKGROUND

State of the Economy

According to the Bureau of Labor Statistics (BLS), as of June 2010,[1] the unemployment rate was 9.5 percent – a slight decrease from the rates experienced in recent months. As of June 2010, there are 14.6 million unemployed persons in the United States, for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 25.8 million.

The average length of unemployment is now 35.2 weeks. The number of workers who have been unemployed for longer than six months is now 6.8 million. One-half of the unemployed have been out of work for more than 25.5 weeks and 46 percent have been out of work for more than six months.

[1] The latest month for which data is available.

The construction sector has lost 1,909,000 jobs since the recession began in December 2007. The unemployment rate in construction was 20.1 percent in June 2010. This is the highest unemployment rate of any industrial sector. As of June 2010, there are 1,785,000 unemployed construction workers in the nation.

An analysis by a national transportation construction association shows that between May 2009 and May 2010, the value of new contracts for highway pavement projects rose to $67.3 billion, a 17 percent increase from the period between May 2008 and May 2009, when highway contract awards totaled $57.5 billion. The value of highway and bridge contract awards year through May 2010 is up by $3.5 billion — from $26.8 billion to $30.3 billion. Beginning in May 2009 and during every month following, with the exception of the weather related declines in January and February 2010, construction activity on transportation projects has been stronger than during the same month of the previous year.

With this economic picture as the backdrop, Federal agencies, State and local governments, along with the private sector, are working together to implement the Recovery Act, to create and sustain family-wage jobs now and, at the same time, to address the nation's long-term infrastructure investment needs.

RECOVERY ACT

On February 17, 2009, the Recovery Act was signed into law.[2] The Recovery Act provides $48.1 billion of transportation investment for programs within the jurisdiction of the Committee on Transportation and Infrastructure, including:[3]

- $27.5 billion for highways and bridges;
- $8.4 billion for transit;
- $9.3 billion for passenger rail;
- $1.5 billion for competitive surface transportation grants;
- $1.3 billion for aviation; and
- $100 million for small shipyard grants.

I. IMPLEMENTATION HIGHLIGHTS OF TRANSPORTATION INFRASTRUCTURE INVESTMENT

Highway ($27.5 billion)

The Federal Highway Administration (FHWA) has approved 12,777 highway projects totaling $26.2 billion. This amount represents nearly 100 percent of the total available highway funds.[4]

Of the amount approved to date, Recovery Act investments will result in:

- improvement of 35,399 miles of road;
- improvement of 1,264 bridges; and
- demand for approximately 10 million metric tons of cement, resulting in revenues of $950 million for the cement industry.[5]

Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion): All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,351 projects totaling $25.8 billion, nearly 100 percent of the available Recovery Act highway formula funds. Work has begun on 10,999 projects, totaling $23.1 billion, representing 87 percent of the funds.

Federal and Indian Lands ($550 million): FHWA has awarded 361 projects totaling $406 million, representing 74 percent of the funds for Federal and Indian Lands. Work is underway on 156 projects totaling $277 million, representing 50 percent of the available funds.

[2] The Congressional Budget Office originally estimated the total cost of the Recovery Act to be $787 billion, and revised that figure in January 2010 to $862 billion.
[3] The Recovery Act also included $142 for bridge alterations. The U.S. Coast Guard administers this program. The witness representing BNSF Railway will testify regarding this program.
[4] FHWA approved slightly less than their original allocation, because 19 States chose to transfer funds for transit projects.
[5] Information is supplied by the Portland Cement Association. Demand is measured over a four-year period.

Ferry Boat Capital Grants to States ($60 million): Of the 29 announced projects, FHWA has approved 23 projects totaling $36 million, representing 60 percent of the total funds for Ferry Boat capital grants. Work is underway on 13 projects totaling $17 million, representing 28 percent of the available funds.

On-the-Job Training ($20 million): FHWA has awarded 42 training grants worth $14 million, representing 71 percent of the total apportionment for On-the-Job Training. Work is underway on 18 projects totaling $6 million, representing 30 percent of the available funds.

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation (DOT) has approved 44 applications for bonding assistance, totaling $597,000.

Transit ($8.4 billion)

The Federal Transit Administration (FTA) has awarded 1,050 grants totaling $8.8 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[6]

Recovery Act transit investments will results in:

- the purchase or rehabilitation of 12,136 buses, rail cars, and paratransit vans ($2.4 billion);
- the construction or rehabilitation of 4,870 passenger facilities ($1.5 billion); and
- the construction or rehabilitation of 324 maintenance facilities ($925 million).

Transit Urban and Rural Formula Grants ($6.8 billion): FTA has awarded $7.2 billion for 947 projects in all 50 States, five Territories, and the District of Columbia. This represents 100 percent of the available funding.[7] Work has begun on 3,981 projects totaling $5.1 billion, representing 71 percent of the funds.

Fixed Guideway Infrastructure Investment ($750 million): FTA has awarded 51 grants worth $743 million in 27 States, Puerto Rico, and the District of Columbia. This amount represents 100 percent of the total available funds. Work has begun on 147 projects totaling $680 billion, representing 92 percent of the funds.

New Starts Grants ($750 million): FTA has awarded 11 grants totaling $743 million in eight States and the District of Columbia. This amount represents 100 percent of the total available funds.

Transit Greenhouse Gas and Energy Reduction Funding ($100 Million): FTA has awarded 41 of the 43 planned Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants totaling $97 million, representing 97 percent of the available TIGGER funding.

[6] FTA awarded more than their original allocation because FTA received $418 million in 71 transfers from FHWA.
[7] This total includes transfers from FHWA and Tribal Transit grants.

Rail ($9.3 billion)

Amtrak ($1.3 billion): Work is underway on 232 projects totaling $1.3 billion, representing nearly 100 percent of the total Amtrak Recovery Act funds, as of June 30, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 725 contracts totaling $817 million. Amtrak has made 46 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

- replacing 1.3 million concrete ties, of which 281,400 have been completed;
- restoring and returning to service 60 Amfleet cars, 21 Superliners, and 15 P-40 locomotives;
- improving 270 stations;
- improving 38 maintenance facilities; and
- replacing or maintaining nine bridges.

High-Speed Rail and Intercity Passenger Rail Grants ($8 billion): On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. Since then, the Federal Railroad Administration (FRA) has obligated $127 million on four projects.

In total, these awards will develop or lay the groundwork for 13 new, large-scale, high-speed rail corridors across the country. The major corridors are part of a total of 31 States receiving investments, including smaller projects and planning work for future high-speed rail service.

Aviation ($1.3 billion)

Work is underway or completed on 726 projects ($1.2 billion), representing 96 percent of the total available Recovery Act aviation funds.

Airport Improvement Program ($1.1 billion): Work is underway or completed on 362 projects ($1.1 billion), representing 100 percent of the funding for airport grants. Within this total, work is underway on 107 projects ($521 million), and work has been completed on an additional 255 projects ($572 million).

Recovery Act investments will result in:

- runway improvements: 155 projects at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million);
- taxiway improvements: 83 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million);

- apron improvements: 52 projects at 48 airports that support more than 6,500 aircraft based at these airports ($188 million); and

- terminal buildings and aircraft rescue and firefighting buildings improvements at 33 airports that accommodate 2.5 million annual takeoffs/landings and serve 33 million enplaned passengers ($117 million).

Facilities and Equipment ($200 million): Work is underway or completed on 364 projects ($154 million), representing 77 percent of the funding for Facilities and Equipment. Within this total, work is underway on 100 projects ($129 million), and work has been completed on an additional 264 projects ($25 million).

Recovery Act investments will:

- upgrade power systems: 177 projects at 100 locations ($50 million);

- modernize air route traffic control centers: 25 projects at 18 locations ($50 million);

- replace three air traffic control towers, establish four small contract air traffic control towers, and modernize three air traffic control facilities ($80 million); and

- improve lighting, navigation, and landing equipment: 667 projects at 151 locations ($20 million).

Competitive Surface Transportation Grants ($1.5 billion)

On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. DOT has since obligated $149 million on nine projects. Construction has begun on two projects totaling $16 million.

Small Shipyard Grants ($100 million)

Work is underway or completed on 70 of the 73 planned projects ($123 million), representing nearly 100 percent of the total available funds.[8] Within this total, work is underway on 52 projects ($99 million), and work is completed on an additional 18 projects ($23 million).

[8] The Maritime Administration is also managing three small shipyard projects originally funded under the highway program, totaling $26 million.

Bridge Alterations ($142 million)

Contracts have been awarded and work has begun on all four planned Coast Guard bridge projects totaling $142 million, representing 100 percent of the available funds. The four bridges include:

- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million). Construction will be completed in August 2011;
- Elgin, Joliet, and Eastern Bridge over the Illinois Waterway in Divine, Illinois – built in 1885 ($30 million). Construction will be completed in October 2011;
- Galveston Bridge over the Intercoastal Waterway in Texas – built in 1912 ($61 million). Construction will be completed in June 2012; and
- Mobile Bridge over the Mobile River in Hurricane, Alabama – built in 1927 ($15 million). Construction will be completed in September 2011.

II. TRANSPARENCY AND ACCOUNTABILITY INFORMATION

Highway, Transit, and Wastewater Infrastructure Formula Funds

According to the latest submissions by States, metropolitan planning organizations, and public transit agencies on their use of highway, transit, and wastewater infrastructure formula programs:

Out to Bid

As of June 30, 2010, 18,718 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $35 billion, representing 92 percent of the total available formula funds.

Signed Contracts

Fifty States, five Territories, and the District of Columbia have signed contracts for 18,002 projects totaling $33.4 billion, representing 88 percent of the total available formula funds.

Work Underway

Work has begun on 17,024 projects in 50 States, five Territories, and the District of Columbia totaling $32.7 billion, representing 86 percent of the total available formula funds.

Work Completed

Work has been completed on 6,920 projects totaling $5.3 billion in 50 States, one Territory, and the District of Columbia, representing 14 percent of the total available formula funds.

Jobs Created

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[9] Total employment, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[10] During June 2010, the Recovery Act created or sustained 82,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, reached nearly 160,000 jobs.

In total, direct job creation from these formula projects has resulted in payroll expenditures of $3 billion. Using this data, the Committee calculates that $509 million in unemployment checks have been avoided as a result of this direct job creation.[11] Furthermore, these direct jobs have caused nearly $610 million to be paid in Federal taxes.[12]

Project List: All Programs Under Committee's Jurisdiction

Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,610 transportation and other infrastructure projects totaling $62.9 billion, as of July 16, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $51.2 billion for 19,282 projects, representing 80 percent of the available funds.

To download a complete list of projects, please visit the Recovery Act Report section of the Committee's website: http://transportation.house.gov/ and click on "Project List." The list may be searched by State, Congressional District, Federal agency, or program.

[9] Direct jobs are charged directly to the project, and include workers employed to build a facility or upgrade equipment on-site. Consistent with the DOT reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing the number of cumulative direct, on-project job hours created or sustained by Recovery Act funds, as reported by States, MPOs, and public transit agencies, by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[10] Indirect jobs are not charged directly to the project but are embedded in materials costs and include positions at companies that produce construction materials such as steel, sand, gravel, and asphalt, or manufacture equipment including new transit buses. Induced jobs are positions that are created or sustained when employees spend their increased incomes on goods and services. To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

[11] The value of unemployment checks avoided is determined by multiplying FTE direct job months created or sustained by the average monthly unemployment benefits paid ($1,448.33) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided the Committee with this information.

[12] The value of Federal taxes paid is calculated by multiplying the direct jobs payroll by the average total Federal tax rate (20.45 percent) (the sum of the average tax rate with respect to adjusted gross income (12.8 percent) and average social insurance payments (7.65 percent) for the 2008 tax year). CRS provided the Committee with this information.

For additional information, see the attached report entitled *The American Recovery and Reinvestment Act of 2009, Transportation and Infrastructure Provisions Implementation Status as of July 16, 2010.*

Please also see the attached tables, which include: 1) T&I Committee Transparency and Accountability Information by State and Formula Funding; 2) Highway Rankings; 3) Clean Water Rankings; 4) Miles Improved; and 5) Bridges Improved.

All described materials are available on the Committee's website. To download these materials, please visit the Recovery Act Report section of the Committee's website by visiting http://transportation.house.gov/, and clicking on "Putting America to Work" on the right side of the Committee's homepage.

WITNESSES

PANEL I

The Honorable Ray H. LaHood
Secretary
U.S. Department of Transportation

PANEL II

Mr. James A. Duit
President
Duit Construction Company, Inc.
representing the American Concrete Pavement Association

Mr. Kevin Gannon
Vice President
Northeast Asphalt Inc.
representing the American Road & Transportation Builders Association

Mr. Brian Macleod
Senior Vice President
Gillig Corporation

Mr. Steve A. Millsap
Assistant Vice President of Structures
BNSF Railway

Mr. William E. Schneider
President & CEO
Knife River Corporation
representing the National Stone, Sand & Gravel Association

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The American Recovery and Reinvestment Act of 2009 Transportation and Infrastructure Provisions Implementation Status as of July 16, 2010

Prepared for

The Honorable James L. Oberstar
Chairman

By the Committee on Transportation and Infrastructure
Majority Staff

For Release on Delivery
July 26, 2010
2:00 p.m.

EXECUTIVE SUMMARY

The transportation and infrastructure investments provided by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have been a tremendous success. These investments have helped stem the tide of job losses from the worst economic crisis facing the nation since the Great Depression.

Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,610 transportation and other infrastructure projects totaling $62.9 billion, as of July 16, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $51.2 billion for 19,282 projects, representing 80 percent of the available funds.

The following transparency and accountability information demonstrates the successful implementation of Recovery Act highway, transit, and wastewater infrastructure formula fund investments: Of the $38 billion available for highway, transit, and wastewater infrastructure formula program projects under the Recovery Act, $35 billion, or 92 percent, has been put out to bid on 18,718 projects, as of June 30, 2010. Within this total, 18,002 projects (totaling $33.4 billion, or 88 percent) are under contract. Across the nation, work has begun on 17,024 projects totaling $32.7 billion, or 86 percent. Within this total, work has been completed on 6,920 projects totaling $5.3 billion.

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[1] Total employment, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[2] During June 2010, the Recovery Act created or sustained 82,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, reached nearly 160,000 jobs.

Direct job creation from these projects has resulted in payroll expenditures of $3 billion. Using this data, the Committee calculates that $509 million in unemployment checks have been avoided as a result of this direct job creation.[3] Furthermore, these direct jobs have caused nearly $610 million to be paid in Federal taxes.[4]

---

[1] Consistent with the U.S. Department of Transportation's reports pursuant to section 1201 of the Recovery Act, the number of direct jobs is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[2] To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

[3] The value of unemployment checks avoided is determined by multiplying FTE direct job months created or sustained by the average monthly unemployment benefits paid ($1,448.33) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided the Committee with this information.

[4] The value of Federal taxes paid is calculated by multiplying the direct jobs payroll by the average total Federal tax rate (20.45 percent) (the sum of the average tax rate with respect to adjusted gross income (12.8 percent) and average social insurance payments (7.65 percent) for the 2008 tax year). CRS provided the Committee with this information.

Page 4

TABLE OF CONTENTS

Committee on Transportation and Infrastructure
Recovery Act Provisions

$64.1 Billion for Transportation and Infrastructure Investment

- The Recovery Act provides **$64.1 billion** of infrastructure investment to enhance the safety, security, and efficiency of our highway, transit, rail, aviation, environmental, flood control, inland waterways, public buildings, and maritime transportation infrastructure.

- The $64.1 billion of Federal transportation and infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity**.

- Specifically, **the Recovery Act provides**:

  - **Highways and Bridges: $27.5 billion**
    including Federal-aid Highway formula ($26.8 billion), Indian Reservation Roads ($310 million), National Park Roads ($170 million), Forest Roads ($60 million), Refuge Roads ($10 million), Ferry Boats and Ferry Terminal facilities ($60 million), On-the-Job Training ($20 million), and Disadvantaged Business Enterprise bonding assistance ($20 million)

  - **Transit: $8.4 billion**
    including Transit Urban and Rural formula ($6.8 billion), Transit Greenhouse Gas and Energy Reduction program ($100 million), Fixed Guideway Modernization formula ($750 million), and New Starts grants ($750 million)

  - **Rail: $9.3 billion**
    including High-speed Rail and Intercity Passenger Rail grants ($8 billion), Amtrak Capital grants ($850 million), and Amtrak Safety and Security grants ($450 million)

  - **Surface Transportation: $1.5 billion**
    including highway, bridge, public transit, intercity passenger rail, freight rail, and port infrastructure grants

  - **Aviation: $1.3 billion**
    including Airport Improvement Program ($1.1 billion) and Federal Aviation Administration Facilities and Equipment ($200 million)

TRANSPORTATION AND INFRASTRUCTURE INVESTMENT CONTINUED

- **Environmental Infrastructure: $5.26 billion**
  including Clean Water State Revolving Fund loans and grants ($4 billion), Superfund cleanups ($600 million), Brownfields grants ($100 million), Watershed and Flood Prevention Operations ($290 million), Watershed Rehabilitation Program ($50 million), and International Boundary and Water Commission ($220 million)

- **U.S. Army Corps of Engineers: $4.6 billion**
  including Construction ($2 billion), Operation and Maintenance ($2.075 billion), Mississippi Rivers and Tributaries ($375 million), Formerly Utilized Sites Remedial Action Program ($100 million), Investigations ($25 million), and Regulatory Program ($25 million)

- **Federal Buildings: $5.575 billion**
  including High-Performance Green Federal buildings ($4.5 billion), repair, alteration, and construction of Federal buildings and courthouses ($750 million) and border stations and land ports of entry ($300 million), and Smithsonian Institution ($25 million)

- **Economic Development Administration: $150 million**
  including Economic Adjustment grants ($50 million) and Regional Economic Development Commissions (up to $50 million)

- **Emergency Management: $210 million**
  including Firefighter Assistance grants to construct non-Federal fire stations ($210 million)

- **Coast Guard: $240 million**
  including Bridge Alterations ($142 million) and construction of shore facilities and aid-to-navigation facilities and repair of vessels ($98 million)

- **Maritime Administration: $100 million**
  including Small Shipyard grants ($100 million)

- The Recovery Act generally **requires these funds to be invested in ready-to-go projects.** Section 1602 of the Recovery Act requires States and other grant recipients to give preference to projects that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for projects that can be initiated not later than 120 days (June 17, 2009) after the date of enactment.[5] In addition, several transportation programs have specific deadlines to invest a percentage of the funds. For example, for Federal-aid Highway formula funds, 50 percent of state-administered funds must be obligated within 120 days (June 30, 2009) of the date of apportionment and all funds must be obligated within one year (March 2, 2010) of the date of apportionment. For transit formula grants, 50 percent of funds must be obligated within 180 days (September 1, 2009) of the date of apportionment and all funds must be obligated within one year (March 5, 2010) of the date of apportionment.

- The Recovery Act **creates green collar jobs and invests in projects that decrease our dependence on foreign oil and address global climate change.** It provides $4.5 billion for High-Performance Green Federal buildings to fund projects that incorporate energy and water conservation elements, such as installing photovoltaic roofs and geothermal technology. In addition, the Recovery Act provides a significant investment in public transit, high-speed rail, intercity rail, and Amtrak projects to provide alternatives to traveling by car, and help public transit and intercity passenger rail providers increase the percentage of their fleets that are alternative fuel vehicles. Finally, the Recovery Act directs that 20 percent of each State's Clean Water State Revolving Fund allotment be used for investments in energy and water efficient techniques and technologies (i.e., green infrastructure).

- The Recovery Act **requires the steel, iron, and manufactured goods for these projects to be produced in the United States.**[6]

- The Recovery Act **creates family-wage construction and manufacturing jobs.**[7]

- The Recovery Act **requires the Governor of each State to certify that:**

    - **the State will request and use funds provided by the Recovery Act and the funds will be used to create jobs and promote economic growth;**[8]

    - **the State will maintain its effort with regard to State funding for transportation projects;**[9] **and**

---

[5] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1602 (2009).
[6] *Id.* § 1605.
[7] *Id.* § 1606. The Recovery Act requires all laborers and mechanics employed by contractors on projects funded by this Act to be paid prevailing wages. *Id.*
[8] *Id.* § 1607. The Governor shall make this certification within 45 days (April 3, 2009) of the date of enactment. If the Governor does not make such certification, the State legislature may accept the funds. *Id.*

- **the Governor accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars.**[10]

To view submitted certifications by State, see: http://testimony.ost.dot.gov/ARRAcerts/.

➢ Finally, the Recovery Act **ensures transparency and accountability by including regular reporting requirements to track the use of the funds, State investments, and the estimated number of jobs created or sustained. This information will be publicly available through Recovery.gov.** Pursuant to section 1512 of the Act, States and other direct grant recipients will provide quarterly reports (beginning October 10, 2009) to the Federal agency that provided the funds on the total amount of recovery funds received; the amount of such funds that were expended or obligated; a detailed list of all projects or activities for which recovery funds were expended or obligated, including the name and description of the project, an evaluation of the completion status of the project, and an estimate of the number of jobs created or sustained by the project; and, for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment. Each Federal agency receiving these quarterly reports will make the information publicly available by posting the information on a website.[11]

➢ Section 1201 of the Recovery Act **requires additional reporting requirements for funds administered by the U.S. Department of Transportation.** Under this provision, each State and other grant recipient shall submit periodic reports to the U.S. Department of Transportation on the use of Recovery Act funds provided for highway, public transit, rail, surface transportation, airport, and maritime programs. The States and other grant recipients will report:

- the amount of Federal funds obligated and outlayed;
- the number of projects that have been put out to bid, and the amount of Federal funds associated with such projects;
- the number of projects for which contracts have been awarded, and the amount of Federal funds associated with such projects;
- the number of projects for which work has begun under such contracts and the amount of Federal funds associated with such contracts;

---

[9] *Id.* § 1201. The certification shall include a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment during the period from the date of enactment through September 30, 2010. *Id.*
[10] *Id.* § 1201. The certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website and linked to the Recovery.gov website. *Id.*
[11] *Id.* § 1512.

- the number of projects for which work has been completed under such contracts and the amount of Federal funds associated with such contracts;

- the number of direct, on-project jobs created or sustained by the Federal funds provided and, to the extent possible, the estimated indirect jobs created or sustained in the associated supplying industries, including the number of job-years created and the total increase in employment since the date of enactment; and

- information tracking the actual aggregate expenditures by each grant recipient from State sources for projects eligible for funding under the program during the period from the date of enactment through September 30, 2010, compared to the level of expenditures that were planned to occur during such period as of the date of enactment.

The first periodic report is due not later than 90 days (May 18, 2009) after the date of enactment, and subsequent reports are due not later than 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act.[12]

READY-TO-GO INFRASTRUCTURE INVESTMENTS

- While certain infrastructure projects may require years of engineering and environmental analysis, followed by a lengthy contract award process, a subset of projects – such as projects involving rehabilitation and repair of existing infrastructure – can move much more quickly, with work beginning within 90 to 120 days.[13]

- The Recovery Act requires funds to be invested in ready-to-go projects. Priority will be given to projects that can be started and completed quickly.[14] For instance, State Departments of Transportation (DOTs) have a tremendous backlog of highway resurfacing needs. State DOTs often have open-ended contracts in place for resurfacing projects, which means that work could begin immediately upon receipt of additional funds. Similarly, many State DOTs have bridge deck overlay projects, in which the top two or three inches of concrete on the surface of the bridge (e.g., the deck) is replaced, which are ready-to-go.

- Even before the U.S. Department of Transportation apportioned formula funds to States, cities, and public transit agencies, State DOTs put out bids (typically for a period of 30 days) for ready-to-go projects. After receipt of the bids and contract award, work can begin on

---

[12] *Id.* § 1201.
[13] The Federal Highway Administration's "August redistribution" of highway funds illustrates the ability of States to obligate additional funds quickly when they become available. In August of each year, States that cannot use their entire obligation authority return the unused authority to the Federal Highway Administration, which then redistributes it to States that can use the funds prior to the end of the fiscal year on September 30.
[14] *See id.* § 1602.

the project within an additional 30 days. **In this way, the Recovery Act has "put shovels in the ground" within 90 to 120 days of the date of enactment.**

ECONOMIC IMPACT: **MORE THAN 1.8 MILLION JOBS AND $323 BILLION OF ECONOMIC ACTIVITY**

- The $64.1 billion of Federal infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity.** Each $1 billion of Federal funds invested in infrastructure creates or sustains approximately 34,779 jobs and $6.2 billion in economic activity.[15]

- A national survey found that transportation construction contractors hire employees within three weeks of obtaining a project contract. These employees begin receiving paychecks within two weeks of hiring.

- In addition, this infrastructure investment will **increase business productivity** by reducing the costs of producing goods in virtually all industrial sectors of the economy. Increased productivity results in increased demand for labor, capital, and raw materials and generally leads to lower product prices and increased sales.

- This investment will specifically help unemployed construction workers. The construction sector has lost 1,909,000 jobs since the recession began in December 2007. The unemployment rate in construction was 20.1 percent in June 2010. As of June 2010, there are 1,785,000 unemployed construction workers in the nation.

- An analysis by a national transportation construction association shows that between May 2009 and May 2010, the value of new contracts for highway pavement projects rose to $67.3 billion, a 17 percent increase from the period between May 2008 and May 2009, when highway contract awards totaled $57.5 billion. The value of highway and bridge contract awards year through May 2010 is up by $3.5 billion — from $26.8 billion to $30.3 billion. Beginning in May 2009 and during every month following, with the exception of the weather related declines in January and February 2010, construction activity on transportation projects has been stronger than during the same month of the previous year.

---

[15] These estimates are based on 2007 Federal Highway Administration (FHWA) data on the correlation between highway infrastructure investment and employment and economic activity, and assume a 20 percent State or local matching share of project costs. Some infrastructure programs have slightly higher or lower estimates of the number of jobs created or the economic activity generated per $1 billion of Federal funds invested. To enable easy comparisons among the elements of the bill, this document presumes the FHWA model for employment and economic activity. In the overwhelming majority of cases, the requirement for State or local matching funds would be waived under this proposal. Where appropriate, estimates of employment and economic activity have been adjusted to reflect these match waivers.

- In contrast to the economic stimulus effect from tax cuts, virtually all of the stimulus effect from public infrastructure investment will be felt in the United States. Not only would the construction work be done here, but most transportation construction materials and equipment are manufactured in the United States, as well.[16]

MINORITY-OWNED AND WOMEN-OWNED BUSINESS IMPACT:

- This investment will also help address the disproportionate effect that the increase in unemployment has had on people of color. In June 2010, the rate of unemployment for African Americans was 15.4 percent – 79 percent higher than the rate for whites. The unemployment rate for Hispanic or Latino Americans was 12.4 percent, 44 percent more than the rate for whites.

- Congress has established a national 10 percent aspirational program goal for firms certified as Disadvantaged Business Enterprises ("DBEs"), including minority- and women-owned businesses, with respect to highway, transit, aviation, and other infrastructure programs. As a general rule, States, cities, and infrastructure financing authorities are required to establish an annual DBE participation goal that reflects what DBE participation would be in the absence of discrimination. The DBE program applies to all Recovery Act transportation and infrastructure programs.

[16] Previous experience with using public infrastructure investment to stimulate the economy can be found with the Public Works Acceleration Act (P.L. 87-658), signed by President Kennedy on September 14, 1962. Under this program, a total investment of $1.8 billion ($880 million Federal investment and $920 million in local investment) generated 250,000 job-years. *See* Public Works Acceleration Act, 42 U.S.C. § 2641 (1962).

HIGHWAYS AND BRIDGES – $27.5 BILLION

Recovery Act:

1. **Provides $26.66 billion in funding for Federal-Aid Highway formula investments.**
2. **Provides $150 million for Puerto Rico and Territorial Highway Programs.**
3. **Provides $550 million for roads on Federal and Indian lands, including $170 million for National Park Roads, $310 million for Indian Reservation Roads, $60 million for Forest Roads, and $10 million for Refuge Roads.**
4. **Provides $60 million for competitive discretionary Ferry Boat capital grants to States.**
5. **Provides $20 million for On-the-Job Training.**
6. **Provides $20 million for Disadvantaged Business Enterprise bonding assistance.**

Distribution: Distributes Federal-aid Highway funds through a hybrid formula to States (50 percent through Surface Transportation Program formula and 50 percent apportioned via the FY 2008 obligation limitation ratio distribution). States must sub-allocate 30 percent of funds to local governments. Distributes National Park, Indian Reservation, Forest, and Refuge Road funds pursuant to existing administrative processes. Of all the funds provided to a State, three percent must be used for transportation enhancements. Formula funds must be apportioned by the Federal Highway Administration (FHWA) within 21 days (March 10, 2009) of the date of enactment.

Additional Uses of Funds: Expands uses to include stormwater runoff, passenger and freight rail, and port infrastructure projects.

Prioritization: Prioritizes funds on projects that could be completed in three years (February 17, 2012) and are in economically distressed areas of the State,[17] except that, for Ferry Boat projects, priority shall be given to projects that can be completed within two years (February 17, 2011) of enactment.

Shovel-Ready Deadlines: Requires 50 percent of the funds apportioned to the States to be obligated within 120 days (June 30, 2009) after the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other States that had no funds withdrawn. Funds suballocated to local governments are not subject to the 120-day redistribution. All 50 States met this requirement.

---

[17] On August 24, 2009, DOT released supplemental guidance on the determination of economically distressed areas. For more information, see: http://www.fhwa.dot.gov/economicrecovery/guidancedistressed.htm.

One hundred percent of funds must be obligated within one-year (March 2, 2010) of apportionment. All 50 States met this requirement.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FHWA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[18]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[19]

Recovery Act Implementation: Recovery Act investments will result in improvements to 35,399 miles of highway and 1,264 bridges.[20] These highway investments will also result in demand for approximately 10 million metric tons of cement, resulting in revenues of $950 million for the cement industry.[21]

In total, FHWA has approved 12,777 highway projects totaling $26.2 billion. This amount represents nearly 100 percent of the total available highway funds.

Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion): All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,351 projects totaling $25.8 billion, nearly 100 percent of the available Recovery Act highway formula funds.[22]

---

[18] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1201 (2009).
[19] *Id.* § 1512.
[20] Miles and bridge improvement information is based on obligations as of June 9, 2010.
[21] Information is supplied by the Portland Cement Association. Demand is measured over a four-year period.
[22] FHWA approved slightly less than their original allocation because 19 States chose to transfer funds for transit projects. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale. After March 2, 2010, a number of States also deobligated funds because they received lower than anticipated bids for highway projects. States have until September 30, 2010, to obligate these remaining available funds.

On March 2, 2009, FHWA issued Federal-aid Highway formula apportionments to States. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

Out to Bid

According to submissions received by the Committee from States, as of June 30, 2010, all 50 States, five Territories, and the District of Columbia have put out to bid 12,408 projects totaling $25.3 billion, representing 96 percent of the total available highway formula funds.

Signed Contracts

All 50 States, five Territories, and the District of Columbia have signed contracts for 11,792 projects totaling $23.9 billion, representing 90 percent of the funds.

Work Underway

Work has begun on 10,999 projects in 50 States, five Territories, and the District of Columbia, totaling $23.1 billion, representing 87 percent of the funds.

Completed

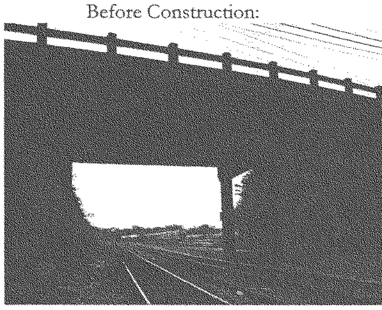
Work has been completed on 4,571 projects in 49 States, one Territory, and the District of Columbia, totaling $3.9 billion, representing 14 percent of the funds.

To view formula fund information by State, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

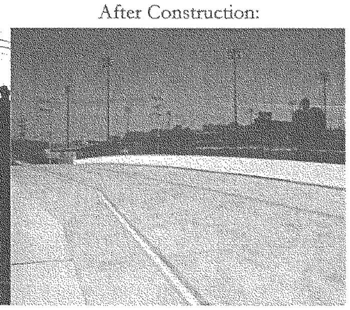
Examples of completed projects include:

- Chestnut Street Bridge, Nashville, Tennessee ($2 million): This project replaced the bridge that crosses over the CSX Railroad. The 80 year old bridge was classified in "Poor" condition and appeared on the State's list of structurally deficient bridges. The bridge's sufficiency rating was 37.6 out of 100. The Recovery Act allowed Tennessee to replace this aging bridge and create a safer roadway in a busy section of the city. The project was completed two and a half months early. Project activities also included the realignment of the Chestnut and Hagan Street intersection and major upgrades to Nashville's storm sewer system;

Before Construction:

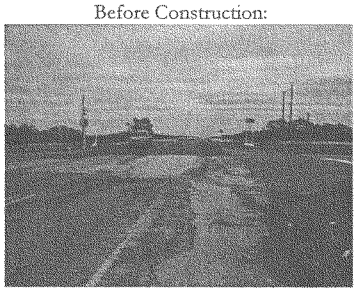


After Construction:



- State Highway 141 in Kingsville, Texas ($3 million): The existing roadway serves as one of the main corridors for students attending the Texas A&M Kingsville. The purpose of the project was to rehabilitate and overlay the existing pavement. Accident data showed that there were 106 accidents on this roadway in the last three years. This rehabilitation was needed to ensure the safety of everyone traveling on the road. The project spanned from US 281 to Santa Gertrudes Street in Kingsville. The project began in August 2009 and was completed in January 2010; and

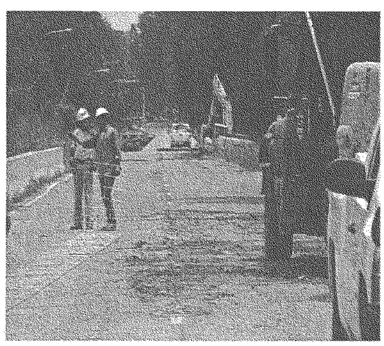
Before Construction:



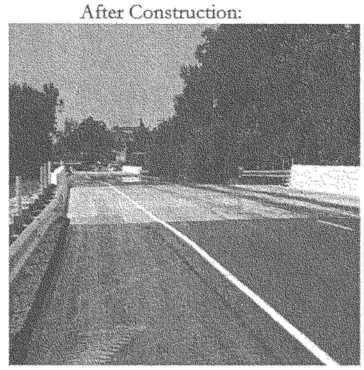
After Construction:

- Bridge in Carroll County, Tennessee ($2.3 million): Work began on three box beam bridges on Tennessee State Route 22, a major route through the heart of Carroll County, Tennessee on June 5, 2009 and was completed on June 30, 2010. The 40-year old existing bridges were in much need of replacement.

Before Construction:



After Construction:



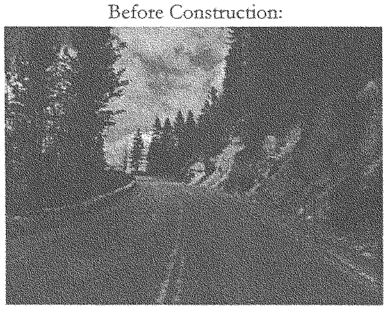
For up-to-date information on projects obligated, underway, and completed, see: http://www.fhwa.dot.gov/economicrecovery/weeklylists.htm.

Federal and Indian Lands ($550 million): FHWA has awarded 361 projects totaling $406 million, representing 74 percent of the funds for Federal and Indian Lands. Work is underway on 156 projects totaling $277 million, representing 50 percent of the available funds.

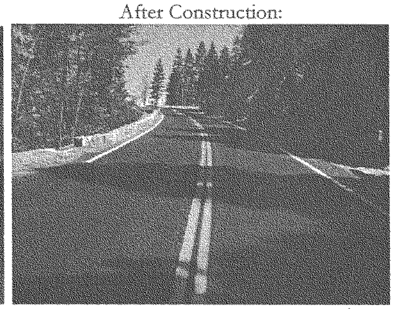
An example of a completed project includes:

- Yosemite National Park in California ($8 million): Located in an economically distressed area, the project has rehabilitated approximately five miles of paved roadway and two lane miles of paved parking area. Existing deficiencies, such as incorrect roadway superelevation, were corrected in addition to the replacement of the deteriorated pavement. Turnouts within the project limits were also rehabilitated and improved. Reconstruction and realignment of the Chinquapin intersection addressed the higher-than-normal accident rate for that particular location.

Before Construction:



After Construction:



Ferry Boat Capital Grants to States ($60 million): On July 10, 2009, FHWA announced $60 million in Ferry Boat capital grants for 29 projects in 19 States and the Virgin Islands. Of these announced projects, FHWA has approved 23 projects totaling $36 million, representing 60 percent of the total funds for Ferry Boat capital grants. Work is underway on 13 projects totaling $17 million, representing 28 percent of the available funds.

An example of a completed project includes:

- Ferry Boat Radar System Replacement in Louisiana ($300,000): This project will replace existing navigational radar systems with modern systems on four vessels at two crossings: Plaquemine/Sunshine and St. Francisville/New Roads. The modern navigational radar systems on the ferry boats will provide an improved visual aid to assist ferry boat captains in safely maneuvering vessels across the Mississippi River. These two ferry locations carry more than 600,000 vehicles annually.

On-the-Job Training ($20 million): FHWA has awarded 42 training grants worth $14 million, representing 71 percent of the total apportionment for On-the-Job Training. Work is underway on 18 projects totaling $6 million, representing 30 percent of the available funds.

These grants fund training centers and apprenticeships for underrepresented or disadvantaged people seeking careers in transportation, engineering, or construction. An example of a project underway includes:

- Transportation Careers Training Program in South Carolina ($200,000): This grant enabled South Carolina to prepare unemployed, minorities, women, and disadvantaged individuals for meaningful employment opportunities in the highway construction industry. Participants in this program received pre-employment counseling and training required to obtain a Commercial Drivers' License and the ability to work as a Heavy Equipment Operator. A total of 35 participants were selected for enrollment into the program. Thirty percent of the participants are currently employed with a highway construction company and/or a trucking company as a result of successfully completing this program. The program will assist in lowering the State's unemployment rate by increasing the number of participants that may become gainfully employed after successful completion of this program.

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation has approved 44 applications for bonding assistance, totaling $597,000.[23]

An example of a bonding assistance includes:

- Pedestrian Facility Improvements in South Carolina ($15,872): The Department approved three awards for AOS Specialty Construction, a woman-owned DBE in South Carolina, to improve pedestrian facilities and provide connectivity to public locations in close proximity to schools, public buildings, community centers, and businesses.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see:
https://fhwaapps.fhwa.dot.gov/rap/

Economic Impact: Creates more than 765,000 jobs and $136 billion of economic activity.

---

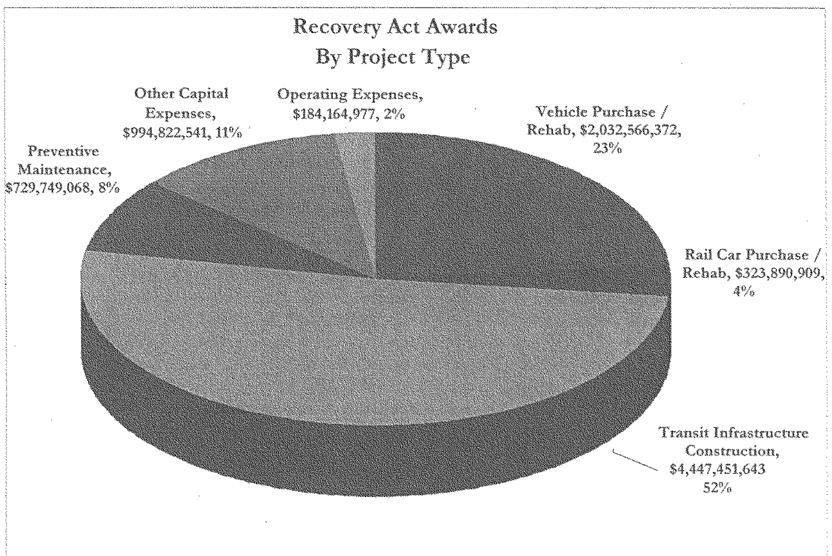
[23] On August 31, 2009, DOT announced that small and disadvantaged businesses may now apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, Recovery Act transportation projects. The Recovery Act created this new program to help small and disadvantaged businesses better compete for Recovery Act transportation funds. Only qualified bonds obtained from August 28, 2009, to September 8, 2010, are eligible for this assistance. Applications are due by September 8, 2010. For more information, see: http://www.dot.gov/recovery/ost/osdbu/index.htm.

TRANSIT – $8.4 BILLION

Recovery Act Implementation: Recovery Act transit investments will results in:

- the purchase or rehabilitation of 12,136 buses, rail cars, and paratransit vans ($2.4 billion);
- the construction or rehabilitation of 4,870 passenger facilities ($1.5 billion); and
- the construction or rehabilitation of 324 maintenance facilities ($925 million).

The Federal Transit Administration (FTA) has awarded 1,050 grants totaling $8.8 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[24] FTA plans to use the awarded funds according to the following project types:



Source: FTA

[24] FTA awarded more than their original allocation because FTA received $418 million in 71 transfers from FHWA.

TRANSIT URBAN AND RURAL FORMULA GRANTS – $6.8 BILLION

Recovery Act: **Provides $6.8 billion in transit capital and operating grants for ready-to-go projects, including $5.44 billion using the current transit urban formula, $680 million using the current transit rural formula, and an additional $680 million to both urban and rural areas using the current Growing States and High Density States formula.**

Distribution: Distributes transit urban and rural formula funds to States, cities, and public transit agencies pursuant to existing statutory transit formulas under 49 U.S.C. § 5307, 49 U.S.C. § 5311, and 49 U.S.C. § 5340.

Prioritization: Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

Shovel-Ready Deadlines: Requires States, cities, and public transit agencies to obligate at least $3.4 billion (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other urbanized areas or States that had no funds withdrawn. All States, cities, and public transit agencies met this requirement.

One hundred percent of funds must be obligated within one-year (March 5, 2010) of apportionment. All States, cities, and public transit agencies met this requirement.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[25]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[26]

---

[25] *Id.* § 1201.
[26] *Id.* § 1512.

Recovery Act Implementation: FTA has awarded $7.2 billion for 947 projects in all 50 States, five Territories, and the District of Columbia.[27] This represents 100 percent of the available funding.[28]

Out to Bid

According to submissions received by the Committee from States and public transit agencies, as of June 30, 2010, 4,200 projects have been put to bid in all 50 States, three Territories, and the District of Columbia, totaling $5.2 billion, representing 72 percent of the total available transit capital formula funds.

Signed Contracts

Contracts have been signed for 4,109 projects in 50 States, one Territory, and the District of Columbia totaling $5 billion, representing 70 percent of the funds.

Work Underway

Work has begun on 3,981 projects in 50 States, one Territory, and the District of Columbia totaling $5.1 billion, representing 71 percent of the funds.

Completed

Work has been completed on 2,125 projects in 48 States and the District of Columbia totaling $1.3 billion, representing 18 percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of completed projects include:

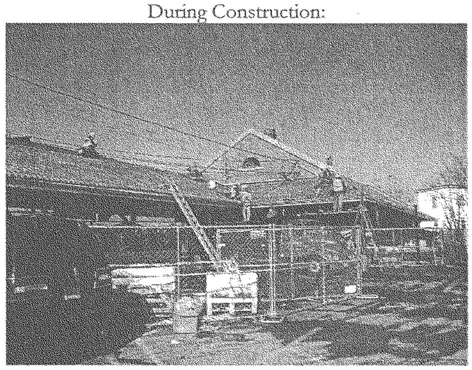
- Massachusetts Bay Transit Authority (MTBA) Attleboro Station ($2.5 million): The historic Attleboro Station building, originally built in 1906, is located in the heart of the Attleboro Central Business District. The station serves 16 round-trip MBTA commuter trains per weekday, as well as six local bus routes. The project consisted of the rehabilitating the building's exterior envelope, as well as improvements to the interior waiting area, consistent with the original intent of the historic facility. In addition to the needed maintenance work funded by the project, the project has also directly benefited the riding public by providing an improved and enlarged interior waiting area, bathrooms, and vendor area. The project also included the construction of a new ADA-accessible walkway system.

[27] On March 5, 2009, FTA issued public transit urban and rural formula funds apportionments to States and public transit agencies. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

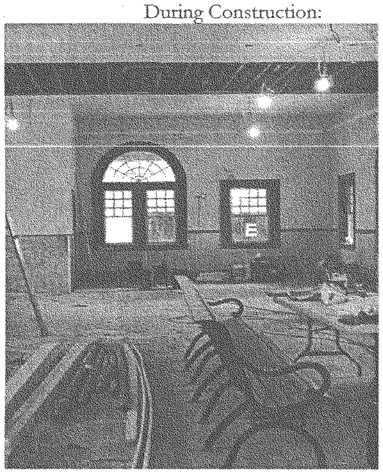
[28] This total includes 71 transfers totaling $418 million from FHWA and 38 Tribal Transit grants totaling $17 million.

An estimated 1,500 and 1,800 people pass through the station each day and 30 people worked on the project;

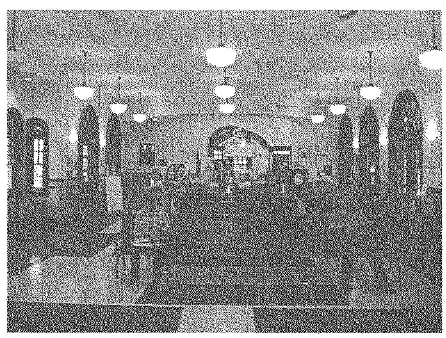
During Construction:



During Construction:

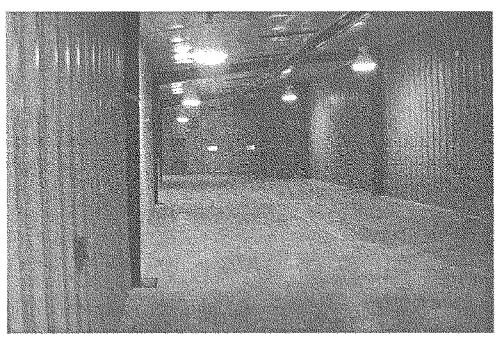


After Construction:



- Metra Locomotive Remanufacturing in Northern Illinois ($71 million): Metra used Recovery Act funds to remanufacture 40 locomotives. This effort is part of a project involving the life-extending remanufacture of 52 locomotives dating back to the late 1970s. The locomotives had experienced a substantial wearing out of major components. Metra needs to rebuild these locomotives to insure continued reliable service. Ten of the 40 locomotives are complete and have been delivered for use; and

- Huron Bus Storage Facility Addition in Huron, South Dakota ($185,000): The South Dakota Department of Transportation received more than $7 million in Recovery Act funds to buy vehicles and construct maintenance facilities in communities across the State. The construction of an addition to the existing bus barn in Huron, including an open area suitable to house several vehicles, has been completed.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates more than 189,000 jobs and $34 billion of economic activity.

TRANSIT GREENHOUSE GAS AND ENERGY REDUCTION FUNDING – $100 MILLION

Recovery Act: Provides $100 million of discretionary transit capital grants to public transit agencies to reduce energy consumption or greenhouse gas emissions of their public transportation systems.

Distribution: Distributes transit energy funds to public transit agencies as discretionary grants.

Prioritization: Prioritizes funds for projects based on the total energy savings that are projected to result from the investment, and projected energy savings as a percentage of the total energy usage of the public transit agency.

Shovel-Ready Deadlines: Requires public transit agencies to obligate at least 50 percent of these funds within 180 days (September 1, 2009) of the date of allocation. Requires public transit agencies to obligate all of the funds within one year (March 5, 2009) of the date of allocation. The Secretary of Transportation may provide an extension of time if a city or State has encountered an unworkable bidding environment or other extenuating circumstances.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[29]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[30]

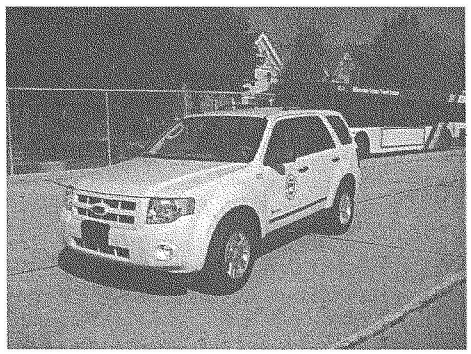
Recovery Act Implementation: On September 21, 2009, FTA announced 43 Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants in 27 States, totaling the entire $100 million in available funding.[31] FTA has awarded 41 grants totaling $97 million, representing 97 percent of the available TIGGER funding.

---

[29] *Id.* § 1201.
[30] *Id.* § 1512.
[31] FTA received $2 billion in proposals.

An example of a completed project includes:

- Milwaukee County Transit System Gas Hybrid Replacement Vans in Wisconsin ($210,000): The Milwaukee County Transit System received TIGGER funds to replace seven of its gasoline-powered minivans with gasoline-electric hybrid vans early this year. The agency maintains a fleet of 10 minivans to allow the transit agency to manage and support the system's operators, transit riders, and the community throughout Milwaukee County.



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 2,800 jobs and $500 million of economic activity.**

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT – $750 MILLION

Recovery Act: Provides $750 million for transit fixed guideway modernization projects.

Distribution: Distributes funds through the existing fixed guideway modernization formula.

Prioritization: Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

Shovel-Ready Deadlines: Requires public transit agencies to obligate at least $375 million (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

Requires public transit agencies to obligate all of the funding within one year (March 5, 2010) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[32]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[33]

Recovery Act Implementation: FTA has awarded 51 grants worth $743 million in 27 States, Puerto Rico, and the District of Columbia. [34] This amount represents 100 percent of the total available funds.

---

[32] *Id.* § 1201.
[33] *Id.* § 1512.
[34] On March 5, 2009, FTA announced the allocation of these formula funds. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

Out to Bid

According to submissions received by the Committee from States and public transit agencies, as of June 30, 2010, 148 projects have been put to bid in 24 States and the District of Columbia, totaling $651 million, representing 88 percent of the total available fixed guideway formula funds.

Signed Contracts

Contracts have been signed for 144 projects in 24 States and the District of Columbia totaling $643 million, representing 87 percent of the funds.

Work Underway

Work has begun on 147 projects in 24 States and the District of Columbia totaling $680 million, representing 92 percent of the funds.

Completed

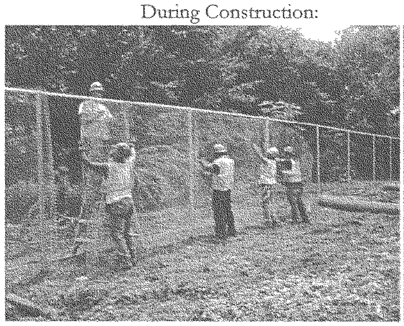
Work has been completed on 32 projects in 16 States totaling $62 million, representing eight percent of the funds.

To view formula fund information by State, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

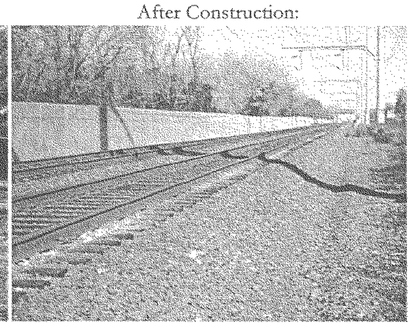
Examples of completed projects include:

- Southeastern Pennsylvania Transportation Authority (SEPTA) Station Improvements in Pennsylvania ($66 million): SEPTA received Recovery Act fixed guideway funds for subway station improvements, including the installation of replacement fencing and the extension of the right-of-way fence on the R1 Airport Line. Work on this project has been completed; and

During Construction:

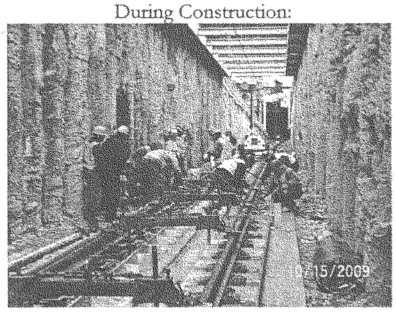


After Construction:

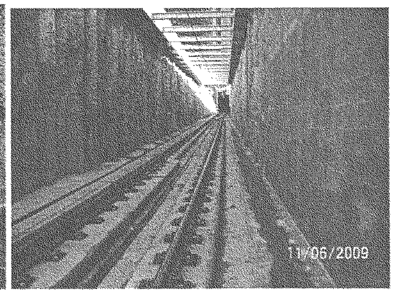


- Cleveland Waterfront Line Chute Track Repairs in Ohio ($600,000): Cleveland used $600,000 out of its more than $11 million in Recovery Act fixed guideway funds to replace the concrete plinths that support the rails of the Outbound "Chute" track of the 12-year-old Waterfront Line. The plinths began to show significant deterioration because of continual ground water flow. The plinths had to be replaced to maintain safe train operations. Workers replaced the plinths and constructed additional drainage trenches along the sides and new catch basins at the chute bottom. The project was completed on schedule with no change orders.

During Construction:



After Construction:



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 20,900 jobs and $3.7 billion of economic activity.**

TRANSIT NEW STARTS CONSTRUCTION – $750 MILLION

Recovery Act: Provides $750 million in transit capital grants for New Starts construction projects.

Distribution: Distributes New Starts project construction funds to public transit agencies pursuant to existing authority under SAFETEA-LU, FTA Full Funding Grant Agreements, and FTA Project Construction Grant Agreements. FTA would determine the distribution of funds through its existing competitive process.

Prioritization: Prioritizes funds on projects that are currently in construction or are able to obligate funds within 150 days (July 16, 2009) of enactment.

Shovel-Ready Deadlines: FTA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[35]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[36]

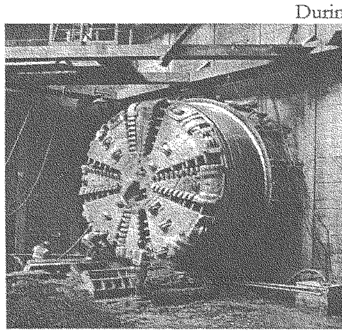
Recovery Act Implementation: FTA has awarded 11 grants totaling $743 million in eight States and the District of Columbia. This amount represents 100 percent of the total available funds.

An example of a completed project includes:

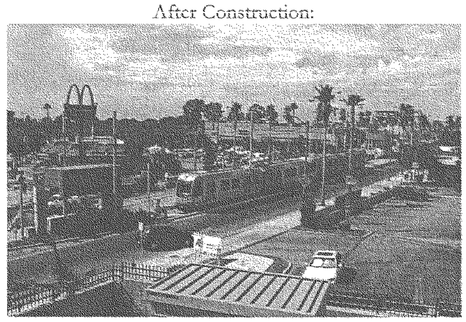
[35] *Id.* § 1201.
[36] *Id.* § 1512.

- Los Angeles Metro Gold Line Eastside Extension in California ($66.7 million): The Los Angeles County Metropolitan Transportation Authority used Recovery Act New Starts funds to help construct a 5.9-mile, dual-track light rail system with eight new stations and one station modification in the Eastside Corridor, connecting downtown Los Angeles with low- to moderate-income communities in East Los Angeles. The Eastside Corridor has among the highest residential densities and largest transit-dependent populations in Los Angeles. Over 60 bus routes currently serve the corridor, many of which operate at capacity during peak travel times and suffer delays due to traffic congestion. The Eastside Extension will improve public transportation services and provide travel-time savings for the destinations along rail and rapid bus network.

During Construction:



After Construction:



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates more than 50,000 jobs and $9 billion of economic activity. Furthermore, the additional $750 million of New Starts funding will make available an additional $1.5 billion of contingent commitment authority to enable FTA to sign more New Starts funding agreements for future transit construction projects.**

RAIL – $9.3 BILLION

Recovery Act:

1. **Provides $1.3 billion for capital grants to Amtrak, of which $450 million shall be used by Amtrak for safety and security improvements.**

2. **Provides $8 billion for high-speed rail, intercity passenger rail, and congestion capital grants to States.**

Distribution: Distributes $1.3 billion of capital grants to Amtrak; distributes $8 billion of high-speed rail, intercity passenger rail, and congestion grants to States on a competitive basis to pay for the cost of capital projects, as provided for in section 501 of the Passenger Rail Investment and Improvement Act of 2008 (Division B of P.L. 110-432) and chapter 244 of Title 49, United States Code.

Prioritization: For capital grants to Amtrak, priority shall be given to projects for the repair, rehabilitation, or upgrade of railroad assets or infrastructure, and for capital projects that expand passenger rail capacity, including the rehabilitation of rolling stock. For high-speed rail, intercity passenger rail, and congestion grants, priority shall be given to projects that support the development of high-speed rail service.

Shovel-Ready Deadlines: For capital grants to Amtrak, the Secretary shall ensure that projects funded with economic recovery funds provided to Amtrak shall be completed within two years (February 17, 2011) of enactment. 100 percent of the funds must be obligated by September 30, 2010. For high-speed rail, intercity passenger rail, and congestion grants, 100 percent of the funds must be obligated by September 30, 2012.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Federal Railroad Administration (FRA) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[37]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

---

[37] *Id.* § 1201.

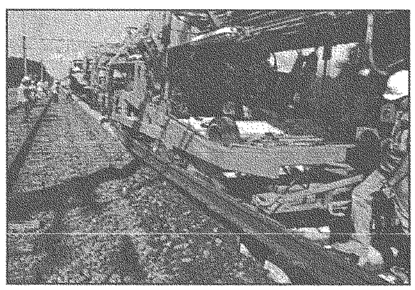
calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[38]

Recovery Act Implementation:

Amtrak ($1.3 billion): Work is underway on 232 projects totaling $1.3 billion, representing nearly 100 percent of the total Amtrak Recovery Act funds, as of June 30, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 725 contracts totaling $817 million. Amtrak has made 46 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

- replacing 1.3 million concrete ties, of which 281,400 have been completed;



- restoring and returning to service 60 Amfleet cars, 21 Superliners, and 15 P-40 locomotives;
- improving 270 stations;
- improving 38 maintenance facilities; and
- replacing or maintaining nine bridges.

[38] *Id.* § 1512.

Examples of projects underway include:

- Ivy City Substation in Washington, DC ($20 million): Work has already been completed on the five-mile access road, 32 of 66 caisson holes (see picture below), and excavation for a substation underway. The project also includes constructing a new substation and transmission line to provide stable voltages, redundancy, and reliable, traction power to trains. Amtrak will complete this project in January 2011; and

- Wilmington Station Rehabilitation in Wilmington, Delaware ($20 million): Construction began in June 2009. Restoration of this historic station includes improvements to the ADA compliant platform, track bed waterproofing, exterior rehabilitation, interior renovations, new plumbing, HVAC, electrical system, and waiting room. To date, Track 2 and 3 bed waterproofing and roof replacement of North and Center platforms are completed. All work on this project should complete by February 2011.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

High-Speed Rail and Intercity Passenger Rail Grant Programs ($8 billion): On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. Since then, FRA has obligated $127 million on four projects.

In total, these awards will develop or lay the groundwork for 13 new, large-scale high-speed rail corridors across the country. The major corridors are part of a total of 31 States receiving investments, including smaller projects and planning work that will help lay the groundwork for future high-speed intercity rail service.[39]

[39] FRA received over $55 billion in applications.

The announced grants include:

- corridor programs: these investments will develop entire phases or geographic sections of high-speed rail corridors that have completed corridor plans, environmental documentation, and have a prioritized list of projects to help meet the corridor objectives;

- individual projects: providing grants to complete individual projects that are ready-to-go with completed environmental and preliminary engineering work with an emphasis on near term job creation. Eligible projects include acquisition, construction of or improvements to infrastructure, facilities, and equipment. These projects will create jobs quickly by upgrading local and regional networks and making connections to better knit together the nation's rail system, improving safety, and reducing congestion; and

- planning: entering into cooperative agreements for planning activities, including development of corridor plans and State Rail Plans.[40]

The 13 corridors include:

- California;
- Eugene-Portland-Seattle;
- Chicago-St. Louis-Kansas City;
- Minneapolis-Milwaukee-Chicago;
- Cleveland-Columbus-Cincinnati;
- Detroit-Chicago;
- Tampa-Orlando-Miami;
- Charlotte-Richmond-Washington, DC;
- New York-Albany-Buffalo-Montreal;
- Boston-New York-Washington, DC (Northeast Corridor);
- Brunswick-Portland-Boston;
- Philadelphia-Harrisburg-Pittsburgh; and
- New Haven-Springfield-St. Albans.

To view the specific projects, see: http://www.whitehouse.gov/files/documents/100128_1400-HSRAwards-Summary_FRA%20Revisions.pdf.

To view a national map of selected projects, see: http://www.fra.dot.gov/us/content/2243.

To read descriptions of designated high-speed rail corridors, see: http://transportation.house.gov/Media/file/Full%20Committee/Stimulus/High%20Speed%20Rail%20Corridor%20Descriptions.pdf.

Economic Impact: Creates approximately 259,000 jobs and $46 billion of economic activity.

---

40 Congress provided funding for planning through the U.S. DOT FY 2008 and 2009 appropriations.

NATIONAL SURFACE TRANSPORTATION SYSTEM DISCRETIONARY GRANTS - $1.5 BILLION

The Recovery Act: **Provides $1.5 billion to the Secretary of Transportation to make competitive discretionary grants for surface transportation projects that will have a significant impact on the Nation, a metropolitan area, or a region.** Projects eligible for funding under this program include highway or bridge projects eligible under title 23, U.S.C.; public transportation projects eligible under chapter 53 of title 49, U.S.C., including investments in projects participating in the New Starts or Small Starts programs that will expedite the completion of those projects; passenger and freight rail transportation projects; and port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement. The Secretary may use up to $200 million of the $1.5 billion to provide credit assistance to projects under the Transportation Infrastructure Finance and Innovation Act ("TIFIA") program.

Distribution: The Secretary of Transportation shall award discretionary grants to State and local governments or transit agencies based on project selection criteria to be published not later than 90 days (May 18, 2009) after the date of enactment. A grant funded under this program shall be not less than $20 million and not more than $300 million, although the Secretary may waive the minimum grant size for the purpose of funding significant projects in smaller cities, regions, or States. Not more than 20 percent of the funds under this program may be awarded to projects in a single State. The Secretary shall ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

Prioritization: Prioritizes funds on projects that require a contribution of Federal funds in order to complete an overall financing package, and to projects that are expected to be completed within three years (February 17, 2012) of the date of enactment.

Shovel-Ready Deadlines: Grant applications must be submitted not later than 180 days (November 14, 2009) after the publication of project selection criteria. The Secretary shall announce all projects selected for funding not later than one year (February 17, 2010) after the date of enactment.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Office of the Secretary of Transportation (OST) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[41]

---

[41] *Id.* § 1201.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[42]

Recovery Act Implementation: On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. DOT has since obligated $149 million on nine projects. Construction has begun on two projects totaling $16 million.

TIGER grants will fund transportation projects including improvements to roads, bridges, rail, ports, transit, and intermodal facilities. Sixty percent of the funding will promote projects in economically distressed areas. DOT received more than 1,400 applications for TIGER grants from all 50 States, three Territories, and the District of Columbia, totaling nearly $60 billion.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates more than 41,000 jobs and $7 billion of economic activity.

---

[42] *Id.* § 1512.

AVIATION – $1.3 BILLION

Recovery Act Implementation:

- Work is underway or completed on 726 projects ($1.2 billion), representing 96 percent of the total available Recovery Act aviation funds; and
- Within this total, work is underway on 207 projects ($650 million), and work is completed on an additional 519 projects ($597 million).

AIRPORT IMPROVEMENT PROGRAM – $1.1 BILLION

Recovery Act: Provides $1.1 billion for airport capital improvements through the Airport Improvement Program (AIP).

Distribution: Distributes funds to airports through the existing AIP Discretionary Grants program. The Federal Aviation Administration (FAA) will determine the distribution of funds through its existing competitive process and national priority system.

Prioritization: Prioritizes funds on projects that can be completed within two years (February 17, 2011) of enactment, and serve to supplement and not supplant planned expenditures from airport-generated revenues or from other State and local funding sources.

Shovel-Ready Deadlines: The Secretary shall award grants totaling not less than 50 percent of the $1.1 billion within 120 days (June 17, 2009) of the date of enactment, and award grants for the remaining amounts not later than one year (February 17, 2010) after the date of enactment.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[43]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

---

[43] *Id.* § 1201.

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[44]

Recovery Act Implementation:

- Work is underway or completed on 362 projects ($1.1 billion), representing 100 percent of the funding for airport grants; and
- Within this total, work is underway on 107 projects ($521 million), and work has been completed on an additional 255 projects ($572 million).

Recovery Act investments will result in:

- runway improvements: 155 projects at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million);
- taxiway improvements: 83 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million);
- apron improvements: 52 projects at 48 airports that support more than 6,500 aircraft based at these airports ($188 million);
- terminal buildings and aircraft rescue and firefighting buildings improvements at 33 airports that accommodate 2.5 million annual takeoffs/landings and serve 33 million enplaned passengers ($117 million);
- equipment improvements: equipment including aircraft rescue and fire fighting vehicles, emergency generators, access gates, and fencing at 14 airports ($13 million); and
- nearly 70 percent of the available funding was awarded to 197 projects at airports that provide scheduled commercial service to the traveling public, while the other 30 percent was awarded to 163 projects at general aviation airports, which are a critical part of the National Airport System, providing air transportation access for postal service, firefighting and disaster relief, medical evacuations, law enforcement, homeland security and military operations, and patient and organ transport to emergency centers.

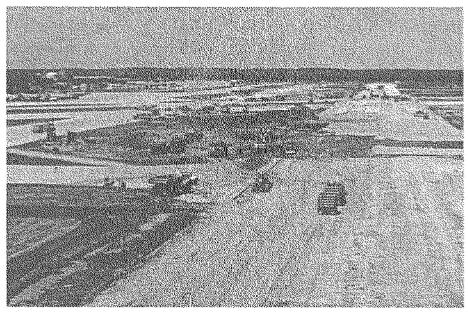
[44] *Id.* § 1512.

Examples of completed projects include:

- Washington Dulles International Airport (IAD) in Chantilly, Virginia ($15 million). The FAA provided funds to rehabilitate a portion of Runway 1C/19C. The project removed and replaced the existing 50 year old concrete. The project also completed three connecting taxiways between the passenger terminal apron and the new west runway. These taxiways are critical for easy access to the new runway, and will reduce aircraft taxi time and fuel consumption. Work started in July 2009 and Dulles substantially completed the project by reopening the runway on May 28, 2010. As of May 31, 2010, the Airport reported over 107,000 job hours on this project. In addition to the employment impacts, the project will reduce airport maintenance costs and enable more efficient movement of aircraft, thereby reducing taxi time, delays and fuel consumption; and

- Omaha-Epply Airfield (OMA) in Omaha, Nebraska ($13.1 million): These funds are already rehabilitating a portion of Runway 14R/32L. The project removes and replaces the existing concrete pavement originally constructed in 1950 and is part of a larger effort to completely rehabilitate 8,500 feet of the airport's longest commercial runway, the intersection of two commercial runways, and several associated taxiways.

Several phases of the runway rehabilitation project started in March 2009. The first phase of the Recovery Act portion is substantially complete and aircraft used the runway this past winter. The airport expects to complete the second phase in September of 2010. As of May 31, 2010, the airport reported 29,796 job hours funded using Recovery Act funds.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

Economic Impact: Creates approximately 30,600 jobs and $5.5 billion of economic activity.

FAA FACILITIES & EQUIPMENT – $200 MILLION

Recovery Act: Provides $200 million for capital improvements to the FAA facilities.

Distribution: Funds may be distributed through the FAA's existing administrative processes or in the form of grants. Within 60 days (April 17, 2009) of the date of enactment, the FAA Administrator shall establish a procedure for applying for grants under this program, reviewing such applications, and awarding grants and cooperative and other transaction agreements under this program.

Prioritization: Prioritizes funds on projects that will be completed within two years (February 17, 2011) of the date of enactment.

Shovel-Ready Deadlines: The FAA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[45]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[46]

Recovery Act Implementation:

- Work is underway or completed on 364 projects ($154 million), representing 77 percent of the funding for Facilities and Equipment; and
- Within this total, work is underway on 100 projects ($129 million), and work has been completed on an additional 264 projects ($25 million).

---

[45] *Id.* § 1201.
[46] *Id.* § 1512.

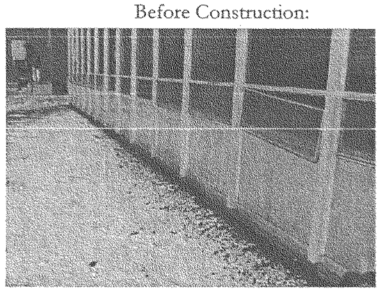
Recovery Act investments will:

- upgrade power systems: 177 projects at 100 locations ($50 million);
- modernize air route traffic control centers: 25 projects at 18 locations ($50 million);
- replace three air traffic control towers, establish four small contract air traffic control towers, and modernize three air traffic control facilities ($80 million); and
- improve lighting, navigation, and landing equipment: 667 projects at 151 locations ($20 million).

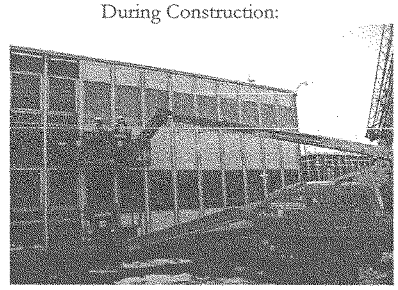
An example of a completed and underway project includes:

- Oberlin, Ohio Air Route Traffic Control Center Curtain Wall Replacement Project ($2.4 million): The project replaced and integrated a 45 year old exterior wall of the Cleveland Air Route Traffic Control Center facility. The old wall was an obsolete single panel system that leaked during rain storms and did not provide any blast protection. The Cleveland curtain wall project was completed in May 2010; and

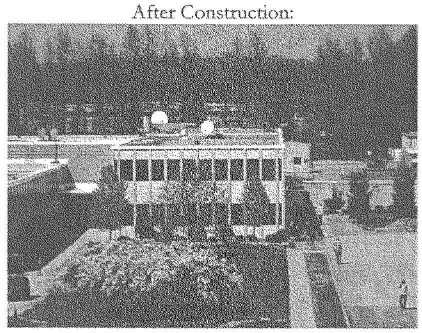
Before Construction:



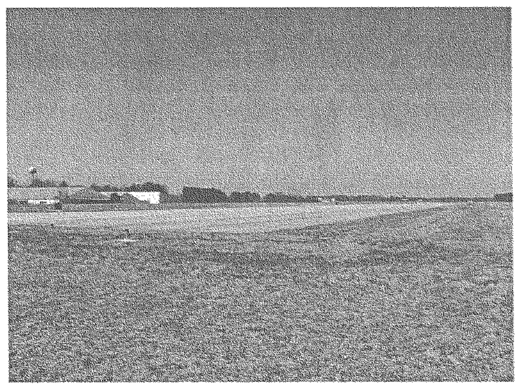
During Construction:



After Construction:



- Winder, Georgia Medium-intensity Approach Lighting System with Runway Alignment Indicator Lights ($620,000): The project established a Medium-intensity Approach Lighting System with Runway Alignment Indicator Lights on Runway 31 at Barrow County Airport. The project provided the first approach lighting system for the airport and was completed in March 2010.



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 5,600 jobs and $990 million of economic activity.**

ENVIRONMENTAL INFRASTRUCTURE – $5.26 BILLON

CLEAN WATER STATE REVOLVING FUND – $4 BILLION

Recovery Act: Provides an additional $4 billion to construct, rehabilitate, and modernize the nation's wastewater infrastructure through the Clean Water State Revolving Fund (SRF) program. Within the existing Clean Water SRF allocation to States, direct individual State infrastructure financing authorities to: (1) utilize 50 percent of the capitalization grants for additional subsidizations in the form of negative interest loans, principle subsidization, or grants; and (2) utilize 20 percent of the capitalization grant for investment in green infrastructure projects, environmentally innovative activities, or projects or technologies that use energy and water efficient plans or components.

Distribution: Distributes $4 billion for the Clean Water SRF pursuant to the existing Clean Water Act distribution formula.

Under the Recovery Act, State infrastructure financing authorities are required to utilize 50 percent of the capitalization grant for additional subsidizations in the form of negative interest loans, principal forgiveness, or grants to increase the overall affordability of wastewater infrastructure projects.

In addition, the Recovery Act requires State infrastructure financing authorities to utilize 20 percent of the capitalization grant for investment in green infrastructure projects, water or energy efficiency improvements, or environmentally innovative activities.

Prioritization: Notwithstanding the priority rankings projects would otherwise receive under the program, prioritizes economic recovery funds on projects on a State priority list that are ready to proceed to construction within 12 months (February 17, 2010) of enactment.

Shovel-Ready Deadlines: Requires State infrastructure financing authorities to award contracts for projects or proceed to construction within one year (February 17, 2010) of the date of enactment. All States met this requirement.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[47]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the

[47] *Id.* § 701.

information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[48]

Recovery Act Implementation: EPA has awarded $4 billion in capitalization grants to States, representing 100 percent of the total Recovery Act funds for the Clean Water SRF.[49]

Recovery Act investments will:

- construct, upgrade, or maintain publicly owned treatment works, mitigate nonpoint source pollution, and promote estuary management, serving an estimated 64 million people, approximately one-third of the U.S. population currently served by sewers – 629 projects ($1.5 billion);
- improve, rehabilitate, or expand wastewater collection systems – 899 projects ($1.1 billion);
- protect our nation's water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 374 water or energy efficient projects ($741 million);
- reduce stormwater runoff volumes, pollutants, and sewer overflows, and improve air quality – 261 green infrastructure projects ($232 million).

Out to Bid

According to submissions received by the Committee from States, as of June 30, 2010, 50 States, four Territories, and the District of Columbia have put out to bid 1,962 projects totaling $3.8 billion, representing nearly 100 percent of the total available Clean Water SRF formula funds.

Signed Contracts

50 States, three Territories, and the District of Columbia have signed contracts for 1,957 projects totaling $3.8 billion, representing 100 percent of the funds.

Work Underway

Work has begun on 1,897 projects in 50 States, three Territories, and the District of Columbia totaling $3.8 billion, representing 98 percent of the funds.

Completed

Work has been completed on 192 projects in 35 States and the District of Columbia totaling $108 million, representing three percent of the funds.

---

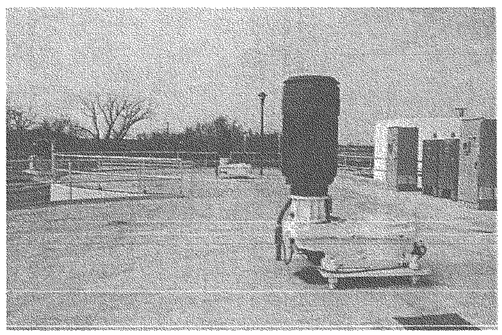
[48] *Id.* § 1512.

[49] On March 12, 2009, EPA posted Clean Water SRF allotments by State. These allotments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

To view formula fund information by State, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

An example of a completed project includes:

- Duncan Public Utilities Authority in Oklahoma ($340,000): This wastewater treatment plant improvement project, completed on April 7, 2010, included replacement of existing aerators with improved energy efficient aerators in the activated sludge nitrification basin. This project also replaced motors and variable frequency drives. This investment will improve energy efficiency with an estimated energy consumption decrease of 600,000 kWh/year; and



Examples of projects underway include:

- Douglas L. Smith Middle Basin Treatment Plant in Johnson County, Kansas ($15.8 million): Work on this project began on June 8, 2009. This project includes construction of a new receiving station for restaurant fats, oils, and grease and the expansion of the anaerobic digestion sludge treatment system. In addition, a digester gas handling system and a new power production system will burn digester gas to produce hot water for heating and electricity for on-site usage. This project represents Kansas' largest green project and is expected to create 270 new green jobs, result in $600,000 in cost savings annually, and reduce annual greenhouse gas emissions by more than 9,700 metric tons.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Buy American: EPA published three nationwide waivers of the Buy American provisions for projects funded under the Recovery Act. The first nationwide waiver, published on April 7, 2009, provides a nationwide waiver of the Buy American provisions for projects where debt was incurred on or after October 1, 2008, and before February 17, 2009 (the date of enactment). Under existing law, the Clean Water SRF can be used as leverage to refinance debt obligations incurred for the constriction of wastewater treatment projects at a lower rate. This waiver allows individual States to continue this practice, but not require the retroactive application of the Buy American provisions for projects that may have already been underway. Projects eligible for this nationwide waiver would have "specified designs", "may have solicited bids from prospective contractors", may have "awarded construction contracts, and in some cases began construction, prior to February 17, 2009."

The second nationwide waiver was published on June 2, 2009, and provides a waiver of the Buy American provisions for projects that solicited bids on or after October 1, 2008, and prior to February 17, 2009. Similar to the previous waiver, this waiver would prohibit the retroactive application of the Buy American provisions to projects for which bids had already been submitted prior to the enactment of the Recovery Act.

The third nationwide waiver, published on June 2, 2009, and revised on August 10, 2009, provides a waiver of the Buy American provisions for "de minimis" incidental components of projects financed through the Recovery Act. This waiver would allow for the use of non-domestic iron, steel, and manufactured goods in a project provided that such components "comprise in total a *de minimus* amount of the project, that is, for any such incidental components up to a limit of no more than 5 percent of the total cost of the materials used in and incorporated into a project."

EPA has also granted 50 regional waivers for individual projects. A list of these regional waivers can be found on EPA's Recovery Act implementation website: http://www.epa.gov/ow/eparecovery/.

Economic Impact: Creates approximately 111,000 jobs and $20 billion of economic activity.

SUPERFUND – $600 MILLION

Recovery Act: Provides $600 million for the Superfund program, a comprehensive program to clean up the nation's worst abandoned or uncontrolled hazardous waste sites.

Distribution: Distributes $600 million through existing EPA Superfund program.

Prioritization: EPA selects projects for Recovery Act funding based on a variety of factors, including: construction readiness; human and ecological risk; and opportunities to reduce project costs and schedules.

EPA anticipates that the benefits of applying Recovery Act funds to the Superfund program will include: acceleration of existing projects; investment in new projects; faster return of sites to productive use; and potential acceleration of "green remediation" technology.

Shovel-Ready Deadlines: EPA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[50]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[51]

Recovery Act Implementation: EPA has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing 100 percent of the total available funds. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites.

Work has begun or is complete on 58 projects ($581 million), representing nearly 100 percent of the available funds. Within this total, work is complete on one project totaling $216,000. EPA expects construction to begin on all sites by the end of August. As of June 22, 2010, 60 percent of the sites targeted for Human Exposure Under Control achieved this status.

---

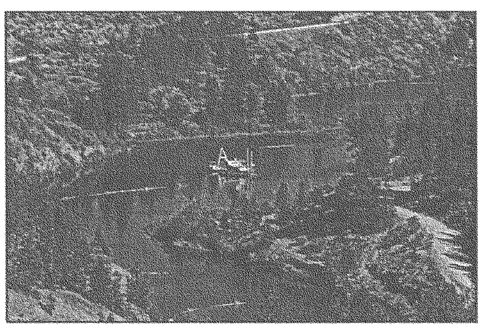
[50] *Id.* § 701.
[51] *Id.* § 1512.

The Recovery Act investments will:

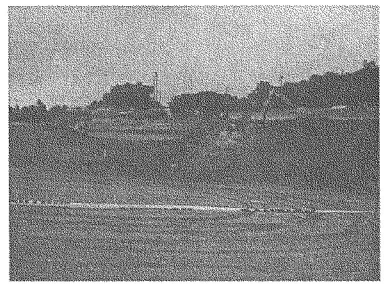
- treat or remove heavy metal contamination (36 sites);
- treat or remove organic compound contamination (28 sites);
- begin or accelerate work to treat drinking water to meet Federal and State standards (eight sites);
- provide alternate residential drinking water supplies (five sites); and
- mitigate damage to wildlife habitats and ecosystems (four sites).

Examples of underway projects include:

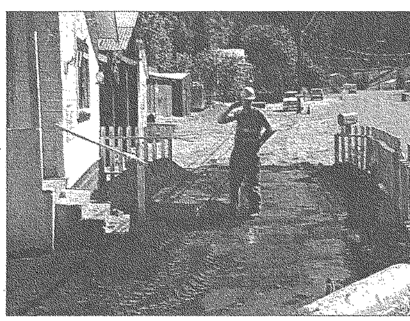
- Iron Mountain Mine in Redding, California ($20.7 million): As a result of mining activities, annual rains sent toxic levels of copper, cadmium, and zinc from the mine into the Sacramento River—a valuable commercial fishery and a major source of drinking water for more than 70,000 people in northern California. In addition, the Sacramento River is designated as a critical habitat for the endangered Winter Run Chinook Salmon and several threatened anadromous fish populations. Recovery Act funding allowed acceleration of the sediment cleanup project, reducing the expected cleanup project duration from 36 to 18 months. Removing the sediments will allow hydropower plants at Shasta and Spring Creek dams to produce an additional 200,000 megawatt hours of peak power each year. The additional peak power could be worth up to $6 million per year;

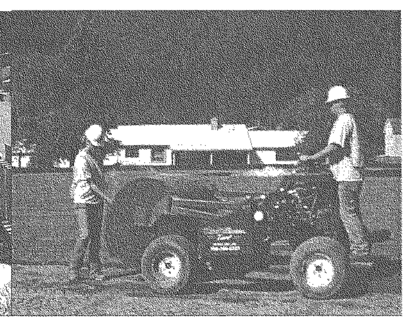


- Horseshoe Road in Sayreville, New Jersey ($5 million): Contaminants at the 12-acre site include volatile organic compounds, metals, pesticides, and polychlorinated biphenyls (PCBs). The area around the site includes residential properties as well as business, commercial, and industrial areas. About 63 residential properties are located within one-half mile of the site, and about 14,000 people obtain drinking water from public wells within four miles. Recovery Act funds will expedite the cleanup of the remaining on-site soils that act as a source of contamination to the ground water and surface water, which drain into the Raritan River; and



- Bunker Hill in Kellogg, Idaho ($16.8 million): Located in the Coeur d'Alene River Basin, historic mining practices at Bunker Hill generated an estimated 70 to 100 million tons of mining waste that are now spread throughout regional streams, rivers, flood plains and lakes. The contamination resulting from these mining practices poses public health risks, particularly to young children and pregnant women due to exposure to lead. To date, Recovery Act resources have already cleaned up 260 additional properties contaminated with lead, arsenic, and gravel mining waste; more than doubling clean up activities completed during the previous construction season. In addition to the environmental benefits, these funds created jobs in a community that has been suffering from high unemployment for over 20 years. The creation or retention of these livable wage jobs helped dozens of local families stay in their community.





To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 16,700 jobs and $3 billion of economic activity.

BROWNFIELDS – $100 MILLION

Recovery Act: Provides $100 million for EPA's Brownfields Discretionary Grant Program.

Distribution: Distributes funds to States, cities, and redevelopment agencies through the existing EPA Brownfields Discretionary Grant program for site assessments, remediation and cleanup grants, and to capitalize state Brownfield revolving loan programs as authorized under section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (P.L. 96-510), as amended by the Brownfields Revitalization and Environmental Restoration Act of 2001 (P.L. 107-118).

Prioritization: On April 10, 2009, EPA announced the criteria for funding decisions under the Brownfields Revolving Loan Funds program, including the demonstrated ability of the revolving loan fund to make loans and subgrants with Recovery Act funds "quickly" (i.e., "shovel-ready" projects) for cleanups that can be started and completed expeditiously, and the demonstrated ability to use supplemental revolving loan funds in a manner that maximizes job creation.

Shovel-Ready Deadlines: EPA must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of the date of enactment of the Recovery Act.[52]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[53]

Recovery Act Implementation: EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 185 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.[54] Work is underway or completed on 155 projects. Within this total, work is underway on 147 projects, and work is completed on an additional eight projects.

---

[52] *Id.* § 701.
[53] *Id.* § 1512.
[54] EPA set aside $3.5 million for management and oversight.

Recovery Act investments will result in:

- 953 assessments, of which 310 assessments are completed, with another 390 assessments have started ($33 million);

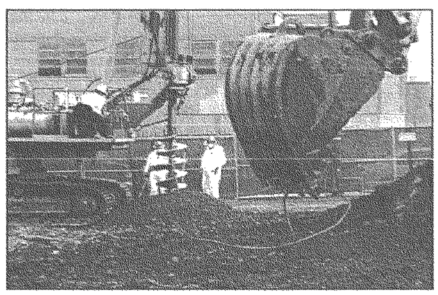
- cleanup, of which 8 property cleanups are completed, resulting in 21 acres made ready for reuse, and an additional 13 cleanups have started ($7.5 million);

- revolving loan fund, of which two sub-grants have been made ($47.1 million); and

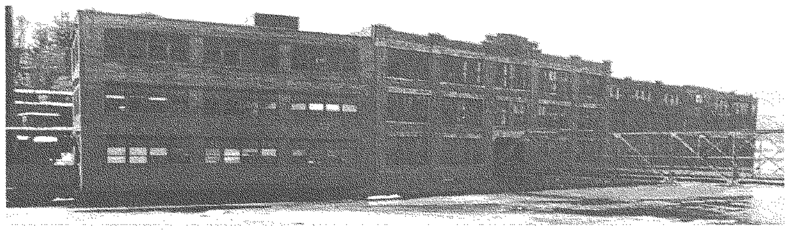
- job training, of which 22 students completed training and four obtained employment under job training ($6.9 million).

Examples of underway projects include:

- California Department of Toxic Substances Control in San Francisco, California ($1.8 million): This project will initiate clean up of lead contaminated land and create about 200 new construction jobs for two years. Upon completion of the clean-up, the land will be turned into residential units, a restaurant, retail, and day care center; and



- Vermont Agency of Commerce & Community Development in Waterbury Vermont ($110,000): This sub-grant will be used for capping PCB contaminated concrete in a building being redeveloped into industrial/commercial space. The sub-grant is being made in conjunction with another cleanup sub-grant from Southern Windsor County for $90,000.



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 2,800 jobs and $500 million of economic activity.**

<u>WATERSHED REHABILITATION PROGRAM – $50 MILLION</u>

<u>Recovery Act:</u> **Provides $50 million for the rehabilitation of deficient flood damage reduction projects under the Watershed Rehabilitation Program.**

<u>Distribution:</u> Funds will be distributed to rehabilitate aging flood control structures nationwide.

<u>Prioritization:</u> Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

<u>Shovel-Ready Deadlines:</u> The Natural Resources Conservation Service (NRCS) must obligate 100 percent of funds by September 30, 2010.

<u>Transparency and Accountability Requirements</u>: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[55]

<u>Recovery Act Implementation</u>: NRCS has obligated $31 million for work on 26 dam rehabilitation projects. Contracts have been signed for six dams totaling $9.4 million. Construction has commenced on five of these dams.

Rehabilitating these 26 dams will:

- result in $4.2 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 1,774 homes, 117 businesses and public facilities, and 103 bridges;
- decrease risk to life threatening dam failures for 7,621 people;
- restore or enhance 667 acres of wetlands; and
- enhance 96 miles of stream corridor for fish and wildlife.

---

[55] *Id.* § 1512.

An example of a project underway includes:

- Sallisaw Creek Watershed Dam No. 18M in Adair County, Oklahoma ($4.2 million): Work has begun to bring this dam up to current safety standards, raise its height by 3.4 feet, and replace existing spillways. A 2006 study classified this dam as high-hazard because 24 homes, a church, and a water treatment and pumping facility would be inundated if the dam failed. Rehabilitation of the dam will increase public safety and provide $20.7 million in flood-reduction benefits over the dam's 100-year life. The lake created by the dam provides 3,000 acre-feet of municipal water storage for the Stilwell Area Development Authority and water for 20,000 people.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

Economic Impact: **Creates approximately 1,400 jobs and $250 million of economic activity.**

WATERSHED AND FLOOD PREVENTION OPERATIONS – $290 MILLION

Recovery Act: Provides $145 million for watershed operations, and $145 million for floodplain easements.

Distribution: Funds will be distributed by NRCS to improve water quality, increase water supply, decrease soil erosion, and improve fish and wildlife habitat in rural communities. Other major benefits from these projects include improve community safe and health, flood mitigation, sediment control, and enhanced fish and wildlife habitat.

Prioritization: Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

Shovel-Ready Deadlines: NRCS must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[56]

Recovery Act Implementation:

Watershed Operations and Flood Prevention ($145 million): NRCS has obligated $89 million and signed 319 contracts in 82 of the 87 planned projects.

Of these projects, work is underway or completed on 68 projects totaling $73 million, representing 50 percent of the available funds. Within this total, contracts have been awarded and construction has begun on 57 projects totaling $69 million, and construction has been completed on an additional 11 projects totaling $3.1 million.

This watershed protection and flood prevention will:

- result in $431 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 9,749 farms or ranches and 997 bridges;

---

[56] *Id.* § 1512.

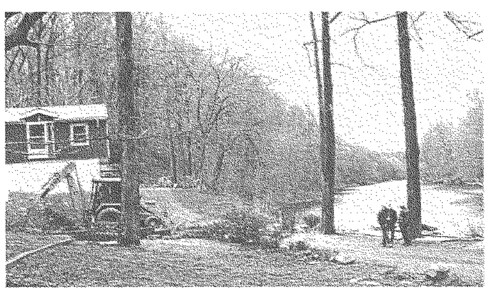
- protect 102 domestic water supplies;
- reduce 4,484,658 tons/year of sediment;
- conserve 75,213 acre-feet of water;
- enhance and restore 17,202 acres of wetland; and
- protect and enhance 892 miles of streams.

Recovery Act investments will further result in:

- new construction involving the investigation, survey, design, and construction of project measures that provide multi-purpose benefits, owned, managed, and operated by units of government (31 projects);
- structural repair involving follow-up work to correct unforeseen deficiencies or site conditions that impact the safety of a project measure (24 projects);
- land treatment projects involving contracts with individual landowners to install conservation practices to improve water quality and conservation on their property (18 projects); and
- permit-required mitigation involving replacement of environmental features impacted by construction of a project measure (seven projects).

An example of a project underway includes:

- Lower Neshaminy Creek in Bucks County, Pennsylvania ($10 million): The funds for this project will be used protect, elevate, or acquire approximately 80 homes and/or businesses in the lower 18 miles of Neshaminy Creek, resulting in an estimated $380,000 in flood damage reduction. Overall, approximately 450 residents in seven municipalities will benefit from flood protection along Neshaminy Creek. In addition, the project will generate revenue for privately owned businesses through increased sales of construction materials, equipment, parts, and services.



Floodplain Easements ($145 million): NRCS has signed options for 240 floodplain easements totaling $91 million. Of this total, NRCS has closed (exercised the right under the option) 169 easements totaling $60 million. Restoration has been commenced or completed on 123 easements.

Recovery Act investments will result in:

- water quality improvement: eliminate soil erosion and associated sedimentation and nutrient transfer from over 24,000 acres of cropland that will be converted to hardwood bottomland forests and other wetland habitat;

- flood damage reduction: improve community health and safety by removing 23 homes and families from reoccurring flood damages and restore natural water flows to 12 stream miles while eliminating flooding of 83 homes;

- wetland and wildlife habitat restoration/improvements to 37,000 acres; and

- improved fish and wildlife habitat for neo-tropical and migratory waterfowl: restoration efforts will restore and enhance critical habitat for 37 federally listed threatened and endangered species of fish and wildlife.

An example of a project underway includes:

- Salmon Falls-Piscataqua River Watershed Easement in Rockingham County, New Hampshire ($280,334): An easement has been acquired on this property at the confluence of the Pawtuckaway and Lamprey Rivers, adjacent to the Pawtuckaway Core Conservation Focus Area. The 2006 New Hampshire Fish and Game Wildlife Action Plan identified the site as providing the highest quality habitat within the biological region. Protection and restoration of this property will enhance the quality of the habitat, particularly for threatened and endangered species, including the Wood turtle, Blanding's turtle, and Spotted turtle. In order to restore the 7.2-acre floodplain within the dam breach inundation zone, a house and other buildings have been removed.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 8,000 jobs and $1.4 billion of economic activity.

INTERNATIONAL BOUNDARY AND WATER COMMISSION – $220 MILLION

Recovery Act: **Provides $224 million to the United States Section of the International Boundary and Water Commission (IBWC) to carry out immediate repair and rehabilitation requirements of existing water supply infrastructure along the U.S.-Mexican border.**

Distribution: These funds will allow rehabilitation of approximately 170 miles of deficient levees, including Rio Grande levees as well as levees in the interior floodways in the Lower Rio Grande Flood Control Project.

Prioritization: The IBWC has prioritized Recovery Act funds for projects necessary to raise levee heights and make structural repairs to ensure the levees provide adequate protection during the 100-year flood, a flood that has a one percent chance of occurring in any given year. The levee rehabilitation is intended to meet standards established by the Federal Emergency Management Agency (FEMA).

Shovel-Ready Deadlines: IBWC must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: IBWC must submit a detailed spending plan for funds appropriated under the Recovery Act to the Committees on Appropriations within 90 days (May 18, 2009) of enactment of the Recovery Act.[57]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[58]

Recovery Act Implementation: IBWC has signed contracts and work has begun on projects worth $149 million, including $119 million for construction and $27 million for environmental, geo-technical investigations, and design services. This represents 66 percent of the available funds.

Recovery Act investments will:

- rehabilitate 253 miles of deficient river and floodway levees in the Upper and Lower Rio Grande Flood Control Systems of Texas and New Mexico (almost one half of the total 506 miles of levees);

---

[57] *Id.* Title XI.
[58] *Id.* § 1512.

- enhance the protection of lives and property for over two million border residents; and
- achieve certification standards established by FEMA, thereby reducing the cost of flood insurance to border residents.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 6,100 jobs and $1.1 billion of economic activity.**

U.S. ARMY CORPS OF ENGINEERS – $4.6 BILLION

Recovery Act:

1. **Provides an additional $2 billion for the Corps of Engineers Construction program;**

2. **Provides an additional $2.075 billion for the Corps of Engineers Operation and Maintenance program;**

3. **Provides an additional $375 million for the Corps of Engineers Mississippi River and Tributaries program;**

4. **Provides an additional $100 million for the Corps of Engineers Formerly Utilized Remedial Action Program;**

5. **Provides an additional $25 million for the Corps of Engineers Investigations program; and**

6. **Provides an additional $25 million for the Corps of Engineers Regulatory Program.**

Distribution: Distributes funds to the Corps of Engineers (Corps), which will determine the distribution of funds through its existing project selection process. Water resources development projects include navigation, flood control, hurricane and storm damage reduction, shoreline protection, hydroelectric power, recreation, water supply, environmental infrastructure, environmental protection, restoration and enhancement, and fish and wildlife mitigation projects.

Prioritization: Requires that funds be used for programs, projects, or activities (or elements of programs, projects, or activities) that can be completed within the funds made available in the Recovery Act, and that will not require new budget authority to complete.

Shovel-Ready Deadlines: The Corps must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Beginning 45 days (April 3, 2009) after the date of enactment of the Recovery Act, the Corps must submit quarterly reports to the Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds.[59]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

[59] *Id.* Title IV.

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[60]

Recovery Act Implementation: The Corps has committed $3.9 billion for 793 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 85 percent of the total amount of Recovery Act funds allocated to the Corps, as of June 30, 2010. Recovery Act investments will fund the following:

- navigation: repair or improve 155 lock chambers, and maintain or improve harbors and waterways that serve over 2,400 commercial ports;
- flood risk management: 1,132 projects to improve dam or levee safety;
- recreation: maintain or upgrade 1,034 recreation areas;
- environment: 235 projects to restore aquatic ecosystems or improvement management of natural resources;
- hydropower: 60 projects to repair or improve hydropower; and
- water supply: 285 projects to construct local water supply or wastewater infrastructure.

Construction Program ($2 billion): The Corps has committed $1.5 billion for 160 projects. This amount represents 77 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has committed $1.9 billion for 521 projects. This amount represents 92 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has committed $326 million for 41 projects. This amount represents 87 percent of the apportionment for this program.

Formerly Utilized Remedial Action Program ($100 million): The Corps has committed $99 million for nine projects. This amount represents 99 percent of the apportionment for this program.

Investigations Program ($25 million): The Corps has committed $22 million for 57 projects. This amount represents 88 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has committed $21 million for five projects. This amount represents 85 percent of the apportionment for this program.

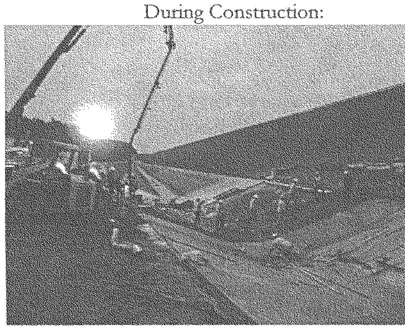
---

[60] *Id.* § 1512.

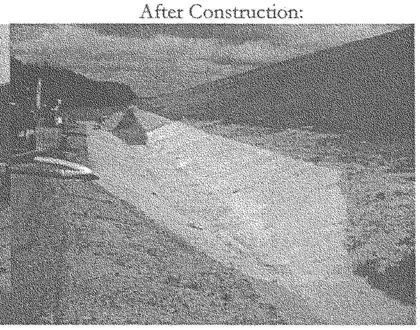
Examples of completed construction projects include:

- Ferrells Bridge Dam, Lake O' the Pines in Jefferson, Texas ($244,000): This project replaced a degraded structure and fortified the existing toe ditch to decrease erosion and prolong the life of the dam. The project was completed in April 2010 by CKY Inc;

During Construction:

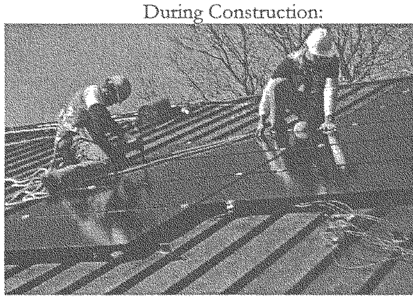


After Construction:

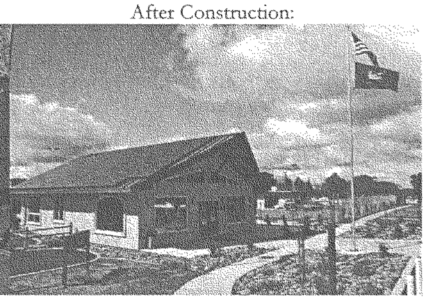


- Solar Electricity System Installations, Sacramento District, California ($1.3 million): The Corps used Recovery Act funds to install solar electricity systems at nine of its park and dam operation offices in California, part of a Corps-wide effort to improve the environmental sustainability of its projects. The systems are expected to provide 41 percent of each office's electricity needs on average. The Corps awarded the contract to provide and install all of the solar systems to Women's Empowerment Partnership Inc. of Bell Gardens, California. Installation of the first system, at New Hogan Lake, was completed February 26, 2010, with all system installations completed last month; and

During Construction:

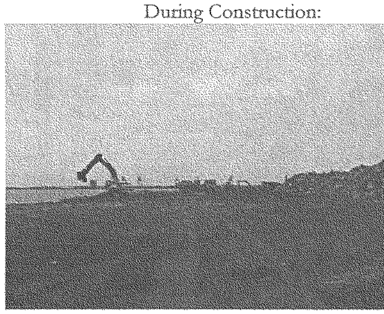


After Construction:

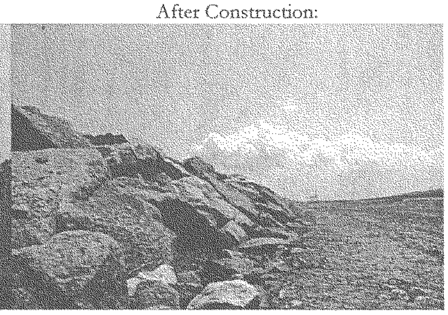


- Craney Island Revetment in Portsmouth, Virginia ($3.5 million): The Corps awarded a Recovery Act contract to P & M Construction Services, Inc. of Virginia Beach, Virginia, to construct a revetment wall for shoreline stabilization at Craney Island Dredged Material Management Area. The revetment wall provides protection for the management area's containment dikes and roads. The 1,638-foot native granite armour stone and geotextile filter cloth revetment extend from the top of the revetment to the riprap toe. This project will help prevent damage to the facility's dikes and roads during periods of heavy seasonal rains.

During Construction:



After Construction:



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a national map of Corps projects, see:
http://www.usace.army.mil/recovery/Pages/ProjectLocationsbeta.aspx.

Economic Impact: Creates approximately 139,000 jobs and $23 billion of economic activity.

FEDERAL BUILDINGS – $5.575 BILLION

GENERAL SERVICES ADMINISTRATION – $5.55 BILLION

Recovery Act:

1. **Provides $4.5 billion to convert General Services Administration (GSA) Federal buildings to High-Performance Green Buildings as defined in section 401 of P.L. 110-140, the Energy Independence and Security Act of 2007;**

2. **Provides $750 million for repair, alteration, and construction of Federal buildings and U.S. courthouses, and according to Joint Explanatory Statement of the Committee of Conference, of which $450 million shall be for a new headquarters for the Department of Homeland Security; and**

3. **Provides $300 million for border stations and land ports of entry.**

Distribution: Distributes funds through existing GSA prospectus and non-prospectus programs. GSA will determine the distribution of funds through its existing administrative processes.

Prioritization: According to Joint Explanatory Statement of the Committee of Conference, with regard to funding for High-Performance Green Buildings, funds are focused on projects that will, throughout the life-cycle of the building, reduce energy, water, and material resource use, improve indoor environmental quality, and reduce negative impacts on the environment, including air and water pollution and waste generation.[61] With regard to funds that are used for new U.S. courthouse construction, GSA is advised to consider projects for which the design provides courtroom space for senior judges for up to 10 years from eligibility for senior status, not to exceed one courtroom for every two senior judges.

Shovel-Ready Deadlines: Requires GSA to obligate not less than $5 billion of the funds by September 30, 2010, and the remainder not later than September 30, 2011.

Transparency and Accountability Requirements: GSA must submit a detailed plan, by project, regarding the use of funds made available in this Act to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act, and shall provide notification to said Committees within 15 days prior to any changes regarding the use of these funds.[62]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

[61] *See* Energy Independence and Security Act of 2007, Pub. L. No. 110-140, § 401 (2007).
[62] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, Title V (2009).

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[63]

Recovery Act Implementation: GSA has awarded contracts and begun work on 425 projects worth $4.4 billion, representing 76 percent of GSA's total apportionment. GSA plans to award a total of $5 billion by September 30, 2010, and the remaining funds by September 30, 2011.

GSA's Recovery Act spending plan comprises projects in all 50 States, Washington, DC, and two Territories, including:[64]

- constructing 10 Federal buildings and courthouses in five States, Washington, DC, and Puerto Rico ($750 million);
- constructing seven border stations and land ports of entry in five States on the U.S.-Mexico and U.S.-Canada borders ($300 million);
- modernizing 45 Federal buildings and courthouses in 21 States, Washington, DC, and Puerto Rico with major projects to convert facilities to high-performance green buildings ($3.2 billion);
- modernizing 199 Federal buildings and courthouses in 48 States, Washington, DC, Puerto Rico, and the Virgin Islands with limited-scope projects to convert facilities to high-performance green buildings ($912 million); and
- modernizing Federal buildings and courthouses with small projects to convert facilities to high-performance green buildings ($161 million).

Each major modernization project will meet the energy efficiency and conservation requirements of the Energy Independence and Security Act of 2007 (P.L. 110-140). Each limited-scope modernization project will all include advanced meters for electricity and water. In addition, if the limited-scope project includes roof replacement, the roof will be replaced with integrated photovoltaic membrane (if flat and in the appropriate geography), maximum reasonable insulation for the climatic zone (R-50 in colder climates), or a green roof if an integrated photovoltaic roof is not warranted.

[63] *Id.* § 1512.
[64] GSA released their original spending plan on March 31, 2009, and submitted their most recent amendment on January 19, 2010.

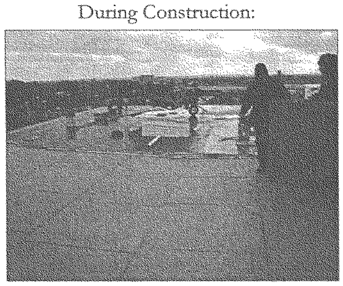
These projects will result in:

- installing 78 roofs, including 68 photovoltaic arrays on roofs;
- putting in place 140 lighting systems;
- installing 52 water systems; and
- completing 222 system tune-ups and recommissionings.

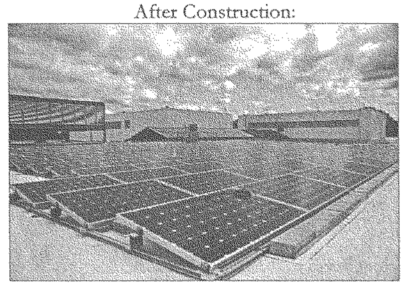
Examples of completed projects include:

- Veterans Affairs Regional Office and Insurance Center in Philadelphia, Pennsylvania ($6 million): As part of the Recovery Act's critical investment in green technologies, GSA installed 2,000 solar panels at this location. GSA's Solar Energy Installation project is one of several GSA Recovery Act projects at Federal facilities in Philadelphia and the first to be completed. The investments in alternative energy solutions can help lead the transformation to new green jobs and new green industries. These 2,000 solar panels will produce over half a million kilowatt-hours of renewable energy per year, reducing the building's annual carbon footprint by nearly 400 metric tons; and

During Construction:



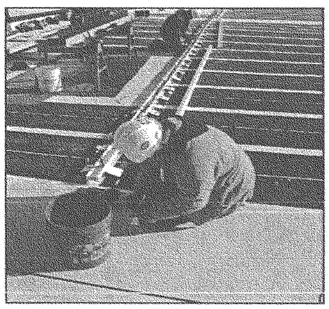
After Construction:



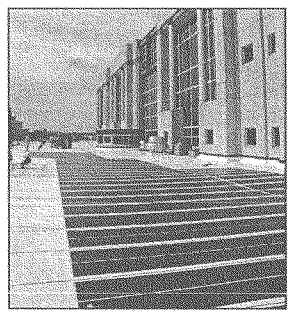
- Robert J. Dole U.S. Courthouse in Kansas City, Kansas ($1.6 million): GSA recently installed a new white roof and solar panels on this courthouse. The roof design and installation created jobs in solar manufacturing, design, and roofing. Many of the roofers were able to learn new skills with their participation in the advanced-design installation of the solar panels. A 22 KW thin-film photovoltaic array is located on the third floor south roof level — the portion of the roof receiving the most consistent sunlight. The roof membrane is multi-ply modified bitumen with an applied reflective coating.

  The white membrane roof will deflect the sun's rays, keeping the building cooler in the summer while helping to reduce the urban heat island. Coupled with more than 200 photovoltaic solar panels, the project is expected to generate about five percent of the building's electricity.

During Construction:



After Construction:



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 154,000 jobs and $27.5 billion of economic activity.**

SMITHSONIAN INSTITUTION – $25 MILLION

Recovery Act: Provides $25 million for repair and revitalization of existing Smithsonian Institution facilities.

Distribution: Distributes funds through the Smithsonian Institution's existing administrative processes.

Shovel-Ready Deadlines: The Smithsonian Institution must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: The Smithsonian Institution must submit a general plan for expenditures of such funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act.[65]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[66]

Recovery Act Implementation: The Smithsonian has signed contracts worth $25 million for 17 projects, representing 100 percent of the Smithsonian's total Recovery Act funds. The Smithsonian awarded 15 of the 17 construction projects to local small business firms. Construction on the first project began on June 6, 2009, and the Smithsonian plans to complete all construction by December 31, 2010.

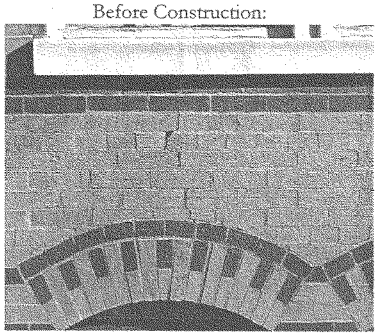
---

[65] *Id.* § 701.
[66] *Id.* § 1512.

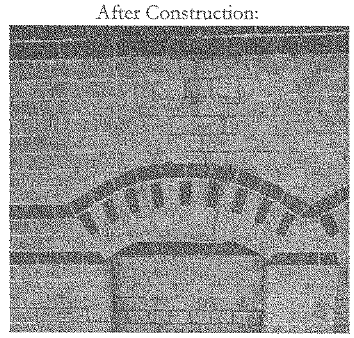
Examples of Recovery Act projects include:

- Arts and Industries Building in Washington, DC ($4.6 million): cleaning 73,000 square feet of masonry exterior wall (see pictures below), repairing 13,000 linear feet of brick mortar joints, and removing 374 tons of non-hazardous and 200 tons of hazardous interior materials; and

Before Construction:

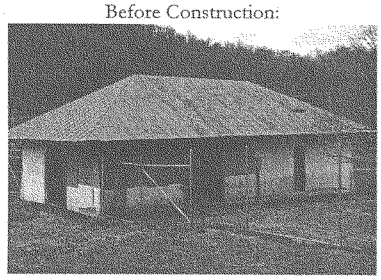


After Construction:

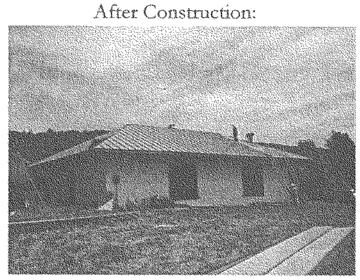


- National Zoological Park in Washington, DC ($9.7 million): replacing 52,060 square feet of roof (see pictures below), installing fire-protection equipment, and improving three bridges.

Before Construction:



After Construction:



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 700 jobs and $124 million of economic activity.**

ECONOMIC DEVELOPMENT ADMINISTRATION – $150 MILLION

Recovery Act: **Provides $150 million for EDA's economic development programs, of which not less than $50 million shall be for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965, and up to $50 million may be transferred to federally authorized regional economic development commissions.[67]**

Distribution: Distributes funds to local partners through EDA's existing regional allocation and project selection processes. EDA may transfer funds to the Appalachian Regional Commission, the Delta Regional Authority, the Northern Great Plains Regional Authority, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, and the Southwest Border Regional Commission. These Federally authorized regional economic development commissions may assist eligible applicants in submitting applications to EDA, or may seek transfers directly from EDA.

Prioritization: Of the $150 million provided, not less than $50 million must be allocated for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965. EDA will allocate the remaining $100 million to either the Public Works and Economic Development Facilities Program or the Economic Adjustment Assistance Program, depending on demonstrated needs.

With regard to funding for economic adjustment assistance, the Secretary of Commerce shall give priority consideration to areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring.

Shovel-Ready Deadlines: EDA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[68]

Recovery Act Implementation: On September 25, 2009, EDA reached a milestone by awarding its final Recovery Act project. In total, EDA awarded 68 grants in 37 States totaling $147 million.[69]

---

[67] *Id.* Title II.
[68] *Id.* § 1512.
[69] EDA will use the remaining $3 million for administration and oversight.

EDA has broken ground on 54 of these projects totaling $122 million, representing 83 percent of the amount allocated to support these investments.

EDA funded projects in areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring. These projects target opportunities that will jump start our economy and support investments that will contribute to sustained economic growth across the country. EDA's implementation plan includes promoting:

- development of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth – 23 projects ($50 million);
- business incubation – 13 projects ($37 million);
- green jobs – 14 projects ($27 million); and
- trade and help connect regional economies to the opportunities offered by the global marketplace – five projects ($11 million).

Examples of projects underway include:

- City of Santa Cruz, California ($4.8 million): EDA provided this grant to help the city respond to job losses associated with corporate restructuring by renovating a historic Brownfield site to create the Digital Media Center at the Tannery, a business incubator for digital media companies. Due to the large number of small businesses in the Santa Cruz region that provide digital media services, the co-location of a variety of these individual service providers at the center provides an opportunity to promote the growth and development of the digital media cluster. This high-tech business incubator is expected to create 653 long-term jobs and leverage $33.8 million in private investment; and
- Arizona Bioscience Park in Tucson, Arizona ($4.7 million): Pima County experienced sudden and severe economic dislocation and job loss due to corporate restructuring, with the total number of unemployed persons rising 80 percent during the 12 month period ending in February 2009. A grant to the University of Arizona will help build the park to provide the region with a comprehensive training and research facility that will boost workforce training, research and development opportunities, higher-skilled, higher-wage jobs, and private sector investment in the bioscience sector. The new state-of-the-art research park will house a technology business incubator. The park's sophisticated, high-technology biosciences facilities will be integrated into a multi-use development. The grant is expected to help create 639 long-tern jobs and attract $33.1 million in private investment.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: EDA estimates that construction related to Recovery Act investments will create 1,693 jobs over the next three years. EDA also expects these investments to create 18,908 long-term jobs and leverage $981 million in private investment during the next nine years.

FEDERAL EMERGENCY MANAGEMENT AGENCY – $210 MILLION

Recovery Act: **Provides $210 million for Firefighter Assistance Grants, for modifying, upgrading, or constructing non-Federal fire stations.**

Distribution: Distributes funds through FEMA's existing competitive grant processes. No grant shall exceed $15 million.

Shovel-Ready Deadlines: FEMA must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[70]

Recovery Act Implementation: FEMA has awarded 119 projects totaling $189 million in 41 States, representing 90 percent of the available funds. Three of these fire stations have already broken ground and another 39 stations have been cleared to begin construction. FEMA anticipates making as many as 10 additional awards.

This program is aimed at creating and saving jobs in recession-hit areas and achieving firefighter safety and improved response capability and capacity based on need. Recovery Act investments will fund the following:

- build 45 new fire stations to meet expanded responsibilities;
- replace 41 unsafe fire stations;
- renovate 16 unsafe fire stations;
- expand 10 fire stations to accommodate 24 hour/seven day coverage; and
- expand six fire stations to accommodate increased responsibilities.

---

[70] *Id.* § 1512.

Examples of new construction projects include:

- Newberg, Oregon ($764,000): Newberg's existing station, originally built in 1933 for use as a livestock barn, was later converted into a fire station. The existing station poses several health hazards. The station, built before enactment of current air quality standards, was built without a source capture exhaust system for the department's diesel vehicles. The bunk rooms, kitchen, and dayroom, where the department's firefighters live and work 24 hours per day, seven days per week, are in danger of contamination. As a result, the station does not comply with several National Fire Protection Association staffing and safety standards. Replacing the existing station will correct all these issues; and

- City of Quincy, Florida ($1.2 million): Quincy's current station was built in the early 1960's and is the city's only fire station. The existing facility has no sprinkler system and does not comply with the Americans with Disabilities Act. Response time from the current station is over five minutes for approximately 60 percent of the south side of town. Building a new station will bring 100 percent of that area well within a five minute response time.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 5,800 jobs and $1 billion of economic activity.**

COAST GUARD – $240 MILLION

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS – $98 MILLION

Recovery Act: **Provides $98 million for the Coast Guard's Acquisition, Construction, and Improvements program to fund ready-to-go Coast Guard shore facility repair projects. This funding cannot be used for pre-acquisition survey, design, or construction of a new polar icebreaker.**

Distribution: Distributes funds through the Coast Guard's existing administrative processes.

Prioritization: Funds are to be used for shore facilities and aids to navigation facilities; for materials and labor cost increases of priority procurements; and for costs to repair, renovate, assess, or improve vessels.

Shovel-Ready Deadlines: The Coast Guard must obligate 100 percent of the funds by September 30, 2010.

Transparency and Accountability Requirements: The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[71]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[72]

Recovery Act Implementation:

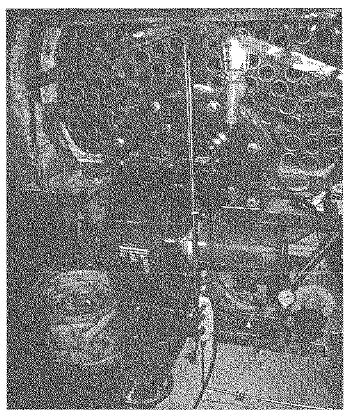
High Endurance Cutter Engineering changes ($10 million): The Coast Guard has signed contracts for 100 percent of the planned vessel projects. Of the 38 planned installations to vessels, 13 are completed and another five are underway. The Coast Guard plans to complete all work in March 2011.

---

[71] *Id.* Title VI.
[72] *Id.* § 1512.

These installations include:

- boiler upgrade;
- automatic bus transfer switch upgrade;
- refrigeration system upgrade;
- fire and smoke alarm system installation;
- auxiliary saltwater pump replacement;
- lube oil purifier replacement; and
- engineering technical support.



Shore facilities ($88 million): Of the thirteen planned shore facilities,[73] five have been awarded construction contracts, and another two have been awarded design/development contracts. Construction has begun on one shore facility, another one is expected to break ground this summer, and three more are planned to begin construction this fall.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: Creates approximately 2,700 jobs and $500 million of economic activity.

[73] The Coast Guard originally planned to undertake seven shore facility projects. However, due to lower than expected work bids, the Coast Guard was able to add six additional projects.

BRIDGE ALTERATIONS – $142 MILLION

Recovery Act: **Provides $142 million for the Coast Guard's Alteration of Bridges program, which funds the removal or alteration of bridges that are safety hazards or unreasonable obstructions to navigation.**

Distribution: Distributes funds through the Coast Guard's existing administrative processes.

Prioritization: The Coast Guard shall award these funds to those bridges that are ready to proceed to construction.

Shovel-Ready Deadlines: The Coast Guard must obligate 100 percent of funds by September 30, 2010.

Transparency and Accountability Requirements: The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[74]

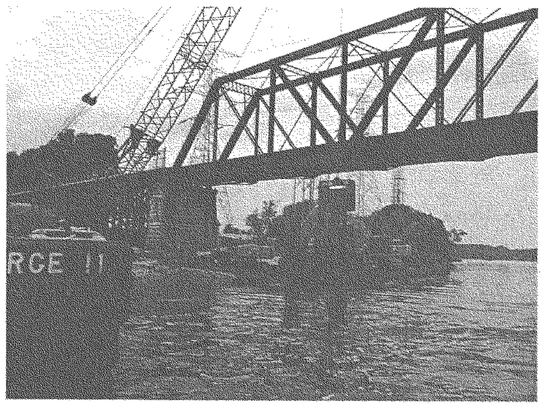
Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[75]

Recovery Act Implementation: Contracts have been awarded and work has begun on all four planned bridge projects totaling $142 million, representing 100 percent of the available funds. The four bridges include:

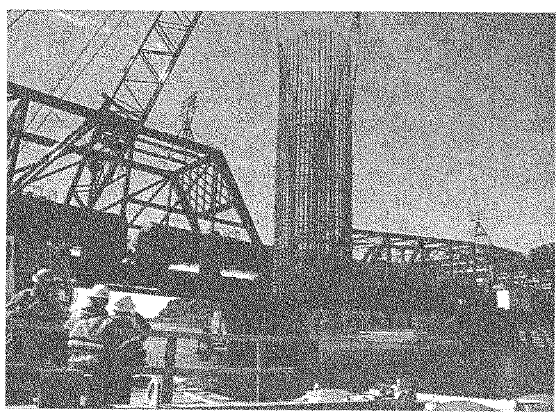
---

[74] *Id.* Title VI.
[75] *Id.* § 1512.

- Elgin, Joliet, and Eastern Bridge over the Illinois Waterway in Divine, Illinois – built in 1885 ($30 million). Work is ongoing to replace the existing 120-foot horizontal clearance with a new 300-foot clearance. The bridge poses multiple hazards to navigation including shallow water depths and severe cross currents. Construction will be completed in October 2011;



- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million). Construction will be completed in August 2011;



- Mobile Bridge over the Mobile River in Hurricane, Alabama – built in 1927 ($15 million). Construction will be completed in September 2011; and

- Galveston Bridge over the Intercoastal Waterway in Texas – built in 1912 ($61 million). Construction will be completed in June 2012.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

Economic Impact: Creates approximately 4,000 jobs and $700 million of economic activity.

MARITIME ADMINISTRATION
SMALL SHIPYARD GRANTS – $100 MILLION

Recovery Act: Provides $100 million for grants to small shipyards for capital improvement and worker training as authorized by section 54101 of title 46, United States Code.

Distribution: Distributes funds through the Maritime Administration's existing competitive grant program. The purpose of the grants is to make capital and infrastructure improvements that facilitate the efficiency, cost-effectiveness and quality of domestic ship construction, conversion or repair for commercial and federal government use. This program generally provides 75 percent Federal funds with 25 percent matching funds from the grant recipient. Grant funds may also be used for maritime training programs to foster technical skills and operational productivity.

Of the $100 million, $75 million is reserved for shipyards with 600 employees or fewer, and up to $25 million may be awarded to shipyards with up to 1,200 employees.

Shovel-Ready Deadlines: The Secretary of Transportation shall ensure that funds provided under this program shall be obligated within 180 days of the date of their distribution.

Transparency and Accountability Requirements: Grant recipients must submit periodic reports to the Maritime Administration on the use of Recovery Acts no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the Maritime Administration and transmitted to Congress.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[76]

Recovery Act Implementation: On August 18, 2009, the Maritime Administration awarded 70 grants totaling $98 million for small shipyard projects in 26 States and Guam.[77] The Maritime Administration is also managing three projects originally funded under the highway program, totaling $26 million.

---

[76] *Id.* § 1512.

[77] The Maritime Administration received 454 grant applications totaling $1.25 billion.

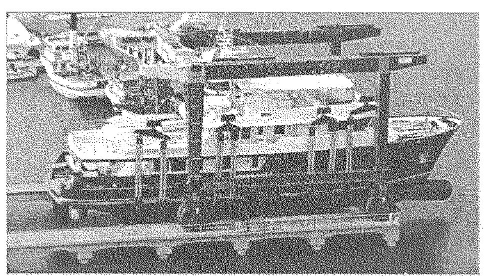
Work is underway or completed on 70 of the 73 planned projects ($123 million), representing nearly 100 percent of the total available funds. Within this total, work is underway on 52 projects ($99 million), and work is completed on an additional 18 projects ($23 million).

Recovery Act investments will result in:

- drydock new construction, expansion, and enhancement – 13 projects ($33 million);
- steel work machinery – 23 projects (28 million);
- material handling (i.e., cranes, forklifts) – 18 projects ($21 million);
- shipyard infrastructure and improvements – six projects ($6.5 million);
- training – six projects ($6 million);
- boat hoist – four projects ($5 million);
- port modernization managed by the Maritime Administration – three projects ($26 million).

An example of a funded project includes:

- Steiner Shipyard in Bayou la Batre, Alabama ($1.8 million): Steiner Shipyard, a family owned shipyard, has been in business for over 50 years, and employs approximately 45 full-time and 10 part-time employees. Steiner Shipyard received a grant for the purchase of new launching equipment, a Travelift 400 metric ton boat hoist. The Travelift will allow the yard to complete the construction of vessels on shore, resulting in greater productivity. The new Travelift will also enable Steiner to construct larger vessels. The company estimates at least 20 new full-time jobs will be created because of this Recovery Act project.



To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 2,800 jobs and $500 million of economic activity.**

T&I Committee Transparency and Accountability Information by State and Formula Funding under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of June 30, 2010)

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Alabama															
Clean Water State Revolving Fund	$43,821,600	$43,821,600	$15,385,501	9	$42,068,736	9	$42,068,736	9	$42,068,736	1	$209,270	118	93	98,273	$2,448,017
Highway Infrastructure Investment	$513,692,083	$513,692,083	$235,320,268	247	$512,734,898	245	$478,796,938	238	$477,359,065	67	$64,740,362	3,383	1,314	1,094,869	$13,667,107
Transit Capital Assistance	$40,132,290	$37,884,291	$5,016,122	10	$13,562,092	49	$34,589,360	48	$29,189,360	6	$4,514,946	5	53	11,835	$133,331
Total	$597,645,973	$595,397,974	$255,721,891	266	$568,365,726	303	$555,455,034	295	$548,617,161	74	$69,464,578	3,506	1,464	1,204,977	$16,248,455
Alaska															
Clean Water State Revolving Fund	$23,454,981	$22,516,800	$5,159,641	20	$22,516,800	20	$22,516,800	20	$22,516,800	5	$1,238,225	75	109	48,202	$2,817,893
Highway Infrastructure Investment	$175,461,487	$175,461,487	$82,029,675	26	$167,955,972	26	$167,955,972	24	$162,449,950	2	$8,763,230	666	579	332,390	$15,668,933
Transit Capital Assistance	$40,869,469	$40,720,341	$24,321,303	28	$27,576,771	32	$28,176,396	32	$30,881,086	12	$14,946,666	306	57	82,145	$3,354,063
Total	$239,785,937	$238,698,628	$111,510,619	74	$218,049,543	78	$218,649,168	76	$215,847,836	19	$24,948,121	1,047	745	462,737	$22,840,889
American Samoa															
Clean Water State Revolving Fund	$3,354,000	$3,354,000	$0	0	$0	0	$0	0	$0	0	$0	0	0	25	$500
Highway Infrastructure Investment	$4,500,000	$4,500,000	$0	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	0	14,168	$87,494
Transit Capital Assistance	$341,099	$341,099	$0	1	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$8,195,099	$8,195,099	$0	2	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	0	14,193	$87,994
Arizona															
Clean Water State Revolving Fund	$26,469,630	$25,410,816	$17,660,007	17	$25,410,816	17	$25,410,816	17	$25,410,816	12	$16,028,831	1,104	42	225,674	$6,886,738
Fixed Guideway	$640,070	$640,070	$956	1	$640,070	1	$640,070	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$520,911,019	$498,526,366	$159,580,335	172	$394,959,942	172	$394,959,942	157	$380,157,891	41	$55,629,122	5,659	1,278	1,755,373	$32,215,793
Transit Capital Assistance	$99,911,876	$99,746,240	$16,587,140	43	$81,547,031	39	$79,540,040	34	$56,055,770	20	$14,893,452	728	135	297,533	$4,496,942
Total	$647,932,597	$624,323,492	$193,828,438	233	$502,557,859	229	$500,550,868	208	$461,624,477	73	$86,551,405	7,491	1,455	2,278,780	$43,599,473
Arkansas															
Clean Water State Revolving Fund	$25,636,545	$25,636,500	$12,731,475	7	$24,611,040	7	$24,611,040	7	$24,611,040	0	$0	231	69	89,617	$2,142,525
Highway Infrastructure Investment	$351,544,468	$323,399,582	$108,242,552	117	$310,047,899	117	$310,047,899	115	$309,678,821	54	$46,877,711	2,026	597	680,201	$12,500,247
Transit Capital Assistance	$20,573,849	$19,636,947	$9,253,908	23	$16,435,716	21	$15,784,429	21	$15,784,429	6	$3,690,407	315	22	61,395	$831,550
Total	$397,754,862	$368,673,029	$130,227,735	147	$351,094,655	145	$350,443,368	143	$350,074,290	60	$50,568,118	2,572	688	831,213	$15,474,322
California															
Clean Water State Revolving Fund	$280,285,335	$280,285,800	$81,011,536	109	$269,074,368	109	$269,074,368	109	$269,074,368	3	$484,313	6,780	5,922	2,575,040	$65,066,588
Fixed Guideway	$63,214,610	$63,214,609	$32,467,935	9	$62,137,952	9	$60,520,475	10	$63,214,609	1	$1,131,452	555	12	384,747	$23,800,258
Highway Infrastructure Investment	$2,552,945,059	$2,470,238,417	$592,905,147	789	$2,331,086,544	642	$1,940,503,755	642	$1,940,503,755	395	$366,915,974	12,673	3,603	4,060,505	$139,305,213
Transit Capital Assistance	$840,494,827	$821,896,721	$355,973,124	442	$548,578,268	326	$547,717,270	409	$710,747,751	182	$178,872,213	23,987	478	5,268,807	$164,624,107
Total	$3,736,939,831	$3,635,635,547	$1,062,357,742	1,349	$3,210,897,132	1,086	$2,817,815,868	1,170	$2,983,540,483	581	$547,403,952	43,995	10,014	12,289,099	$392,796,166
Colorado															
Clean Water State Revolving Fund	$31,348,152	$30,093,792	$14,746,419	12	$30,093,792	12	$30,093,792	12	$30,093,792	1	$193,956	206	173	110,361	$3,862,635
Fixed Guideway	$753,399	$753,399	$0	1	$753,399	1	$753,399	1	$753,399	0	$0	0	0	0	$0
Highway Infrastructure Investment	$385,324,130	$382,468,791	$190,586,032	103	$382,256,791	99	$378,358,731	91	$364,129,803	23	$52,971,860	5,180	1,075	1,414,138	$38,508,428
Transit Capital Assistance	$121,315,663	$121,315,663	$64,474,724	56	$105,727,576	50	$86,025,194	49	$86,025,194	15	$47,139,150	1,738	765	568,573	$14,975,036
Total	$538,741,344	$534,631,645	$269,807,175	172	$518,831,558	162	$495,231,116	153	$481,002,188	39	$100,304,966	7,124	2,012	2,093,072	$57,346,099

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time equivalent (FTE) job-months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours)
Year One of Implementation Includes Information from February 17, 2009, through February 28, 2010

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Connecticut															
Clean Water State Revolving Fund	$48,010,347	$48,010,300	$14,979,541	5	$46,089,888	5	$46,089,888	5	$46,089,888	0	$0	290	66	84,580	$3,941,770
Fixed Guideway	$32,030,396	$32,030,396	$8,150,386	3	$32,030,396	3	$32,030,396	3	$32,030,396	0	$0	0	42	9,322	$511,069
Highway Infrastructure Investment	$299,253,956	$294,410,797	$78,425,324	137	$299,253,956	90	$270,506,322	75	$255,381,403	18	$37,585,086	1,195	384	399,610	$14,947,200
Transit Capital Assistance	$120,767,245	$120,767,245	$32,649,301	20	$113,273,783	20	$113,273,783	20	$113,273,783	19	$694,049	39	67	40,376	$2,027,654
Total	$500,061,944	$495,218,738	$134,204,552	165	$490,648,023	118	$461,900,389	103	$446,775,470	37	$38,279,135	1,524	560	533,888	$21,427,693
Delaware															
Clean Water State Revolving Fund	$19,239,066	$18,469,536	$3,949,598	10	$18,469,536	10	$18,469,536	10	$18,469,536	0	$0	167	98	76,228	$2,043,012
Highway Infrastructure Investment	$121,828,650	$119,152,064	$39,680,962	38	$117,871,524	34	$65,599,345	30	$60,834,209	3	$683,242	1,374	169	349,288	$17,510,328
Transit Capital Assistance	$19,000,000	$18,917,211	$2,464,556	5	$18,917,211	5	$18,917,211	4	$18,917,211	0	$0	30	24	16,822	$636,088
Total	$160,067,716	$156,538,811	$46,095,116	53	$155,258,271	49	$102,986,092	44	$98,220,956	3	$683,242	1,571	291	442,338	$20,189,428
District of Columbia															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$2,966,272	25	$19,239,100	25	$19,239,100	18	$14,839,297	2	$608,338	24	50	27,801	$747,208
Fixed Guideway	$17,749,826	$17,749,826	$9,741,982	7	$17,749,826	7	$17,749,826	7	$17,749,826	0	$0	76	24	24,554	$1,628,431
Highway Infrastructure Investment	$123,507,842	$121,788,908	$22,574,179	15	$121,788,908	15	$121,788,908	15	$121,788,908	1	$1,000,000	485	280	255,041	$6,620,977
Transit Capital Assistance	$184,083,396	$184,083,396	$72,075,619	25	$184,083,396	23	$153,533,396	23	$153,533,396	3	$31,658,988	53	29	20,230	$2,318,335
Total	$344,580,130	$342,861,230	$107,358,052	72	$342,861,230	70	$312,311,230	63	$307,931,427	6	$33,267,326	638	384	327,626	$11,314,951
Florida															
Clean Water State Revolving Fund	$132,286,374	$132,286,300	$52,173,316	28	$132,286,300	28	$132,286,300	28	$132,286,300	1	$2,152,020	1,883	447	640,653	$12,362,609
Fixed Guideway	$2,918,660	$2,918,660	$36,638	5	$756,177	3	$71,177	5	$73,197	1	$34,618	1	4	1,006	$42,510
Highway Infrastructure Investment	$1,346,042,707	$1,298,589,245	$371,712,310	596	$1,256,172,303	565	$1,151,379,620	536	$1,098,830,830	200	$72,942,185	6,443	2,833	2,992,913	$63,877,015
Transit Capital Assistance	$323,287,614	$252,311,268	$74,523,130	247	$151,802,231	230	$128,109,431	218	$101,124,307	136	$81,637,868	1,321	299	662,531	$23,050,730
Total	$1,804,535,355	$1,686,105,473	$498,445,494	876	$1,541,017,011	826	$1,411,846,548	787	$1,332,334,634	338	$156,766,711	9,647	3,583	4,297,105	$101,332,884
Georgia															
Clean Water State Revolving Fund	$84,337,044	$84,336,750	$45,269,619	38	$81,686,310	38	$81,686,310	38	$81,686,310	1	$7,561,761	661	342	317,778	$12,317,830
Fixed Guideway	$7,380,854	$7,380,854	$1,238,570	1	$7,380,854	1	$7,380,854	1	$7,380,854	0	$0	0	30	7,212	$159,627
Highway Infrastructure Investment	$906,585,680	$898,589,460	$228,359,603	371	$898,589,460	348	$870,929,455.00	343	$865,461,707.00	4	$3,116,483	3,841	1,389	1,585,319	$28,364,550
Transit Capital Assistance	$127,909,498	$127,909,498	$52,702,612	9	$76,780,085	12	$78,914,987	10	$121,238,628	9	$7,595,943	6,880	28	1,431,760	$45,230,828
Total	$1,126,213,076	$1,118,216,562	$327,570,404	419	$1,064,436,709	399	$1,038,911,606	392	$1,075,767,499	14	$18,274,187	11,382	1,780	3,342,069	$86,072,835
Guam															
Clean Water State Revolving Fund	$2,471,500	$2,371,500	$2,371,500	2	$2,371,500	2	$2,371,500	2	$2,371,500	0	$0	0	1	255	unavailable
Highway Infrastructure Investment	$18,000,000	$19,560,000	$0	8	$19,560,000	5	$13,700,000	4	$9,250,000	0	$0	0	0	0	$0
Transit Capital Assistance	$921,976	$921,976	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,393,476	$22,853,476	$2,371,500	10	$21,931,500	7	$16,071,500	6	$11,621,500	0	$0	0	1	255	$0
Hawaii															
Clean Water State Revolving Fund	$50,352,311	$29,752,300	$15,393,907	7	$29,752,300	7	$29,752,300	7	$29,752,300	0	$0	124	38	57,011	$2,301,830
Fixed Guideway	$254,793	$254,793	$254,793	1	$254,793	1	$254,793	1	$254,793	1	$254,793	0	unavailable	25	$10,218
Highway Infrastructure Investment	$125,746,380	$123,990,233	$20,569,427	21	$98,135,827	20	$96,568,544	17	$84,802,259	3	$2,515,661	274	74	102,936	$4,042,321
Transit Capital Assistance	$43,582,583	$43,582,583	$23,345,207	8	$33,036,435	7	$30,946,977	7	$29,931,642	5	$26,234,128	31	91	57,437	$2,142,056
Total	$199,936,067	$197,579,909	$59,563,334	37	$161,177,355	35	$157,522,614	32	$144,740,994	9	$29,004,582	429	203	217,409	$8,496,425
Idaho															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$3,396,148	8	$19,239,100	8	$19,239,100	7	$16,834,168	0	$0	80	unavailable	39,932	$1,622,951
Highway Infrastructure Investment	$178,878,631	$178,207,809	$74,145,585	81	$177,986,809	75	$174,712,807	75	$174,712,807	0	$0	1,476	391	500,001	$15,486,309
Transit Capital Assistance	$21,484,297	$21,484,297	$4,053,874	50	$13,231,201	48	$11,651,585	47	$11,360,971	18	$2,000,846	114	19	33,675	$1,041,091
Total	$219,601,994	$218,931,206	$81,595,607	139	$210,457,110	131	$205,603,492	129	$202,907,946	18	$2,000,846	1,670	410	573,608	$18,150,351

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job-months. FTE job-months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

Year One of Implementation includes Information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Illinois															
Clean Water State Revolving Fund	$177,243,066	$177,243,100	$92,120,516	69	$177,243,100	69	$177,243,100	69	$177,243,100	3	$7,535,161	616	216	275,105	$16,063,666
Fixed Guideway	$95,534,850	$92,265,050	$41,096,722	9	$95,534,850	9	$95,534,850	9	$95,534,850	4	$38,931,726	3,886	22	693,324	$32,960,575
Highway Infrastructure Investment	$935,592,704	$928,699,092	$554,908,278	918	$880,559,252	853	$866,741,236	736	$806,925,102	316	$305,989,010	9,589	2,226	2,541,098	$99,908,492
Transit Capital Assistance	$365,690,769	$358,811,911	$214,884,396	94	$349,349,330	85	$345,043,484	69	$336,966,251	41	$208,480,382	10,658	102	1,927,653	$97,389,983
Total	$1,574,061,389	$1,557,019,153	$903,009,912	1,090	$1,502,686,532	1,016	$1,484,562,670	883	$1,416,669,303	364	$560,936,279	24,749	2,596	5,437,180	$246,322,716
Indiana															
Clean Water State Revolving Fund	$94,447,483	$94,447,500	$59,722,883	43	$94,447,500	43	$94,447,500	43	$94,447,500	3	$1,389,500	361	113	145,433	$2,899,120
Fixed Guideway	$6,412,487	$6,412,487	$2,066,441	1	$6,412,487	1	$6,412,487	1	$6,412,487	0	$0	57	21	21,914	$1,740,624
Highway Infrastructure Investment	$657,967,707	$645,176,363	$334,818,370	1,095	$645,176,363	1,095	$645,176,363	1,077	$635,327,068	811	$228,040,239	4,784	1,773	1,722,353	$52,624,739
Transit Capital Assistance	$72,630,417	$71,304,808	$35,264,011	78	$58,354,836	77	$58,438,008	76	$58,239,930	44	$21,322,605	1,654	156	264,693	$5,948,662
Total	$831,458,096	$817,341,158	$431,871,705	1,217	$804,391,186	1,216	$804,474,358	1,197	$794,426,985	858	$250,752,344	6,876	2,063	2,154,393	$63,213,145
Iowa															
Clean Water State Revolving Fund	$53,040,042	$53,040,000	$21,834,393	47	$53,040,000	47	$53,040,000	46	$52,095,000	0	$0	2	150	179,526	$4,024,193
Highway Infrastructure Investment	$357,623,007	$357,623,007	$252,416,450	242	$357,431,693	242	$357,431,693	242	$357,431,693	83	$77,063,600	6,809	732	1,515,094	$39,518,728
Transit Capital Assistance	$35,640,339	$27,234,369	$16,470,471	99	$31,432,208	99	$29,051,032	84	$28,760,536	41	$9,571,017	215	1	74,919	$1,732,706
Total	$446,303,388	$437,897,376	$290,721,314	388	$441,903,901	388	$439,522,725	372	$438,287,209	124	$86,634,617	7,026	883	1,769,539	$45,275,627
Kansas															
Clean Water State Revolving Fund	$35,374,185	$35,374,200	$13,296,359	22	$35,374,200	22	$35,374,200	17	$31,379,508	1	$70,500	3	unavailable	66,357	$2,081,257
Highway Infrastructure Investment	$347,817,167	$344,505,296	$92,043,282	143	$344,505,296	141	$344,463,471	124	$337,718,702	30	$9,142,748	1,981	1,011	891,898	$23,059,221
Transit Capital Assistance	$25,203,158	$25,203,158	$8,775,450	25	$18,739,012	22	$16,733,315	24	$18,324,319	16	$2,833,367	154	13	37,953	$895,012
Total	$408,394,510	$405,082,654	$114,115,091	190	$398,618,508	185	$396,590,986	165	$387,422,529	47	$12,046,615	2,138	1,023	996,208	$26,035,471
Kentucky															
Clean Water State Revolving Fund	$49,878,083	$49,878,100	$13,510,147	44	$47,882,976	43	$47,882,976	44	$47,882,976	1	$510,000	310	404	281,424	$4,585,524
Highway Infrastructure Investment	$420,854,991	$430,347,654	$190,357,691	107	$420,607,691	107	$420,607,691	101	$410,548,212	5	$20,054,878	3,947	1,624	1,191,715	$35,144,859
Transit Capital Assistance	$51,045,967	$48,035,621	$39,017,837	136	$24,481,597	134	$21,544,251	134	$37,416,251	122	$28,768,595	497	31	219,139	$7,116,508
Total	$521,779,039	$528,261,375	$242,885,675	287	$492,972,264	285	$490,034,918	279	$495,847,439	128	$49,333,473	4,754	2,059	1,692,278	$46,846,891
Louisiana															
Clean Water State Revolving Fund	$43,081,434	$43,081,400	$15,859,591	53	$43,081,400	53	$43,081,400	38	$27,422,925	2	$1,109,070	33	353	98,748	$1,164,253
Fixed Guideway	$2,425,300	$2,425,300	$2,425,300	2	$2,425,300	2	$80,000	2	$80,000	2	$80,000	15	0	2,720	$65,960
Highway Infrastructure Investment	$429,859,427	$429,859,427	$83,279,938	108	$408,668,243	105	$402,590,029	62	$374,601,405	10	$10,189,036	1,537	683	734,907	$16,949,540
Transit Capital Assistance	$50,446,673	$42,307,324	$17,985,704	137	$33,400,354	140	$29,664,958	137	$25,806,969	84	$13,472,442	3,273	20	596,765	$8,174,995
Total	$525,812,834	$517,673,451	$119,550,533	300	$487,575,297	300	$475,416,387	239	$428,311,299	98	$24,850,548	4,860	1,057	1,435,140	$26,354,748
Maine															
Clean Water State Revolving Fund	$30,336,768	$29,123,328	$0	39	$29,123,328	39	$29,123,328	39	$29,123,328	21	$10,489,195	765	78	173,057	$3,486,566
Highway Infrastructure Investment	$130,752,032	$130,752,032	$101,300,055	72	$130,752,032	72	$130,752,032	72	$130,752,032	50	$64,266,745	3,284	149	650,344	$16,358,026
Transit Capital Assistance	$13,266,105	$13,266,105	$781,584	7	$13,266,105	6	$12,882,958	6	$12,882,958	2	$781,584	39	0	6,676	$116,723
Total	$174,354,905	$173,141,465	$102,081,639	118	$173,141,465	117	$172,758,318	117	$172,758,318	73	$75,537,520	4,086	227	830,077	$20,961,315
Maryland															
Clean Water State Revolving Fund	$94,784,580	$94,784,600	$16,177,494	67	$92,784,600	67	$92,784,600	67	$92,784,600	14	$3,996,160	62	unavailable	44,962	$1,031,724
Fixed Guideway	$15,176,485	$15,176,485	$1,219,393	6	$15,176,485	3	$12,176,485	4	$9,377,914	1	$400,000	49	21	14,803	$637,808
Highway Infrastructure Investment	$451,034,777	$410,427,155	$167,155,895	169	$410,427,155	161	$400,112,438	116	$383,062,228	23	$43,971,001	3,752	629	959,051	$19,649,601
Transit Capital Assistance	$136,550,987	$136,550,987	$38,693,597	107	$134,233,919	99	$118,600,694	64	$73,752,890	38	$20,464,206	787	60	176,480	$5,757,813
Total	$697,546,829	$656,939,227	$223,274,379	349	$652,622,159	332	$629,674,217	275	$558,977,632	76	$68,821,667	4,650	750	1,195,295	$27,077,018

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full time equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).
Year One of Implementation includes information from February 17, 2009, through February 28, 2010.

C

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Massachusetts															
Clean Water State Revolving Fund	$133,057,188	$133,057,300	$62,514,192	61	$127,735,008	61	$127,735,008	61	$127,735,008	0	$0	122	385	133,416	$11,309,373
Fixed Guideway	$51,513,648	$51,513,648	$6,763,287	42	$32,240,054	42	$32,240,054	42	$32,240,054	3	$524,403	119	108	65,565	$2,210,490
Highway Infrastructure Investment	$419,398,192	$378,205,755	$93,684,555	84	$378,205,755	84	$378,205,755	84	$378,205,755	1	$2,406,702	1,034	524	392,516	$15,647,373
Transit Capital Assistance	$290,247,615	$285,576,677	$75,633,163	203	$125,736,075	185	$117,511,435	181	$105,697,027	74	$16,866,624	508	171	563,642	$25,497,762
Total	$894,216,643	$848,353,380	$238,595,197	390	$663,916,892	372	$655,692,252	368	$643,877,844	78	$19,797,729	1,783	1,188	1,155,139	$54,664,898
Michigan															
Clean Water State Revolving Fund	$168,308,989	$168,509,000	$96,828,959	67	$168,509,000	67	$168,509,000	67	$168,509,000	3	$419,000	1,788	1,954	910,745	$32,658,037
Highway Infrastructure Investment	$847,204,834	$845,602,878	$406,343,916	725	$842,488,404	717	$839,036,492	599	$793,013,717	316	$179,567,519	5,940	2,703	2,236,503	$66,617,865
Transit Capital Assistance	$135,327,367	$473,527,367	$43,321,272	241	$94,283,261	262	$82,508,424	204	$67,303,844	80	$19,839,159	3,448	218	756,810	$19,102,192
Total	$1,151,241,190	$1,487,639,245	$546,494,147	1,033	$1,105,280,665	1,046	$1,090,053,916	870	$1,028,826,561	399	$199,825,678	11,176	4,876	3,904,058	$118,378,094
Minnesota															
Clean Water State Revolving Fund	$82,364,014	$82,364,000	$66,183,869	25	$79,682,760	25	$79,682,760	25	$79,682,760	3	$1,383,951	967	74	227,666	$8,949,560
Fixed Guideway	$1,851,573	$1,851,573	$0	2	$1,851,573	2	$1,851,573	2	$1,851,573	0	$0	0	0	0	$0
Highway Infrastructure Investment	$502,284,177	$496,897,126	$298,126,137	217	$491,772,225	216	$490,418,157	216	$490,418,157	92	$176,862,997	6,220	943	1,560,186	$53,039,368
Transit Capital Assistance	$93,341,542	$93,341,542	$31,329,040	111	$73,867,621	108	$73,300,785	105	$83,063,299	76	$28,612,870	2,535	9	449,262	$18,768,763
Total	$680,041,306	$674,654,241	$395,639,046	355	$647,174,179	351	$645,253,275	348	$655,015,589	171	$206,859,818	9,722	1,026	2,237,114	$80,757,693
Mississippi															
Clean Water State Revolving Fund	$35,308,350	$35,308,300	$10,202,336	16	$33,895,968	16	$33,895,968	16	$33,895,968	0	$0	13	57	80,730	$2,991,324
Highway Infrastructure Investment	$354,564,343	$353,217,369	$217,350,602	162	$352,941,911	166	$350,161,179	155	$333,332,614	58	$104,919,394	498	1,379	1,702,024	$26,845,955
Transit Capital Assistance	$20,552,566	$16,154,633	$4,397,811	15	$723,914	14	$654,294	13	$1,288,227	9	$73,459	149	38	47,091	$552,536
Total	$410,425,259	$404,680,302	$231,950,949	198	$387,561,793	196	$384,711,441	184	$368,516,811	67	$104,992,853	663	1,473	1,829,845	$30,389,815
Missouri															
Clean Water State Revolving Fund	$108,641,808	$108,641,800	$27,777,068	44	$104,955,560	44	$104,955,560	44	$104,955,560	0	$0	104	150	119,067	$4,673,290
Fixed Guideway	$1,289,449	$1,289,449	$1,006,269	1	$1,182,645	1	$1,182,645	1	$1,182,645	0	$0	10	7	5,258	$203,512
Highway Infrastructure Investment	$637,121,984	$637,121,984	$277,370,155	322	$627,984,901	315	$624,906,441	305	$593,093,059	161	$129,459,278	3,863	861	1,209,816	$42,525,857
Transit Capital Assistance	$92,797,163	$92,797,163	$25,270,392	53	$40,510,937	52	$39,608,466	47	$37,133,167	27	$19,034,194	146	42	42,477	$1,855,274
Total	$839,850,404	$839,850,396	$331,423,884	420	$774,634,043	412	$770,653,112	397	$736,364,431	188	$148,493,472	4,123	1,059	1,376,618	$49,257,933
Montana															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$14,679,516	31	$18,469,536	31	$18,469,536	31	$18,469,536	14	$9,165,200	745	37	158,662	$4,955,397
Highway Infrastructure Investment	$211,793,391	$206,729,383	$106,695,733	84	$206,729,383	84	$206,729,383	82	$200,787,079	33	$19,520,146	2,436	1,062	882,805	$22,440,386
Transit Capital Assistance	$15,611,710	$15,611,710	$5,022,415	25	$12,866,158	23	$11,692,270	18	$10,381,929	8	$2,720,444	13	25	20,963	$493,944
Total	$246,644,167	$241,580,193	$126,397,665	140	$238,065,077	138	$236,891,189	131	$229,638,544	55	$31,405,790	3,194	1,124	1,062,430	$27,889,727
Nebraska															
Clean Water State Revolving Fund	$20,045,025	$20,045,000	$10,532,243	16	$20,045,000	16	$20,045,000	16	$20,045,000	1	$150,000	306	36	71,665	$1,606,463
Highway Infrastructure Investment	$231,739,279	$226,227,663	$113,830,477	121	$226,227,663	120	$225,999,957	120	$225,999,957	23	$55,351,636	2,835	637	775,703	$14,517,569
Transit Capital Assistance	$23,488,593	$22,841,195	$3,767,761	25	$12,531,183	36	$13,855,502	44	$12,533,927	28	$1,609,073	43	5	19,115	$404,765
Total	$275,272,897	$269,113,858	$131,130,481	162	$258,803,846	172	$259,900,459	180	$258,578,884	52	$57,110,709	3,184	698	866,483	$16,528,797
Nevada															
Clean Water State Revolving Fund	$19,239,066	$19,222,555	$5,029,181	13	$19,222,555	13	$19,222,555	13	$19,222,555	2	$919,152	73	34	38,193	$1,409,682
Highway Infrastructure Investment	$201,352,460	$199,933,526	$49,788,111	69	$199,933,526	62	$186,596,502	50	$170,620,687	11	$18,702,246	1,335	397	394,384	$13,403,827
Transit Capital Assistance	$49,463,770	$49,463,770	$18,439,168	37	$48,469,451	37	$48,469,451	37	$48,469,451	18	$3,390,592	706	263	247,376	$11,046,912
Total	$270,055,296	$268,619,851	$73,256,760	119	$267,625,532	112	$254,288,508	100	$238,312,693	31	$23,011,990	2,114	693	679,953	$25,922,421

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).
Year One of Implementation includes information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
New Hampshire															
Clean Water State Revolving Fund	$39,163,905	$37,597,344	$12,892,430	48	$37,597,344	48	$37,597,344	48	$37,597,344	4	$514,500	234	56	110,969	$3,735,944
Highway Infrastructure Investment	$129,440,556	$129,440,556	$72,056,316	34	$129,440,556	34	$129,440,556	33	$129,083,556	12	$26,629,013	1,667	88	442,458	$10,769,648
Transit Capital Assistance	$16,813,086	$16,813,086	$6,270,964	62	$13,610,920	60	$13,216,206	38	$12,109,392	44	$4,230,422	164	17	41,358	$1,362,029
Total	$185,417,547	$183,850,986	$91,219,710	144	$180,648,820	142	$180,254,106	139	$178,790,292	60	$31,373,935	2,065	161	594,785	$15,867,621
New Jersey															
Clean Water State Revolving Fund	$160,146,855	$160,146,900	$55,600,618	44	$160,146,900	44	$160,146,900	40	$143,249,967	0	$0	85	209	129,107	$5,295,911
Fixed Guideway	$71,580,362	$71,580,362	$57,480,885	2	$22,276,571	2	$22,276,571	3	$58,580,571	0	$0	3,695	70	708,145	$18,174,484
Highway Infrastructure Investment	$651,774,480	$649,426,474	$217,425,299	157	$638,661,930	124	$581,493,625	80	$302,697,597	14	$23,495,919	3,216	648	1,025,533	$43,784,645
Transit Capital Assistance	$361,789,801	$361,789,801	$165,754,180	13	$296,187,313	13	$294,187,313	15	$359,539,313	1	$5,661,000	4,570	520	1,496,633	$37,984,556
Total	$1,245,291,498	$1,242,943,537	$496,260,982	216	$1,117,272,714	183	$1,058,102,409	138	$1,064,067,448	15	$29,156,919	11,566	1,446	3,359,418	$105,239,596
New Mexico															
Clean Water State Revolving Fund	$23,789,866	$23,789,100	$7,053,707	17	$23,019,536	17	$23,019,536	17	$23,019,536	2	$3,344,971	0	79	65,926	$1,920,031
Highway Infrastructure Investment	$252,644,377	$252,644,377	$95,784,201	91	$251,441,757	79	$246,958,925	79	$246,958,925	1	$132,313	356	unavailable	130,043	$2,397,580
Transit Capital Assistance	$27,518,452	$27,518,452	$9,678,826	35	$27,293,452	35	$19,659,595	34	$18,553,519	0	$0	46	2	11,214	$100,986
Total	$303,951,895	$303,951,929	$112,516,734	143	$301,754,745	131	$289,638,056	130	$288,531,980	3	$3,477,284	402	81	207,183	$4,418,597
New York															
Clean Water State Revolving Fund	$432,363,967	$432,564,200	$46,605,606	80	$420,668,684	80	$420,668,684	79	$420,326,714	4	$858,158	734	313	300,298	$13,338,131
Fixed Guideway	$254,817,807	$254,817,807	$38,504,605	16	$251,257,963	16	$251,257,963	16	$251,257,963	4	$409,946	409	308	273,318	$8,129,961
Highway Infrastructure Investment	$945,218,723	$1,120,684,723	$300,617,720	421	$920,017,889	401	$899,683,595	398	$895,144,478	120	$101,065,017	6,807	2,335	2,160,581	$74,980,537
Transit Capital Assistance	$1,204,763,387	$1,204,763,387	$186,553,106	109	$1,070,659,000	107	$1,072,669,258	98	$1,050,078,825	39	$33,241,729	1,850	1,120	988,376	$39,157,441
Total	$2,837,363,884	$3,012,830,117	$592,281,037	626	$2,662,603,536	604	$2,644,279,500	591	$2,616,807,980	167	$135,574,850	9,800	4,076	3,722,573	$135,605,070
North Carolina															
Clean Water State Revolving Fund	$70,729,065	$70,729,100	$30,562,041	56	$67,899,936	56	$67,899,936	56	$67,899,936	8	$2,986,673	957	634	389,234	$6,368,307
Highway Infrastructure Investment	$730,592,684	$730,409,684	$298,274,109	405	$661,473,825	400	$661,161,173	389	$640,020,677	45	$55,310,938	8,516	2,009	2,723,846	$45,535,530
Transit Capital Assistance	$97,062,299	$82,345,806	$12,849,181	83	$37,643,730	124	$50,162,760	145	$35,128,592	22	$10,267,531	809	69	203,352	$3,778,100
Total	$898,384,048	$883,484,590	$341,685,331	544	$767,017,491	580	$779,223,869	590	$713,049,205	75	$68,765,142	10,282	2,712	3,316,432	$55,681,937
North Dakota															
Clean Water State Revolving Fund	$16,639,066	$16,639,100	$8,951,719	18	$15,869,536	18	$15,869,536	18	$15,869,536	4	$1,422,126	263	72	60,778	$668,212
Highway Infrastructure Investment	$170,126,497	$170,126,497	$105,742,920	163	$163,253,160	161	$162,836,643	133	$140,092,569	64	$62,281,438	2,355	490	548,742	$13,203,073
Transit Capital Assistance	$10,997,089	$10,997,089	$2,650,517	13	$6,055,281	13	$6,055,281	12	$4,978,083	7	$2,329,600	2	0	336	$23,327
Total	$197,762,652	$197,762,686	$117,345,156	194	$185,177,977	192	$184,761,460	163	$160,940,188	75	$66,033,164	2,620	561	609,856	$13,894,612
Northern Marianas															
Clean Water State Revolving Fund	$3,280,700	$1,451,700	$114,480	2	$1,451,700	2	$1,451,700	2	$1,451,700	0	$0	7	10	5,325	$33,087
Highway Infrastructure Investment	$4,500,000	$4,500,000	$34,069	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	1	2	1,096	$20,190
Transit Capital Assistance	$1,114,292	$0	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$8,894,992	$5,951,700	$148,549	3	$5,951,700	3	$5,951,700	3	$5,951,700	0	$0	8	12	6,421	$53,277
Ohio															
Clean Water State Revolving Fund	$220,623,383	$220,623,100	$39,274,222	274	$220,623,100	274	$220,623,100	255	$207,172,901	18	$2,484,527	992	0	381,083	$10,227,940
Fixed Guideway	$11,182,724	$11,182,724	$0	7	$10,161,155	7	$10,094,395	7	$10,094,395	1	$412,594	242	20	51,665	$1,372,793
Highway Infrastructure Investment	$935,677,030	$899,038,469	$173,277,284	397	$899,038,469	361	$707,981,559	361	$707,981,559	81	$55,168,178	4,702	0	1,208,865	$37,237,408
Transit Capital Assistance	$164,619,892	$150,279,453	$68,522,582	311	$145,018,683	306	$133,431,263	250	$128,912,958	202	$56,141,728	3,312	226	831,210	$25,729,095
Total	$1,332,103,027	$1,281,123,746	$281,074,088	989	$1,274,841,407	948	$1,072,130,317	873	$1,054,161,816	302	$114,207,027	9,248	246	2,472,823	$74,567,236
Oklahoma															
Clean Water State Revolving Fund	$31,662,083	$31,662,100	$20,762,087	33	$30,195,616	33	$30,395,616	33	$30,395,616	9	$3,832,216	380	105	238,270	$3,284,132
Highway Infrastructure Investment	$464,655,225	$464,655,225	$327,083,087	274	$464,655,225	266	$457,649,535	255	$442,599,158	116	$125,669,806	8,655	1,775	2,117,066	$36,943,292
Transit Capital Assistance	$35,798,236	$35,798,236	$11,531,969	33	$26,992,027	34	$18,859,967	33	$18,898,967	7	$2,782,103	251	32	60,790	$1,030,633
Total	$532,115,542	$532,115,561	$359,376,143	340	$522,042,868	333	$506,903,118	361	$491,893,741	132	$132,284,155	9,286	1,912	2,416,126	$41,259,072

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours)
Year One of Implementation includes information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Oregon															
Clean Water State Revolving Fund	$44,271,018	$44,271,000	$17,727,007	13	$44,271,000	13	$44,271,000	13	$44,271,000	4	$11,565,340	442	139	176,971	$8,849,336
Fixed Guideway	$1,125,728	$1,125,728	$1,125,728	0	$0	0	$0	1	$1,125,728	1	$1,125,728	121	0	20,887	$1,125,728
Highway Infrastructure Investment	$320,656,698	$270,482,985	$149,013,876	288	$228,601,109	287	$228,541,099	283	$226,944,138	147	$28,828,505	4,828	351	1,185,432	$39,511,291
Transit Capital Assistance	$133,880,544	$133,880,544	$67,980,611	45	$103,798,875	46	$102,289,500	51	$133,756,992	29	$36,417,328	2,282	104	602,184	$27,363,294
Total	$499,933,988	$449,760,257	$235,847,222	346	$376,670,984	346	$375,101,599	348	$406,097,878	181	$77,936,901	7,673	593	1,985,474	$76,849,649
Pennsylvania															
Clean Water State Revolving Fund	$176,912,274	$176,912,330	$72,995,554	87	$176,912,330	87	$176,912,330	87	$176,912,330	21	$8,309,523	1,527	1,114	833,584	$24,648,936
Fixed Guideway	$84,144,467	$67,987,930	$43,104,972	14	$84,144,467	14	$84,144,467	14	$84,144,467	3	$14,307,899	683	176	237,846	$9,517,610
Highway Infrastructure Investment	$1,026,429,012	$992,699,962	$477,116,224	336	992,699,962	336	992,699,962	336	992,699,962	131	$169,468,962	9,317	2,731	3,120,809	$92,007,811
Transit Capital Assistance	$262,229,964	$216,653,910	$85,700,319	95	$244,268,153	87	$245,054,134	87	$242,407,826	37	$28,970,690	1,675	419	586,630	$21,507,004
Total	$1,549,715,717	$1,454,254,352	$678,917,069	532	$1,498,025,112	524	$1,498,811,093	524	$1,496,164,785	192	$221,257,074	13,204	4,441	4,778,869	$147,681,361
Puerto Rico															
Clean Water State Revolving Fund	$51,114,195	$51,114,200	$4,009,135	5	$49,069,632	5	$49,069,632	5	$49,069,632	0	$0	0	119	76,523	$326,182
Highway Infrastructure Investment	$105,000,000	$110,363,662	$13,173,788	23	$110,363,662	22	$97,693,563	21	$90,922,068	2	$985,671	495	206	190,023	$2,944,691
Transit Capital Assistance	$56,059,951	$42,104,717	$2,743,786	15	$26,119,960	12	$25,669,844	12	$4,679,324	1	$144,888	41	11	18,174	$162,461
Total	$212,174,146	$203,582,579	$19,926,709	43	$185,553,254	39	$172,433,039	38	$144,671,024	3	$1,130,559	536	336	284,720	$3,433,334
Rhode Island															
Clean Water State Revolving Fund	$26,314,596	$26,314,600	$5,098,669	16	$26,314,600	16	$26,314,600	16	$26,314,600	2	$404,755	82	76	43,781	$2,117,699
Fixed Guideway	$713,273	$713,273	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$137,095,725	$137,445,726	$64,905,511	62	$135,550,361	58	$129,180,458	57	$128,867,586	24	$42,141,403	2,063	316	507,582	$14,256,439
Transit Capital Assistance	$38,001,658	$38,001,658	$933,194	28	$27,434,376	25	$26,006,624	21	$3,920,213	13	$1,201,982	0	5	1,812	$65,906
Total	$202,125,252	$202,475,257	$70,937,374	106	$189,299,337	99	$181,501,682	94	$159,102,399	39	$43,748,140	2,145	398	553,175	$16,440,044
South Carolina															
Clean Water State Revolving Fund	$40,148,163	$40,148,200	$15,862,624	22	$40,148,200	22	$40,148,200	22	$40,148,200	0	$0	98	0	68,287	$1,135,436
Highway Infrastructure Investment	$463,081,483	$462,567,842	$148,474,449	173	$369,980,886	173	$369,980,886	152	$343,537,223	57	$87,563,844	3,315	1,153	1,274,965	$23,121,575
Transit Capital Assistance	$29,004,261	$22,445,057	$7,631,726	24	$15,030,331	24	$16,392,811	24	$18,690,302	1	$120,254	68	30	40,166	$806,950
Total	$532,233,907	$525,161,099	$171,968,799	219	$425,159,417	219	$428,521,897	198	$402,375,725	58	$87,684,098	3,481	1,182	1,383,418	$25,063,961
South Dakota															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$7,784,123	27	$18,469,536	27	$18,469,536	21	$13,576,981	0	$0	55	unavailable	20,593	$699,334
Highway Infrastructure Investment	$186,877,359	$185,968,142	$100,285,529	52	$185,968,142	52	$185,968,142	52	$185,968,142	7	$28,070,725	2,042	553	555,970	$11,964,615
Transit Capital Assistance	$7,372,825	$7,372,835	$3,923,338	48	$4,131,957	48	$4,131,957	42	$3,919,199	39	$3,260,685	83	3	16,277	$313,734
Total	$213,489,250	$212,580,067	$111,993,270	127	$208,569,635	127	$208,569,635	115	$203,464,322	46	$31,331,410	2,180	556	592,840	$12,979,923
Tennessee															
Clean Water State Revolving Fund	$56,930,445	$54,653,184	$6,739,259	24	$54,653,184	24	$54,653,184	24	$54,653,184	0	$0	0	unavailable	18,512	$441,681
Fixed Guideway	$28,040	$28,040	$28,040	1	$28,040	1	$28,040	1	$28,040	1	$28,040	1	0	211	$3,200
Highway Infrastructure Investment	$572,201,045	$569,336,408	$299,487,426	399	$561,895,072	341	$536,851,385	264	$518,117,037	168	$166,203,199	9,940	1,066	2,451,854	$46,070,601
Transit Capital Assistance	$73,716,802	$71,781,919	$26,739,891	152	$58,626,279	156	$58,582,008	136	$56,881,452	68	$17,028,020	147	255	102,507	$3,564,771
Total	$702,876,330	$695,799,551	$332,994,616	576	$675,202,575	522	$650,114,617	465	$629,679,713	237	$183,259,259	10,088	1,321	2,573,082	$50,080,253
Texas															
Clean Water State Revolving Fund	$179,122,284	$179,121,900	$27,348,271	21	$171,957,024	21	$171,957,024	21	$171,957,024	0	$0	241	522	291,877	$7,006,696
Fixed Guideway	$2,609,397	$2,609,397	$620,829	6	$2,250,359	5	$2,050,359	5	$2,050,359	1	$300,940	43	5	10,731	$758,016
Highway Infrastructure Investment	$2,233,015,116	$2,196,512,379	$676,891,250	623	$2,199,453,101	610	$2,058,092,866	565	$1,989,698,871	208	$206,588,198	16,493	4,888	5,391,719	$112,193,993
Transit Capital Assistance	$367,891,810	$365,209,462	$187,395,175	348	$302,794,276	326	$311,429,393	352	$313,122,789	231	$140,041,079	10,276	421	2,022,964	$64,694,925
Total	$2,782,638,837	$2,743,453,338	$892,255,525	998	$2,676,454,760	962	$2,543,528,642	943	$2,476,829,046	440	$346,930,217	27,053	5,835	7,717,291	$184,653,630

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).
Year One of Implementation Includes Information from February 17, 2009, through February 28, 2010.

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during June 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Utah															
Clean Water State Revolving Fund	$20,650,014	$19,823,904	$6,522,145	12	$19,823,904	12	$19,823,904	12	$19,283,904	1	$500,000	10	225	90,756	$2,680,004
Highway Infrastructure Investment	$213,545,653	$213,919,543	$171,026,987	122	$213,545,653	117	$206,630,874	111	$166,336,137	76	$47,777,690	3,817	unavailable	748,810	$17,982,722
Transit Capital Assistance	$55,586,841	$55,113,782	$35,603,951	15	$34,025,766	15	$34,025,766	13	$33,420,866	4	$15,293,446	1,588	9	294,853	$7,226,361
Total	$289,782,508	$288,857,229	$213,153,083	149	$287,395,323	144	$280,480,544	136	$239,040,907	81	$63,571,136	5,415	234	1,134,419	$27,889,087
Vermont															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$10,191,455	34	$18,469,536	34	$18,469,536	34	$18,469,536	10	$2,948,261	58	0	52,119	$1,595,950
Highway Infrastructure Investment	$125,791,291	$125,791,291	$77,529,223	71	$125,791,291	70	$125,291,291	66	$119,668,879	26	$54,793,851	2,031	368	479,931	$10,988,610
Transit Capital Assistance	$5,680,572	$5,680,572	$1,672,520	12	$3,878,534	12	$3,863,501	12	$3,878,534	9	$1,703,029	0	0	0	$0
Total	$150,710,929	$150,710,963	$89,393,198	117	$148,139,361	116	$147,624,328	112	$142,016,949	45	$59,445,141	2,089	368	532,050	$12,584,560
Virginia															
Clean Water State Revolving Fund	$80,203,266	$80,203,300	$26,883,119	33	$77,720,311	33	$77,720,311	33	$77,720,311	3	$685,615	59	644	177,844	$3,143,959
Fixed Guideway	$437,148	$437,148	$437,148	1	$437,148	1	$437,148	1	$437,148	1	$437,148	24	0	4,808	$195,894
Highway Infrastructure Investment	$691,790,823	$693,749,336	$64,795,496	114	$691,790,823	79	$433,443,209	64	$334,677,694	25	$34,256,760	1,521	525	470,379	$9,930,966
Transit Capital Assistance	$68,707,834	$65,653,000	$30,425,973	118	$47,664,689	110	$47,065,458	98	$50,044,732	41	$8,711,579	1,234	26	230,011	$5,683,575
Total	$841,139,071	$840,042,784	$122,541,736	268	$817,632,971	223	$558,666,126	198	$462,879,885	70	$44,591,102	2,838	1,195	883,542	$16,956,394
Virgin Islands															
Clean Water State Revolving Fund	$2,062,700	$2,062,700	$0	3	$396,270	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$18,000,000	$10,729,584	$450,361	3	$10,729,584	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Transit Capital Assistance	$1,284,112	$1,284,112	$3,399	5	$1,134,112	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,346,812	$14,076,396	$453,960	13	$12,059,966	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Washington															
Clean Water State Revolving Fund	$68,152,095	$68,151,900	$22,679,351	17	$65,425,824	17	$65,425,824	17	$65,425,824	0	$0	204	227	196,368	$8,645,015
Fixed Guideway	$6,699,276	$6,699,276	$3,284,056	8	$3,456,435	8	$3,456,435	8	$3,456,417	6	$3,209,099	133	32	54,716	$8,617,934
Highway Infrastructure Investment	$491,817,337	$464,951,946	$266,175,215	208	$464,652,437	203	$463,878,165	199	$463,878,165	122	$173,667,326	9,459	1,300	2,393,678	$91,987,473
Transit Capital Assistance	$168,908,628	$168,908,536	$82,224,577	84	$127,558,877	78	$126,341,658	83	$127,026,110	46	$80,069,711	5,950	3,678	1,362,458	$29,779,024
Total	$735,577,336	$708,711,658	$374,363,199	317	$661,093,573	306	$659,102,082	307	$659,786,516	174	$256,946,136	15,746	5,237	4,007,220	$139,029,446
West Virginia															
Clean Water State Revolving Fund	$61,092,108	$61,092,100	$33,097,937	39	$61,092,100	39	$61,092,100	39	$61,092,100	3	$1,693,980	951	519	326,116	$13,525,563
Fixed Guideway	$309,339	$309,339	$309,339	1	$309,339	1	$309,339	1	$309,339	1	$309,339	60	0	10,424	$272,805
Highway Infrastructure Investment	$210,852,204	$210,851,104	$116,101,742	141	$208,987,620	137	$203,898,132	121	$190,828,535	61	$60,211,651	1,991	557	548,229	$13,603,876
Transit Capital Assistance	$18,366,136	$18,366,136	$10,135,781	84	$12,193,595	134	$14,685,511	128	$12,897,509	85	$8,287,232	92	16	63,691	$1,082,142
Total	$290,619,787	$290,618,679	$159,644,799	265	$282,582,654	311	$279,985,082	289	$265,127,483	150	$70,502,202	3,094	1,091	948,460	$30,484,486
Wisconsin															
Clean Water State Revolving Fund	$105,948,315	$105,948,300	$76,267,267	53	$103,748,300	53	$103,748,300	53	$103,748,300	1	$74,677	438	unavailable	78,113	$6,383,342
Fixed Guideway	$243,232	$243,232	$0	1	$243,232	1	$243,232	1	$243,232	0	$0	0	0	0	$0
Highway Infrastructure Investment	$529,111,915	$526,529,117	$23,656,577	420	$526,529,117	418	$525,311,184	381	$499,193,407	208	$135,005,524	5,596	1,278	1,530,409	$41,401,702
Transit Capital Assistance	$79,249,652	$69,037,922	$18,496,571	82	$53,507,808	80	$50,931,381	69	$45,690,010	50	$6,643,412	121	0	25,592	$521,755
Total	$714,553,314	$701,758,573	$118,420,415	556	$684,028,457	552	$680,234,097	504	$648,874,949	259	$141,723,613	6,155	1,278	1,634,114	$48,306,799
													0		
													0		
Wyoming															
Clean Water State Revolving Fund	$19,239,066	$19,226,989	$9,442,388	26	$19,226,989	26	$19,226,989	25	$19,131,989	4	$623,220	220	108	106,059	$4,136,475
Highway Infrastructure Investment	$157,616,058	$157,616,058	$108,091,122	65	$157,616,058	65	$157,616,058	65	$157,616,058	22	$45,235,632	2,858	541	702,078	$15,968,046
Transit Capital Assistance	$9,300,399	$8,555,603	$3,170,651	26	$5,783,053	23	$5,123,590	23	$5,123,590	10	$1,187,421	80	unavailable	14,871	$595,218
Total	$186,155,523	$185,398,650	$120,704,161	117	$182,626,100	114	$181,966,637	113	$181,871,637	36	$47,046,273	3,158	649	823,008	$20,699,739
Totals															
Clean Water State Revolving Fund	$3,923,370,921	$3,911,109,128	$1,597,929,241	1,962	$3,833,573,369	1,957	$3,833,377,099	1,897	$3,770,177,543	192	$108,102,473	26,075	16,694	11,633,878	$353,719,226
Fixed Guideway	$733,037,193	$713,611,075	$251,394,274	148	$651,113,570	144	$643,177,033	147	$679,864,056	32	$61,897,225	10,180	1,103	2,602,504	$112,138,347
Highway Infrastructure Investment	$26,508,693,883	$26,194,372,043	$9,892,067,925	12,408	$25,333,948,016	11,792	$23,803,751,526	10,999	$23,080,460,906	4,571	$1,890,499,652	216,513	54,308	66,792,186	$1,773,930,256
Transit Capital Assistance	$6,771,898,948	$6,863,902,181	$2,347,087,461	4,200	$5,168,226,801	4,109	$5,048,589,185	3,981	$5,139,743,560	2,125	$1,275,444,558	95,011	10,186	23,019,587	$743,453,542
Cumulative Totals	$37,937,001,145	$37,682,994,427	$13,888,478,901	18,718	$34,986,861,759	18,002	$33,418,894,843	17,024	$32,670,246,065	6,920	$3,335,944,008	347,779	82,289	104,048,154	$2,983,241,373

*Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on project full time equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

Year One of Implementation includes information from February 17, 2009 through February 28, 2010.

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of June 30, 2010)

Percentage of Allocated Funds Associated with Project Stages

Highways and Bridges

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Maine	100.0%	100.0%	100.0%	100.0%	1
Wyoming	100.0%	100.0%	100.0%	100.0%	1
Iowa	99.9%	99.9%	99.9%	99.9%	3
New Hampshire	100.0%	100.0%	99.7%	99.9%	4
South Dakota	99.5%	99.5%	99.5%	99.5%	5
Kentucky	100.0%	100.0%	97.6%	98.8%	6
District of Columbia	98.6%	98.6%	98.6%	98.6%	7
New Mexico	99.5%	97.7%	97.7%	98.2%	8
Idaho	99.5%	97.7%	97.7%	98.1%	9
Kansas	99.0%	99.0%	97.1%	98.1%	10
Minnesota	97.9%	97.6%	97.6%	97.7%	11
Nebraska	97.6%	97.5%	97.5%	97.5%	12
Vermont	100.0%	99.6%	95.1%	97.5%	13
Indiana	98.1%	98.1%	96.6%	97.3%	14
Oklahoma	100.0%	98.5%	95.3%	97.2%	15
Wisconsin	99.5%	99.3%	94.3%	96.9%	16
Pennsylvania	96.7%	96.7%	96.7%	96.7%	17
Colorado	99.2%	98.2%	94.5%	96.6%	18
Mississippi	99.5%	98.8%	94.0%	96.6%	19
Georgia	99.1%	96.1%	95.5%	96.5%	20
Michigan	99.5%	99.1%	93.7%	96.5%	21
Montana	97.6%	97.6%	94.8%	96.2%	22
Missouri	98.6%	98.1%	93.1%	95.7%	23
Maryland	99.2%	98.1%	92.5%	95.6%	24
New York	97.3%	95.2%	94.7%	95.5%	25
Rhode Island	98.9%	94.2%	94.0%	95.3%	26
Alabama	99.8%	93.2%	92.9%	94.7%	27
Washington	94.5%	94.4%	94.4%	94.4%	28
Alaska	95.7%	95.7%	92.6%	94.2%	29
West Virginia	99.1%	96.7%	90.5%	94.2%	30
Tennessee	98.2%	93.8%	90.5%	93.3%	31
Texas	98.5%	92.2%	89.1%	92.2%	32
Massachusetts	91.8%	91.8%	91.8%	91.8%	33
Louisiana	95.1%	93.7%	87.1%	90.8%	34
Nevada	99.3%	92.7%	84.7%	90.4%	35
Connecticut	100.0%	90.4%	85.3%	90.3%	36
Illinois	94.1%	92.6%	86.2%	89.8%	37
North Carolina	90.5%	90.5%	87.6%	89.1%	38
North Dakota	96.0%	95.7%	82.3%	89.1%	39
Arkansas	88.2%	88.2%	88.1%	88.1%	40
Utah	100.0%	96.8%	77.9%	88.1%	41
Florida	93.4%	85.6%	81.7%	85.6%	42
New Jersey	98.0%	89.2%	77.1%	85.4%	43
Oregon	81.4%	81.4%	80.8%	81.1%	44
Ohio	96.1%	75.7%	75.7%	80.8%	45
California	91.7%	76.3%	76.3%	80.2%	46
South Carolina	79.9%	79.9%	74.2%	77.0%	47
Arizona	75.8%	75.8%	73.0%	74.4%	48
Hawaii	78.0%	76.8%	67.4%	72.4%	49
Virginia	100.0%	62.7%	51.3%	66.3%	50
Delaware	96.8%	53.8%	49.9%	62.6%	51
National	95.8%	90.4%	87.4%	90.2%	

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of June 30, 2010)

Percentage of Allocated Funds Associated with Project Stages

Clean Water State Revolving Fund

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Alabama	100.0%	100.0%	100.0%	100.0%	1
Alaska	100.0%	100.0%	100.0%	100.0%	1
Arizona	100.0%	100.0%	100.0%	100.0%	1
Arkansas	100.0%	100.0%	100.0%	100.0%	1
California	100.0%	100.0%	100.0%	100.0%	1
Colorado	100.0%	100.0%	100.0%	100.0%	1
Connecticut	100.0%	100.0%	100.0%	100.0%	1
Delaware	100.0%	100.0%	100.0%	100.0%	1
Florida	100.0%	100.0%	100.0%	100.0%	1
Georgia	100.0%	100.0%	100.0%	100.0%	1
Hawaii	100.0%	100.0%	100.0%	100.0%	1
Illinois	100.0%	100.0%	100.0%	100.0%	1
Indiana	100.0%	100.0%	100.0%	100.0%	1
Kentucky	100.0%	100.0%	100.0%	100.0%	1
Maine	100.0%	100.0%	100.0%	100.0%	1
Maryland	100.0%	100.0%	100.0%	100.0%	1
Massachusetts	100.0%	100.0%	100.0%	100.0%	1
Michigan	100.0%	100.0%	100.0%	100.0%	1
Minnesota	100.0%	100.0%	100.0%	100.0%	1
Mississippi	100.0%	100.0%	100.0%	100.0%	1
Missouri	100.0%	100.0%	100.0%	100.0%	1
Montana	100.0%	100.0%	100.0%	100.0%	1
Nebraska	100.0%	100.0%	100.0%	100.0%	1
Nevada	100.0%	100.0%	100.0%	100.0%	1
New Hampshire	100.0%	100.0%	100.0%	100.0%	1
New Mexico	100.0%	100.0%	100.0%	100.0%	1
North Dakota	100.0%	100.0%	100.0%	100.0%	1
Oklahoma	100.0%	100.0%	100.0%	100.0%	1
Oregon	100.0%	100.0%	100.0%	100.0%	1
Pennsylvania	100.0%	100.0%	100.0%	100.0%	1
Rhode Island	100.0%	100.0%	100.0%	100.0%	1
South Carolina	100.0%	100.0%	100.0%	100.0%	1
Tennessee	100.0%	100.0%	100.0%	100.0%	1
Texas	100.0%	100.0%	100.0%	100.0%	1
Vermont	100.0%	100.0%	100.0%	100.0%	1
Virginia	100.0%	100.0%	100.0%	100.0%	1
Washington	100.0%	100.0%	100.0%	100.0%	1
West Virginia	100.0%	100.0%	100.0%	100.0%	1
Wisconsin	100.0%	100.0%	100.0%	100.0%	1
North Carolina	100.0%	100.0%	100.0%	100.0%	1
New York	100.0%	100.0%	99.9%	99.9%	41
Wyoming	100.0%	100.0%	99.4%	99.7%	42
Iowa	100.0%	100.0%	98.2%	99.1%	43
Utah	100.0%	100.0%	97.3%	98.6%	44
Ohio	100.0%	100.0%	93.9%	97.0%	45
New Jersey	100.0%	100.0%	89.4%	94.7%	46
Kansas	100.0%	100.0%	88.7%	94.4%	47
Idaho	100.0%	100.0%	87.5%	93.7%	48
District of Columbia	100.0%	100.0%	77.2%	88.6%	49
South Dakota	100.0%	100.0%	73.5%	86.8%	50
Louisiana	100.0%	100.0%	64.6%	82.3%	51
National	100.0%	100.0%	98.3%	99.2%	

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Miles Improved by Recovery Act Highway and Bridge Funds

State	New Construction	Pavement Improvement	Pavement Widening	Safety Traffic Management	Transportation Enhancements	Other	Total
Alabama	5	973	15	151	39	28	1,211
Alaska	84	132	1		15		231
Arizona	13	488	82	5	7	188	782
Arkansas	43	199	45			1	289
California	4	1,985	34	220	218	59	2,518
Colorado	5	260	17	75	17	3	376
Connecticut		150			16		167
Delaware	3	41		109	2	4	159
District of Columbia		31		14	28		74
Florida	8	580	65	147	100	3	904
Georgia	21	1,130	35	121	59	4	1,370
Hawaii		22	1			1	23
Idaho	5	170	18		1	27	221
Illinois	13	1,761	3	30	29	63	1,899
Indiana	9	2,434	22	198	62	32	2,758
Iowa	9	645		1	55	6	716
Kansas		19	21		1	7	48
Kentucky	5	96	24	1	11	1	138
Louisiana	12	84	6		6		108
Maine		212					213
Maryland		82	2	43	30		158
Massachusetts		211		101	2		315
Michigan		1,695	44	265	124	91	2,219
Minnesota	7	545	4	487	142	8	1,194
Mississippi	4	313		1	4		322
Missouri	38	1,245	59	5	53	17	1,416
Montana		224	6	1			231
Nebraska		276	2				279
Nevada		178	33		6		217
New Hampshire	3	576	4		1		584
New Jersey		154		17	17	70	257
New Mexico	27	231	34		31		323
New York		985		39	5	50	1,080
North Carolina		294	26		46	1	367
North Dakota		889			5	9	903
Ohio	13	905	14	29	15	1	977
Oklahoma		448	30	1	8		488
Oregon		368	12	199	5	85	668
Pennsylvania		954	3	284	376	5	1,623
Rhode Island		112		48	2	3	165
South Carolina	4	292	30	197	13	1	537
South Dakota		533	1				535
Tennessee	20	792	40		12	16	880
Texas	18	1,560	114	24	16	21	1,752
Utah	9	181	15	23	9	3	239
Vermont		235	9				244
Virginia	12	247	12	1		20	292
Washington	4	562	10	773	28	1	1,378
West Virginia	1	140	6	10			157
Wisconsin	1	421	36			31	490
Wyoming		753	4	14	4	34	807
American Samoa							-
Guam							-
Northern Marianas							-
Puerto Rico		92	3				95
Virgin Islands	5						5
National	402	27,902	943	3,634	1,622	896	35,399

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of June 9, 2010.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Bridges Improved by Recovery Act Highway and Bridge Funds

State	Bridge Improvement	Bridge Replacement	New Bridge Construction	Total
Alabama	1	5		6
Alaska	2			2
Arizona	6	3	2	11
Arkansas	1	4	2	7
California	6	4		10
Colorado		5	1	6
Connecticut	11	5		16
Delaware	3	1		4
District of Columbia	2			2
Florida	18	2	2	22
Georgia		28		28
Hawaii	4	1		5
Idaho	8		2	10
Illinois	48	28		76
Indiana	89	20	16	125
Iowa	5	20	2	27
Kansas	2	15	1	18
Kentucky	1			1
Louisiana		12		12
Maine	5	3		8
Maryland	10	2		12
Massachusetts	3	2		5
Michigan	25	13		38
Minnesota	5	29	4	38
Mississippi	6	14		20
Missouri	8	6	2	16
Montana	3	4		7
Nebraska	7	19		26
Nevada			1	1
New Hampshire				-
New Jersey	9	7	1	17
New Mexico	3	4	1	8
New York	53	50		103
North Carolina	18	26	1	45
North Dakota	1	5		6
Ohio	29	30	3	62
Oklahoma	6	56	4	66
Oregon	1			1
Pennsylvania	80	33		113
Rhode Island	6	1		7
South Carolina		8		8
South Dakota				-
Tennessee		54	1	55
Texas		23	11	34
Utah	4	3		7
Vermont	11	3		14
Virginia	1	1	2	4
Washington	2	7	2	11
West Virginia	26	26		52
Wisconsin	23	62	1	86
Wyoming	3			3
American Samoa				-
Guam				-
Northern Marianas				-
Puerto Rico	2		1	3
Virgin Islands				-
National	557	644	63	1,264

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of June 9, 2010.

RECOVERY ACT: PROGRESS REPORT FOR TRANSPORTATION INFRASTRUCTURE INVESTMENTS

Tuesday, July 27, 2010

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
WASHINGTON, DC.

The Committee met, pursuant to call, at 10:08 a.m., in room 2167, Rayburn House Office Building, Hon. James Oberstar [Chairman of the Committee] presiding.

Mr. OBERSTAR. The Committee on Transportation and Infrastructure will come to order for the purpose of the twentieth in our series of hearings on the Recovery Act. This hearing today marks 1,000 hours of hearings the Committee of Transportation and Infrastructure has held in the 110th and 111th Congresses; 308 hearings, 2,144 witnesses, and our twentieth in the series of oversight and accountability hearings on the Stimulus Act, which I committed to do when I advocated for a substantial investment in the Nation's infrastructure as part of a stimulus program to put Americans back to work, rebuild our highways and bridges and transit systems, aviation and waterway systems, and all that makes America move and produce.

These jobs created by this extraordinary investment—and I would just point out that in September of 2008, this Subcommittee reported and the House passed a stimulus bill. Our portion of it was $30 billion. It was a much more modest program than we ultimately enacted. It was to accelerate funding out of the Highway Trust Fund to give States a 2-year respite from paying their 20 percent matching share, so that, in fact, there would be 100 percent funding, but ultimately the States' share would have been reclaimed from future revenues out of the Highway Trust Fund. Passed the House. We had substantial Republican support; Mr. Mica was an advocate for that legislation. And unfortunately, the President threatened to veto, the Senate stalled in its consideration, and no progress was made until after the election.

We had a change, a change in direction, a change in leadership, and President-elect Obama said, we need to put America back to work. He supported what we had advocated from our Committee and even more. So February 17, the stimulus was signed into law, then State DOTs went to work.

I just observe that, and further observe, that in 1956, when President Eisenhower signed the interstate highway legislation in June of 1956, by September State DOTs were at work. They weren't called DOTs, they were called highway departments at that time, and projects got under way.

We actually moved much faster than in 1956 under this stimulus, because the State DOT agencies were ready, the Federal Highway Administration was ready, the U.S. Department of Transportation under the leadership of this great Secretary was ready. Since then we have 17,024 highway, transit and wastewater projects under construction, $32.7 billion, 86 percent of the total available formula funds. Project work has been completed on 6,920 projects, totaling $5.3 billion. All 50 States have signed contracts worth 100 percent of their Recovery Act wastewater projects. Forty States have signed contracts up to 90 percent of their Recovery Act highway funds.

During the first year of implementation, these projects created 350,000 direct, on-project jobs. Total employment, and we will hear it later today, from the sand and gravel pit operators, Readimix, the asphalt operators, the steel service sector producing rebar, and guardrails, and I-beams and fenceposts, all that created additional jobs in the supply chain that reached 1.2 million jobs. So in total the cumulative effect is that we have payroll expenditures of $3 billion. Those workers are paying $610 million in Federal taxes alone, and those workers on the job site have avoided $509 million in unemployment compensation checks. That is putting America back on the road to recovery.

Much more needs to be done, but we are under way. If we had had $300 billion, as I have said many times in many venues, instead of a tax cut for people, we would have 6 million jobs this summer.

But nonetheless, the investment made shows great results: 18,718 highway, transit and wastewater projects in all 50 States; $35 billion under contract; 92 percent of the total formula funds available for our highway, transit, and wastewater projects under way; 50 States, 5 territories, the District of Columbia have signed contracts for 18,000 projects, totaling $33 billion. That is 88 percent of the funds. Work has begun on 17,000 projects in all 50 States. Work has been completed already on 6,920 projects, totaling $5.3 billion.

I say that, and it is important to emphasize the work completed, because there were the naysayers at the beginning of this stimulus initiative that it won't work, they don't outlay, the outlays won't come fast enough to do any good. Well, ask those 1.3 million people on job site who are working now about things not—they are working. They have jobs, and projects have been completed.

The result is also impressive: 35,399 lane miles of highway improvement; 1,264 bridges replaced, restored, rebuilt, resurfaced; and 10 million metric tons of concrete poured or will be poured, resulting in revenues of $950 million for the Readimix and its cement partner.

Federal Transit Authority reports that transit investments resulted in rehabilitation or acquisition of 12,136 buses, rail cars and paratransit vans; 4,870 passenger facilities; 324 maintenance facilities. Amtrak will, when it has completed its work, have replaced 1,300,000 concrete ties, 281,000 already completed, 60 Amfleet cars, 21 superliners, 15 locomotives, 270 stations.

Airports, the aviation investments resulted in 155 runway improvements at 139 airports, accounting for 11 million annual operations, that is, take-offs and landings; 83 taxiway improvements at 78 other airports that accommodate 8.1 million annual operations; and 25 projects that modernize air route traffic control centers, where their air traffic controllers work, and many of those are 30 and 40 years old, and they needed upgrades.

In addition, the total projects announced beyond highway and wastewater treatment is 19,610 projects, totaling $62.9 billion. All 50 States have met their requirement that 100 percent of the Clean Water State Revolving Funds be under contract within 1 year of enactment. They have met that goal. Clean water investments will upgrade and maintain publicly owned treatment works, mitigate nonpoint source pollution, promote estuary management for 64 million people.

I would just note in my own State of Minnesota, which was allocated $73 million, the very creative work of our State Public Facilities Authority, Terry Kuhlman and Jeff Freeman, because of bids coming in 25 and 30 percent lower than design estimates, have leveraged those funds into a $510 million program. From the 73 million, they got four or five times as much investment as initially expected. And 58 Superfund sites, 155 of the 185 brownfield projects under way.

The Corps of Engineers has committed $3.9 billion for 793 projects. The Corps will repair or improve 155 lock chambers, and improve the harbor and waterway channels that serve 2,400 commercial ports. Of course, also under way on 1,132 flood risk management projects to improve dam and levee safety and 1,000 other projects to maintain and update recreation areas.

GSA has awarded contracts for 425 projects for upgrading of Federal buildings. The U.S. Economic Development Administration has broken ground on $122 million for 54 of 68 planned projects, and the U.S. Coast Guard Bridge Alteration Program has begun four planned bridge projects totaling $142 million.

It is breathtaking, in about a year and 4 months. And for those who want us to believe that the recession started on January 21st, 2009, that 7 million people were laid off on January 21st, 2009, I say, nonsense. The recession started in December 2007, and we are beginning the job and made a great start on clean-up and putting America back to work and rebuilding its infrastructure. And yet I would observe that of those 35,000 lane miles of highway improvement, that represents 4 percent of the backlog of needs. Therefore, we have to move ahead with our long-term 6-year investment program.

With those comments, I now welcome and yield to my good friend and colleague Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman, and thank you for convening this hearing. We had agreed to closely monitor the progress of stimulus. You kept your word, and this is—what is this, the twentieth?

Mr. OBERSTAR. Twentieth hearing.

Mr. MICA. So I think it is very worthwhile to examine where we have gone with the stimulus Recovery Act and particularly our portion of responsibility.

I am pleased to see our Secretary back. He is still smiling at me in spite of some differences of opinion that we have, Mr. Chairman, between the Secretary and the Committee, but I know his intent is the same as ours, and that is to get America working and get our infrastructure projects under way.

I might give a word in recollection of our efforts. Mr. Oberstar and I came back even before stimulus legislation was before the Congress in January. We agreed in a bipartisan fashion to commit to a very robust, substantial infrastructure bill to be ready. The Speaker had asked to us do that. We met that request, we submitted it, and as we now learn as part of history, the money was cut by more than half that we had proposed for legislation.

I had also suggested that one of the things that undermined us is when there was an evaluation, I guess it was the Congressional Budget Office and others looked at it and said it would be difficult to spend the money that we had proposed in the time frame we had proposed because of the various requirements, State and Federal requirements, to get money out. Actually I had proposed to the Senate speeding that process up. And it is ironic that they used that to cut the money in half.

It is ironic that we sit here today with only—and again, I take it from the Web site of DOT and the administration, we have only 30 percent of the Recovery Act money expended today. That is the latest figure that we have from your figures, 14.9- of the 48 billion actually spent and outlaid. Actually, Mr. Chairman, I think you cited obligated of 35 billion. We have figures of 37 billion, a little bit more than you had cited, has been obligated, although now we are facing issues of deobligation and also the problem of localities meeting their match. They have to work on a fiscally responsibility basis; we just keep printing money and adding to the deficit.

The President had promised if we passed the stimulus bill—and I know he reached a compromise with his tax cuts, with the spending, I think a third. We ended up with about 7 percent for infrastructure, 63 billion of which the Secretary has a responsibility over some 48 billion. And I know he struggled and has done everything he can in an honest and, I know, a concerted effort to try to get this money out.

I talked to State transportation secretaries and folks around the country, and they have indeed heard the Secretary and the administrations were to get the money out. But the simple fact is we have only gotten 30 percent out. The simple fact is we are going to have to find a way in the new transportation legislation to expedite this process, and we are going to have to find a way to get even money out there faster. Thirty percent just doesn't cut it 18 months afterwards.

The scary thing about what has been reported today is that many of the jobs have already been completed. Did you hear the figures that the Chairman gave? Let me give you a little microcosm in Florida. Of 848 projects, 337 have already been completed. We are looking at about 40 percent of the projects already completed.

The General Accounting Office states that 50 percent of the money that has gone out so far through DOT has been used for repaving. What does that tell you? It is simple: That money has already been spent; those jobs have already been expended, so to speak. So it is worrisome and troublesome.

Furthermore, according to the go GAO and other reports, four of out of five of the stimulus jobs created so far are government jobs. The Associated General Contractors report that, in fact, we have a 20.1 percent unemployment in their industry, in the construction industry. So there is plenty of need, there is huge unemployment.

The Obama administration said if we pass the stimulus, unemployment would not go over 8.8 percent. It, in fact, stayed, hovered right about 9.5 percent. My State of Florida, the current June unemployment, this is horrendous for Florida, one of our most viable economic States and national economic generators, we are at 11.4 percent. So it is troublesome that, while well intended, we would hope that we could have done even better.

Now, with most of the jobs in repaving, and the jobs already come and gone, and four out of five of the stimulus jobs in the public sector, another scary thing is about to happen at the beginning or middle of September: 585,000 jobs were folks that were hired for the census, those are all, again, government jobs, and those people, we are already hearing from them, now are going to be seeking unemployment compensation.

So we tried to do better, Mr. Chairman. I worked with you in that effort. We gave it our full measure. We have intended to have more folks employed. The report you gave today does cite some increase in jobs, but some of those, again, I report, are temporary, and we are going to lose more in the overall picture.

I haven't even gotten into the teachers and what is happening to those folks who relied on stimulus dollars and were kept on for some time and now are being laid off in record numbers. And I guess it could have probably been worse, but we gave it our all.

I am willing to roll up my sleeves. I think we have got to look at an expediting of getting this money out, whatever it takes. If we could build that bridge in your back yard in 437 days that collapsed between Minneapolis and St. Paul on an emergency basis, I declare it is a national emergency to get some of the 9.5 percent unemployed employed, and the 11.4 percent in my district, my State, working again, and the millions of people that want work rather than just a government—short-term government job or handout.

So I will work with you from today through the next Congress that—both of us depending on the people to send us back—and with the Secretary—at least we know he will be here—and we will work with him in whatever position the voters cast us into to try to do even better.

I yield back the balance of my time.

Mr. OBERSTAR. I thank the gentlemen for those comments, and I state for the record that Mr. Mica was very participatory, very supportive of robust surface transportation investment for stimulus back in December.

Mr. MICA. And I might say the Chairman and I were prepared to do a 6-year bill, didn't comment on that. We are still committed to that. That is our goal. We are going to find a way to do it. I am sorry we have a temporary measure in place. He has my full commitment. We may have an intervening election, but whatever occurs, and even in the interim of a lame duck, whatever it takes to get that, because I believe that that 6-year bill will get more people to work than anything we could do in the United States Congress.

I yield back.

Mr. OBERSTAR. Six million jobs. And you are right, we reported that bill from Subcommittee and are ready to move on it.

One thing that the green eyeshade folks at CBO and Office of Management and Budget don't understand, that in the surface transportation program, the jobs actually precede the outlays. People are actually working. They put in a full week's work; the contractor then bills the State; the State validates the work has been completed, pays the contractor, bills Federal Highway Administration, which then further validates that the State's records are right, and then sends an electronic payment.

The jobs precede the outlays. I think Mr. Summers now understands that. He has told me, I am an advocate for this program now. We just need to get the rest of that crowd at CBO and OMB to understand that the jobs are ahead of the expenditures and the outlays.

And all those people—we heard from Joyce Fisk, the human face of stimulus, at this Committee hearing earlier this year. She was called back to work as a truck driver for Knife River Construction and has since had her health insurance reinstated because she and her husband both put the 600 hours back on the job and now are paying their bills, paying their mortgage, and sending their son Austin to summer camp.

Mr. Secretary, welcome. Glad to have you here. Thank you for your relentless advocacy. And you have been a different kind of stimulus. You have been around the country stimulating State DOTs to get those projects out the door. So we look forward to your testimony.

TESTIMONY OF HON. RAY LaHOOD, SECRETARY, U.S. DEPARTMENT OF TRANSPORTATION

Secretary LAHOOD. Mr. Chairman, thank you, and thank you for your leadership on the stimulus program and to all those who have been strong supporters of the stimulus program. Thank you for allowing those of us at DOT to carry out the mandate that we were provided, and also to Ranking Member Mica and Members of the Committee. We are delighted to be here to talk about the progress in getting neighbors back to work.

We are, in fact, making great progress. When President Obama and this administration took office, the country was facing the worst economic crisis since the Great Depression. When Congress passed, with your leadership and others on the Committee who voted for it, and President Obama signed the Recovery Act into law, we together began the heavy lifting of implementing the most significant jobs and infrastructure legislation since the New Deal.

Here we are 18 months later, and you see the results: More than 14,800 highway, rail, transit, aviation and shipyard projects in every State of the Union. Airport projects were first to leave the gate. A total of 326 were funded, and 70 percent of those are now finished. Not a bad record.

The of summer 2010 is the most productive Recovery Act season yet. For example, 6.5 times more highway projects are under way today than were under way a year ago. That is an increase from 1,750 projects last summer to more than 11,250 this summer. While last summer's efforts improved about 9,000 miles of highway, this summer's efforts will improve 30,000 miles, the equivalent of 10 cross-country road trips.

More importantly this major investment in rebuilding America is helping families weather the worst recession in generations. We are on track to hit 3.5 million Recovery Act jobs by the end of the year, at least 160,000 of which have already come from DOT-managed programs. These are not just statistics. I have traveled to some 80 cities and 30 States, and everywhere I go, people come up and thank us for the work that they now have and for the ability to take care of their families.

The Recovery Act has created a very powerful ripple effect as contractors start buying new supplies and hiring new employees, as workers start spending more money, and their families have the ability to do what they need to do. And restaurants are also benefiting as well as many other community businesses.

In Bear, Delaware, a woman named Tracy Capelli, owns a local restaurant, Capelli's Subs & Steaks, located not far from Amtrak's car restoration facility. Last year the business was so slow that Tracy had no choice but to lay off 10 employees. She was devastated. Then the Recovery Act helped Amtrak hire 50 new workers, nearly all of whom had previously lost jobs in the auto industry. Now that these workers have jobs, they also have lunch breaks and money for family dinners. In turn, Capelli's Subs & Steaks is flourishing once again, and Tracy is planning to hire a dozen new employees for the fall season because of the Recovery Act.

The same cycle occurs in communities across America and in sectors across the economy. Because of the Recovery Act, it is easier for countless folks to pay the rent, put food on the table, and prepare their kids for college.

Now, we have a long way to go with unemployment higher than 9 percent. Our work is far from over. But the Recovery Act is making a very real difference not just in bringing the economy back from the brink, but also in laying the foundation for long-term, sustainable growth and prosperity. We are grateful for the leadership of this Committee and the partnership that we have with the Committee, and we look forward to your questions.

Mr. OBERSTAR. Well, I say, three cheers for Capelli's Steaks & Subs. And Bill Montgomery at Swinerton Builders and Rhea Mayolo, those are the human faces for recovery. Thank you for personalizing. It is so reassuring to hear.

I now yield to Mr. DeFazio, Chairman of the surface Subcommittee.

Mr. DEFAZIO. Thank you, Mr. Chairman.

Thank you for being here, Mr. Secretary. Thanks for your advocacy, and particularly I am appreciative of your initiatives on distracted driving.

That said, I am perhaps going to raise some questions that will be a bit difficult. I saw the end of last week where you made a fairly definitive statement saying that for the indefinite future, you could anticipate no new revenues in this administration, requesting no new revenues for the Highway Trust Fund. And I would just like to square that with the excellent work your Department just did recently.

For instance, last week you announced that we have a $77.7 billion—B—billion-dollar backlog in transit. We know that this backlog is killing people. It has killed people here in Washington, D.C., and will kill people in other parts of the U.S. We have outmoded, obsolete, transit systems in a state of not very good repair. And our current investments will not even keep up the current state of poor repair and capital backlog, let alone begin to improve.

We are investing now about 80 percent of what we need to invest just to maintain the existing systems in their current state of disrepair, and we are at about 60 percent or 50 percent of what we would need to improve the systems and performance. And that is not building new systems, that is just given the legacy systems. And there is a heck a lot of places in the United States where we need to build out new systems. You know the phenomenal demand.

I guess I just have to wonder, and then we can go over to the highway side, we have 150,000 bridges that are obsolescent, either functionally obsolete or structurally deficient, 150,000 bridges; 61,000 lane miles are in poor or fair condition on the National Highway System. We are investing about two-thirds of what we need to maintain the current state of disrepair; that is, it is getting worse. Same as with transit. And, you know, we would need an additional $96 billion per year to make all the costs beneficial highway improvements and eliminate the bridge backlog. It would also mean, where we are making those investments, millions of jobs across the country would be created.

So I guess I am trying to square your advocacy. I know you are under constraints. I am not quite so sanguine as the Chairman is, having had his meeting with Larry Summers at the White House, economic team has come around on the value of infrastructure investment. I certainly haven't seen any advocacy out of the White House for infrastructure investment. And when I list those needs, and I hear Mary Peters talking, which is saying, all we need is private-public partnerships and tolling, and then the Obama administration addition to that is an infrastructure bank, I just wonder how it is going to work.

Let us take transit systems. There is no transit system in the world that makes money. We have this massive backlog just to bring it up to safe operating conditions. How are we going to do that? Are we going to double, triple, quadruple the fares and drive all the riders off? So how do you do that without any additional investment?

And then on the roads, bridges and highways, 150,000 bridges, are we going to toll 150,000 bridges so we can rebuild them or bring them up to snuff? Are we going to toll the entire Federal Interstate System so we can begin to bring that system up to snuff and make the investments we need?

I mean, Mr. Secretary, with all due respect, I know that you are constrained by the people you work for or with, but to say that somehow we are going to seriously address these issues through tolling, through private and public partnerships, and with an infrastructure bank, it is not going to get us there. I think that is very sad.

This is more of a speech than a question, but certainly I will give you the courtesy of responding, but I just don't see how those nostrums are going to begin to meaningfully address this huge, huge hole in the transportation infrastructure of the U.S.

We have gone from being First World and the envy of the world—I kept saying Third World until my colleague Mr. Blumenauer said, you are insulting Third World countries. They are investing a higher percentage of their GDP in transportation than we are. So I have taken to calling us Fourth World; that is formerly First World, vaulting over the Third World countries to a system that is the envy of none.

Secretary LAHOOD. Well, I can tell you this. There are people in the administration that get it when it comes to infrastructure, including the President. The economic recovery plan had $48 billion, 8 billion times more than we ever had for high-speed rail. That was the President's initiative.

The idea that people at the other end of Pennsylvania Avenue don't get it is not quite accurate. Right at the top, the occupant of the White House gets it. He knows that infrastructure investments will put people to work. That is why we received $48 billion.

Everywhere that I have gone, Mr. Chairman, 80 cities, 30 States, what I have talked about is the fact that we want to work with Congress on the way forward for a transportation program. We support the lion's share of what is in Mr. Oberstar's bill. It is a good bill. The only thing that we need, the only thing, is about $450 billion. And you know as well as I do, the Highway Trust Fund is deficient, so I don't know if the courage is around here to do something about that.

So the reason that I talk about tolling, public-private partnerships, the infrastructure fund is because we need to think outside of the box about how we are going to do all the things that the President wants to do, that Ray LaHood wants to do, that you all want to do.

Look, there is no disagreement about what the needs are in America. You have cited them very well, and I don't disagree with that. I am on board. We love doing transportation projects at DOT. The people that work there love doing them. The President believes in it. We need to work together to find the resources to get a bill and to get the job done. If we do that, we are well on our way to meeting all of the needs that you so well stated.

Mr. DEFAZIO. If I could, Mr. Chairman, I know you are indulging me in length of time, but if I could just focus and get to such a big subject.

Transportation and Infrastructure was almost 4 percent of the stimulus, 4 percent. If we had eliminated the tax cuts and taken, you know, half or a third or a tenth of that money for transportation, we could have created a heck of a lot more jobs.

But beyond that, just let us focus in on Chicago, because it is a small part of this, but they have about a $7 billion backlog on their transit system. Parts of the L are propped up with 2-by-4s. They are not 2-by-4s; they are like big wooden beams. That is great we make wooden beams in my district, but really it probably should have steel support so it can go more than 4 miles per hour over those sections. It is pretty sad, and this is the President's hometown.

They received $240 million from the stimulus. They spent it in 30 days. They said, well, we easily could have spent a billion dollars in 30 days, because all we did is take projects off the shelf that we haven't been able to fund. And these are nice projects that have huge employment components because you are buying rail cars, and you are buying steel, you are buying computer systems, control systems. These have a huge multiplier effect.

So I don't see how tolling, public-private partnerships, or an infrastructure bank gets us there because transit systems lose money. So if we raise—if we theoretically raise the fares enough in Chicago to pay for backlog, people wouldn't be able to ride the thing. There needs to be a Federal effort, Federal leadership on these issues, and, you know, I am glad we have an advocate in the White House, but somehow it hasn't translated to, you know, a real like, OK, we have got to get this done, how are we going to do it? Oh well, throw out what Mary Peters said, tolling, private-public partnerships, and we will add on an infrastructure bank so people can borrow money that they can't pay back.

But anyway, I——

Mr. OBERSTAR. The gentleman's time has expired with enthusiasm.

Mr. Secretary, thank you for support for our bill. You said it many times, in many ways, in many places. I would just make an amendment, a small amendment, to your statement. We need $450 billion, as two national commissions have recommended, but of that 450- we really need only $140 billion more than is now coming into the trust fund, that is $20 billion a year. Surely we can sit down and figure out where that money will come from.

Mr. Mica?

Mr. MICA. Well, Mr. DeFazio has cited one of the needs, which is financing, and you also mention the 450-, and the Chairman has also reiterated that need. Are you prepared now to give us any recommendation? Are you going to continue advocating the gas tax increase as an administration policy, or do you have any ideas that you want to give us for raising that revenue?

Secretary LAHOOD. Well, Mr. Mica, I have been in this job 18 months. I think if you look at everywhere I have been and every speech I have given, I have never advocated a gas tax. The President is opposed to raising the gas tax. You well stated it, as others have: We have already 10 percent unemployment in America. People can little afford to buy a gallon of gasoline, let alone if we were to raise the tax on it. I do not advocate, the administration does not advocate, raising the gas tax.

Mr. MICA. I think that your pronouncement—and I talked to some of the press earlier today basically on that subject and said that the gas tax is dead. I am glad to hear you join me in declaring it dead on several bases.

First, we have had 18 months to consider that. Secondly, the elections are coming, and I think there is a conservative wave coming on both sides of the aisle. I think there will be conservative Democrats, and a much more conservative overall Congress, and conservative Republicans. I think the last thing that people would do when they come back to Congress and the new session is to open the discussion around increasing the gas tax. I am pleased that you join me at least in facing that reality.

I think we do have to look at other ways. Mr. DeFazio has recommended some; I am willing to look at all the others, a fair way to pay. I don't believe and infrastructure bank like the administration—I think you proposed 25 billion for is it 5 years, I believe, or 6 years?

Secretary LAHOOD. It is about 4 billion a year. Well, 4- to 6 billion, somewhere in that range.

Mr. MICA. I would agree with Mr. DeFazio, I think that that is a very small amount. If you take the projects—for example, transit projects in New York, we have got three $7 billion-plus tunnels. You can go to almost any community and find a multibillion-dollar list.

When we asked Florida for a submission of projects that they would like to do, they give us $6.9 billion worth of projects of which they are going to get about 1.3 trillion—I am sorry, 1.3 billion. I wish we had that trillion figure.

But in any event, the difficulty is also in trying to get the money out. I know you have made a sincere effort. You have hammered State secretaries and others and tried to get that money out. Would you be willing—now, Mr. Oberstar and I had a provision in our draft to speed up the time by about 50 percent of the processing time. And we have got to do something to get that money out there. Would you be willing to commit to us today that you would support the 50 percent? I would like to take it to cut it by three-quarters of the time, if possible. I know you haven't seen the particular, but that is one of the issues that we face is getting the money out now or in 6 months.

Mr. OBERSTAR. Would the gentleman yield?

Mr. MICA. Yes.

Mr. OBERSTAR. The references made by Mr. Mica to the provision in our bill reported from Committee for an Office of Project Expediting in both the Federal Highway Administration and Federal Transit Administration, with concurrent review of permitting by all of the responsible Federal, State, local agencies, get in the room together at the beginning of the project so that those mill and overlay projects that have taken 3 years could be done in 3 months, as we have seen with the stimulus. We have seen these projects expedited. And transit projects that take on average 14 years from idea to ridership could be done in 3 years instead of 14 years by concurrency of review and resolving bottlenecks. That is what is in our bill, and I think I have heard you reference that. So I yield now for you to respond.

Secretary LAHOOD. Well, you all know that we changed the criteria for New Starts programs, which enables now a lot of different criteria to be considered, and it will short-circuit the amount of time. It will not take 14 years anymore for New Starts, and we were able to do that.

Any time we can get money out the door quicker, we would like to do that. We are following the letter of the law, I would tell you that. We are doing what it says to do in the economic recovery plan that was passed by Congress. So it is not for a lack of not wanting to get the money out quicker, it is for making sure that the money is spent correctly, that all the boxes are checked, that we are doing what Congress wanted us to do.

Mr. MICA. Well, again, we tried in stimulus—the other body said not no, but hell no to speeding up the process, so we are all stuck in the mire of existing law regulations.

But I want to go fast forward. We talked first about financing, and you agreed with me on the death of the increase in the gasoline tax. We talked a little about infrastructure bank, and, quite frankly, I didn't get to finish my point, but I think we should be looking in the neighborhood of a $250 billion infrastructure bank and finding ways to dramatically increase the amount of money rather than 25 billion.

Finally, on transit, Mr. DeFazio went into that a bit. We found the GAO indicated that only 1 percent of transit obligations were used for operating expenses. We gave them the ability to look at using up to 10 percent.

Now, I had also advocated—we have seen the problems we have seen with safety, like in the Metro system. And these folks are also hard pressed because they have had ridership down, revenues down. And I have advocated that we add some flexibility in Federal money, and our first priority, you stated, and I stated, and Mr. Oberstar on every occasion has stated that safety is our number one priority, and yet we continue to prohibit those Federal monies to be used for safety.

Are you willing to weigh—I don't—are you willing to agree with us on some of that as a priority?

Secretary LAHOOD. Well, we have promoted a transit safety bill.

Mr. MICA. But you can't use Federal money under current guidelines. Could we do that? Would you agree to doing that?

Secretary LAHOOD. Well, if you look at our transit safety bill, we want you all to give us the authority to get into the transit safety business and to help transit districts have some opportunity to really work on——

Mr. MICA. The way your proposal is drafted, it still doesn't allow the Federal funds to be used. And I would set that as a first priority and allow that money to be directed for those funds and specifically designate it for safety.

Mr. OBERSTAR. That is a matter that we will have continued discussion with.

Mr. MICA. OK.

Mr. OBERSTAR. And we will pursue this.

Mr. MICA. If the Secretary would support us, we could get that done in a whiz bang, and it is important.

So I hope it is something you will think about, Mr. Secretary, and, again, we are pleased to have you here and work with you.

I yield back.

Mr. OBERSTAR. Before I yield to Mr. Schauer and the Chair to Mrs. Napolitano, I just make an observation on the gentleman's comment about a conservative wave. I think that wave against the gas tax would come as a huge surprise to Dwight Eisenhower, who proposed the 3 cent user fee to launch the Interstate Highway Program and Federal Highway Trust Fund. It would come as a great surprise to that archetype conservative Ronald Reagan, who signed a 5 cent increase in the gas tax, saying it is budget neutral; the users are paying for the system; it will cost the average user the equivalent of two shock absorbers in a year. It will come as a great surprise to that other conservative George H. Bush, who signed a 5-cent increase in the user fee, with 2–1/2 cents of that going for deficit reduction for a while.

I think that so-called conservative wave is going to turn out to be a little ripple, and people are going to come to their senses and say, this Highway Trust Fund, this user fee that has been in place for 54 years has been the most successful—outside of Social Security the most successful social and environmental and transportation investment in the history of the country and in the rest of the world. Other countries come and admire what we have done with the Highway Trust Fund and our financing system. And we are going—I think we are going to see this turn around.

At this point I yield the Chair because I have to run off to another event.

And Mr. Schauer is recognized.

Mr. SCHAUER. Thank you, Madam Chair.

Mr. Secretary, thank you. Particularly I want to begin by thanking you for your Buy American efforts and support of American manufacturing as it relates to new railcars and rolling stock. I am fully with you, and we will be pushing legislation to make things in America. Thank you.

I would like to change the subject, though, something you may know about. Sunday night or Monday morning in my district, a Canadian pipeline failed, leading to a spill of a million gallons or more of crude oil into Talmadge Creek near Marshall, Michigan, not far from my hometown of Battle Creek. The Enbridge pipeline has migrated into the Kalamazoo River. Some residents have been evacuated, and fish and birds have been killed. I never would have imagined an oil spill in my district in southern Michigan. The environmental impact could be devastating.

My staff on scene is assisting with locating sites for the remediation effort, and I want to let any residents out there that may be watching, they can contact me at my district office toll free at (877)737–6407 for assistance.

Mr. Secretary, in a disaster like this, after very heavy rainfalls we have experienced, every second counts. My goal is to make sure that every necessary resource is brought to bear to contain the spill and minimize its impact.

There is a Superfund site, you may know, Mr. Secretary, about 35 miles downstream to the west in Kalamazoo County. This oil cannot, must not get to that site and mix with the PCBs that are present there.

I have personally contacted all Federal agencies and the company responsible, Enbridge, to express the deep concerns of the people of Calhoun County and press them to swift action to stop the spill, clean it up, and ensure there is no long-term impact from this spill. I will accept nothing less.

Mr. Secretary—and I am getting to a question, or more a comment than question, there is an embedded question. I spoke to the Deputy Secretary yesterday and again this morning, to the PHMSA

Administrator yesterday, as well as to a number of her staff. I will have a number of questions that I will put in writing for you later today and ask for your response about the timelines of this incident, and PHMSA's response, Enbridge's safety record, PHMSA's inspection of this pipeline, and Enbridge's maintenance record of this pipeline.

This is an emergency situation, I think you would acknowledge, and I ask that you commit every necessary resource along with other agencies on the ground, EPA, Coast Guard, Fish and Wildlife, and ask that you commit every necessary resource to aggressively respond to this crisis.

Secretary LAHOOD. We will commit every available resource. We view this as a very serious situation, and I think, as you have stated, I think people are very surprised that something like this could happen in this part of the State. And we will commit every resource we can, and every person that needs to be there will be there, and we will answer every question and be very transparent about whatever issues you want to bring to us.

Mr. SCHAUER. Thank you, Mr. Secretary. I appreciate it. It is—there are—in addition to the ecological impact that we are already seeing, my office is actually helping find space for agencies to de-oil birds. Marshall, Michigan, we are talking about.

Secretary LAHOOD. Sure, uh-huh.

Mr. SCHAUER. There is benzene in the air, EPA is on the ground, some folks have been evacuated, and the situation is being monitored very carefully. Certainly my top priority is to make sure that every resource is committed to aggressively attack this spill, but then we have got to find out why it happened, and I look forward to working with you.

Secretary LAHOOD. Exactly. We will work with you.

Mr. SCHAUER. Thank you, Madam Chair, and I yield back.

Mrs. NAPOLITANO. [Presiding.] Thank you.

Mrs. Miller.

Mrs. MILLER OF MICHIGAN. Thank you. It is nice to have two women sitting here, an unusual thing.

Mr. Secretary, welcome. We are delighted to see you here, appreciative of your remarks and the job you have done, and we appreciate your service to the country for that.

Secretary LAHOOD. Thank you.

Mrs. MILLER OF MICHIGAN. Mr. Secretary, you and I have had this conversation in the back—in the past, and I was one that voted against the stimulus, but to tell you the truth, when the President first started outlining the stimulus, and it seemed as though it was principally focused on both on tax cuts and infrastructure investment, I was very supportive of it. And I think that we have had a vivid demonstration, particularly with the unemployment numbers, of a mistake that the Congress made with the stimulus of not putting more money into infrastructure investment. And I feel very strongly that that would have resulted in a different outcome, a better outcome for the country economically if we had invested in infrastructure, and I still feel very strongly about that.

Let me ask you, if I could. One of the biggest issues that is happening in Michigan—not only Michigan, but Canada has made it their top priority as well—is an additional span of the—of a bridge over the Detroit River. And currently, as you know, there is a private bridge that has been there for about 80 years, and the owner wants to twin that span, and he is willing to do that with his own dollars. And the debate is the DRIC, as we all refer to it, the Detroit River International Crossing, which would be about a mile south of the existing Ambassador Bridge, which is the first busiest border crossing on the northern tier.

Without getting too much into the whole DRIC debate, which is an enormous debate, as you know, Canada, the first time in my lifetime I can even recall, they have actually offered to pay—not to pay, but to loan, they want to get the money paid back—to loan the State of Michigan $550 million to pay for their match share to the Feds for this, so they obviously have made it an enormous priority.

In full transparency, I represent the Blue Water Bridge, which is about 30 minutes, maybe an hour, north of that, which is the second busiest border crossing, and that is the focus of my question. I will leave the DRIC alone for a moment.

The Blue Water Bridge, the second busiest border crossing on the northern tier, the Canadians have done a remarkable job of expanding their plaza on the Canadian side. We have not done that on the American side. That has had its own controversy. Some of it has been our own fault in the States because of different reasons. But now all the controversies are settled, we are ready to proceed, and it would just seem to me that this would be an excellent way to expand and expedite commerce between the two nations. It would be a wonderful expenditure of infrastructure investment long term.

It is an international border crossing, a huge border crossing. And I think the DRIC—this is a million opinions—my opinion is I don't think the DRIC, in all the controversy surrounding that, is going anywhere—will be resolved any time in the near future. And in the interim here where are with the Blue Water Bridge.

I will mention, and I want to thank you for the $30 million in the TIGER grant that was given not to the Blue Water Bridge, but to a border cross—excuse me, a river crossing, the Black River crossing, right in that immediate area, which is a component of the plaza expansion, and we are very appreciative of that.

But what are your thoughts on the possibility of some additional assistance through your Department on assisting with the expansion of the plaza there at the Blue Water Bridge?

Secretary LAHOOD. Well, what I should do is really have our people go up and meet with—and if you want to help organize it, it is fine. We will meet with the folks from Michigan and also from Canada and see how we can be helpful. I mean, we do have another round of TIGER, which applications are due in mid-August or late August, and so I think it would be worthwhile having a discussion. I take what you say that everybody is in agreement.

When people have their act together, good things will happen.

Mrs. MILLER OF MICHIGAN. We are shovel-ready. Shovel-ready. We just need the cash.

Secretary LAHOOD. If people have their act together— which I have no doubt if you say it, it is so—so we should go up and meet with them and try to find a path forward.

Mrs. MILLER OF MICHIGAN. You can believe that I am going to take you up on your offer, Mr. Secretary.

Secretary LAHOOD. We will do it.

Mrs. MILLER OF MICHIGAN. Let me ask you one other question, if I could. One of the other things that you and I have worked on, Mr. Schauer as well, Mr. Ehlers, Members from Michigan, is of course the match for Federal dollars. And in Michigan, it is no surprise to anybody. I wish our unemployment was at 10 percent the national average. Our unemployment has just taken a dip. We are down in the high 14 percentile right now. Some of my counties are around 20 percent. So we are on our knees economically. And why I am not whining about that, we are doing everything we can to find our way back.

At the same time, here we are with about three-quarters of a billion dollars of Federal money that we cannot advantage ourselves of because we are not going to be able to afford the 20 percent match. And yet this is Federal fuel taxes that our residents have already paid for. And it is not like it is going to just disappear somewhere; it will go to another State.

Is there anything else? And I know we have talked about this, but do you have any comment today on how Michigan may be able to get a temporary waiver from that match or flesh out a bit how we can access that and advantage ourselves with those dollars?

Secretary LAHOOD. To my knowledge, whenever I have talked to your Governor and others, I don't know that there has ever been a request for a waiver. As you know, the economic recovery, the transportation requires no match; and so I don't know, maybe that is an area where we can look at for some of these projects, that they would qualify for the economic recovery portion, which there is no match required. So we will be happy to work with you on that.

Mrs. MILLER OF MICHIGAN. I appreciate it very much. And I will take you up on your offer to have someone come and take a look at the Blue Water Bridge. The Chairman and I actually sit on something called the U.S.-Canadian Interparliamentary Group. We met about a month ago with our Canadian counterparts, and this was a huge issue about the DRIC. And at the end of it, basically what we were saying, we need to be focusing on the Blue Water Bridge in the immediacy. So I think you will find a lot of support on both sides, both Nations, for that.

Secretary LAHOOD. We will do it. Thank you.

Mrs. NAPOLITANO. Mr. LaHood, I just want to say to my colleague, Ranking Member Ms. Miller, that I have found great support from your staff. And I just want to mention that. Thank you for allowing your good Assistant Secretary, Joel Szabat, to go and talk to my groups of COGs and MTA and all those. Fantastic job. And you are to be commended, sir.

Secretary LAHOOD. Thank you.

Mrs. NAPOLITANO. [Presiding.] Mr. Altmire.

Mr. ALTMIRE. Thank you, Madam Chair.

Mr. Secretary, as you certainly are aware, we in Pennsylvania had an application for tolling of I-80 which was denied, and which I won't ask you about. But the issue is, now there is a $472 million funding gap at the State level because they had counted on that money. And one of the decisions that was made yesterday is the Governor had recommended diverting some existing highway money to public transit, and in southwestern Pennsylvania the decision making entity had a vote and they voted against allowing that to happen.

I just wanted to ask your opinion of, in a State like Pennsylvania, where there are so many critical needs with roads and bridges—and now the transit authority have multimillion-dollar deficits as far as the eye can see, nonbinding—but just your opinion, since you are here, what would you suggest the State do or what do you think about the dilemma we are seeing in Pennsylvania?

Secretary LAHOOD. Look, Pennsylvania is not unique. Every State, as Mrs. Miller said, from Michigan, you know, every State is cash strapped and every State is trying to find revenue to either match the money or to provide the money for projects. And our people in the States with the Federal Highway Administration or FAA or others are willing to sit down and work with Governors and DOTs to try and find a path forward.

These are not easy answers. You all passed a bill that allowed transit districts to use up to 10 percent of their money for operating, and that has been helpful. But the dilemma continues because ridership is down and costs continue to go up, and so we know that there are States that are really trying to figure out what to do.

We have worked a lot with the State of Pennsylvania on their transportation issues, particularly with Governor Rendell and his team; and, obviously, we would be willing to sit down and figure out what we can do.

Mr. ALTMIRE. Thank you.

On a more national perspective, we have discussed today in the Committee, and you have mentioned your testimony and have in dozens of other places, the need for funding in the highway bill.

And my question is—we are all having that discussion within our districts, ways to generate the revenues to fund the needed roads and bridges repair—what is the result of the delay that has occurred because of this ongoing discussion and inability to finalize that plan?

Secretary LAHOOD. Well, we are operating on a continuing program, the program that was passed 2 years ago. And we at the Department think, as I think Mr. DeFazio laid out very well, that there are a lot of unmet needs in America. And as we have looked at Chairman Oberstar's bill and the way he tries to address those unmet needs, we agree with many of the things that are in his bill.

So what we are doing is operating on the current program, or program that was passed 2 years ago, that has been extended through the end of this calendar year, and created innovative thinking to meet infrastructure needs I think have been included in many of the aspects of the Chairman's bill, and we agree with many of those. It is a matter of trying to find the resources to do them.

Mr. ALTMIRE. One of the things I continue to hear, as you know, I represent southwestern Pennsylvania where we have a thousand structurally deficient bridges, crumbling infrastructure. And with the stimulus bill, there was a lot of work that was done, it was very visible, and there seems to be this idea that that is now a disincentive to go forward with the huge highway bill because there are some casual observers who say, well, the stimulus came in and they funded all these transportation projects, so therefore it is less of a priority now to move forward with a multiyear highway bill. How do you respond to that? .

Secretary LAHOOD. Well, what I have said to people when people have said, what is the follow-on to the stimulus bill, it certainly is a comprehensive transportation program passed by Congress. I think that is the natural follow-on that will keep these people working and keep the momentum going and fixing up infrastructure.

Mr. ALTMIRE. Thank you, Mr. Secretary.

Mrs. NAPOLITANO. Thank you, Mr. Secretary. And I think I will step in for a moment on this one, because one of the things that I have great concern in California, of course, is the high-speed rail, and I would like to be able to discuss that with you at great length at some time.

In deference, because I know you have to leave, and to give other Members time, there are only a couple of things I would like to bring up and I will follow up on the other one with you.

Specifically, the Colton Crossing BNSF received a 30 million TIGER grant; this is a subsidy for a very profitable industry that benefits only the railroads. Yet when we are trying to get the railroads to fork over a minimal amount to be able to work on other projects, they refuse.

So I would like to be able to sit and figure out, how do we get the railroads to be aware that if they are getting Federal taxpayer money to do the railroad, the Colton Crossing, it is the Colton Great Separation, then they need to be able to make adjustments in their budget to be able to help the locals in other areas. And, again, I will cover that with you.

But the Department has been focusing on creating a high-speed rail manufacturing sector in this country so that the engine and cars for the proposed high-speed rail system will be made in America. We currently spend $3 billion on transit cars that are overwhelmingly made in foreign countries.

What are you doing? What can we do to help promote manufacturing in the U.S. to create the jobs that we so desperately need?

Secretary LAHOOD. Well, there is a very strong Buy America provision in the Recovery Act. We have not granted any waivers. We have put the $8 billion out to 13 regions around the country for high-speed rail. We don't intend to grant waivers. We hope that companies from Europe, whether it be France or Spain or Italy or Germany, or even the Far East, China, Japan, will come to America, hire American workers and use American facilities.

I have traveled to all of those regions in the world. I have ridden high-speed rail in France and Germany and Spain and Italy and

China and Japan. What I have told every one of those train manufacturers, Come to America, hire American workers and build the train sets in America using American facilities. And there are many of them that are here in America doing that.

Like Congress, we believe in the "buy or build," as my friend from California has in his bill, Made in America, Build in America, or Buy in America; however you want to say it, we are with you on that.

Mrs. NAPOLITANO. Well, I certainly want to be sure that we continue to develop these opportunities for our manufacturing base to grow back in America. So whatever we can do, whatever is there.

I would move on to our next person, Mr. Platts.

Mr. PLATTS. Thank you, Madam Chair. Mr. Secretary, always a pleasure. Good to see you.

Secretary LAHOOD. Good morning.

Mr. PLATTS. I apologize if I am going to be repetitive with coming in here and running out. I know you appreciate the juggling of our schedules.

Secretary LAHOOD. I do.

Mr. PLATTS. A question that I certainly get back home, and I know it is on our side in the reauthorization, but also from the administration's side, how you best see where we are; and if we don't get reauthorization done this session, and the plan of that 18 months, whether that be in the next session, where we are going to be from an outlay standpoint?

My concern is I have construction companies that do highway, bridges. They are saying if it is not done by the end of this year or very early next year, there are going to be dramatic layoffs, because the numbers in the current just won't allow them to keep people on the payrolls because they are not going to have the work.

Can you give your best assessment of where we are?

Secretary LAHOOD. What I have said and continue to say is we will work with Congress, we will work with this Committee, those Senators on the committees of jurisdiction in the Senate. There is no dispute about what the needs are in America. We all know what they are. It is really just trying to find the billions of dollars that it takes to do it, and we just need to work together to find those resources. If we find the resources, I have no doubt you all could pass a bill tomorrow or pretty quickly.

Mr. PLATTS. Does the administration have a number that they would like to see in reauthorization, what they think best-case scenario, assuming we have the resources?

Secretary LAHOOD. Well, I have been running around the country applauding Chairman Oberstar for his bill. We like his bill. We think many of the things in his bill are very good. They really begin to address the infrastructure needs and other needs, transportation needs in the country. And so we have had a little discussion here earlier about what the cost of that is; and if we can agree on what the cost is and how to get there, obviously we are on our way to a transportation program.

Mr. PLATTS. I know that you are as anxious as we are to get that done and have the dollars flowing and infrastructure improvement. And certainly an area where I think we will find ultimately some really strong bipartisan agreement is the importance of this investment, sir.

I appreciate your leadership at the Department. Always good to see you.

Secretary LAHOOD. Thank you.

Mr. PLATTS. I yield back, Madam Chair.

Mrs. NAPOLITANO. Thank you, sir. Mr. Kagen.

Mr. KAGEN. Thank you, Madam Chairwoman. I appreciate the opportunity.

Thank you, Mr. Secretary, for being here. Perhaps you could very briefly highlight the contrast of who the American people should believe. Some people have stood on the House floor to say that the stimulus bill, the American Recovery and Reinvestment Act, hasn't produced a single job at all; and you are here, telling us it produced thousands. So convince me and the American people who is correct and who is being truthful on this.

Secretary LAHOOD. Well, all you have to do, Congressman, is walk a few steps in my shoes. I have been to 80 cities and 30 States in the last 18 months, and everywhere I go I see orange cones and orange barrels. Everywhere I go I see people working. These are people that would not be working if it hadn't been for the courageous votes of those who voted to pass the economic recovery plan. Forty-eight billion dollars, almost all of it is out the door in the States. Almost all of the airport money has been spent. A lot of the highway money is being spent. Thousands of jobs are now in existence, building, resurfacing roads and bridges in America today.

So my point is get out around the country, and what you will see is America's infrastructure being rebuilt. We took $8 billion and gave it to transit districts to buy clean burning buses. Those buses were made in America in places like Minnesota, New Flyer, and other companies; a company in California, very fine company in California.

Some transit companies use the money to build facilities which put building tradespeople to work. We have given $8 billion to 13 regions in the country for high-speed rail. That is 8 billion times more than America has ever invested in high-speed rail.

High-speed rail is coming to America, and soon we will have contracts signed with the States, and people will be going to work building infrastructure for high-speed rail, building train sets.

And this program has put thousands of people to work in thousands of projects all over America. I have personally seen it, and I know that you have all seen it in your districts traveling around like you do.

Mr. KAGEN. Well, we will hear later this morning from someone from my district who has put people to work because of the stimulus bill and it helps to retain jobs.

You mentioned that it was a courageous vote to put people back to work and to keep people working. But it might take another steel spine, it might take another courageous vote to find the funding to make sure that we can fully fund the rebuilding and reinvestment in America's infrastructure and transportation. So how specifically would you find the money to pay for a $500 billion 6-year Rebuilding of America Plan in transportation infrastructure?

Secretary LAHOOD. Well, look, it has to be a combination of many different funding opportunities.

Mr. KAGEN. Well, you heard the Chairman. He is in favor of a gasoline tax. How does the administration feel about that?

Secretary LAHOOD. The administration is opposed to raising the gas tax when we have unemployment hovering around 10 percent and people are out of work. But we think there is a gas tax in existence; we should use those resources and couple those with other opportunities. We suggested an infrastructure fund. We suggested public-private partnership. We suggested tolling. I have been to places in the country where they put hot lanes in. Build them with tolls. You can raise a lot of money with tolling and people see the value of those. So I think we need to think outside of the box about where we find the resources.

Mr. KAGEN. So you are in favor of a user fee, that those who are using that particular benefit, that transportation modality should be the ones to pay for it.

Secretary LAHOOD. When I have been around the country, I have seen the value of tolling in building infrastructure. And people are using—whether it is a road or a bridge or a highway, you can raise significant dollars, and people have the discretion whether to use it or not.

Mr. KAGEN. And how do you feel about the creation of an infrastructure bank, where we put together the resources so we don't have to go to Wall Street to borrow the money but we put our own resources together to finance our Nation's infrastructure?

Secretary LAHOOD. We favor an infrastructure fund. We put it in our budget, we have asked for it in our budget, and we will continue to do that. We think it is a good way to build significant big projects around the country.

Mr. KAGEN. Thank you very much. I yield back my time.

Mrs. NAPOLITANO. Thank you, sir. Mr. Teague.

Mr. TEAGUE. Thank you, Madam Chairwoman, for letting me speak.

Secretary LaHood, thank you for appearing before this Committee and thank you for your tireless work on behalf of American workers and the American transportation system.

As part of your implementation of the American Recovery and Reinvestment Act, I am not sure I can think of a better team between you and Chairman Oberstar for this legislation implementation and oversight of the Recovery Act.

In Dona Ana County, which is the largest county of my district population-wise, we are spending $36.2 million to add a lane for 17 miles of I-10, and it is creating hundreds of jobs and laying the groundwork for our future economic expansion there. And we also have the pleasure of having Chairman Oberstar to come out for the groundbreaking of that.

But you know, in almost every little town in my district, folks—we are spending money and getting overlay on Main Street or rehab a bridge or widening the shoulders or something. I was going through the mountains coming across Emory Pass, which is about 10,000 feet high in the helos, and there it is, you know, the American Recovery and Reinvestment Act at work repairing the shoulders on those dangerous roads up there. I mean, the roadis a good road, the site is a beautiful site. But as you go up those steep switchbacks, you need to be paying attention. The roads need to be in good shape. And they are because of the Recovery Act.

I think the Recovery Act has brought us back from the brink of economic catastrophe. And if you go to my district, you can see the hard work that is happening everywhere.

But speaking of my district, I would like to invite you there on September 8. I am having what we call a Dona Ana County transportation summit. We are going to discuss the success of the Recovery Act projects and how they relate to our future plans for transit and new interchanges, intermodal freight carrier centers, and the challenges of moving goods and people across the international boundary.

And I really would love to host you in New Mexico, and I have an invitation here that I will get to you before this meeting is over. But I just wanted to follow up on the question that Congressman Kagen was asking.

So I think the way I understood you to say, if people would get out and go across their district and see, they would see jobs that are being created by the American Recovery and Reinvestment Act. And those people that say that the Recovery Act has completely failed to create jobs are just overlooking a lot of jobs in their district, or haven't been out.

Secretary LAHOOD. There are many thousands of jobs that have been created over the last 18 months. They exist today. America is being rebuilt as we speak, and we have the statistics to show that thousands of people are working today on thousands of projects.

Mr. TEAGUE. You know, I thank you for saying that, because that is what I see in my district. I look forward to hosting you in my district, and thank you for your service. .

Secretary LAHOOD. Thank you.

Mrs. NAPOLITANO. Mr. Garamendi.

Mr. GARAMENDI. A comment. Some of those people that are saying there are no jobs are quite happy to appear in various photos with great big checks saying that the jobs are being created. So maybe there is a little inconsistency.

Mr. Secretary, thank you so very much for the work that you are doing. You and your Department are getting the money out. It is excellent, and you are doing very, very well at it. Earlier in your comments you alluded to a program that you are working on, which is Make It in America, Build It in America, Make It in America. Manufacturing matters.

You and I have had a discussion about the waivers, the way in which they have been used in the past. And you said here that you are not interested in providing waivers and that you are going to be very hard on that. I think that is the right policy. I encourage you to continue to do that.

And for my colleagues here, I would ask them to consider supporting a piece of legislation that I have introduced that would remove three of the four waivers that you presently have available to you, leaving only a cost waiver in place. We must make it in America. There will be a witness here from the San Francisco Bay Area, Gillig, a little longer.

So my question is a very quick one to you. You have already answered it. And that is: What is your policy with regard to waivers on manufacturing rolling stock and others outside of the United States?

Secretary LAHOOD. I mean, we, as you know, some people have asked us for a waiver and we have denied that. We believe that Made in America, Build in America, Buy in America has to be a very strong policy and will be a very strong policy under this administration.

Mr. GARAMENDI. Thank you very much. And I commend my piece of legislation to my colleagues that would say, yes, it will be built in America. If it is American taxpayer money, it is going to be used in America, not in some foreign country.

So thank you very much, Mr. Secretary.

Secretary LAHOOD. Thank you.

Mrs. NAPOLITANO. Mr. Capuano.

Mr. CAPUANO. Thank you, Madam Chair.

Mr. Secretary, welcome back. It is always great to see you. And I will tell you, I have been doing a little bit of time in the Chair, and I will tell you that you have been my role model, the perfect person to oversee the House.

Secretary LAHOOD. Thank you.

Mr. CAPUANO. I will tell you that I think the U.S. Secretariat and you have done a fantastic job with this bill with the limited resources we gave you, if you want the truth. I was one of the ones who thought we should have done more on transportation. And we did what we could, and I think that this country would have been better off if we would have given you more tools to work with. But nonetheless, with what we gave you I think you have done great.

I do have one bone to pick and one policy question to ask.

The bone to pick: Everywhere we go, we talk about the signs that say ARRA. It took me about 6 months to figure out what it was; I thought it was a baseball term. I wasn't quite sure. I really wish, I beg you, to put out an executive order to require all those signs to say ARRA, whatever you want on it, but put the words "the stimulus" on the sign. Nobody knows what ARRA is except for those of us who live in the Beltway.

The average American, as has been referred to here repeatedly, are talking about the stimulus. It is the one and the same. And if those signs don't say it, the American people don't get the connection. They think it is something else altogether. So I am begging you to put the word "stimulus" somewhere in big bold letters on those signs.

Secretary LAHOOD. We don't make the signs. We don't manufacture signs at DOT. The signs are a voluntary provision if States want to put them out. Half the States have used signs and half the States have not used signs. In the States that have used signs, they have used small businesses in their States that hire workers to make signs.

Mr. CAPUANO. I have no problem with it. But I would also say if it is Federal money paying for those signs, we have the authority to require them to put the word "stimulus" on it.

Secretary LAHOOD. I take your point.

Mr. CAPUANO. And the last item, again, it is not really a bone to pick. It is really a policy question. I have always respected the policy difference amongst Members of Congress and in this country. I think the democratic process is beautiful. We debate, we disagree, we agree, and we work it out. And I respect that.

I find some of the people, I tell this to people all the time at home. They always ask me about partisanship and why can't we just get along. And my answer is always: Most of us do, even when we have strong disagreements. Some of the people I like and respect the most here in Washington are people I disagree with on a regular basis, because they have good, solid, philosophical views I respect.

And the same thing goes for the stimulus. I have no problem whatsoever, not one, with anybody who voted against the stimulus, because it was a leap of faith. I took the leap of faith because I thought it was necessary for the economy. I think it has worked out better—I mean, it is not perfect—but it worked out better than not doing it.

I would like to know, Are there any policy considerations, any formal or informal policy considerations, given to when you have various projects—many of which qualify—to giving a little extra weight to those projects that are in the districts of Members who supported the stimulus?

Secretary LAHOOD. Absolutely not.

Mr. CAPUANO. I respect that, Mr. Secretary. But I would respectfully, strongly, and vehemently disagree. I respect those people who voted against it, but I will tell you they are the largest, most vocal hypocrites in Washington, and maybe in public office. It is like earmarks. I don't mind anybody who doesn't take them. I respect that. I think that is a good philosophical view. I disagree, but that is OK. And those who voted against the stimulus, fine. But those who voted against it and then come to you and beg you for money—which I have heard on this panel today—are hypocrites of the worst degree. And I think they are doing a disservice to the American public and I think the American public they—if they truly represent their constituents, they didn't want the money, and I respect that. And out of respect for them, I think we should deny them the money that they so hypocritically asked for. And if we can't deny them the money, at least can you deny them the photo op? Could you at least put out some sort of an executive order to say anybody who voted against it is no longer welcome to a photo op on ribbon cuttings of bridges and roads that have been fixed with the stimulus money? I would hope that you would be able to do that.

Secretary LAHOOD. I have a very difficult time operating the camera. I don't take photos at these events, Mr. Capuano.

Mr. CAPUANO. You are entitled to take a photo in my district any time you want, Mr. Secretary.

Secretary LAHOOD. Thank you.

Mr. CAPUANO. Happily so.

Mr. Secretary, I only have 35 seconds and I would like to bash the hypocrites in Washington a little bit more, but I guess I have done my job and I yield back the remainder of my time.

Mrs. NAPOLITANO. Thank you, Mr. Capuano. I can tell you, you are something else; and I agree with you.

Mrs. Miller has one more question.

Mrs. MILLER OF MICHIGAN. Thank you very much, Madam Chairman.

You know, just following up on my colleague's comments about people with the stimulus. Actually, there was an interesting poll in the New York Times, which I think is not the most conservative of all newspapers, that showed only 6 percent of the American people believed the stimulus worked. I heard somebody refer to—say that more people think Elvis is alive than think the economic stimulus actually works. So I am not sure that the overwhelming majority of the Americans are hypocrites. I do not believe that.

And I would also just make one comment about the signs. It is my understanding that we have spent already over $100 million on signs saying ARRA. And my opinion, a million opinions, I don't think it is a good expenditure of tax dollars. I would rather spend $100 million on roadwork, actually, in our State of Michigan. Our Governor started out putting her name on the signs. There was such a huge outcry, as you might imagine, that she quickly took her name off of those signs.

But my question, Mr. Secretary, is let me go back to the DRIC just for a moment, being a bit parochial, since it is the overwhelming issue of transportation in my district. And you mentioned about P-3s, and how as we on the road forward, fund the highway transportation, whether that has—there are a number of things of how that might happen—tolls, P-3s. I think P-3s have an enormous opportunity for our country. So many places, particularly in Europe, have utilized them very, very effectively.

And I guess I would ask you two things, perhaps. Maybe you could give us a good example of a P-3 in the country now that you think is something we might look at.

And in regards to the DRIC, because the Ambassador Bridge is currently a privately owned bridge—and, again, the owner of that bridge wants to spend his own dollars to twin this bridge. And although I haven't taken a position on whether we should allow that to happen, or whether the DRIC, which will be financed by both Federal money and Canadian money, taxpayers' dollars, which of that is better. But it does appear as though the DRIC may not actually be able to proceed because there is not much movement in the State Senate in Michigan.

I am not sure how all of that will work. But if the State of Michigan does not approve the DRIC, what would be the position of your Department regarding the twinning of the Ambassador Bridge, which is a P-3?

Secretary LAHOOD. Well, what we have said is that we are going to work with people in Michigan and Canada. I think it is probably not a good idea for people in Washington, D.C. deciding the siting of a bridge and whether it should be privately owned. I mean, those are decisions that need to be made by people in Michigan and people in Canada. And if we could be helpful in getting those people to the table and talking about it, that is fine. But we need to let folks that are elected by the people in the country of Canada and the State of Michigan make those decisions.

Mrs. MILLER OF MICHIGAN. I appreciate that, because there has been a tremendous amount of coverage, and people have said that the Department of Transportation, the Federal Government generally, is very supportive of the DRIC. So you are saying you are not taking a position until such time as the State of Michigan makes their position known?

Secretary LAHOOD. I have talked to the Governor a lot about the DRIC, and we are waiting for the Michigan legislature to make a decision.

Mrs. MILLER OF MICHIGAN. Thank you. I appreciate that. Thanks very much, Madam Chair.

Mrs. NAPOLITANO. You are very welcome.

And I just have some information. The cost of the signs is significantly less than the Recovery Act critics tried to claim. It is less than 2 cents for every $100 they are investing in the ARRA funds. And the best estimate is that the States have spent about $5 million on these signs. So I just want to, for the record, show that is what we have.

Secretary LAHOOD. Well, let me just say that these signs don't just mysteriously appear. These signs are made by small businesses in States that employ people. And that is part of where the—the money is going to small businesses.

Now, I think everybody in this room knows I am a Republican. When I was a Republican serving in the House, you know, there were a lot of Republicans supporting small business. I don't know a better way to support small business than to buy things from them like signs. That is one good way to help small businesses in your States. This money is going to help employ people who are making signs.

Mrs. NAPOLITANO. That is one area that I know well. I was in a parade on July 4, and one of the people in the area said, "Thanks so much for the ARRA for repaving our streets," because they were repaved with ARRA funds.

So, Mr. Secretary, it has been a pleasure. Thank you so much for being with us today, and we will now excuse you. This Subcommittee, this hearing is going to go into the next panel, and look forward to talking to you, sir.

Secretary LAHOOD. Thank you.

Mr. KAGEN. [Presiding.] Gentlemen, welcome to the Transportation Subcommittee. We will now hear testimony from Mr. Bill Schneider, Brian Macleod, Steve Millsap, Jim Duit and Kevin Gannon. Let's begin on the far left with Mr. Bill Schneider. Welcome to the Committee. Thank you for appearing.

TESTIMONY OF BILL SCHNEIDER, PRESIDENT/CEO OF KNIFE RIVER CORPORATION, ON BEHALF OF THE NATIONAL STONE, SAND AND GRAVEL ASSOCIATION; BRIAN MACLEOD, SENIOR VICE PRESIDENT, GILLIG, LLC, HAYWARD, CA; STEVE MILLSAP, ASSISTANT VICE PRESIDENT, STRUCTURES, BNSF RAILWAY COMPANY; JAMES A. DUIT, PRESIDENT, DUIT CONSTRUCTION COMPANY, INC, EDMOND, OK; AND KEVIN GANNON

Mr. SCHNEIDER. Good morning, Chairman Kagen, ladies and gentlemen of the Committee. My name is Bill Schneider, and I am the President and CEO of Knife River Corporation, the Nation's ninth largest aggregate producer. I am also here in the role of chairman of the board of National Stone, Sand & Gravel Association. Thank you for this opportunity to speak with you today.

When the construction industry began a steep decline in 2008, many of us thought it would be a temporary downturn, but today the decline continues. We are still unable to see light at the end of the tunnel. At our company, Knife River, we have over 2,000 fewer employees today versus the market peak of 2007.

Last year, we received, thanks to all of you on this Committee, a much needed boost of public works through the project-sponsored American Reinvestment and Recovery Act. I have heard dozens of stories from our Members about how this stimulus money helped keep their people employed while reconstructing thousands of miles of our Nation's highways. It has been our safety net, and soon it will be gone.

Since ARRA's passage, Knife River has been awarded nearly $200 million in stimulus projects throughout our 17-State operation. Our current backlog of work to be built is nearly 20 percent stimulus funded. Earlier this year, your Committee heard from one of our drivers, Joyce Fisk from Minnesota, whose job was saved due to this funding.

We all understood this bill was a one-time bankroll. Now we are headed back to square one and wondering what our future holds. Chairman Oberstar's proposed $450 billion 6-year funding plan would put over 1 million Americans back on the job doing real work in an extremely competitive environment, a great value for the taxpayer.

Construction workers are on the unemployment lines at over double the rate of other American workers. The unemployment rate this past winter peaked at 27 percent—and, by the way, we think that is understated—and now sits at 20 percent only because we are in full swing in the construction season. If a 6-year bill is not passed before the stimulus funds are completed, construction unemployment in this country is going to go off the charts.

More effective than these statistics are real-life stories of what is happening across the country. As an unbelievable example of road conditions and correlated lack of funding, Stutsman County in my home State of North Dakota, started turning back 50 miles of paved road back into gravel surface this summer because it can no longer afford to maintain the existing asphalt surfaces. This is equivalent to turning back the clock 75 years. We are going backwards, not forwards, in investing in our country's infrastructure.

In 2008, a poll conducted by Fabrizio McLaughlin & Associates reported that 72 percent of Americans believe that the Federal Government should lead the funding of major highways and bridges. In addition, 14 out of 15 Americans believe it is important for Federal elected officials to support the position that fuel taxes and other highway fees be dedicated only for highways and bridge improvements. Further findings discovered that nearly three-quarters of Americans support increased investments in infrastructure. And, finally, 57 percent would support an increase in gasoline user fees if the funds were dedicated only for transportation.

As NSSGA Chairman, I represent hundreds of members and thousands of workers, plus millions of Americans, when I say that Congress needs to pass a long-term highway funding legislation now. We have had too many SAFETEA–LU extensions. State DOTs will soon start shelving projects without the certainty of a 6-year bill. Certainty is the key. This is something we cannot continue to put on the back burner.

Now, we realize the big question, as we have heard earlier, is where will the money come from? As you all know, we have the system in place, the Federal Highway Trust Fund, that the Chairman talked about. It needs to be restored to the strength it once had, and more money is needed to keep up with the growing demands.

While it is politically difficult to consider raising the Federal gas tax, many of us believe it is really our only answer to fund highway projects that are in serious need. As noted in the previous research, American taxpayers would support it if it meant safe and efficient highways.

We are very grateful for Chairman Oberstar's bold leadership in passing our legislation and monitoring its effectiveness. The industry thanks him and those on the Committee that supported him.

Now, though, we must come together to build support for a long-term highway user's bill to make transportation a priority in Congress and the White House. Passing this bill means you are essentially passing a jobs bill and putting thousands of Americans back to work not only in the construction industry but in many other businesses that support our work.

Finally, let's get real. Now more than ever, there is a need for real jobs, meeting real needs, and providing the American taxpayers real value. Thank you.

Mr. KAGEN. Thank you very much for your testimony.

Mr. Macleod.

Mr. MCLEOD. Good morning, Mr. Chairman, Congressman Garamendi, and staffers. My name is Brian Macleod, and I am here representing the employees and owners of Gillig, LLC, transit bus builders.

Gillig is a 120-year-old American company that started in San Francisco as a builder of horse-drawn buggies and carriages. We are still in the San Francisco Bay Area and still in the transportation business, except now we build modern heavy-duty hybrid electric and fuel-efficient transit buses that are the most reliable and most economical buses in the United States.

Gillig is the second largest bus manufacturer in North America and the last surviving transit bus company. We have a unionized workforce and about 700 direct employees. And they produce about 1,600 buses per year that are operated by transit systems across our great country from Alaska to Florida and Massachusetts to Hawaii.

The current economic downturn caused many companies to lose money, cut back production, and lay off workers. However, things are different at Gillig. Our customers are transit agencies who normally buy buses with a combination of Federal and local money, but the economic slowdown has caused their local budgets to be cut. So early last year our customers began telling us they would have to reduce their bus orders due to insufficient funding. This of course concerned us greatly, because that would mean we would have to cut production and lay off some of our hard working employees.

However, the Recovery Act came to our rescue. It included 100 percent Federal funding for buses, without the need for a local match. But our story gets better.

Some customers were also able to buy one or two extra buses, so we actually booked more buses than anticipated and, accordingly, we were able to increase production slightly and actually hire additional full-time employees.

In the last 15 months or so, we received bus orders from over 160 different customers, for a total of over 1,000 buses. The orders came from transit agencies all over the country. Some of the cities receiving ARRA-funded buses from us are San Jose, Buffalo, Minneapolis, Dayton, Memphis, Kansas City, Omaha, Salt Lake City, and Orlando. As a result, we have increased our full-time employment by 40 people instead of laying off about 170, which is probably what we would have been forced to do without the Recovery Act funds. So we actually saved about 170 jobs and added another 40. That is 210 Gillig families that are directly benefiting.

And it gets even better. In our industry, the job multiplier is about five or six, which means that our 210 jobs saved another 1,100 or so supplier jobs. And the benefits don't end there, because transit investment produces multiple benefits. These new buses are more energy efficient, more comfortable, more economical, safer, and generate fewer emissions than the buses they replace.

So on behalf of all our employees and their families as well as the families of our supplier companies, I thank the Committee, this Congress, and the administration for thoughtfully conceiving and then passing the transportation portion of the Recovery Act.

Gillig has recycled all that funding back into the U.S. economy through U.S. workers and their families, no outsourcing and no offshoring. The Recovery Act has effectively secured our jobs for now, but the slow recovery is threatening our jobs late next year and in 2012. State and local budgets are continuing to be cut, so bus orders are dropping now that ARRA funding has been used up. This means we could have to cut production late next year. So please consider ways to redirect any unused Recovery Act moneys to transit.

We have proven that we used the funds effectively and efficiently. These funds were spent in the U.S. and so were good for the U.S. economy, good for U.S. families, good for the general public, good for industry, and good for the environment.

Thank you for an effective and very beneficial Recovery Act. Thank you for your time today. And please help our future with additional Recovery Act funding, if possible. And please also do what you can to get a new 6-year transportation bill passed, because investment in our infrastructure is one of the best ways for Congress to stimulate our economy, create good jobs, and generate other benefits for our people and our country, a true win-win-win. Thank you.

Mr. KAGEN. Excellent. Thank you very much for your testimony. And I will give you an open invitation to come to any of my listening sessions in northeast Wisconsin.

Mr. Millsap.

Mr. MILLSAP. Mr. Chairman, distinguished Members of the Committee, thank you for the opportunity to appear here today to discuss the Truman-Hobbs Act project which places the Burlington Bridge swing span over the Mississippi River.

My name is Steve Millsap. I am the assistant vice president of structures with BNSF Railway. In this capacity, I have responsibility for BNSF's tunnels, bridges, snow sheds, and other structural assets and facilities. BNSF employs close to 40,000 people and operates one of the largest freight rail systems in North America with approximately 32,000 route miles in 28 States and two Canadian provinces.

BNSF railway has about 14,000 bridges on its network. There are approximately 250 major bridges similar to the Burlington Bridge in size. We project that we will spend more than $400 million in major bridge capital replacement over the next 10 years.

The Burlington Railroad Bridge was originally built in 1868, and crosses the Mississippi River between Burlington, Iowa and Gulf Port, Illinois. The bridge's swing span replacement project was ordered by the U.S. Coast Guard in 1991 to remove what they determined to be an unreasonable obstruction to the waterway operation on the Mississippi River.

Based upon a 2003 report by the Coast Guard and the American Waterway Operators, the Burlington Bridge is the third most struck bridge in the Nation. In fact, on average, vessels make contact with this bridge an average of 10 times per month.

The Federal Government, under the provisions of the Truman-Hobbs Act, is responsible for funding the Coast Guard's order to alter this bridge; however, despite the fact that the order to alter was issued in 1991, it was not until the passage of the American Recovery and Reinvestment Act in February of 2009 that the full amount of Federal funding became available to move the project forward. Until that point, only $26.7 million, or less than half of the required funds, had been made available over the course of numerous congressional appropriations cycles. The Recovery Act provided $36.4 million for the Burlington Bridge project out of the total of $142 million made available to the Coast Guard and Truman-Hobbs projects.

The total cost of the swing span replacement required by the Coast Guard is currently estimated at $43.5 million, and the BNSF will contribute approximately $8.3 million; however, BNSF is also moving forward simultaneously with a significant private investment of another $72.2 million to replace the 719-year-old bridge spans on both sides of the new vertical lift span.

The Truman-Hobbs part of the project is now about 40 percent complete. We expect a substantial completion of May of 2011. So we are expecting to finish this 24-month project in 19 months.

The project has impacted the retention and creation of jobs within dozens of large and small companies who are associated with the span's construction. Through reporting by our contractors and subcontractors, we know that this project so far insured the retention of 43.98 FTEs. Roughly 80 percent of the onsite project crew is local Iowa and Illinois residents. In addition, of course, local vendors and other downstream suppliers have been positively impacted by this project.

Replacing the existing swing span with a modern vertical lift span will double the navigational channel width through the bridge from an existing 147 feet to 300 feet. This will greatly improve navigation for the waterborne traffic through the bridge and reduce operational delays and risk to the railroad.

The Burlington Bridge is a critically important infrastructure component along the freight and passenger rail corridor between Chicago and Denver and on to California, carrying an average of 34 freight trains per day and 2 daily Amtrak California Zephyr inner-city passenger trains.

In conclusion, BNSF Railway is pleased with the progress of the Burlington Bridge alteration project. We look forward to continuing our cooperative working relationship with the Coast Guard and to ensure that the intent of the Truman-Hobbs Act is met.

BNSF has a positive history of partnering with the public sector in rail projects that provide improvement in safety, energy use, reduced congestion, and fewer emissions, in addition to the freight benefits that we and our customers pay for and realize. We believe that this is a good model which was recognized in the Recovery Act and is being demonstrated in this public-private partnership on Burlington Bridge.

Mr. Chairman, thank you again for inviting me to testify here.

Mr. KAGEN. Thank you so much.

Mr. James Duit, representing the American Concrete Pavement Association. Thank you for joining us.

Mr. DUIT. Thank you. Chairman, Members of the Subcommittee, and distinguished guests, thank you for the opportunity to contribute to this progress report for the transportation infrastructure investments.

My name is Jim Duit. I am the president of Duit Construction Company, a highway heavy contractor located in Edmund, Oklahoma. I am pleased to share my perspective today about the American Recovery and Reinvestment Act of 2009.

Today I am speaking on behalf of Duit Construction Company and a joint venture partner, TTK Construction. Together, we were awarded five ARRA projects. I am also representing the American Concrete Paving Association as an at-large member.

The concrete paving industry and we in Oklahoma welcome the arrival of ARRA. We appreciate the leadership of the President, Congress, the U.S. Department of Transportation, and the Federal Highway Administration. Also, a great deal of credit goes to Oklahoma Secretary of Transportation, Mr. Gary Ridley, and his talented staff.

Of the $27.5 billion appropriated for transportation projects nationwide, Oklahoma's share was $465 million. Oklahoma has led nearly every State in putting 100 percent of its transportation stimulus money to work and in applying stimulus funds to 274 highway and bridge projects contracted in Oklahoma. To date, over 70 percent of the work is completed and paid for. Working together in a joint venture, Duit Construction Company and TTK have been awarded five major projects totaling $140 million. These include two projects on Interstate 40, two projects on Interstate 35, and one on U.S. 69.

In my written testimony, I have provided specific project details, but for this hearing I want to emphasize four important hallmarks common to each project.

First, we used environmentally friendly methods on all interstate projects by recycling the old concrete pavements back into the new projects.

Second, these interstate projects are not quick fixes, but they are 30-year pavement design structure.

Third, the industry worked very closely with Oklahoma DOT to streamline planning and accelerating projects.

Fourth, a research provision in SAFETEA–LU had a direct impact on the success of the design of these ARRA projects.

In all, some 2.1 million manhours have been logged on ARRA projects in Oklahoma. Duit and TTK have budgeted 855 manhours for the ARRA projects. We are about 342 full-time employees, including subcontractors. For Duit and TTK, it was more about retaining personnel than creating new jobs.

Based on our experience, I believe the critical success factors of planning and preparation by Director Ridley on ODOT were critical. When ARRA was signed into law, ODOT had identified and readied plans for more than $1 billion worth of projects, and I understand that the balance of these plans are still on the shelf, ready for future funding.

Close communication among ODOT and the industry also factored heavily in the success in Oklahoma. Innovation and inventiveness were also key factors. This came in the form of new materials, designs, and construction. As mentioned previously, research also played an important part. Streamlining was a hallmark for these projects. Plans from conception to contract administration through actual construction were compressed to record times.

Finally, there were contractors that were in dire need of the work, and the watch words of “use it or lose it” that was incorporated in the ARRA were not just a guiding principle, but a way of life. Words alone do not express the relief and gratitude of those of us that were fortunate enough to be part of this initiative.

Even so, we are concerned about the future of our Nation’s surface transportation infrastructure. For example, we are witnessing a large number of talented, experienced, consulting engineers in the design community who are being laid off or are unable to find work. As noted previously, ARRA enabled us to retain workers and even hire 75 more for the 2009 and 2010 season, but the numbers are starting to fall as we complete work. A retained, experienced worker is extremely important to any company.

Duit Construction Company has 75 employees who have been with the company for 5 years or more, representing a combined knowledge base of over 1,000 years of experience with Duit Construction and continuous experience in the highway construction industry; and many other industries and industry companies have similar stories. This is a tremendous amount of experience, and we do not want to lose this talent.

Also, Duit Construction and TTK, like many others in the construction industry, are simply not comfortable investing in long-term capital expenditures in the current economic climate.

In the absence of a robust highway bill, transit program, a time for passage, or a durable solution to funding issues, many in the industry are concerned that the gains realized from ARRA will be lost without a robust highway bill now. Mr. Chairman, the concrete paving industry stands ready and willing to assist you and the T&I Committee, colleagues and staffers in finding and advocating for a workable solution. We are also receptive to ways that we can work together to advance the highway transit bill and to ensure that it receives the attention it deserves.

Thank you, Mr. Chairman and Members.

Mr. KAGEN. Thank you, Mr. Duit, and appreciate all the hard work you have been doing in Oklahoma. Some of that benefit comes back to the Federal Government as well, because when you have people working, they pay their Federal taxes, they stay in their own home, and we help solidify our housing situation. So thank you again.

Mr. KAGEN. I now wish to introduce from my hometown of Appleton, Wisconsin, Mr. Kevin Gannon.

Mr. Kevin Gannon, you have got 5 minutes. Thank you. Welcome to Washington.

Mr. GANNON. Thank you, Representative.

Mr. Chairman, Members of the Committee, my name is Kevin Gannon. I am vice president of Northeast Asphalt, Incorporated, headquartered in Appleton, Wisconsin. I am also the current president of the Wisconsin Transportation Builders Association and a member of the Board of Directors of the American Road and Transportation Builders Association.

Northeast Asphalt is a professional asphalt production and construction services company founded in 1979 that operates in about 30 counties in northern Wisconsin. We currently have approximately 300 employees. Due to the Nation's economic difficulties, our employment rolls have declined by 7.5 percent since 2007.

Mr. Chairman, I would like to again express our industry's appreciation for the leadership of this Committee in securing major new transportation investments as part of the Recovery Act. These investments have been immensely successful in supporting transportation construction jobs in the United States. Over the last several years, our industry has witnessed recession-induced cutbacks in State transportation investment and a major decline in private sector transportation work. The Recovery Act's transportation investments have been the lone bright spot for our sector.

My own company, Northeast Asphalt, is involved with 66 Recovery Act projects in Wisconsin, and 7 projects in Michigan. The size of these contracts ranges from $2,500 to $16 million. Due to the more than 50 percent decline in our private sector work over the last several years, we have not been able to add new employees; however, our Recovery Act work has certainly helped us hold on to our existing workforce.

I know creating jobs is a political hot button right now, but, as an employer, saving jobs is just as important to me. Few things are as difficult as having to let someone go because we do not have enough work.

I would also like to point out that due to the overwhelming challenges our industry continues to face, many firms have been forced to adjust their business operations to simply survive. Essentially we are doing more with less of everything, and this recent dynamic complicates our sector's employment picture.

As of July 16th, more than 11,000 highway and bridge projects had moved to the construction stage, and over 3,000 have been finished. Mr. Chairman, this means $23 billion worth of Recovery Act highway funds are either supporting projects currently under construction or already completed. This is $23 billion that is generating jobs in direct construction and the supply sectors, and all of it is boosting the economy.

We saw an overall 7.1 percent increase in highway and bridge contract awards nationwide from 2008 to 2009. To further emphasize this point, the last page of my written testimony includes a U.S. map that shows 37 States and the District of Columbia increased highway and bridge contract awards in 2009. By comparison, in 2008, the year before the Recovery Act, 28 States decreased awards, while 22 increased.

As undeniably successful as the Recovery Act's transportation investments have been, this initiative was only intended as a temporary boost. It will continue to support transportation construction work and jobs in 2010. After that its impact will phase down quickly. Frankly, the uncertain outlook about the reauthorization of the Federal highway and public transportation programs is making an already difficult situation worse. It is not just the delay in passing the reauthorization bill that has our industry concerned, it is the uncertainty and trepidation caused by how the delay is being handled with short-term extensions and deficit spending.

For more than 50 years, the Federal-aid highway and transit programs have been a model of responsible and stable financing from system users. That dependability, which is needed to plan and execute multiyear projects, is now threatened by a lack of the will to enhance Highway Trust Fund revenues.

Mr. Chairman, I know you and other Members of this Committee are trying to address this problem head on, and we greatly appreciate your leadership. Until all Members of Congress and the Obama administration stop trying to avoid the situation, however, there is little chance of seeing true recovery in the transportation construction industry. This is a real-world consequence that directly impacts Northeast Asphalt, our employees and the State of Wisconsin.

I appreciate the opportunity to testify, and I am happy to answer any questions. Thank you.

Mr. KAGEN. Thank you, Mr. Gannon, and thank you for employing so many people in my hometown and my home district. I really appreciate it.

Mr. GANNON. And we appreciate your help, too.

Mr. KAGEN. I am sure all of your employees appreciate being able to pay their own bills and stay in their own home because they have a higher-wage job that is here and hasn't been shipped overseas.

I would like to ask all of you, because I will draw from all of your testimony that the Recovery Act or the stimulus act, as we know of it, has been immensely successful not just for your own businesses, but also the communities in which you employ people. It has been immensely successful and beneficial not just to your company, but also to the communities. So I am going to ask you a hypothetical question. Had all of you been a Member of Congress, would you have voted yes in favor of passage of the Recovery Act?

Mr. GANNON. Yes.

Mr. SCHNEIDER. That would be yes for me.

Mr. MACLOED. Yes.

Mr. KAGEN. Mr. Millsap?

Mr. MILLSAP. I have become a member so quick, I am not sure how to respond here.

Mr. KAGEN. You are pleased with its passage?

Mr. MILLSAP. We are certainly seeing the benefit of the passage, yes.

Mr. KAGEN. Mr. Duit?

Mr. DUIT. Yes, we are certainly seeing the benefit of the passage. And, yes, I would, but it would certainly have been nice if more than 4 percent was—were spent on highways and roads.

Mr. KAGEN. That will get to my next question.

Mr. Gannon?

Mr. GANNON. I am very pleased with the highway portion of the bill. The entire bill, again, I would probably have a tough time. I can't speak for the over 95 percent-plus.

Mr. KAGEN. But you haven't lost money because of the stimulus bill; you have been gainfully employing people, and you have been prosperous.

You mentioned in your testimony, in your written testimonies, but for the fact the government stepped in to fill the void, the State didn't have the funding, and the private sector didn't have the funding for your businesses to continue on the path you are on now, and that has been universally true with everyone throughout the country. So I will assume that that would be a yes, you are pleased with the results if nothing else.

Mr. GANNON. Yes, sir.

Mr. KAGEN. Would you have voted for something that had even a larger portion for transportation infrastructure?

Mr. SCHNEIDER. That would be an easy vote.

Mr. KAGEN. That is an easier one, isn't it? Well, that is part of the governmental process is the tug and pull here in Congress the way our Founding Fathers put us together.

I am certainly not in control of this institution. Chairman Oberstar has been here a few years longer than I have, and he is not in control either, but this is part of the debate that takes place about where we can best invest our money.

About how we are going to find the resources necessary to rebuild our Nation's infrastructure, by some estimates we are about $2.1 trillion behind. I would like to hear from all of you about where you think those resources should be had. In Kevin's testimony he suggested that we should stiffen up and be responsible and have a tax increase. So, Mr. Gannon, let me ask you straightaway, would you be in favor of raising the gasoline tax?

Mr. GANNON. Representative, I am in favor of users—user fees. We all use the highway system, we all have the wear and tear on our vehicles, we all want the smooth roads. I am in favor of a gas tax or another—other revenues to fund the Highway Trust Fund, absolutely.

Mr. KAGEN. Mr. Duit?

Mr. DUIT. The gas tax, as Congressman Oberstar had said, was really the backbone for all of our infrastructure and our interstates in the past. And the statistics show that 38 hours of every driver in the urban environment is spent in congestion, basically 1 week sitting behind a steering wheel that they really don't have to do.

I am not necessarily for the gas tax, but I think that that is a solution, an immediate solution. There are other solutions on the horizon, maybe a phased-in gas tax or other solutions in a longer period of time. Public-private partners certainly enters into this; it has in Europe for years. It will and has worked here also.

Thank you.

Mr. KAGEN. Mr. Millsap?

Mr. MILLSAP. As first representing BNSF Railway, we are here privately financed. As a matter of fact, we are spending $2.4 billion on our own infrastructure, so I am not really in this debate. I would certainly agree that we are encouraged and get excited about public-private partnerships. That is a very good way to go after it.

Mr. KAGEN. Mr. Macleod?

Mr. MACLOED. Yes, I would be in favor of a gas tax increase. I am seeing that every day. When I drive past gas stations, prices go up 5 cents, and nobody seems to care. People are still filling up at the pump.

I think we can use that money very effectively, but we also need to find another source, because gasoline consumption is going down, and we need a good funding source for the long term.

Mr. SCHNEIDER. The administration, of course, laid out earlier today that the options infrastructure bank at 4- to 6 billion, that could be one or two projects. I mean, come on.

Secondly, toll roads, try a toll road in the middle of the State of Wyoming. For rural States that doesn't fly either. So in public-private partnerships, same thing for the rural part of the United States, which is where we operate on with a lot of our construction.

So the gas tax was a tough vote. The alternative, if there is not a political will for a gas tax, would be a tax on petroleum. We think that that is another option, as long as it is dedicated to the Highway Trust Fund.

Mr. KAGEN. I remind everyone in the room it was this Committee under the leadership of Chairman Oberstar that made certain that the funding portion within the stimulus bill that went into transportation stayed there, and we recorded—you are here today because of the process, the oversight process, of making certain that the funding that went into transportation infrastructure stayed there, and that is reported publicly and transparently. I don't think the other committees that were involved in the creation of that funding source had the oversight that Chairman Oberstar had in terms of making sure we are all accountable.

Mr. Chairman. Mr. Garamendi from California.

Mr. GARAMENDI. Thank you very much, Mr. Chairman, and your line of questioning was superb. We have to come to grips with this. Some of us from California might remember 1990, when we actually increased the gasoline tax in California, took it to the vote of the people, and they overwhelmingly supported it. I happened to have been the author of that bill when I was in the California Legislature. It was something that we did not fear as long as it is used properly, and the gentlemen at the table have used the money very wisely for the benefit of many.

I did travel on Interstate 40 to observe some of the construction the Duit Construction Company was doing. Part of it was finished, and part of it was not, and there was some congestion, but I forgive you for that, because ultimately it will last for many, many years, and very, very well done.

My question really goes to Mr. Macloed of Gillig, an issue that I raised once before here in this Committee hearing, and I will raise it again, and that is billions of dollars of our tax money has gone offshore to purchase rolling stock, buses, light rail, heavy rail, commuter trains and the like. It seems to me to be a perfectly foolish thing to do is to send our tax money offshore to purchase equipment that could and should be made in America. We should have a "make it in America" policy.

Previous Secretaries of Transportation have overused the four waivers that have been in the law for some time. It is time for us to eliminate at least three of those four waivers and make it clear if it is our tax money, it is going to be spent in America to purchase rolling stock and equipment not only for the transit and public transit sector, but also for the other parts of the transportation program. So I have introduced legislation that would eliminate three of those four, leaving only in place the existing 25 percent waiver; that is, if it is more than 25 percent expensive to be built in America then a waiver could, but not necessarily would, be in place.

I bring that to the attention of my colleagues. I am not asking for comments, but, Mr. Macleod, since you are one of, I think, only two bus manufacturers in America, you may want to indicate your personal or company feelings with regards to the proposal that I made.

Mr. MACLOED. Yes. In my opening remarks I mentioned that Gillig was one of the last surviving American bus companies. Other transit bus manufactures like AM General, General Motors, Flexible have all failed and gone away. We can't afford to do that; we have to have a manufacturing base here in this country. We invent things like the television and telephone, et cetera, and then we have them made in other countries. We can't survive as a service organization; we have to be producing something over here.

We make excellent buses. We have the technology, we have the people, and if it is our tax dollars, why should not we spend them over here?

So I thoroughly agree with Congressman Garamendi's bill and support him, and I hope you all will, too.

Mr. GARAMENDI. Thank you, Mr. Chairman.

And thank you, Mr. Macleod.

Mr. KAGEN. Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chair.

To Mr. Millsap, I have the distinct, how would I say, privilege of having the Alameda Quarter East go through my whole district that delivers the goods to the rest of the U.S., and part of it is BNSF and Union Pacific. The question right now in many of the areas, because the high-speed rail is being proposed for San Francisco to down south through us, that the railroads own most of the right-of-way, and they are a little reticent allow the high-speed rail to either build a third rail or to be able to utilize some of the lines that conceivably could be used for the high-speed rail. And, in fact, it was just released a couple days ago stating that they are moving forward on the high-speed rail authority that would slow down the goods movement.

What is your opinion on that?

Mr. MILLSAP. Congresswoman, I don't know if you were here when I introduced myself——

Mrs. NAPOLITANO. No, I am sorry, I was not.

Mr. MILLSAP. I am head of the bridge department.

Mrs. NAPOLITANO. That is outside of your realm. Then I will pose another one to you, sir. My time will be running.

Mr. MILLSAP. If I may, we will certainly have someone get back to you on that.

Mrs. NAPOLITANO. I appreciate that very much.

There is an overpass in one of my communities that the embankment had been eroding because of both negligence on the State's part and also on the railroad's, BNSF; that it would have been clogged up, and it was undermining the underneath, and that would have caused great concern, both the city and to the railroad, because that is part of the land that delivers the goods movement to the rest of the State.

Yet when apparently you do have in the ability to be able—the contractual agreement that the city has to maintain it, yet it is called to both. If that were to go down, that rail line would be closed for quite a while. Yet we couldn't get your officials to be more cognizant of the value to BNSF and to keep it moving, and they just totally moved away from it on being part of the solution in terms of funding. I would like to discuss that with you further, sir.

Mr. MILLSAP. I look forward to that.

Mrs. NAPOLITANO. Thank you.

Do you have any concerns with any of the high-speed rail proposals awarded by ARRA? Do you have any comment?

Mr. MILLSAP. I really don't, in my capacity, no.

Mrs. NAPOLITANO. Then to Mr. Schneider, to what extent does—and he has asked the question before, and I know that in my area there have been many jobs created because—or maintained because of ARRA. How has it impacted your business, to any of you? And had this not been enacted, where would you be?

Mr. SCHNEIDER. Well, we have to track—as you probably know, with the ARRA spending, we have to track the number of hours and submit that. And to date it has been over half a million hours have been worked by Knife River on stimulus fund projects. I think you might have been out of the room when I mentioned that we have done about $200 million worth of stimulus projects to date, and we have $80 million of stimulus-funded projects in our backlog of work still to be built. So it has been huge.

I think the one thing I would like to say and put it into context is you all know since 2008, the private market has collapsed in this country. We used to do about 60 percent public work, 40 percent private work. The private work now is down to about 7 percent of the work that we do. So all of our eggs are in the public-funded basket.

And so the stimulus spending right now is 18 percent for us. When that is gone next year—so that is going to have a revenue decrease of about 20 percent, but more importantly is the State DOTs. And most States have budget problems, as you know. They have all told us is next year don't even think about the kind of spending from the State level that they have seen in the past. I was just in Idaho. Idaho DOT directors told everybody they are going to cut their budget next year by 50 percent. I believe a lot of other State DOT directors are saying the same thing.

So we have double whammy: The stimulus is gone, and lack of a 6-year bill. And so it is really a train wreck about ready to happen unless we get the 6-year bill passed.

Mrs. NAPOLITANO. My time is almost up. I have a few seconds. Certainly if you were able to convince some of the Members that are reticent to vote on that or to push that bill there is ways of being able to fund it possibly year by year as was suggested before and be able to extend it. So I would suggest if you make your statements known to this Subcommittee and to the Full Committee and Mr. Oberstar, because we all want to see it pass; the problem is the funding issue is what has been delayed, or at least from my own personal observation.

So with that, thank you, Mr. Chair.

Mr. KAGEN. Thank you.

Ms. Richardson of California.

Ms. RICHARDSON. Good to see you there. Thank you.

I have just two questions that I would like to ask, the first one to Mr. Schneider and Mr. Duit. There has been discussion about the pending reauthorization, for it to come forward. And given the fact that I am not in the pavement business or the concrete and sand and asphalt business, can you describe to us—and I did go back and look in your testimony—what does it take for you to prepare to do a big project? Meaning, you know, how many months in advance do you have to get the necessary sand and asphalt and concrete and equipment? And what does it take to do a big job, and why is our continued delay so problematic in you being able to assemble the appropriate resources that you are going to need?

Mr. SCHNEIDER. I will go first, Congressman, is if we get the notice to proceed, if we are the low bidder on a project, and we are what is called vertically integrated, and we produce the sand, gravel, and we also make the asphalt, and we make the concrete and then do the construction itself, if we get the notice to proceed on a project in California or wherever we are operating, we can be ramped up and we can be underway within 30 days, no problem, absolutely no problem.

Now, the easier projects, of course, to do, and the ones that the DOT, of course, have really focused in on with the shovel ready, have really been the pavement projects, whether concrete or asphalt. And the reason for that is as opposed to new alignment, where you have to buy the right-of-way, and you have to get the permits and whatnot, which could be years, as this Committee well knows, an overlay can happen right now.

I have to tell you this. You really need to understand this. And I said about the real value, the value for the taxpayers today with the spending on these projects is just extremely good. The competition for these jobs, because there is very little work in the private market, it is brutal. Everybody is bidding this at low, low margins. So the taxpayer is winning right now, but we can ramp up very quickly.

Ms. RICHARDSON. You are preaching to the choir on that last point. But I would say I thought I had heard that steel and some of the other things are in great need due to the increasing amount of work that China is doing. So you are not seeing that at all in your industry?

Mr. SCHNEIDER. That may be an issue for the bridge builders, but for those of us in the pavement business, it is not an issue.

Ms. RICHARDSON. OK. Mr. Duit?

Mr. DUIT. It doesn't take very long to ramp up for these larger projects. Availability of material is available. Our biggest concern is our people, maintaining our status of our people currently, and we have not seen any steel prices or shortage of steel in our current market. Our environment is extremely competitive, and steel and cement and asphalt, all of these products, are readily available.

Ms. RICHARDSON. Again, Mr. Gannon, the question I have for you is in your remarks you had alluded to the fact that many companies, as well as municipalities, that were able to do additional projects than what we had anticipated because the numbers are coming back a lot lower than we had anticipated. Do you have any idea how many States, based upon your organization and/or projects, have been able to participate due to being able to deobligate and utilize unused funds?

Mr. GANNON. I can't speak for many other States, but I can tell you in Wisconsin there has been a number of letting savings. In fact, with the ARRA jobs coming to completion for bidding, they are going to add another bid-letting year towards the end of September for the leftover funds, which appear to be approximately 30 million. And I would echo what Mr. Schneider said. Due to material decreases and the intense competition out there, there is a lot more let savings than was anticipated, which is good for everybody.

Ms. RICHARDSON. Mr. Chairman, I realize he is preparing his remarks. Might I suggest Mr. Chairman has been just one of the amazing folks out there not only urging with the reauthorization, but really bring value to what we did to the recovery dollars.

Might I suggest that this Committee, we might want to get that number from the States, how many additional projects have they been able to fund due to the lower bids that have come in. And that is really a positive story that we should be adding as we are talking about the stimulus. Not only has transportation met in terms of what we anticipated, but we are actually funding even more projects than that. Very few Members have been talking about that. I am talking about outside of the Committee.

Mr. OBERSTAR. If the gentlewoman would yield?

Ms. RICHARDSON. Yes, of course.

Mr. OBERSTAR. The number given by AASHTO, The Association of State Transportation Highway Officials, is 25 percent on average nationwide. That is, bids have been coming in 25 percent lower than anticipated, and that has resulted in one-fourth more projects under construction than originally anticipated, which proves the point that we and this Committee made.

And I am grateful for the support of all my colleagues on the Committee, including Ms. Richardson, who was very outspoken during that period of time; Mrs. Napolitano; Mr. Baird; and Mr. Kagen; and many others; Mr. Mica way back in December of 2008, who was very supportive of in the range of $100 billion investment in our surface transportation program.

And it has now been proven that the State DOTs were ready to go with projects, the contractor community was ready, the sand and gravel sector was ready, the transit agencies were ready to award bids, and the producers like Gillig and O'Ryan and New Flyer and others were ready. They all stepped up and greatly exceeded expectations, even their own expectations. They were able to move things faster.

The answer to your question is at least one-fourth more projects than originally anticipated, and that has resulted in 35,000 lane miles of highway improvement, 1,264 bridges rebuilt. You think in 1 year, 1 year and 3 months, the contractor community, the State DOTs, the transit have built the equivalent of three-fourths of the mileage of the entire interstate highway program which took 50 years to build. That is an extraordinary accomplishment.

Ms. RICHARDSON. Dr. Kagen, if I could ask one last question, and it is to the three of them, it should only take about 15 seconds.

Mr. KAGEN. Fine.

Ms. RICHARDSON. Thank you.

Gentlemen, of the three of you particularly that represent associations, one of our concerns is unbundling, that many of the companies that you work with subcontracting, the same folks get the same jobs. And part of why we did the recovery was to bring other people to the table.

Could any of you share with us what you have done to reach out to our companies, particularly small business, to give them a chance to participate in some of these projects?

Mr. GANNON. I will take that answer—question.

Basically you are right, a lot of projects were unbundled, and like I said, we have done a number of projects being in the number of 70, but a fair amount of them are subcontract work also. The State of Wisconsin did a nice job of diversifying the projects. A third of the money basically that went to Wisconsin went to local municipalities, and a lot of their work, which was a lot of small bridge work, those type of jobs, would happen in the private market, which is basically nonexistent.

A lot of the other contractors and why we probably didn't see our employment—our employee numbers go up is because a lot of other contractors that worked in the private sector have moved over into the public sector and worked on a lot of these municipal jobs. And the States will tell you there are a lot of contractors that they haven't seen bidding jobs and being awarded jobs that used to work in the private sector.

Ms. RICHARDSON. So, Mr. Schneider, Mr. Duit, and Mr. Gannon, if your associations could supply to the Committee any new contractors that have gotten a chance to work with you through this process, that would be helpful.

Ms. RICHARDSON. Thank you very much.

And thank you for your extending time.

Mr. KAGEN. The madam's time has expired.

Before recognizing Mr. Baird, I just want to make the comment that at the time that we did pass the stimulus bill, our private sector economy was coming to a standstill. You may not have had the opportunity to come here to Congress, to be in the chairs that you are at. Your businesses may not have survived had we not invested in America's infrastructure. It is a tremendous economic value, especially at today's prices. So I want to thank you again and recognize Mr. Baird.

Mr. BAIRD. I thank the gentleman for holding the hearing, and thank you all for your testimony.

From what I have heard, we are putting people to work, we are getting a good buy for our money, we are building lasting infrastructure, and without it, many companies and individuals would have lost their jobs; is that a fair summary? So that must explain why everybody hates this bill.

I have to say, those of us who have had the pleasure of town halls over the last year and had people screaming and shouting about how evil the stimulus is could use some cover fire. And many of us are going to go back home to our districts over August and try to talk about this. And, quite frankly, we need your members there. These are nonpolitical, public town halls with Members of Congress trying to get the story out about what we are doing to get people back to work, and it is just not right to have some poor Member of Congress having hundreds of people yelling at them, shouting them down, running against the stimulus.

All across this country candidates for office are running against the stimulus, saying such preposterous things as it hasn't created any new jobs. And their logic is awful. Their logic is, well, we had the stimulus, and there are still unemployed people; therefore the stimulus had no effect.

So I would ask you what are you doing to let your employees, and their families, and your communities know that the stimulus is indeed having the aforementioned impact?

Mr. Schneider.

Mr. SCHNEIDER. Congressman, that is a great question. I can tell you that when I was back here in May for the TCC fly-in, one of our meetings was with Congressman Edwards from Waco, Texas. And he said exactly the same thing. He said, I am in a fight like I cannot believe, and the number one issue that my opponent Mr. Flores is using against me is my vote for the stimulus. He said, I got almost no appreciation whatsoever, when, in fact, it meant about $1.7 billion worth of work, Fort Hood, College Station, et cetera. And we walked out of that meeting like, well, that was a wake-up call for us.

So what we are doing, Congressman, is we are having the Congressman appear at our employee meetings, and we are letting him talk to our people, and we are also thanking him in front of everybody. We should have done that before. We were ungrateful. I don't think he heard too many thank yous, and that is our mistake, and we are, I think, remedying that.

Mr. BAIRD. I really appreciate that.

Any others wish to address that?

You know, we put $228 billion worth of tax cuts in that bill. Not a single person since we passed the legislation, not one, has come to myself or any colleague I know and said, thank you for the tax cuts. In fact, they tend to believe that taxes were increased. In fact, they were cut for over 90 percent of American people and businesses.

Some of your members undoubtedly benefit from the small business loss carryback provision, I am guessing, that was in that. There was no gratitude there.

If we are to continue to move forward, as I think we must, to rebuild this Nation's infrastructure, and as this great Chairman Mr. Oberstar has led the fight to achieve, we have to get the story out, because I will tell you, if people who believe the stimulus has had no effect or even a negative effect prevail, there will be no more stimulus, there will be cuts in transportation funding, and we will go backwards, not forward, in fixing this Nation's infrastructure problems.

What would happen if we had another stimulus? There is a lot of debate about that. This time we won't waste it on tax cuts, because those have been shown to be greatly appreciated. We will put it straight in the infrastructure. What would it mean to all of you if we had another infrastructure-based stimulus package?

Mr. OBERSTAR. If the gentleman would yield, let me amend his statement by saying if the Senate were to pass the $34 billion HIRE Act that the House passed in December 2009. Be very specific about it.

Mr. BAIRD. Anyone wish to? Would it hurt you?

Mr. GANNON. I will take that question.

Basically it would be stability to begin with, and hopefully growth. We were growing all the way up through 2007. Our company continued to add employees. In 2007, basically after that things started to go down, and I am actually looking right now, I feel, going into this fall, just like I did in 2008.

I mean, it is almost deja vu, because in 2008, we were planning and looking at things that are very difficult to do when you are looking at taking your entire workforce—these are good-paying jobs, not minimum paid wages, and livable wages—and looking at your whole workforce and looking at a 20, 25 percent reduction, and that includes managers, staff, administrative, right down the line. So stimulus funding—and like we said before with the private market basically nonexistent, you know, it is scary where we are going.

Mr. BAIRD. Any others?

Mr. DUIT. I would like to echo what Mr. Gannon said. It would be very stabilizing for us. We are currently winding down some of our stimulus work. We do have other work coming available to bid. It is fiercely competitive, and we are just not sure where we are going to land. It certainly would help everyone. The values are great for the taxpayer, very, very good. The capacity is out there.

There is more than enough capacity to build. There is more than enough raw ingredients from raw material to build.

I would like to share with this Committee one disturbing thing that was brought to my attention by our bonding company, if I might. I asked them straight up how long can contractors hang on. As you know, they have total financial disclosure to the bonding company. How long can the general contractors hang on? How long can the highway contractors hang on? And the answer was, we feel we are going to lose 15 percent of our contractors in less than 18 months.

So I guess my point is we are ready and willing. We can do it.

Mr. BAIRD. I thank you.

Mr. Millsap, did you want to comment?

Mr. MILLSAP. Obviously in the railroad business, which is a very capital-intensive business, investment in the infrastructure is good. Investment in the infrastructure is good for our employees, for our people, for moving the goods in this Nation. So we are certainly—we look to making those investments.

As I indicated earlier, obviously we are looking to opportunities for the public-private partnerships and what that does. I think that as we look at the railroad industry, we were seeing some positive turns. We were seeing some improvements, increase in our units that we are moving, which is a very positive thing. More investments in the infrastructure just helps out.

Mr. BAIRD. Well, I want to thank you for your comments. I hope to see you all at town halls. It is desperately important that you show up. If not, you are leaving some good folks who fought hard for you, and fought hard for your workers, and fought hard for your industries, and fought hard for this Nation's infrastructure, you are leaving them hanging out to dry, and the results will be bad for them, and bad for you, and bad for this country. They can't succeed unless the people who are doing the jobs, employing the workers, getting the economy going are there, saying that is what is happening, because they are being drowned out by people who are just not saying the truth, and we need people who know the truth firsthand to be there.

I thank the Chairman for allowing me a little more time.

Mr. OBERSTAR. [Presiding.] I want to thank the gentleman from the State of Washington, where his comments were a penetrating observation here, questions that may have been a little uncomfortable to answer. But, Mr. Schneider, I thank you for your candor about the encounter with our colleague from Texas.

But I also want to thank Mr. Baird for his service. It is not concluded, he has until the end of this session, but he has chosen to leave the Congress, and that is a loss for us. A person of his personal integrity, his vision, his oversight of the broader role of a legislative body, the numerous contributions that he has made, and the standard he sets for just personal and intellectual honesty and integrity, it has been a great support for all of us who serve with him and a standard for others to meet, but a loss that he would take this to other pursuits.

Thank you for your great contribution. We will be thanking you more as we go on through the rest of this session. You are not gone yet.

Mr. Gannon and Mr. Duit, in Wisconsin there have been 418 highway projects, by our count, under contract, underway or completed; and in Oklahoma, Mr. Duit, 266 projects. One of those could count perhaps as 50 or 60. The interdispersal loop is a massive project.

And parenthetically I would like to observe that when Secretary Ridley was a witness before our Committee, I think he said it there, but I know he said this, that when he attended and was a witness at our hearing in October of 2008, he said, I went back to Oklahoma and gathered our engineering staff and said, this Committee is serious. I heard this Chairman talk about doing a stimulus program. We better be ready because something is going to happen. And he said, I ordered my engineers to start designing and completing the engineering work on the interdispersal loop, which turned out to be a $77 million project, if I recall rightly. He said, I told them I want you to take your plans to church with you on Sunday, because if I need to talk to you, I will. And he did, and they did.

And that is the kind of spirit that we wanted from State DOTs. So they were ready, they were prepared, they went ahead. We had all the naysayers and the green eyeshade folk, I call it, at OMB and the Congressional Budget Office say, oh, it can't be done, it doesn't spend out that fast, it takes too long for these outlays to occur. But we know, all of you at this table know, that the jobs are out on the line before the money is paid out. So State DOTs surprised themselves by getting their projects out. If we had had a few more Gary Ridleys, I think, oh, you know, this place would have been hopping, but it was nonetheless.

So how many more projects do you have, Mr. Gannon, in Wisconsin? Let me say the same for Frank Busalacchi, your secretary of transportation. He is just terrific. Unfortunately I understand he has a kidney problem and is having dialysis, which is really sad to me. There is a man of enormous vigor, and he inspired the department, as Gary Ridley did in Oklahoma.

So you have these projects. How many more do you, by your count—you are not the administrators, but, you know, you talk to your colleagues in the business—how many more projects do you think, given this $34 billion we have already passed, the Senate has, it hasn't acted on—if we put that to work now, how many more projects would you be able to do, say, in the next year?

Go first, Mr. Gannon.

Mr. GANNON. It depends on what we mean by number of—I can't speak for what the State has on its shelf. The State of Wisconsin mandated this last year that they maintain 65 percent of the funding available plans on the shelf, because that is really where it all the starts is the funding to be in place, to be able to plan ahead. And you are exactly right, Mr. Chairman, to physically get the job going, but there is a lot that takes place before we are out there and actually working on the roadway.

Basically Wisconsin did an admirable job of getting the projects out. They utilized the consultants—a lot of the consultants for designing and inspecting jobs also. And as far as number of projects, where we are going next year, and Wisconsin facing the $2.5 billion deficit, going the next biennium, we are very nervous where the

State will go with the highway funding. We have been very fortunate that we had legislators that have looked at things and have kept—you know, have seen the need for the jobs. One of the big things is jobs and jobs retention.

So in your statement with a $34 billion would roll into the funds, we could easily match. We have completed over 84 percent of the stimulus projects; our company has 84 percent completed to date. Some of them are, like we said before, just milling overlays, and some of them are reconstruction jobs that will be going into 2011, maybe even 2012.

Mr. OBERSTAR. But those are 100 percent funded projects, 100 percent Federal funded. That gives you the certainty of the State doesn't have to dig in and worry about where it is going to get the matching dollars. That is $529 million that was allocated to Wisconsin; you have got it under contract. And in Oklahoma, you had 465 million allocated, 266 projects.

If you had the same amount of money now, given the experience of the stimulus, knowing that you can get these projects underway much faster because you have had a selection process now, where do you think Oklahoma could go?

Mr. DUIT. In my earlier presentation, Gary Ridley had indicated that he had—he will have over a half million—or half billion or 500- to 600,000—or million dollars' worth of plans ready, currently on the shelf, that could be going to letting as soon as funds were available.

Mr. OBERSTAR. So that would be the equivalent of 268, 300-plus?

Mr. DUIT. Exactly, exactly.

Mr. OBERSTAR. And there has been some debate within the contractor, engineering and the State DOT community nationwide about state of good repair versus projects of a longer duration, those that would be more in the trade call capacity projects. Have you evaluated the balance between these capacity enhancement projects and the state of good repair and whether they are done concurrently or separately? Is there any distinction?

Mr. GANNON. I will take that.

Basically from the capacity, both of it—because there is over—I think it is in the area of about 15 percent of our roads are deemed unacceptable. And we have a balance of capacity enhancements. We have a $1.5 billion project that is just getting underway in Wisconsin, and it is starting the early stages of it, but the funding isn't in place for the whole project at this time.

So there has been a pretty good balance, but our roads are still in disrepair, yes.

Mr. OBERSTAR. Not all are in the capacity category of the Milwaukee interchange, which turned out to be a very—a multibillion-dollar project. I think it cost $50 million when originally built and 10 times that amount to rebuild it. But that is what I am thinking of.

Mr. GANNON. Yes.

Mr. OBERSTAR. So you feel there is a balance of these that are in the ready-to-go category that could be underway now.

Mr. Duit?

Mr. DUIT. Absolutely. There is a good balance in backlog in Oklahoma. Four of the interstate jobs that we are constructing now with the stimulus bill, one added the capacity, and the three others were overlay or total reconstruction. So the balance of the plans on the shelf are well balanced in the future, and I think they could be put to use very well.

Mr. OBERSTAR. Mr. Schneider, you are involved in many States, and you have very broad experience. Can you relate to these questions I have asked?

Mr. SCHNEIDER. Yes, Mr. Chairman. It really depends on the 17 States we operate in. The vast preponderance of the stimulus has been towards paving and what we have seen in some capacity projects that we have been involved with and some in your district back in Minnesota.

Mr. OBERSTAR. Well, that is—I think all of this is very, very instructive. The contractor community, the State DOTs all learned a great deal from this recovery experience, while there was resistance initially to my proposal that these prices be under contract in 90 days, and we changed that to obligated in 90 days. And half of it obligated in 120 days greatly exceeded expectations.

And AASHTO has given our Committee a list of 6,700 projects nationwide. All the States have done inventory. So these are projects that can be under contract in 90 days. That was the underpinning for the HIRE Act of December 2009. It stalled over in the other body as people were wringing their hands about our deficit. Well, if you don't put people to work, you are not paying taxes, they are drawing unemployment compensation instead of paying taxes, and that helps to reduce this deficit, and we have something permanent to show for it. We have real and lasting benefits. That just exasperates me to no end when people don't understand that.

Now, Mr. Macleod, I have known you for a good many years through the Mineta Institute. I have made note, and I am going to use it in my future talks, no outsourcing and no offshoring. I like that. And there will be no outsourcing or offshoring in the future as the U.S. Department of Transportation, the Federal Transit and Federal Railroad Administrations proceed with development of standards for design and engineering of bus and rail transit vehicles. So that competition in the future will be based on U.S. designs, U.S. materials, U.S. products, putting U.S. workers and U.S. companies to work instead of, as you saw, on certain—and I know all too well because I held hearings on it at the time—in the 1960's, we lost this engineering and technical design capability, and it all went offshore because we simply disinvested, just eliminated funding for streetcars, for what we call today light rail, for commuter rail, and for bus transit systems in favor of the automobile.

Now there is a revival. There is a revival in inner-city passenger rail, there is a revival in transit systems. We were, until the recession, adding a million new riders a day for transit; for 2 years ago, 10.5 billion transit trips a year.

So with what the administration is doing, and I think it is a tremendous initiative, what do you think will be the future for transit investments as we continue? Our bill, by the way, reported from Subcommittee last year doubles the funding for transit over the next 6 years of this legislation.

Mr. MACLOED. Mr. Chairman, we definitely need that. Talking about the technology, our buses are superior to European buses and to Far Eastern buses. I was in China a month ago, and our buses have better technology. They are safer. We have been using hybrids for a lot longer than any of the other countries have in buses. We have been networking our electronic systems in our buses.

So we certainly have the technology, we have got the capabilities, we have the capacity. All we need do is get the orders, and the orders depend on funding. And I think doubling the new transportation bill from the SAFTEA–LU level would be excellent because we need that. We need more buses, and we need more infrastructure. I am just talking about the bus side of it because that is where my knowledge is.

You were also talking about putting people in jobs straightaway. At the Mineta Institute meeting in January of 2009, we talked about the stimulus bill, and we went back and started preparing so that in March we were actually hiring additional people to take up our production. It takes us a little while, so we are slowly edging up the production.

So we were right there. And I think all of transit and all of transportation is capable of doing that. And the jobs we create are here in the U.S., and they have this spillover effect or multiplier that creates other jobs in the supplier base.

Mr. OBERSTAR. In your experience in the various communities in which—to which you market your transit vehicles, are you seeing a continued growth in ridership, in use, and design and engineering plans for the future?

Mr. MACLOED. Yes. And we did see a spike when gasoline prices went up. So I think if we add a tax on gasoline, I think we will push people into using transit. And once they started using it, when the prices came down, people stayed with transit. They found it was more convenient. It eased congestion for other people who have to use the roadways, like delivery trucks and things.

Mr. OBERSTAR. Thank you.

Mr. Millsap, in your work with the Truman-Hobbs Act and the bridge removal or reconstruction/rebuilding, do you know of other projects that are on your horizon or on your radar scope that need attention and that could qualify for a future stimulus program?

Mr. MILLSAP. Chairman, I certainly do. I think that you are certainly familiar with one. It is Tower 55. It is not a bridge project, but it is Tower 55, the rail intersection in Fort Worth, Texas.

Mr. OBERSTAR. Oh, yes. I may be going to see that in a few weeks.

Mr. MILLSAP. It is certainly a project that is looking for support and for funding. Obviously 100 trains a day meet at that intersection. BNSF and the UP, the railroads are certainly partnering up. And understand this is TxDOT's number one project. They will be making, or have already filed, a preapplication for TIGER 2. So that is certainly one.

And another one, you made reference to a bridge. Yes, on the Mississippi River, Fort Madison. Fort Madison is the bridge crossing the Mississippi River. The Coast Guard issued again an order to alter that bridge in 2001. And as of right now, I believe there is about $5 million that is allocated, appropriated for replacing the swing span again and installing a modern vertical lift. That project will be something in the 70-, $75 million range. So certainly a long ways to go, and I hope that we don't have to wait another 18, 19 years to make the improvements on that bridge.

Mr. OBERSTAR. A structure of that kind is truly an obstacle to navigation, and that is what the Truman-Hobbs Act is designed for, to remove obstacles to navigation.

Mr. MILLSAP. That is what occurred in 2001, whenever the Coast Guard issued the order to alter, because it was identified as an unreasonable risk or hazard to navigation.

Mr. OBERSTAR. I am enjoying this opportunity to exchange with you and get your thoughts and inputs, but we have other Members here who have their own comments and questions. I want to turn to them.

Mr. Schneider, would you please give Joyce Fisk a hug for me, if that is acceptable in your arena? But, you know, just tell her it is from me.

Mr. SCHNEIDER. As long as it comes from you, I can do that.

Mr. OBERSTAR. She is a honey. She is just terrific. She is the human face of stimulus and has been an inspiration daily for me.

Just one observation. We talked a little bit ago about financing, and I think the comments of—let us see, who was it that said we have a lack—Mr. Gannon, you said it well, a lack of will to enhance the revenue stream. That was very nicely, euphemistically put as no guts to raise the gas tax.

It was Dwight Eisenhower, the very apostle of conservatism, who said we need a gas tax, we need a user fee to finance the Interstate Highway System and the Highway Trust Fund, and he signed it. And 2 years later, that was 1956—2 years later the Bureau of Public Roads came back to the Congress and the President and said that 3 cents isn't enough; we need another penny for what was to be a $22.5 billion Interstate Highway System that eventually committed $125 billion in 1960's dollars funds. That 1 cent passed the House on a voice vote. You can't pass the prayer on a voice vote today. The way to clear a room of Members of Congress is to stick your head in and say, gas tax, and they all run for cover, or any kind of tax.

But it was years later that Ronald Reagan, in 1982, said—faced with a proposal from this Committee, from our then-Chairman Jim Howard, a Nickel for America—who said no, and then signed it, saying, quote, this user fee is budget neutral. The users of the system are paying for it, maintenance and upkeep. And this 5 cents represents the cost of two shock absorbers in a year for the drivers on our systems. It was good enough for him to sign. Why isn't it good enough for modern-day conservatives to sign up for?

And there was George H. Bush who supported—signed a 5 cent increase in the gas tax, half of which to go for a deficit reduction for 3 years and then be repatriated to the Highway Trust Fund.

Who are these self-appointed conservatives who say that the users of the system shouldn't pay for it? That is nonsense. Mr. Macleod said very well, just stand on a street corner, and gas prices will go up 5 cents. Of course, in the afternoon they change that sign, and now they do it electronically. They used to have someone come out there, go on a ladder and hang up 2 cents. Now it goes automatically. And where is it going? United Arab Emirates, and to Saudi Arabia, and Venezuela, and to our friends north of us, to Canada. They are happy to take that increased money. It is not going to the Highway Trust Fund, it is not going into our bus and transit system, and we need to recapture that.

What we need is not just will, we need a few political guts to stand up and say, yeah, this is what we need to do. This is in the best public interest to invest in our own system that the users of it are actually paying for it. And while public-private partnerships have been popular in Europe, they are for very limited, big-scale projects like the bridge on the border of France and Spain. I have the video on that construction project.

Wonderful, marvelous project. That is one project. It is not a system. And I think, Mr. Duit, you said, I think, you set out in Wyoming to try to put in a toll road. That just doesn't work.

Mr. Petri has just arrived, but Mrs. Napolitano had her hand up earlier. I will recognize her for 2 minutes and then go to Mr. Boccieri.

Mrs. NAPOLITANO. Thank you, Mr. Chairman. I won't take 2 minutes, but just to comment, to follow up on Congressman Baird's comment about letting people know that the ARRA funds have created jobs. May I suggest, Mr. Chairman, that maybe an op-ed piece, with your name and theirs, to the newspapers stating facts, not making up, but stating facts that you have been able to keep people employed in those areas where it has been more critical. Because he is right; if you only tell some employees, that won't be enough to spread around to the areas where people are condemning the spending of funds unnecessarily but people have been put to work in many of those areas.

So either that, or letters to the editor from some of your own folks who have been able to have gainful employment would be helpful to be able to put an end or at least try to counter the claims that there have been no jobs developed through this ARRA funding, Mr. Chairman. Thank you.

Mr. OBERSTAR. Thank you very much. You are right on. You all can help each in your own way.

Mr. Johnson.

Mr. JOHNSON OF GEORGIA. Yes, Mr. Chairman. Thank you. Before I make a statement, I must—before I ask questions I must make a statement.

Back during the deliberations of the House of Representatives, the Democratic caucus on the Recovery Act, whether or not we should actually pass it or not, and if so, what should be featured in it. I believe that the Chairman was a strong advocate for $500 billion, if I recall correctly, for transportation and infrastructure investment as a part of the Recovery Act. And that amount unfortunately was watered down and we ended up with what we got—I think it was around maybe somewhere between $100 billion and $200 billion—for transportation and infrastructure projects in the recovery package. Is that right?

Mr. OBERSTAR. The total for our Committee was $64 billion, which accounts for 8 percent of the total Recovery Act funding. And of that $64 billion, $35.9 billion is in highway and transit.

Mr. JOHNSON OF GEORGIA. Well, that is a long way from the $500 billion that was being advocated.

Mr. OBERSTAR. That is for a 6-year program.

Mr. JOHNSON OF GEORGIA. And I am happy that we got that despite—I am happy we got what we got, despite it being less than what I thought it should be. And if we had had a more robust recovery agenda focused on job creation through transportation and infrastructure development, I think we would show a much healthier result than what we are showing now in terms of job creation.

Certainly the number of jobs that have been created is nothing to sneeze at by this recovery package. I am just simply, Mr. Chairman, wanting to have a more robust transportation and infrastructure program fully funded, as the Chairman pushed so hard for during these deliberations on this act.

I mean, 11,382 jobs created in Georgia just based on roughly one-third of the recovery money having been expended thus far, 11,382 jobs; 1,780 jobs created just during the month of June. This is substantial stimulus to the economy.

We all know that unemployment numbers are unacceptable, and we have been trying to bring those numbers up. But because our programs and projects keep getting watered down, America continues to have its infrastructure be used up and maintenance deferred and new construction put off and jobs— and the job numbers remain too high, and we are not recovering from the economic disaster that the previous administration left to us quickly. And so the American public is left to feel that we are not doing enough, and I agree with them. But, unfortunately, we have done as much as we could do under the circumstances.

But I want to thank you all, gentlemen, for your work as small business people. And we all know that small business is the job creator in our economy. And to the extent that we enable and empower small business to develop, you know, to that extent we get job creation. So I want to applaud you all for the work that you do in representing before this Committee the efforts of small business and the effect of small businesses on job creation. And this, despite the withholding of capital that you need to expand your business.

All of those things coming from—and we just had Wall Street reform, but we know that those financial entities are holding onto their gains that they have made during the Obama administration. They are holding tight. Credit is tight. Their profits are up. And all of this seems to be in keeping with the strategy to obstruct success by the Obama administration which was announced by my good friend, Rush Limbaugh, the leader of the party on the other side, and they have held fast to this strategy. And that is just the truth of the matter.

And so I look forward, Mr. Chairman, for the future. We have got to stay the course. America needs infrastructure improvement. It needs more transportation dollars. There are some tough decisions that have to be made in the future, and this body will be viewed in history with an eye towards determining whether or not we did what was best for this country or whether or not we kicked the can down the road for another session. And I am not frustrated, Mr. Chairman. I am actually ready to go to work and make some tough choices.

And with that, I think all of the questions that probably should have been answered were—or should have been asked have already been asked and answered, and I just wanted to throw my little two cents in. And thank you very much for holding this very important hearing.

Mr. OBERSTAR. Thank you. I thank the gentleman for his observations and for his support and for his consistency. And with that kind of support, and support from this panel and the members of the associations they represent, we will get there. We are going to do this long-term transportation bill. We will make it work and we will have a brighter future.

Mr. Petri.

Mr. PETRI. Mr. Chairman, thank you for having the Secretary of Transportation and other members on these two panels giving us an update on the progress report of this important legislation.

I apologize for not hearing all of your presentations, but I still have a question. And since there is a fellow Badger on the panel, I thought I would ask Kevin Gannon and Northeast Asphalt, which is speaking for the Transportation Association, is a well-respected and well-known firm in our part of the world.

Toward the end of your statement, to just quote from it, and it fits into what was just being said, you talk about the difficulty in the last 2 years, and then you say, "Frankly, the uncertain outlook about the reauthorization of the Federal Highway and Public Transportation programs is exacerbating an already difficult situation. It is not just the delay in passing a reauthorization bill that has our industry concerned; it is also the uncertainty and trepidation caused by how the delay is being handled with short-term extensions and deficit spending.

"For more than 50 years, the Federal Aid Highway and Transit program has been a model of responsible, stable, and dependable financing, user-funded and deficit-neutral. That dependability, which is so critical to planning and executing multiyear construction projects is now threatened by a lack of will to enhance the revenue stream to the Highway Trust Fund to reflect today's realities."

I wonder if you could use a few minutes I have of my time to expand on that a little bit. And I know we are hearing in general a lot of, if you want to say, malaise or uncertainty in the business community as to the path forward. And so people are making money, but they are sitting on their cash and the piles are building up within the business sector because of not having a clear framework in a number of areas in our economy. At least that is a concern that I am sure you have heard and that I hear.

But it is particularly the responsibility here of us in the Transportation Committee, and I know the Chairman has been leading the way, trying to plow ground to get people organized to get this reauthorization done. It is way overdue, and it is looking like it is going to be even further. And there is a cost to it, as you allude to in your statement.

So if you could expand on that a little bit and why it is important to get a good framework in place, not just transportation, but for the country.

Mr. GANNON. Absolutely, Representative.

Basically in our business, we always look for capital expenditures. And what I mean by "capital expenditures" and "capital investment," it is in equipment for, first of all— because in our business it is very capital intensive. You start talking about buying pieces of machinery that are $500,000, or million-dollar pieces of machinery, you need to know that you have an outlook for work for 3, 4, 5 years, that there is stability there.

Along with that goes capital investment in people. You know, if you don't see the work coming, it is pretty tough to hire somebody, or hire a young engineer coming out of college, not knowing if you are going to have work in the future; because when you bring them in, you have a lot of training and that to ramp them up for work.

Along with that is a workforce. You know, being in the northern climate, you know, 6 to 7 months a year a majority of our workforce is working. We ramp down pretty heavily in the winter on repairs and things like that. But even in the repairs and that, what machine are you going to be using the next year? Are you going to have work for it? Those type of things.

I have had a number of employees come up to us, come up to myself, even last week I had one come up. A 13-year employee comes up, young man, and pulled me aside—we were doing safety audits, you know, that we go out and see all the crews—and basically pulled me aside and said, "You know, Kevin, I just really need to hear it from you. My wife wants to have another baby." He says, "I am sitting here with a 3-year-old," and told her, "I don't know what I am going to have for work in the future." And a good employee and everything else. I don't know what next year is going to bring. But along with that is the manhours. How many hours are men working and are employees working? You know, in a 7-month season, most of them work more than 40-hour weeks.

So those type of things all come into play when you look at what you have down the line, you know, that planning. The States, are they really going to get into designing? It takes a number of years for them to put plans together and get them on the shelf and plan their projects. So, you know, if the States aren't designing and consultants aren't designing and putting plans together, that work isn't going to hit the street.

So when the stimulus does come up, the last year and a half it has been great, it really filled the void in the private sector. No doubt about it. But again, like I said earlier, I really feel right now that I am looking at where I sat back in 2008, wondering what is going to happen in 2009. The talk was there about the stimulus. But should that not have happened? Heck, I don't know. Maybe I wouldn't be here today.

So I guess kind of telling you how it is a longer-range planning business is what we look at.

Mr. OBERSTAR. Thank you for a very candid and thoughtful response to Mr. Petri's question. That really brings it home personally, just as Joyce Fisk did to me on the construction site. She said, "Thank you for my job driving a truck on the I-35 rebuild project between North Branch and Rush City." She said, "Two months ago, my husband and I just finished dinner. We sent Austin to bed, our 10-year-old. And then we looked at each other and said, Where do we go from here? Our health insurance ran out in December. Knife

River carried all of its employees through Christmas, to the end of the year; but then with no jobs, no revenue stream, they had to cut off the health insurance, and our unemployment comp ran out. We have 2 months' savings to pay the mortgage. And are we going to be able to send Austin to summer camp?" And then we hugged each other, cried, and went to bed.

"And the next morning, Knife River called and said, 'Report for work on Monday. We won the stimulus bid on I-35.' And now, if I can get my 600 hours in, I will get my health insurance reinstated. My husband as well. Gene works for Knife River. We are paying the mortgage. We are buying the groceries. And we are sending Austin to summer camp." And I think she and Gene have sent Austin to summer camp this summer as well.

But that is the story of your employee as well. And that story is written all over the country, the 1,300,000 jobs created by stimulus. But we need that continuity and we need that long-term stability in the program. And that is what the Highway Trust Fund has given us and that is what the highway user fee has given us, is the continuity to know that at the beginning of the project, when you design it, you will be able to finish it, and not have projects half done all over the country, as happens in Third World nations and as happens even in First World industrialized nations in Europe, because they don't have a steady guaranteed revenue stream that is not part of the general revenues of the national government.

Mr. Boccieri.

Mr. BOCCIERI. Thank you, Mr. Chairman. Thank you for your leadership on this issue.

Congressman Oberstar, Chairman Oberstar, obviously feels very passionately about transportation infrastructure needs in our country, and I firmly support his endeavors.

You know, he always says that we need to do the right thing. We just don't run for office to win elections; we run for office to get things done. And there is probably no other Committee that we can get things done quicker and have such a broad and vast impact into the Nation's economy than on this Committee. And that is one of the reasons why I am here.

On the Stone and Gravel's testimony, they talked about how the U.S. population has increased 34 percent since 1980. Registered vehicles are up by 55 percent. Number of miles that the Americans travel every year has doubled by 97 percent. That being said, obviously user fees, such as the gas tax and what-not, add to the trust fund so that we can do the kinds of projects that are so necessary.

However, with the advent of alternative energies and with the advent of cleaner burning fuels, more longevity in terms of the number of miles that we can get, and even gas-electric hybrids— In fact, there was a report that said that if 27 percent of the vehicles on the road were gas-electric hybrids, we could eliminate our dependency on oil from the Middle East. Forty percent of our oil comes from the Middle East right now.

So that being said, what are the associations, what are the private sector willing to support in terms of a broad-based approach to having this trust fund emboldened and used for future generations?

Mr. SCHNEIDER. Thank you, Congressman.

The issue you laid out is very clear, is we have got two things going on: the purchasing power of the gas task, since it hasn't been increased for so many years, has dropped; fuel efficiency hybrids, et cetera. And we have talked with the Chairman on a couple of occasions about vehicle miles traveled, the basis, something along those lines.

The fact of the matter is, though, is whatever change we do make—and there are some good ideas that are out there—the amount of time that it is going to take I think to steer the ship to go to a new funding mechanism is going to be a very lengthy process. Just the mechanics of getting it instituted, some of the States have tried to do this and it has met with some strong resistance, as you know.

So, in the meantime, I think what we are all doing is we are watching the clock on the wall, and this is what we see in the scenario. Most of the stimulus spending will have been spent by the end of this year. And without the 6-year highway bill, as we know with the State budget problems with 40-some percent of the States having deficit issues, is they are going to be cutting back their transportation spending by anywhere from 30 to 50 percent.

So the fire is in the building right now, and we are going to dip. And so to do something to change the gas tax, or to another, we don't have time to do that right now,

Mr. BOCCIERI. Let me ask a question. Ohio has a gas tax. In fact, every time I fill up my tank there is a placard by the vendors that say, "46 cents out of every dollar that you spend is going to the government, in some way suggesting that we are using it for things other than transportation and infrastructure needs.

Ohio has a gas tax, and that goes into a trust fund much like the Federal Government has. Do other States not have a trust fund? Are they spending this out of their GRF, their revenue budgets, to do this; or do they have designated funds that are used specifically for that?

Mr. SCHNEIDER. Some States do have designated funds, like Texas, for example. Others, it goes into a general fund.

Mr. BOCCIERI. And that is the big issue, is the fact that designated funds are going to be spent irrespective. Ohio, this year, is spending $2 billion on transportation and infrastructure needs, and then next fiscal year will be spending another $2 billion on transportation and infrastructure needs. We do have those dedicated funds in Ohio.

There was a study out that said that $600 billion needs to be spent every year for the next 10 years just to get our infrastructure modernized and up to speed with our competitors.

That being said, China is doing that just in the next 2 years, $600 billion over the next 2 years, which makes us, I should say, vulnerable in terms of if we are not going to be able to build it here and transport it and have intermodal facilities that allow for efficiency of transportation, our economy is going to be challenged by other countries that are doing this.

So we need to find some way, whether it is a transportation infrastructure bank, whether it is the fees that we have, or other sources of revenue, to make sure that this is indexed; that it doesn't have to be a political football to be thrown back and fourth;

and that we can get this done so that we don't have to have this discussion.

Thank you, Mr. Chairman.

Mr. OBERSTAR. That is very true. We shouldn't have to have this discussion. It ought to have been a readily accepted principle that we have had this enormous success with the Highway Trust Fund and with the user fee, and it has brought the Nation the greatest mobility of any country in the world, produced the most extraordinary transportation system of any country in the world.

China is working hard now to equal ours. They had 167 miles of interstate-quality freeway in 1978; they now have 25,000 miles. Their goal is within 10 years to have 52,000 miles of six-lane interstate-quality freeway linking the nation, moving heavy loads of goods and tens of millions of people.

And India is on track with their Golden Triangle project, over $25 billion initiative to build something in the range of 25,000 lane miles of interstate-quality freeway.

The European community, the Transport Ministry, with the consensus of 27 individual transport ministers of the member countries of the European Union, 9 years ago launched a 20-year $1.4 trillion surface transportation investment program to double the miles of inter-city high-speed passenger rail—that is 186- to 220-mile-an-hour speeds; to develop freight rail which they don't have in the capacity that we have in the United States; and to build a 2,000-mile canal through the heart of Europe, linking the North Sea to the Black Sea.

Now, that is the kind of vision we need in America. That is what we did in 1956 and what this Congress launched in 1956 with the Interstate Highway program. It was called the National System of Interstate and Defense Highways, because Eisenhower understood very well if you do something in the name of the Nation's defense, it will sell a lot easier.

Well, we were also on course to kill 100,000 people a year, because our highways were choked with traffic and the roadways were inadequate and they hadn't been improved, and we needed something vast. Our gross domestic product was $345 billion in 1956. We had, on average, one car per household. That one car drove 9,600 miles. Today, we have nearly three cars per household and driving 15,000 miles per year. It took 65 years for the Nation to drive 1 trillion miles cumulatively in 1 year, and then it took only 20 years to get to the second trillion miles, and then only 10 years for us to drive 3 trillion in a year. Mileage driven has outpaced population growth by a factor of 3- and 4-to-1, and we have to keep pace with that growth.

We had 1 million trucks in 1956. There are 7 million trucks on the Nation's highways today, delivering goods all over America, part of that mobility.

Amazon.com depends on trucking, depends on the U.S. Postal Service, and UPS and FedEx, to deliver their goods to their final destination, and so do all these other Internet companies in which you can sit down in the comfort of your home, order whatever goods you want, and our highway system is going to deliver them ultimately. They don't come through the ether. They don't come by broadband to your doorstep. They come via roadway, and those roadways weren't sprinkled there by manna from heaven, as with the Israelites in the time of Moses. This is—we have got to build it ourselves. And I just get——

So if you look at the surface transportation needs, we have roughly a $53 billion-a-year program; two national commissions recommended going to $450 billion. We took those recommendations seriously. We held hearings. Mr. Petri sat through a great deal of that. He was part of shaping the bill, a leader in shaping the bill that we know today as SAFETY–LU, and authorized the two commissions to make these findings and recommendations. So if you go between the $53 billion a year and the needs of those commissions, that comes out to $140 billion over 6 years. That is a roughly a $23-billion-a-year gap between where we are and where we need to be. And at $1.8 billion in revenue from percent increase in the user fee, 12, 13 cents, even 15 cents would get us there, and you could phase it in over a period of time. But if you start it now, then the contractor community sitting at this table will know what they can do and will know what is in front of them, and they can plan accordingly.

And I think Mr. Gannon said it very well. If you are going to order heavy equipment, you have to know that you are going to be able to amortize it. You can't just go and buy it and then sit on it for 6 months or 1 year or 2 years. You have to know that you are going to be able to put it to work and hire people and pay them. And that is what this system is about.

So I looked at every revenue option with your associations, with U.S. Chamber of Commerce, the National Association of Manufacturers. Mr. Mica sat in those meetings with me. Ultimately, it all comes back to the user fee. The users are paying for it. It is not a general tax. It is dedicated to a very specific purpose. It is clear and transparent. At any rate, you are the choir; I am the preacher. You are awfully good to listen.

Mr. Petri, do you have any closing observations, comments?

Mr. PETRI. No. It has been a very interesting hearing. We I think in a sense are preaching to the choir. But it doesn't just affect us. I mean, obviously if you are a contractor, you are worrying about having a framework. But at the end of the day, our neglect or failing to put in place a good roadmap and framework in the transportation sector is going to increase the risk that our economy will not be able to grow efficiently going forward and will undermine the extent to which we can have confidence in a higher standard of living for our children than we have had for ourselves.

We often talk about each generation trying to pass on more opportunities to the next, and that has been one of the things about our country. And as you so well pointed out, a robust, efficient transportation sector really makes possible a high standard of living. And we have that now, but it is not perfect, and there is a lot more to be done. And we really should be getting about doing it rather than just engaging in short-term, fill-in efforts that don't allow people in various sectors to plan adequately, and that also postpone the day when we will be addressing those problems and make it an even bigger challenge.

Schneider Trucking in our area has been a leader for years in what they call logistics, and they pointed out that the efficiency that we achieved through steady investment in transportation enabled the—and modernization of our manufacturing sectors to squeeze out inventory and the like that was not necessary, enabled us to move about 6 or 7 percent of our economy from paying for logistics to paying for other things. And that really basically was where we managed to pay for the health care increase in our country,.

And now that is no longer happening. The efficiency in our transportation sector has leveled off, and now it is starting to eat up a little bit more and a little bit more of GNP, And that is causing real anguish in other parts. It all has to add up to 100 percent, so that is another percent you can take out of logistics to move over to health care. Suddenly we are getting into sort of a real budget crunch here in our country.

So there are a lot of opportunities to have greater efficiency through integration of the road-rail network, more efficient systems time—if we can go to satellite road use, we can use the existing system more efficiently than ever before and have a higher standard of living. But it is going to require planning and it is going to require investment and requires a framework. And our job is to provide that framework. That is really what we have to do.

And I just hope that our Chairman and Transportation Secretary can figure out a way of getting some kind of a little national summit or something with people in the administration, so that we have a more unified focus on the importance. I know they have a lot of other things to do, but this is something that should have been done and still needs to be done. And it is not—it is very important and it is not as hard as we all think. We have nothing to fear but fear itself. And in this area, if the need is there, the capacity is there, its user fee—gasoline prices have gone up and down by a dollar and they are constantly changing.

If we can figure out a way to do this in a graduated fashion, I think that the American public, once they understand what they are getting for the investment, will realize that it is worth doing. And we all know, if you don't invest, you are still going to pay, because you will pay with greater inefficiency and higher repair bills and delays and all the rest. So we might as well invest it and get something for that rather than frittering it away.

Mr. OBERSTAR. A splendid statement of the case, and I thank you very much for that.

All of you have made great statements. And I particularly want to single out the ARTBA statement, made on behalf of the ARTBA by Mr. Gannon. There is a map on the last page, instructive. And I want all of you to take note of the Committee's documented detailed report, some 80 pages of documentation, for each of the programs go into much more than the summaries that I gave at the outset.

And I want to note, while it says "Prepared for the Honorable James Oberstar," the preparation was done by Joey Wender of our Committee staff, our Recovery Act guru. He has been superb, has followed this religiously. And a call from Mr. Wender to State DOTs and wastewater treatment agencies often brings fear into their hearts. "Oh, my God. What have we done? The Committee is on our case." But that has stimulated this openness, transparency, and accountability. And I thank you for your contributions today.

Let's all join hands and go forward from here. The Committee is adjourned.

[Whereupon, at 1:50 p.m., the Committee was adjourned.]

Harry E. Mitchell

Statement of Rep. Harry Mitchell
House Transportation and Infrastructure Committee
7/27/2010

Thank you, Mr. Chairman.

The American Recovery and Reinvestment Act, H.R. 1, is making important investments in transportation and infrastructure, and today we will review its progress.

As of June 30, 2010, $35 billion has been put out to bid on 18,718 projects. 18,002 of these projects are under contract, for a total of $33.4 billion. Furthermore, across the nation, work has commenced on 10,999 highway and transit projects, totaling $23.1 billion, which represents 87 percent of available highway and transit funds. 4,571 of these projects have been completed.

Arizona is continuing to receive Recovery Funds, many of which are being invested in planned highway, bridge, transit, and other shovel ready infrastructure projects. As of June 30, 2010, approximately $462 million in Recovery funds had been invested in projects that are already underway. Approximately $501 million had been invested in projects that were already under contract. In addition, another $503 million were associated with projects that had been put out to bid.

When combined with the tax cuts and other relief contained in the Recovery Act, these investments are creating jobs and economic activity.

I look forward to hearing more from our witnesses on the current implementation and progress of the American Recovery and Reinvestment Act.

I yield back.

James L. Oberstar

STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HEARING ON "RECOVERY ACT: PROGRESS REPORT FOR TRANSPORTATION INFRASTRUCTURE INVESTMENTS"
JULY 27, 2010

The transportation and infrastructure investments provided by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have been a tremendous success. They have helped stem the tide of job losses from the worst economic crisis facing the nation since the Great Depression. Across the nation, 17,024 highway, transit, and wastewater infrastructure projects have broken ground, totaling $32.7 billion -- that is 86 percent of the total available formula funds. Within this total, work has been completed on 6,920 projects, totaling $5.3 billion. All 50 States have signed contracts worth 100 percent of their Recovery Act wastewater projects, and 40 States have signed contracts worth at least 90 percent of their Recovery Act highway funds.

During the first year of implementation, these formula projects created or sustained 350,000 direct, on-project jobs. Total employment from these projects (direct, indirect, and induced jobs) reached almost 1.2 million. In June 2010, these projects created or sustained 82,000 direct jobs, and total employment reached nearly 160,000 jobs.

In total, direct job creation has resulted in:

- Payroll expenditures of $3 billion;
- Federal taxes paid totaling $610 million; and
- Unemployment checks avoided worth $509 million.

These infrastructure investments have put America on the path to economy recovery. While this path has not been a smooth one, the transparency and accountability information collected and released by this Committee demonstrates how Recovery Act transportation and infrastructure investments have contributed to the upswing in job creation and economic growth.

Against this backdrop, I scheduled this oversight hearing, the twentieth Recovery Act oversight hearing conducted by this Committee, to hear from Secretary LaHood on the Department of Transportation's efforts to implement programs receiving funding under the Recovery Act. I have additionally invited five companies that work on the front lines of our economic recovery to discuss their efforts to put Americans back to work.

The successful implementation of the Recovery Act highway, transit, and wastewater investments adds force to the calls for additional infrastructure funding. As of June 30, 2010:

- 18,718 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $35 billion, (92 percent of the total available formula funds for highway, transit, and wastewater infrastructure projects);

- Fifty States, five Territories, and the District of Columbia have signed contracts for 18,002 projects totaling $33.4 billion (88 percent);

- Work has begun on 17,024 projects in 50 States, five Territories, and the District of Columbia totaling $32.7 billion (86 percent); and

- Work has been completed on 6,920 projects totaling $5.3 billion in 50 States, one Territory, and the District of Columbia (14 percent).

The Recovery Act investments are also improving our nation's transportation infrastructure:

- The Federal Highway Administration (FHWA) reports that highway and bridge investments will result in 35,399 miles of road improvement and 1,264 bridge improvements;

- These highway investments will also result in demand for approximately 10 million metric tons of cement, resulting in revenues of $950 million for the cement industry;

- The Federal Transit Authority (FTA) reports that transit investments will result in the purchase or rehabilitation of 12,136 buses, rail cars, and paratransit vans ($2.4 billion);

- Transit investments also include the construction or rehabilitation of 4,870 passenger facilities ($1.5 billion); and the construction or rehabilitation of 324 maintenance facilities ($925 million);

- Amtrak investments will result in the replacement of 1.3 million concrete ties (of which 281,400 are completed), the restoration to service of 60 Amfleet cars, 21 Superliners, and 15 locomotives, and the improvement of 270 stations; and

- Aviation investments will results in 155 runway improvements at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million); 83 taxiway improvements at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million); and 25 projects to modernize air route traffic control centers ($50 million).

In addition to these transportation programs, the Recovery Act also provided funding for other infrastructure programs under the Committee's jurisdiction. Of the total $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,610 transportation and other infrastructure projects totaling $62.9 billion, as of July 16, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $51.2 billion for 19,282 projects, representing 80 percent of the available funds:

- All 50 States met the requirement that 100 percent of their Clean Water State Revolving Fund (SRF) projects be under contract within one year of enactment (February 17, 2010). As of June 30, 2010, 1,897 projects are under construction totaling $3.8 billion (98 percent of the total available funds);
- Clean water investments will construct, upgrade, or maintain publicly owned treatment works, mitigate nonpoint source pollution, and promote estuary management, serving an estimated 64 million people, approximately one-third of the U.S. population currently served by sewers – 629 projects ($1.5 billion);
- Work has begun or is completed on 58 Superfund projects totaling $581 million (100 percent);
- Work has begun or is completed on 155 of 185 planned Brownfield projects;

- The Corps has committed $3.9 billion for 793 projects (85 percent);

- Corps investments will repair or improve 155 lock chambers, and maintain or improve harbors and waterways that serve over 2,400 commercial ports,

- Corps investments also include 1,132 flood risk management projects to improve dam or levee safety, and 1,034 projects to maintain or upgrade recreation areas;

- The General Service Administration (GSA) has awarded contracts and begun work on 425 projects worth $4.4 billion (76 percent);

- The Economic Development Administration (EDA) has broken ground on 54 of the 68 planned projects totaling $122 million (83 percent);

- Under the Coast Guard's Alteration of Bridges program, work has begun on all four planned bridge projects totaling $142 million (100 percent).

Although the Recovery Act has counteracted the increase in construction unemployment, Congress must continue to focus on job creation. Additional funding for infrastructure projects will immediately create and sustain needed employment.

I am pleased with the progress that has been made since enactment of the Recovery Act. I look forward to hearing the testimony of today's witnesses and discussing what is being done to ensure that Recovery Act funds will continue to create good, family-wage jobs as quickly as possible, and learning how we can build upon these efforts to ensure that we continue to put Americans back to work.

Congresswoman Laura Richardson

Statement at Committee on Transportation and Infrastructure Hearing on "Recovery Act: Progress Report for Infrastructure Investments"
2167 Rayburn House Office Building

Tuesday July 27, 2010

10:00 A.M.

Mr. Chairman, I want to thank you for convening this hearing to discuss the progress that has been in distributing the Recovery Act funds and to better understand the impact these funds have had.

While we have heard testimony today detailing how successful this program has been in distributing funds and creating jobs, I still represent a district with unemployment rates of: 12.4 percent in Carson, 20.6 percent in Compton, 13.5 percent in Long Beach, and 9.8 percent in Signal Hill. While ARRA has been a great success for the economy as a whole, it has not been as great a success for each individual community many of us represent and we must continue to work in earnest to finish the considerable work we have before us.

We must remember that despite these efforts, the construction industry that builds these projects has the highest unemployment rate of any industrial sector at 20.1 percent in June of this year.

The economy as a whole is showing modest signs of improvement, and we must attribute much of this to the work of President Obama, the U.S. Congress, and the work of this Committee. During June 2010, the Recovery Act created or sustained 82,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, reached nearly 160,000 jobs. In April 2009, the economy lost 582,000 jobs. Since then the job loss has steadily declined, and now we are adding jobs each month.

However even with some success, we must continue to ensure the Recovery Act dollars are quickly allocated and look to continue to invest in our infrastructure while creating jobs. As we make investments in the future, I also urge my colleagues to ensure that the dollars are being allocated fairly and to the areas that have the greatest needs; both needs for infrastructure spending, and a need to address unemployment.

It is crucial that these funds are directed to the places most in need. I look forward to the administration continuing to track these types of numbers and continuing to focus on getting money to communities most in need.

It is also that important that states and countries do their part. Last November, over 67% of the citizens of Los Angeles County voted in favor of Measure R thus raising their own sales tax by half a percent in order to pay for infrastructure needs. Understandably, Los Angeles County wants to spend this money as soon as possible in order to quickly realize the economic benefit of infrastructure spending. A large delegation from LA Metro were here this week once again, meeting with members of the Committee and Chairman Oberstar himself, further stressing the importance of this initiative to the people of Los Angeles.

As we discuss the benefits of federal transportation spending, I think Congress and federal agencies must also look at ways policies and programs can help incentivize local revenue raising and spending, such as measure R, and do everything in our power to assist local entities to invest in infrastructure.

Congress should look at revising The Transportation Infrastructure Finance and Innovation Act (*TIFIA*) program to scale it up for larger projects and allow for upfront credit commitments for certain large scale projects that meet a set of criteria we will lay out. We must also look at bonding measures that can help incentivize entities to aggressively invest in their infrastructure.

I would like to work with the other members of this committee and many of the witnesses before us today to find a way to fund many of the deserving programs that fell short this time.

Finally, I would like to stress the importance of unbundling contracts to expand the reach of ARRA funds beyond the standard companies that traditionally receive the funds. We must make sure that companies of all sizes are able to benefit from this investment.

I would like to thank all of the witnesses for appearing before us today and for all the hard work they have done putting the Recovery Act to work.

Thank you, Mr. Chairman

Testimony of
Mr. James A. Duit
President
Duit Construction Company, Inc.
Edmond, Oklahoma

Submitted to the
Committee on Transportation and Infrastructure
U.S. House of Representatives

Hearing
Recovery Act: Progress Report for Transportation Infrastructure Investments

July 27, 2010 | 10:00 a.m.

AMERICAN CONCRETE PAVEMENT ASSOCIATION

Headquarters
5420 Old Orchard Road
Suite A100
Skokie, IL 60077
Phone: 847-966-2272500

Washington, DC-office
500 New Jersey Ave., NW
7th Floor
Washington, DC 20001
202-638-2272

Chairman Oberstar, Ranking Member Mica, Members of the Committee, and distinguished guests, thank you for the opportunity to contribute to this progress report for transportation infrastructure investments.

My name is Jim Duit, and I am the President of Duit Construction Co., Inc., located in Edmond, Oklahoma. It is my pleasure and privilege to share with you some perspectives today about the *American Recovery and Reinvestment Act* of 2009, and more specifically, about the $27.5 billion invested in our nation's highways, roadways, and bridges.

To frame my comments, I would like to share with you some information about Duit Construction Company and others we have worked with closely on ARRA projects.

Duit Construction is a heavy highway contractor specializing in the construction and rehabilitation of the nation's Interstate and other highways, turnpikes, airport taxiways and runways; and intermodal and distribution-center parking lots. We believe successful construction requires working closely with owners and engineers to determine the best construction methods and designs, which in turn, give owners and the traveling public cost-effective and safe, efficient, and long-lasting pavements.

Today, I am speaking on behalf of Duit Construction, as well as a company we partnered with in a joint venture, TTK Construction, a highway and roadway contractor also located in Edmond, Oklahoma.

In addition to my role with Duit Construction, I have served as the 2001 Chairman of the American Concrete Pavement Association, as well as similar leadership roles with the ACPA-affiliated Oklahoma/Arkansas Chapter. So, in addition to presenting my views about the impact of ARRA on the state of Oklahoma and on these companies, I also am pleased to present a few national perspectives as an at-large contractor member of the American Concrete Pavement Association.

As a starting point, the concrete pavement industry, and certainly we in Oklahoma, welcomed the arrival of the *American Recovery and Reinvestment Act* or ARRA. At one of the lowest points in the recent economic downturn, we were very pleased to see the newly-elected President and his Administration bring this legislation to bear at a time when our nation needed it most. Of course, it also took the will of Congress, and a remarkable bipartisan effort, to make this legislation a reality.

In addition to the President and Congress, the U.S. Department of Transportation also deserves credit for implementing the transportation component of ARRA. Within the U.S. DOT, the Federal Highway Administration was also very quick to issue guidelines for use of the ARRA funds.

A great deal of credit goes to the State of Oklahoma's Secretary of Transportation, Mr. Gary M. Ridley, P.E. You may remember Mr. Ridley's appearance before this Committee in December 2009, but you may not know that his leadership and determination, along with the focus, hard work, and extra effort of his staff at the Oklahoma Department of Transportation, or ODOT, were key factors in bringing ARRA to life in Oklahoma.

Of course, the private sector also played an important role. Companies such as Duit Construction, TTK, and a host of other contractors, suppliers, consultants, trade associations, and others in the industry stepped up to the plate to get the work done quickly, efficiently, and with a focus on quality and safety.

From my perspective, ARRA has been successful in Oklahoma in terms of providing much needed relief and promoting economic recovery, while at the same time providing long-life infrastructure for future economic growth. I believe where ARRA has been successful across the nation, that success has been in direct proportion to the cooperation between the public and private sectors. I will comment more about that shortly, but first, let me provide a sense of the impact we have seen in Oklahoma.

As you know, the transportation portion of the federal economic stimulus bill was $27.5 billion nationwide. Of that amount, Oklahoma's share for transportation projects was $465 million. Of that amount, more than $100 million was set aside for local governments, counties, and towns with highway improvement needs related to the *Americans with Disabilities Act.*

Oklahoma has led nearly every state in putting its transportation stimulus money to work.
To date, 100 percent of the projects in Oklahoma have been obligated.

Oklahoma also has led the way in applying a high percentage of stimulus funds to highway-related projects. All told, there have been 274 ARRA-funded highway and bridge projects contracted in

Oklahoma. An impressive 70 percent of the work is completed and all these finished projects have been paid for.

As you heard from ODOT Secretary Ridley, many of these projects were bridge and highway rehabilitation projects, which ranged from pavement resurfacing to full-scale reconstruction, along with a considerable number of bridge and bridge-approach improvements. These were significant, highly impactful projects that have directly benefited the traveling public.

The Duit/TTK joint venture has been awarded five major ARRA projects, totaling $140 million, of which $88 million worth of work is complete. These included two projects on Interstate-40, two on Interstate-35, and one on U.S. 69.

To give you a sense of how dire these sections were in need of rehabilitation, you may recall hearing from Secretary Ridley that *Parade*[1] magazine last year called Interstate-40 one of the "worst roads in America," and further described it as "broken and potholed pretty badly." The other sections for which we were awarded contracts were in about the same condition.

The following descriptions will provide a broad sense of the project scope, as well as some of the sustainability aspects of these projects.

There were four important hallmarks that were common to each of these projects. First, each of them used sustainable construction or environmentally-friendly methods. Second, these are not quick-fixes, but 30 year pavement design solutions. Third, we worked very closely with the Oklahoma DOT to streamline the plans and expedite the projects. The fourth point is that the research provision in SAFETEA-LU had a direct impact on the successful implementation of these ARRA projects.

The projects included:

- US-69 pavement rehabilitation in Pittsburg and Atoka Counties, a pavement rehabilitation project comprised of a total of 18 lane miles. Sections of US-69 in both counties were originally built in the 1950's. In Atoka County, the pavement was originally 6 inches of asphalt

---

[1] Swift, E., "How We Can Save Our Roads: America's highway infrastructure needs money, manpower — and a new vision," PARADE magazine, March 8, 2009.

on select base, and over the years, numerous asphalt overlays were placed over the original asphalt structure. In Pittsburg County, the roadway was widened in the early 1980's from two to four lanes, also using asphalt pavement. Over time, the asphalt pavement had become badly distressed, so the rehabilitation project involved first milling off the top few inches of asphalt, which will be recycled and reused on a future construction project. Next, bonded, fiber-reinforced concrete overlays were placed atop the existing asphalt structural layers. This roadway now has 4-inch concrete overlays in the driving and passing lanes, and 6 inches in the truck lane. This is significant, because the thicknesses are less than what would be required in a full-scale reconstruction, thereby saving natural resources, fuel, and money.

- Interstate-40 at Yukon (in Canadian County), a 41 year old pavement and bridge rehabilitation project originally constructed with concrete pavement in 1969. The most recent work prior to the current rehabilitation project was some diamond grinding to restore the driving surface in 1992. This section of the Interstate carries and average 39,500 vehicles per day, including an average of 11,060 trucks per day. The pavements and bridge decks were deteriorated extensively. This 10-mile project included pavement restoration and 8 miles of full concrete reconstruction, along with replacement of six bridges. On the first of two sections, we placed a 9-inch unbonded concrete overlay over the existing two lanes, and for the second, we placed 12 inches of new concrete pavement for the widening lane. The project also called for bridge widening to improve capacity and ease congestion throughout the area. Where we needed to remove existing concrete pavements, we recycled the material and used it for the roadway shoulders. Also, as the project progressed, we also removed and recycled some of the temporary concrete pavements used to create temporary detours. Another unique aspect is that we are employing some innovative technology by using a filter fabric interlayer, which was the direct result of technology transfer that came from a European scanning tour led by the Federal Highway Administration. The filter fabric technology is used on this and the following three projects described below.
- Interstate-40 in Muskogee County, a highway and bridge reconstruction project. Originally constructed in 1968, the concrete pavement had exceeded its 20-year design life by a factor of more than two. The most recent repair was diamond-grinding to restore the smoothness and texture, as well as some age-related slab repairs. One of the unique aspects of this project was that 100 percent of the concrete pavement was recycled and then used for base material.

- Interstate-35 in Noble County, a five-mile long unbonded concrete overlay over existing concrete pavement. Originally built in 1963, the concrete had far exceeded its 20-year design life, and along the way, was overlaid with asphalt in 1980, and then again, in 1991. The section used a 9-inch thick concrete overlay, and once again, where we removed concrete, we were able to crush and recycle it, and use it in the cement-treated base materials to create a firm foundation.
- Interstate-35 south of Oklahoma City in Garvin County, a total pavement reconstruction project. Originally built in two sections in 1970 and 1971, the highway was constructed using a 9-inch concrete pavement. The original sections required only minor resealing of joints in 1981, and then, 2-inch asphalt overlays were placed in 1992 on the second section, and in 1995 on the first section. The current project called for the removal and replacement of the existing, distressed concrete pavement with a long-lasting 11-inch concrete pavement. Once again, the concrete was removed and recycled into the cement-treated base.

At the present time, the projects range from 100 percent complete to slightly more than halfway finished. More specifically, the US 69 project is 100 percent complete, the I-40 projects are more than 58 and 51 percent complete The I-35 project in Noble County is 100 percent complete, and the remaining I-35 project is more than 64 percent complete. With the exception of the I-40 in Muskogee, which we expect to finish by March 1, 2011, all of the project work has been or will be completed in calendar year 2010.

In all, some 2.1 million man-hours have been logged on ARRA projects in Oklahoma. Although I cannot speak for the whole heavy and highway construction industry of Oklahoma, I can relate that Duit and TTK have budgeted about 855,000 man-hours for ARRA projects in 2009 and 2010. This translates to about 342 people, based on certified payroll and man hour reports. Although we recognize that jobs creation was one of the purposes of ARRA, the funding for Duit and TTK was more about *retaining* personnel versus creating new jobs. Even so, the ability to retain workers in the current economic climate is certainly far more preferable than the prospect of laying off experienced workers.

My staff and many others of us in the construction industry have had the opportunity to weigh the impacts of ARRA, and in the state of Oklahoma, I would say it has been and continues to be a success, as measured by the rapid deployment of plans, the scope and magnitude of the projects, and the level of project contracts awarded and completed.

From a national perspective, I know that we have heard mixed results, and so relating the Oklahoma experience, I believe the critical success factors unique to the state were as follows:

- As early as October 2008, ODOT Secretary Ridley alerted his staff to prepare for stimulus funding.
- In the ensuing months, nine engineering firms assisted with plan preparations. When the bill was signed into law, ODOT had identified and readied plans for more than a billion dollars of projects. It is my understanding that many of these plans are still on the shelf and ready to bid at a moment's notice should additional funds become available
- Close communications among the DOT and the industry also factored heavily into the success we have seen in Oklahoma.
- Innovation and inventiveness were also to successful implementation in Oklahoma.
- As mentioned previously, research also played an important role in this. Because of the research provision in SAFETEA-LU, along with the contributions of industry and academia, we were able to complete the *"Guide to Concrete Overlays,*[2]*"* which has been distributed to state highway agencies across the country. This is one of the most comprehensive concrete pavement technology transfer initiatives in recent history, and it has already saved taxpayers untold millions of dollars.
- Streamlining also was a hallmark of these projects. These were not short-cuts, but thoroughly vetted plans that were made more efficient for all concerned. For example, on one of the Interstate-40 projects, we were able to submit a change order that allowed us to extend the concrete pavement overlay. This change order saved the taxpayers $3.6 million, thanks to the efforts of ODOT, the design consultant, and FHWA.
- Finally, and for better or worse, there were contractors who were in dire need of work.

[2] Harrington, D., ed., "Guide to Concrete Overlays," Second Edition. National Concrete Pavement Technology Center, Ames, Iowa. http://www.cptechcenter.org/publications/overlays/index.htm. September 2008.

As you have heard from this report, concrete overlays were a pivotal technology used in some of the ARRA projects in Oklahoma, and indeed, in other projects across the nation. In fact, long life concrete overlays are being used increasingly by budget-conscious, performance-driven agencies throughout the United States, because they can be placed over either distressed asphalt or concrete structures.

This rehabilitation technique, first used in 1981[3], provides an alternative to full-scale reconstruction or short-term fixes. In addition to providing a long-term, durable solution, concrete overlays also conserve natural resources, reduce fuel consumption, and provide long-term value to agencies and the traveling public. The National Concrete Pavement Technology Center 's *"Guide to Concrete Overlays"* has been a key to the acceptance of concrete overlays, and combined with the training and technology transfer offered by the Center and the American Concrete Pavement Association, a growing number of agencies, consultants, and contractors are discovering both the performance and economic benefits.

It is accurate to say the Oklahoma experience with ARRA investment in highways and bridges has been generally positive. Words alone do not express the relief and gratitude of Duit Construction, TTK, and others in our industry who were fortunate to be part of this important initiative to "jumpstart our economy, create or save millions of jobs, and put a down payment on addressing long-neglected challenges so our country can thrive in the 21st century."[4]

Notwithstanding the positive experiences we have had in Oklahoma, we are concerned about the future of our nation's surface transportation infrastructure, and we are of course, extremely worried about the proverbial storm clouds that continue to amass on the horizon.

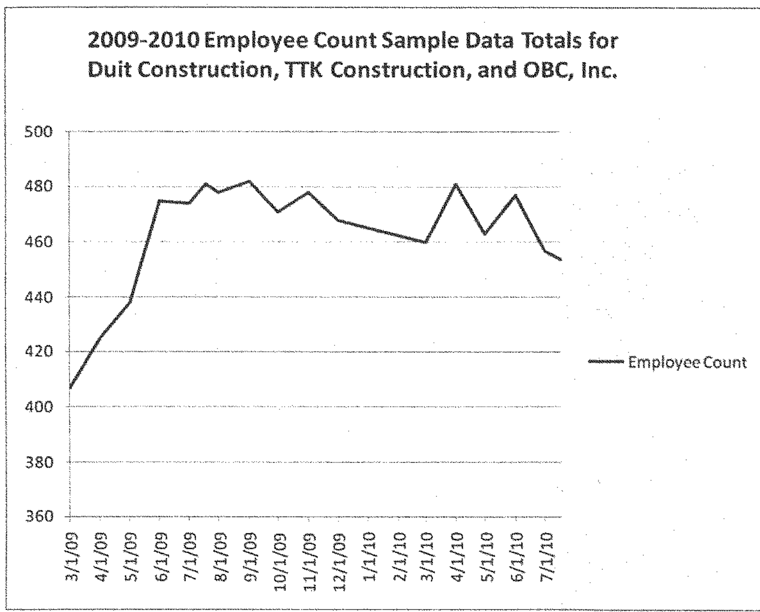
In Oklahoma, we are witnessing a large number of talented, experienced design engineers being laid off or otherwise unable to find work. History has shown this to be a strong indicator that current funding for highway and bridge construction and rehabilitation is diminishing, and without a clear view of the future, it gives us all great pause about our future.

---

[3] "Concrete overlay offers cost-effective alternative to asphalt," Highways for Life website (Innovations subsection), Federal Highway Administration, last modified 06/14/2010. http://www.fhwa.dot.gov/hfl/innovations/whitetopping.cfm

[4] "DOT Information Related to the American Recovery and Reinvestment Act of 2009 (Recovery Act)," U.S. Department of Transportation website, http://www.dot.gov/recovery.

I also want to be clear in my characterization of the jobs. As noted previously, the ARRA projects enabled us to retain many good employees, and indeed, among the three companies employee counts increased from about 407 to as many as 482 during 2009 and 2010, but the numbers have started to fall as a function of completing projects and having no clear idea of future work.



Retaining experienced workers is extremely important to our business, as I believe it is with most businesses. Duit Construction currently has 75 employees that have been with the company for five years or more, which in our case adds up to more than 1,000 years of experience with in the highway construction industry. This is a tremendous amount of experience that we do not want to lose.

Also, right now Duit Construction and TTK, like many other companies in the construction industry, are simply not comfortable investing in long-term capital expenditures. The reason for this is that our businesses simply cannot make such investments without having a solid plan for future infrastructure investments.

Extensions to the current program—although keeping dollars moving to states—have an unintended consequence of slowing the momentum from the ARRA because of the lack of a long-term plan, and as a result, may actually impede businesses' efforts to plan for the future. This creates an unfortunate, but predictable cycle of deferring capital investments, which means factories and machine tools sit idle; consumable products and value-added services go unsold; and good workers get furloughed or laid off. This, of course, ekes away at the nation's collective pride and productivity; it reduces our tax rolls at the federal; state; and local levels; and threatens people's standard of living.

In the absence of a robust, multi-year highway and transit program; a timeline for passage; or durable solutions to the funding issues, many in our industry are concerned that the gains realized from the ARRA will be lost without a robust highway bill now.

Mr. Chairman, the concrete pavement industry is urging quick passage of a multi-year highway bill, as well as the required funding mechanism, such as an increase in the federal motor fuels tax. The concrete pavement industry stands ready and willing to assist you and your T&I Committee colleagues and staffers in finding and advocating for workable solutions. We also are receptive to ways that we can work together to advance the surface transportation bill, and to ensure that it receives the attention it deserves. Re-investment in this nation's transportation infrastructure is desperately needed – our future is in the balance.

Thank you Mr. Chairman and members of the Committee. I will be happy to entertain any questions you may have.

# # #

American Road & Transportation Builders Association

Testimony of

Kevin Gannon
Vice President
Northeast Asphalt, Inc.

Submitted to:
Committee on Transportation and Infrastructure
U.S. House of Representatives

Hearing:
Progress on Implementing the American Recovery and Reinvestment Act of 2009

July 27, 2010

American Road & Transportation Builders Association
1219 28th Street, N.W.
Washington, D.C. 20007
(202) 289-4434

Testimony of Kevin Gannon, Vice President
Northeast Asphalt, Inc., Appleton, Wisconsin

On behalf of the American Road and Transportation Builders Association

Hearing:
Recovery Act: Progress Report for Transportation Infrastructure Investments

House Committee on Transportation and Infrastructure
July 27, 2010

Chairman Oberstar, Congressman Mica, members of the Committee—the American Road and Transportation Builders Association appreciates the opportunity to provide our latest assessment on the American Recovery and Reinvestment Act (ARRA) and its impact on the transportation construction industry. My name is Kevin Gannon. I am Vice President of Northeast Asphalt, Inc., headquartered in Appleton, Wisconsin. I am also the current president of the Wisconsin Transportation Builders Association and a member of the board of directors of the American Road & Transportation Builders Association (ARTBA).

Northeast Asphalt is a professional asphalt production and construction services company that has served the needs of its customers since 1979. We provide asphalt and pavement services and products in about 30 counties of Northeastern, North Central and Northern Wisconsin. We currently have approximately 300 employees. Due to the nation's economic difficulties, our employment roles have declined by 7.5 percent since 2007.

At the outset of my testimony, I would like to again express our industry's appreciation for the leadership and hard work of this Committee and all its members to ensuring transportation infrastructure investment played a key role in the effort to stabilize the U.S. economy. We recognize members of this Committee developed a transportation-based recovery plan well in advance of the 2008 elections and that this proposal was a foundation for the Recovery Act that followed.

It is now well over a year since enactment of the Recovery Act. That landmark legislation provided $48 billion for transportation improvements, including $27.5 billion for highway improvements, $1.1 billion for airport improvements, $8.4 billion for public transportation, $8 billion for high speed rail and $1.5 billion of discretionary funds for large transportation projects.

The Recovery Act has been immensely successful in supporting transportation construction and construction jobs in the United States. This is virtually the only construction market that did not suffer a serious downturn during the Great Recession, largely because of the Recovery Act. Over the last several years, the transportation construction industry has witnessed recession induced cutbacks in state transportation investment, a major decline in private sector transportation work, and the Recovery Act's transportation investments have been the lone bright spot for our sector.

The Recovery Act, however, is no panacea for the nation's transportation investment needs. It provided a temporary injection of funds into the transportation construction market which offset cuts in state and local transportation investment. Its impact will begin to evaporate next year, potentially resulting in layoffs for thousands of highway and transportation construction workers. Last year, Congress made the important decision to support jobs and the economy by stimulating construction work on highways, bridges, airports and transit. It is now time for Congress to build on that success by enacting a multi-year surface transportation authorization bill before the end of this year, funded at the level this Committee has recommended.

The highway, transit and airport improvement funds were distributed to state and local governments 16 months ago. During that time, ARTBA has closely tracked the impact of ARRA funds on the transportation construction market.

When Congress was debating the Recovery Act at the start of 2009, critics argued that state and local governments would not be able to obligate the transportation funds and get projects underway in time to have an impact during the recession. The facts show they were wrong. Congress set a deadline of one year to obligate the highway, airport and transit funds and that deadline was met. Not one state or local government returned Recovery Act funds for failing to meet the obligation deadline.

The Federal Aviation Administration did an excellent job moving the $1.1 billion of Recovery Act funds provided for airport improvements. Over $800 million of grants had been awarded by the end of June 2009 and virtually all of the $1.1 billion had been awarded by the end of September, just months after the bill was passed. More than 360 ARRA-financed airport construction projects are either underway or completed, supporting jobs either directly or indirectly for more than 30,000 workers throughout the United States.

Most state and local governments also did an excellent job obligating their Recovery Act highway funds and getting projects underway. By the end of 2009, more than $22 billion of the ARRA highway funds had been obligated, and all of the funds were obligated by the March 2, 2010, deadline. As of July 16, 2010, 11,284 highway and bridge construction projects had been given a notice to begin construction and 3,086 projects had actually been completed.

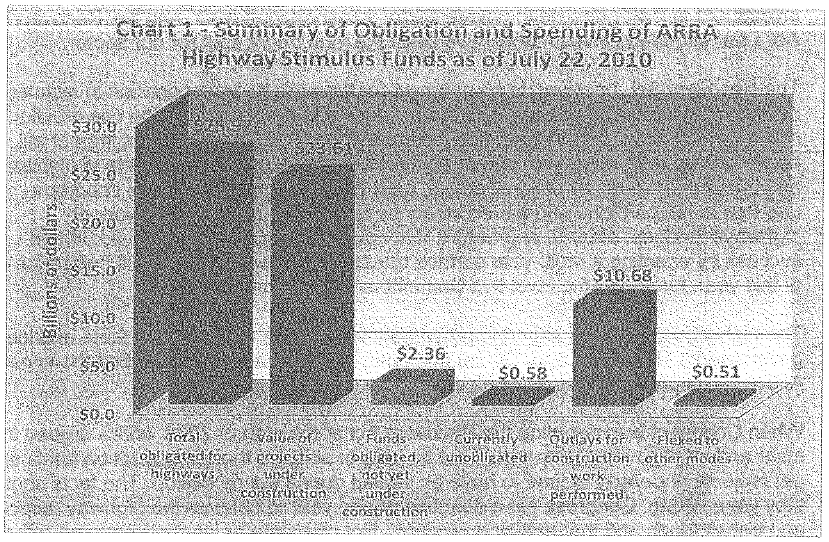


Chart 1 shows the current status of Recovery Act highway funds. As of July 22, 2010, $25.97 billion has been obligated for highway, bridge and related improvements, representing 96 percent of the total that was apportioned to the states, the District of Columbia and the U.S. territories. Of this, $23.61 billion represents funding for the 11,284 projects that have gone through the entire bidding process and have received a notice to proceed to construction or have been completed. Another $2.36 billion represents funds that have been obligated for 1,493 projects that are not yet underway but should be soon. And, finally, $510 million of the Recovery Act highway funds were flexed to other modes, including transit, rail and port improvements, as was permitted by the law. This is shown by the last bar in the chart.

As state and local highway agencies put Recovery Act projects out for bids, the low bid was often less than expected and less than had been obligated. As a result, states have been able to free up $580 million from the original projects, as shown by the fourth bar in Figure 1, and are now putting that into additional projects. In Wisconsin, an additional 11 projects worth an estimated $29.3 million are being advanced so that funding can be obligated by the stimulus bill's Sept. 30 deadline.

The fifth bar in the chart shows outlays to date of Recovery Act highway funds, which represents the amount of construction work actually completed. To date, outlays have totaled $10.68 billion, or 39.5 percent of Recovery Act highway funds. And as we get into the construction season, that number should grow swiftly. During 2009, outlays totaled $5.6 billion. So far this year, $5.1 billion has been paid out and, based on Congressional Budget Office projections, the 2010 total should be over $10.5 billion.

Details by state as of last week are shown in Table 1 of my testimony.

My own company, Northeast Asphalt, is involved with 66 Recovery Act projects in Wisconsin and 7 projects in Michigan. The size of these contracts range from $2,500 to $16 million. Due to a more than 50 percent decline in our private sector work over the last several years, we have not been able to add new employees. However, our Recovery Act work has certainly helped us hold on to our existing work force.

Mr. Chairman, I know creating jobs is a political hot button right now, but as an employer saving jobs is just as important to me. Few things in our business are as difficult as having to let someone go solely because we do not have enough work. Headlines aside, there is nothing second class about job retention.

To assess the impact of the Recovery Act on transportation construction, ARTBA tracks two measures. One is the value of new contracts awarded by federal, state and local transportation agencies for construction projects and the other is the value of construction work put in place on transportation and transportation-related construction projects. We track these measures in both nominal dollars and in real terms after adjusting for the impact of inflation on transportation construction costs.

Table 1 - Progress Report on Use of ARRA Highway Funds as of July 16-22, 2010

	Obligations for Highway Projects		Under Construction or Completed			
	Number of Projects	Amount	Number of Projects	Amount	Outlays	Flexed to Other Modes
ALABAMA	322	$507,665,667	286	$489,237,172	$233,246,988	$1,767,770
ALASKA	28	$173,049,714	24	$162,449,950	$81,026,778	$5,000,000
ARIZONA	184	$484,634,978	166	$379,805,850	$178,442,088	$1,047,382
ARKANSAS	128	$330,914,884	117	$316,013,259	$116,346,408	
CALIFORNIA	943	$2,469,597,715	577	$1,889,844,083	$623,811,951	$31,941,870
COLORADO	108	$383,319,634	100	$378,743,418	$190,643,790	$18,600,000
CONNECTICUT	137	$291,836,500	84	$246,073,345	$78,769,854	$2,800,000
DELAWARE	36	$119,152,064	32	$112,338,370	$39,245,334	
DIST. OF COLUMBIA	15	$117,598,027	12	$95,013,918	$23,852,265	
FLORIDA	612	$1,293,640,295	522	$1,093,393,274	$374,284,789	$1,583,590
GEORGIA	369	$894,233,421	327	$810,404,514	$225,320,414	$30,000,000
HAWAII	23	$123,990,233	17	$84,802,259	$23,321,930	
IDAHO	82	$178,405,667	78	$176,447,281	$74,548,980	$3,056,000
ILLINOIS	785	$929,474,562	730	$893,812,317	$556,575,997	
INDIANA	1085	$646,930,829	1085	$646,930,829	$333,312,324	$240,000
IOWA	233	$356,807,114	233	$356,807,114	$269,442,602	$539,424
KANSAS	145	$344,930,298	127	$323,230,550	$100,491,617	
KENTUCKY	107	$420,139,347	101	$411,339,905	$199,994,039	$955,644
LOUISIANA	119	$430,363,893	97	$390,435,575	$95,953,862	
MAINE	75	$137,903,441	74	$132,403,441	$103,893,032	
MARYLAND	171	$409,699,458	105	$299,031,582	$152,250,049	$17,100,000
MASSACHUSETTS	87	$353,132,699	62	$256,916,358	$96,380,697	$59,659,500
MICHIGAN	733	$847,873,395	713	$837,586,966	$424,304,097	$606,119
MINNESOTA	208	$499,821,125	202	$490,418,156	$311,502,533	
MISSISSIPPI	171	$353,217,369	164	$349,195,673	$241,713,413	$1,705,015
MISSOURI	335	$636,426,805	314	$613,151,498	$292,739,118	$365,139
MONTANA	84	$206,729,383	81	$204,687,216	$116,792,175	
NEBRASKA	122	$226,514,454	120	$226,024,374	$120,887,291	
NEVADA	70	$195,993,805	59	$179,773,504	$53,569,304	
NEW HAMPSHIRE	34	$129,440,556	34	$129,440,556	$69,801,427	
NEW JERSEY	163	$648,082,612	98	$541,528,031	$231,631,760	
NEW MEXICO	92	$245,618,864	78	$232,199,017	$122,468,791	
NEW YORK	443	$940,344,752	402	$895,976,910	$333,564,422	$175,466,000
NORTH CAROLINA	384	$702,462,882	371	$687,704,704	$299,650,557	$5,117,000
NORTH DAKOTA	163	$167,068,960	160	$162,907,352	$107,299,453	$2,980,000
OHIO	404	$888,717,328	377	$754,754,503	$242,342,641	$16,850,000
OKLAHOMA	274	$464,655,225	248	$439,393,375	$344,051,949	
OREGON	322	$270,024,470	302	$238,462,934	$162,017,164	$62,276,713
PENNSYLVANIA	315	$1,016,712,918	302	$991,468,354	$444,731,957	
RHODE ISLAND	64	$137,445,725	64	$137,445,725	$68,047,698	
SOUTH CAROLINA	181	$462,702,842	170	$429,635,747	$171,943,146	$2,037,200
SOUTH DAKOTA	52	$186,163,276	52	$186,163,276	$111,833,240	
TENNESSEE	318	$573,739,584	312	$569,287,468	$302,096,565	$1,959,772
TEXAS	477	$2,208,746,035	424	$1,999,671,261	$767,866,592	$17,000,000
UTAH	122	$207,702,295	115	$200,524,123	$171,533,622	$1,961,852
VERMONT	71	$125,668,828	68	$120,006,105	$81,734,041	
VIRGINIA	137	$632,155,607	53	$269,229,074	$71,847,087	$48,430,459
WASHINGTON	217	$462,863,868	207	$456,352,890	$281,613,918	$1,699,484
WEST VIRGINIA	153	$211,143,591	124	$190,745,242	$116,514,665	
WISCONSIN	410	$526,498,760	410	$526,498,760	$308,074,675	
WYOMING	65	$152,141,106	61	$150,186,106	$115,693,086	
STATE TOTAL	**12,378**	**$25,724,096,860**	**11,041**	**$23,155,893,265**	**$10,659,022,175**	**$512,745,933**
Territories, fed lands	399	$552,307,453	243	$449,263,387	$24,416,235	$0
GRAND TOTAL	**12,777**	**$26,276,404,313**	**11,284**	**$23,605,156,652**	**$10,683,438,410**	**$512,745,933**

Source: ARTBA semimonthly ARRA reports; Federal Highway Administration web site

Impact of ARRA on New Contract Awards

Table 2 shows the impact of the Recovery Act on new contract awards for highway and bridge construction projects as well as for airport and transit rail construction. The most dramatic impact occurred during 2009, particularly for airports and transit rail. The FAA, as we pointed out earlier, got airport construction projects underway quickly last year and their success is reflected in the 73.7 percent increase in new contract awards for airport projects last year. ARRA transit funds at least partially contributed to the 55.9 percent increase in the value of new contracts awarded last year for transit rail construction projects. For highway and bridge construction, the increase in new contract awards last year was more modest in percentage terms, 7.1 percent, but that represented more than $3.7 billion.

During the first half of this year, there has been an additional 4.6 percent increase in the value of new contract awards for highway and bridge construction. New contract awards for airports and transit, on the other hand, have receded to a more normal level this year, reflecting the fact that most of the ARRA-financed projects were awarded during 2009.

Table 2 – Value of New Contracts Awarded for Transportation Construction Projects (millions of $)

Mode	2008	2009	Percent Change		Jan.-Jun. 2009	Jan.-Jun. 2010	Percent change
Highways and bridges	$53,120.0	$56,889.5	7.1%		$27,932.8	$29,216.6	4.6%
Airports	$1,627.6	$2,868.8	73.7%		$1,299.4	$596.2	-54.1%
Transit rail	$3,000.0	$4,675.8	55.9%		$2,816.6	$1,385.0	-50.8%
All transportation, inc. ports	$58,809.7	$65,450.1	11.3%		$32,647.4	$31,589.2	-3.2%

The dramatic increase in new contracts awarded during 2009 will have an even larger impact on transportation construction activity and jobs than the numbers in Table 2 suggest. Last year, prices for highway construction materials fell for the first time since 2003. The price of asphalt, in particular, plunged. With the cost of materials down, the Recovery Act could finance more projects and support more jobs than originally anticipated. Based on ARTBA's calculations, the 7.1 percent increase in new contract awards for highway and bridge projects will actually support a real increase of 10 percent or more in construction activity and jobs as these projects proceed. Unfortunately, materials costs are up a bit this year, which means real highway and bridge construction will show less than the 4.6 percent increase in the value of new contract awards, probably in the 1 to 2 percent range. Tables 3 and 4 of our testimony present the same new contract award data by state, in both nominal and real terms. A U.S. map with 2009 contract awards is located at the end of my testimony that shows 37 states and the District of Columbia increased highway awards in 2009.

Table 3 - Annual Highway and Bridge Contract Awards (in millions $)									
	Nominal Value		Number		Real Value*		Nom Value	Number	Real Value
	2008	2009	2008	2009	2008	2009	% Change	% Change	% Change
Alabama	$742.04	$903.08	452	467	$710.04	$903.08	21.7%	3.3%	27.2%
Alaska	$266.74	$366.22	149	170	$255.24	$366.22	37.3%	14.1%	43.5%
Arizona	$1,087.49	$1,249.85	285	307	$1,040.60	$1,249.85	14.9%	7.7%	20.1%
Arkansas	$355.44	$477.82	216	341	$340.11	$477.82	34.4%	57.9%	40.5%
California	$5,355.30	$4,770.00	2,694	2,720	$5,124.36	$4,770.00	-10.9%	1.0%	-6.9%
Colorado	$850.05	$558.82	476	440	$813.39	$558.82	-34.3%	-7.6%	-31.3%
Connecticut	$517.50	$827.23	166	172	$495.18	$827.23	59.9%	3.6%	67.1%
Delaware	$75.30	$222.75	40	53	$72.05	$222.75	195.8%	32.5%	209.1%
District of Columbia	$93.04	$368.75	16	11	$89.03	$368.75	296.3%	-31.3%	314.2%
Florida	$2,540.90	$2,511.48	942	1,100	$2,431.33	$2,511.48	-1.2%	16.8%	3.3%
Georgia	$1,176.75	$984.77	734	700	$1,126.00	$984.77	-16.3%	-4.6%	-12.5%
Hawaii	$334.08	$298.69	124	122	$319.67	$298.69	-10.6%	-1.6%	-6.6%
Idaho	$416.48	$427.16	196	223	$398.52	$427.16	2.6%	13.8%	7.2%
Illinois	$2,672.93	$2,543.32	1,837	2,085	$2,557.67	$2,543.32	-4.8%	13.5%	-0.6%
Indiana	$1,308.32	$1,739.77	891	1,068	$1,251.91	$1,739.77	33.0%	19.9%	39.0%
Iowa	$664.65	$954.86	768	828	$635.98	$954.86	43.7%	7.8%	50.1%
Kansas	$642.31	$839.73	573	487	$614.61	$839.73	30.7%	-15.0%	36.6%
Kentucky	$498.62	$710.20	582	699	$477.11	$710.20	42.4%	20.1%	48.9%
Louisiana	$2,483.71	$2,123.29	571	622	$2,376.60	$2,123.29	-14.5%	8.9%	-10.7%
Maine	$202.91	$268.48	171	194	$194.16	$268.48	32.3%	13.5%	38.3%
Maryland	$1,316.30	$832.39	343	329	$1,259.54	$832.39	-36.8%	-4.1%	-33.9%
Massachusetts	$1,080.83	$908.27	680	553	$1,034.22	$908.27	-16.0%	-18.7%	-12.2%
Michigan	$1,379.40	$1,475.28	1,176	1,276	$1,319.91	$1,475.28	7.0%	8.5%	11.8%
Minnesota	$1,073.69	$1,050.57	978	1,022	$1,027.39	$1,050.57	-2.2%	4.5%	2.3%
Mississippi	$420.78	$785.51	311	452	$402.64	$785.51	86.7%	45.3%	95.1%
Missouri	$948.60	$1,249.19	741	955	$907.69	$1,249.19	31.7%	28.9%	37.6%
Montana	$307.17	$360.53	177	215	$293.93	$360.53	17.4%	21.5%	22.7%
Nebraska	$289.00	$359.68	383	331	$276.54	$359.68	24.5%	-13.6%	30.1%
Nevada	$858.91	$472.11	187	233	$821.88	$472.11	-45.0%	24.6%	-42.6%
New Hampshire	$178.67	$320.12	112	167	$170.97	$320.12	79.2%	49.1%	87.2%
New Jersey	$1,433.73	$1,866.67	895	979	$1,371.91	$1,866.67	30.2%	9.4%	36.1%
New Mexico	$450.83	$491.66	165	174	$431.39	$491.66	9.1%	5.5%	14.0%
New York	$2,765.37	$3,324.60	717	937	$2,646.12	$3,324.60	20.2%	30.7%	25.6%
North Carolina	$1,316.40	$1,339.02	449	700	$1,259.64	$1,339.02	1.7%	55.9%	6.3%
North Dakota	$275.53	$360.03	267	279	$263.65	$360.03	30.7%	4.5%	36.6%
Ohio	$1,867.31	$1,976.14	1,781	1,833	$1,786.79	$1,976.14	5.8%	2.9%	10.6%
Oklahoma	$599.36	$1,166.72	399	563	$573.51	$1,166.72	94.7%	41.1%	103.4%
Oregon	$520.59	$771.61	357	477	$498.14	$771.61	48.2%	33.6%	54.9%
Pennsylvania	$2,778.84	$2,990.04	1,091	1,447	$2,659.01	$2,990.04	7.6%	32.6%	12.4%
Rhode Island	$138.58	$260.57	36	86	$132.60	$260.57	88.0%	138.9%	96.5%
South Carolina	$549.39	$594.12	619	573	$525.69	$594.12	8.1%	-7.4%	13.0%
South Dakota	$250.34	$364.15	297	328	$239.54	$364.15	45.5%	10.4%	52.0%
Tennessee	$919.50	$1,145.52	658	544	$879.84	$1,145.52	24.6%	-17.3%	30.2%
Texas	$3,193.84	$4,173.03	1,416	1,695	$3,056.11	$4,173.03	30.7%	19.7%	36.5%
Utah	$1,031.03	$880.13	262	322	$986.57	$880.13	-14.6%	22.9%	-10.8%
Vermont	$113.93	$193.16	65	89	$109.02	$193.16	69.5%	36.9%	77.2%
Virginia	$1,737.04	$564.40	356	373	$1,662.13	$564.40	-67.5%	4.8%	-66.0%
Washington	$1,102.27	$1,414.07	628	712	$1,054.74	$1,414.07	28.3%	13.4%	34.1%
West Virginia	$606.61	$485.65	431	372	$580.45	$485.65	-19.9%	-13.7%	-16.3%
Wisconsin	$936.23	$1,222.23	786	910	$895.86	$1,222.23	30.5%	15.8%	36.4%
Wyoming	$395.42	$346.04	158	172	$378.37	$346.04	-12.5%	8.9%	-8.5%
Total	$53,120.0	$56,889.5	182	188	$50,829.3	$56,889.5	7.1%	3.3%	11.9%

* Nominal value has been weighted by the ARTBA Price Index, taking into account changes in general inflation, material prices and labor costs - putting everything in current 2009 $

Source: ARTBA Analysis of McGraw Hill Data

Table 4 - Highway and Bridge Contract Awards (in millions $) YTD through June

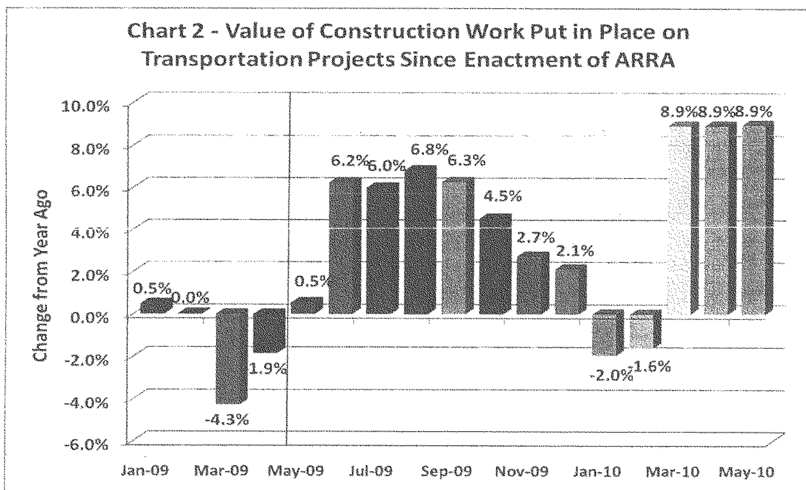
	Nominal Value		Number		Real Value*		Nom Value	Number	Real Value
	2009	2010	2009	2010	2009	2010	% Change	% Change	% Change
Alabama	$360.5	$209.0	189	196	$371.8	$209.0	-42.0%	3.7%	-43.8%
Alaska	$138.5	$143.8	56	78	$142.8	$143.8	3.8%	39.3%	0.7%
Arizona	$800.6	$374.5	157	210	$825.7	$374.5	-53.2%	33.8%	-54.6%
Arkansas	$279.9	$243.7	167	197	$288.6	$243.7	-12.9%	18.0%	-15.6%
California	$2,333.5	$2,063.2	1,292	1,200	$2,406.6	$2,063.2	-11.6%	-7.1%	-14.3%
Colorado	$267.3	$367.0	231	155	$275.7	$367.0	37.3%	-32.9%	33.1%
Connecticut	$226.3	$193.5	87	116	$233.4	$193.5	-14.5%	33.3%	-17.1%
Delaware	$169.8	$60.5	21	21	$175.1	$60.5	-64.4%	0.0%	-65.5%
District of Columbia	$33.0	$21.5	2	2	$34.1	$21.5	-34.9%	0.0%	-36.9%
Florida	$1,365.5	$2,650.8	561	555	$1,408.2	$2,650.8	94.1%	-1.1%	88.2%
Georgia	$362.6	$694.8	215	493	$374.0	$694.8	91.6%	129.3%	85.8%
Hawaii	$119.3	$115.1	54	49	$123.0	$115.1	-3.5%	-9.3%	-6.4%
Idaho	$152.1	$133.1	81	118	$156.9	$133.1	-12.5%	45.7%	-15.2%
Illinois	$1,030.5	$1,451.4	845	1,189	$1,062.8	$1,451.4	40.8%	40.7%	36.6%
Indiana	$1,080.7	$836.3	455	513	$1,114.5	$836.3	-22.6%	12.7%	-25.0%
Iowa	$391.7	$349.3	341	368	$403.9	$349.3	-10.8%	7.9%	-13.5%
Kansas	$572.1	$450.3	268	258	$590.0	$450.3	-21.3%	-3.7%	-23.7%
Kentucky	$305.8	$278.7	342	281	$315.4	$278.7	-8.9%	-17.8%	-11.6%
Louisiana	$746.9	$490.9	258	289	$770.3	$490.9	-34.3%	12.0%	-36.3%
Maine	$153.9	$168.5	116	159	$158.7	$168.5	9.5%	37.1%	6.2%
Maryland	$341.6	$170.2	165	101	$352.3	$170.2	-50.2%	-38.8%	-51.7%
Massachusetts	$493.2	$658.8	257	225	$508.6	$658.8	33.6%	-12.5%	29.5%
Michigan	$837.4	$871.2	611	753	$863.6	$871.2	4.0%	23.2%	0.9%
Minnesota	$557.2	$578.5	552	474	$574.6	$578.5	3.8%	-14.1%	0.7%
Mississippi	$334.5	$297.4	210	257	$345.0	$297.4	-11.1%	22.4%	-13.8%
Missouri	$857.5	$722.4	627	489	$884.3	$722.4	-15.8%	-22.0%	-18.3%
Montana	$152.2	$153.4	89	92	$157.0	$153.4	0.7%	3.4%	-2.3%
Nebraska	$234.2	$254.0	176	210	$241.5	$254.0	8.4%	19.3%	5.2%
Nevada	$246.7	$509.8	100	94	$254.4	$509.8	106.7%	-6.0%	100.4%
New Hampshire	$207.0	$96.5	112	78	$213.5	$96.5	-53.4%	-30.4%	-54.8%
New Jersey	$777.7	$629.2	392	398	$802.0	$629.2	-19.1%	1.5%	-21.5%
New Mexico	$297.1	$275.3	105	145	$306.4	$275.3	-7.3%	38.1%	-10.1%
New York	$1,420.6	$966.2	359	307	$1,465.0	$966.2	-32.0%	-14.5%	-34.1%
North Carolina	$386.8	$1,143.7	216	563	$398.9	$1,143.7	195.7%	160.6%	186.7%
North Dakota	$198.6	$219.8	134	130	$204.8	$219.8	10.7%	-3.0%	7.3%
Ohio	$1,127.2	$1,253.9	878	1,109	$1,162.5	$1,253.9	11.2%	26.3%	7.9%
Oklahoma	$602.4	$421.9	256	317	$621.3	$421.9	-30.0%	23.8%	-32.1%
Oregon	$282.7	$291.2	178	197	$291.5	$291.2	3.0%	10.7%	-0.1%
Pennsylvania	$1,481.9	$1,069.9	754	634	$1,528.3	$1,069.9	-27.8%	-15.9%	-30.0%
Rhode Island	$198.4	$45.3	47	33	$204.6	$45.3	-77.2%	-29.8%	-77.9%
South Carolina	$251.3	$670.3	292	304	$259.2	$670.3	166.7%	4.1%	158.6%
South Dakota	$257.7	$157.2	210	187	$265.8	$157.2	-39.0%	-11.0%	-40.9%
Tennessee	$350.2	$211.4	187	102	$361.2	$211.4	-39.6%	-45.5%	-41.5%
Texas	$2,596.4	$2,824.3	868	803	$2,677.7	$2,824.3	8.8%	-7.5%	5.5%
Utah	$465.7	$1,239.9	174	99	$480.3	$1,239.9	166.2%	-43.1%	158.1%
Vermont	$109.8	$83.5	50	62	$113.2	$83.5	-24.0%	24.0%	-26.3%
Virginia	$325.0	$557.4	167	386	$335.1	$557.4	71.5%	131.1%	66.3%
Washington	$739.7	$537.3	315	252	$762.8	$537.3	-27.4%	-20.0%	-29.6%
West Virginia	$164.3	$252.2	138	236	$169.4	$252.2	53.5%	71.0%	48.8%
Wisconsin	$533.8	$662.6	492	615	$550.6	$662.6	24.1%	25.0%	20.4%
Wyoming	$213.5	$96.4	107	55	$220.1	$96.4	-54.9%	-48.6%	-56.2%
Total	$27,932.8	$29,216.6	182	188	$28,807.1	$29,216.6	4.6%	3.3%	1.4%

* Nominal value has been weighted by the ARTBA Price Index, taking into account changes in general inflation, material prices and labor costs - putting everything in current 2010$

Source: ARTBA Analysis of McGraw Hill Data

Impact of ARRA on Transportation Construction Activity

The final measure that ARTBA tracks is the value of construction work put in place on transportation projects, where there has also been a significant impact from the ARRA. As Chart 2 shows, the value of construction work performed on transportation projects during the first four months of 2009—before ARRA funds began to have an impact--was substantially below the comparable months of 2008. If Congress had not enacted the ARRA, ARTBA's economists forecast that 2009 would almost certainly have ended as one of the few post-war years of negative growth in transportation construction. But once ARRA transportation funds began to kick in, the value of construction work put in place on transportation projects started to grow, beginning in May 2009. During every month since then, with the exception of weather-related declines in January and February 2010, construction activity on transportation projects has been stronger than during the same month of the previous year, as the chart shows. Hopefully, the increase will strengthen even further as we get into the peak transportation construction season this summer and fall.



Conclusion

Mr. Chairman, despite the clear success of the Recovery Act's transportation investments, it is no secret the transportation construction industry is still struggling from a variety of very severe challenges, ranging from significant unemployment rates to budget shortfalls in many states. The fact of the matter is that without the Recovery Act our situation would be dramatically worse.

The ARRA was only intended as a temporary boost. It will continue to support transportation construction work and jobs in 2010, but after that its impact will phase down quickly. Many of the jobs supported by the bill this year and next will then begin to disappear.

Even with the ARRA funds, 2009 was a very uneven and challenging year for many in the transportation construction market; and 2010 and beyond could be much worse.

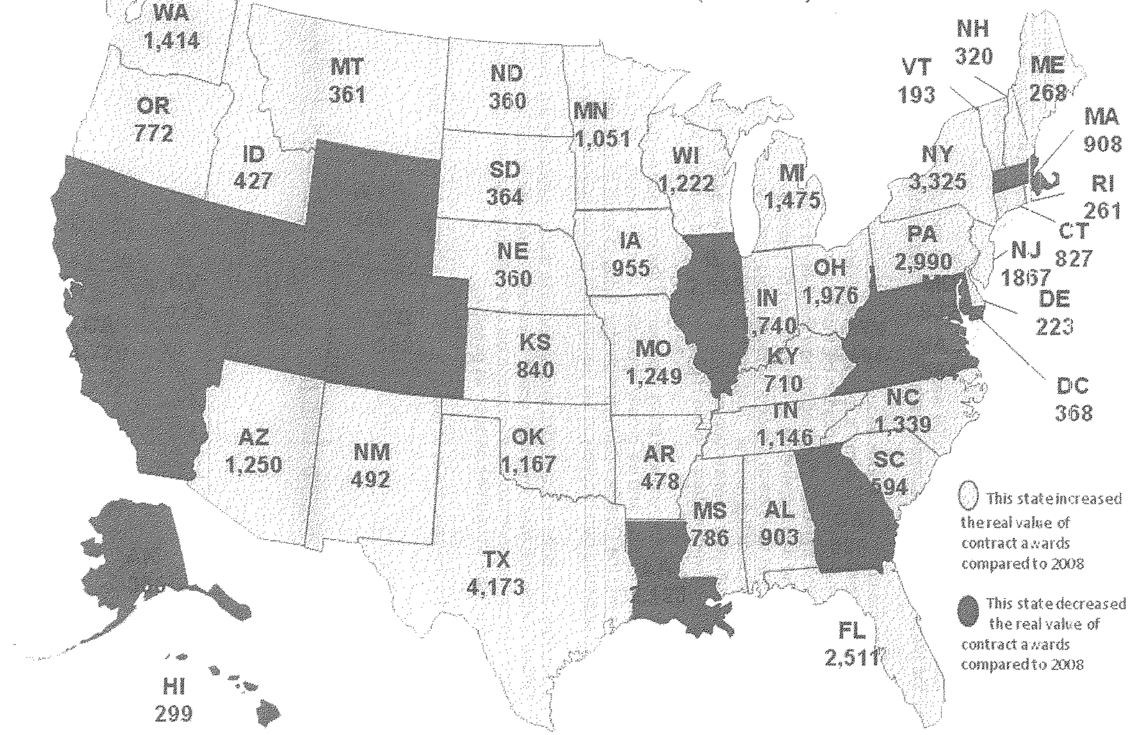
Frankly, the uncertain outlook about the reauthorization of the federal highway and public transportation programs is exacerbating an already difficult situation. It is not just the delay in passing a reauthorization bill that has our industry concerned. It is also the uncertainty and trepidation caused by how the delay is being handled—with short-term extensions and deficit spending. For more than 50 years, the federal-aid highway and transit programs have been a model of responsible, stable and dependable financing—user funded and deficit neutral. That dependability, which is so critical to planning and executing multi-year construction projects, is now threatened by a lack of will to enhance the revenue stream to the Highway Trust Fund to reflect today's realities.

Mr. Chairman, I know you and other members of this committee are trying to address this problem head-on and we greatly appreciate your leadership. Until all members of Congress and the Obama Administration stop trying to avoid this situation, there is little chance of seeing true recovery in the transportation construction industry.

To sustain and build on the ARRA and re-energize the long-term growth potential of the United States, the most important action Congress could take would be to enact a six-year surface transportation authorization bill at the $500 billion funding level proposed by you and your Committee as soon as possible.

Thank you for the opportunity to testify, and I will be happy to answer any questions.

Value of Highway & Bridge Contract Awards In 2009 (millions $)



Source: ARTBA analysis of McGraw Hill Data

American Road & Transportation Builders Association

STATEMENT OF
THE HONORABLE RAY LAHOOD
SECRETARY OF TRANSPORTATION

BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

July 27, 2010

Chairman Oberstar, Ranking Member Mica and Members of the Committee I want to thank you for the opportunity to appear before you today to discuss the Department of Transportation's (DOT) accomplishments in implementing the American Recovery and Reinvestment Act of 2009 (the Recovery Act). For the past 18 months, we have been hard at work at the Department of Transportation ensuring that these funds are used to put American's back to work -- while at the same time addressing America's transportation infrastructure needs. Today, I would like to highlight some of these accomplishments and their impact on the lives of individual Americans.

First, I want to assure all of you that the Recovery Act funding provided for transportation infrastructure projects is "out the door" and making a difference. Of the $48.1 billion provided in the Act to support transportation improvement projects, nearly $38 billion of these funds has been obligated on more than 14,800 highway, transit, aviation, and shipyard projects in every State of the Union, the District of Columbia, and several of the U.S. territories. Just over $16 billion -- or 33% of these funds -- has already been disbursed to repay States and local authorities for project expenses. The remaining funds provided are for America's historic High Speed Intercity Passenger Rail program and projects funded through the $1.5 billion Discretionary Grants announced last February. Groundbreakings for several of these projects have already occurred and more are slated to begin this summer.

Last summer, many of the early Recovery Act projects were in the planning stages or were just getting underway. But as the 2010 construction season has moved into full force, we truly are experiencing a "summer of recovery" in the transportation sector. By the end of this summer, Recovery Act funding will have repaired more than 30,000 miles of roads, highways, and bridges making travel safer and improving mobility for families and commuters everywhere. We are upgrading, renovating, and repairing hundreds of airports by bringing runways, towers, and terminals up to 21st Century standards. Recovery Act funds are helping to increase capacity and efficiency at key ports such as Portland, Oregon and Toledo, Ohio, in major thoroughfares like I-405 in Los Angeles, and airports like Denver International. These improvements to our transportation infrastructure will yield benefits for travelers for years to come.

But this is just part of the story… the Recovery Act is also about jobs. The past few weeks, we have been engaged in direct conversations with Recovery Act project recipients. Specifically, these are the folks who are "on the ground" working on individual transportation projects. We have been listening to their stories, and hearing about the impact these projects are having every day. The people we've spoken with have told us about the importance of their projects not only to safety, and the state of good repair of the transportation systems, but also to their employees and their communities as a whole. In Beech Grove Indiana, the rehabilitation and return to service of dozens of Amtrak train cars saved 77 jobs and led to the Beech Grove Maintenance Facility hiring more than 100 additional employees to keep up with the increased production. This saved several employees' homes from foreclosure, ensured that others could continue to put food on the table, and enabled parents to have the resources they needed to send their kids to summer camp.

It also started an economic ripple effect. In Bear, Delaware, not far from the Amtrak car restoration facility, there is a restaurant called Capelli's. A year ago the owner, Tracy Capelli, had to reduce her workforce by 10 employees, and was seriously considering closing the restaurant. Then the Amtrak car restoration project began ramping up to restore and return to service more cars which allowed the facility to hire more than 50 new workers, nearly all of which had been laid off by the auto industry. Tracy says those new workers are the reason her restaurant is still open today. Thanks to the Recovery Act, Capelli's now serves meals to the

Bear facility workers and the near-by community every day, and Tracy is planning to hire a dozen new workers for the fall season.

For many, the Recovery Act has meant the difference between being unemployed and having a paying job. Bill Montgomery is a Senior Superintendent at Swinerton Builders. He works on a Recovery Act project at Palm Springs International Airport in California, building the new air traffic control tower that will improve safety for air passengers, help to reduce congestion and delays, and provide a better work environment for the FAA controllers. Mr. Montgomery is convinced that he would be unemployed if it weren't for the Recovery Act. He said, "Every time you complete a project, you're concerned about whether you have another project to go to. The Recovery money is fueling that next job."

Then there is Rhea Mayolo who is raising three children in Preston, Maryland. Before the Recovery Act, she was just trying to make ends meet, working two jobs and living off food stamps and energy assistance. Now, she's a consultant helping to oversee the expansion of Maryland 404, the main gateway road to Ocean City, Maryland. When asked about the Recovery Act, she said, "I came from nothing, and now I have a job that is a future for me. Not just a job, it's an actual career. And I love it."

Trevor Eickhoff also credits the Recovery Act with helping him to stay employed. He is a project engineer with Archer Western Contractors in Dallas, Texas. He is working on the Woodall Rodgers Freeway Deck Park, an innovative livability project that will create over five acres of green space and connect Dallas' Uptown, Downtown, and Arts Districts. He considers himself "walking proof" of the success of the Recovery Act: "I'm 25 years old with a mortgage, and I'm still working."

These are just a few examples of where Americans are back at work because Recovery Act projects are providing jobs. Since the beginning of the Recovery Act, we have been measuring the number of jobs resulting from transportation projects and it continues to grow. We estimate that the Department of Transportation's share of Recovery Act investments has generated 160,000 jobs (based on one person working for a full-year) so far, and that that number will grow quickly over the course of this summer. That number represents the total number of jobs, including jobs created in supplier industries and in consumer goods industries when workers go out and spend their paychecks. If we look just at what we call the "direct jobs" – jobs created on the transportation job-site – we estimate that about 41,700 people are at work each and every day on Transportation Recovery Act projects. While I am pleased with the progress we have made in this first 18 months of implementing the Recovery Act, there is still much more that needs to be done. During our Summer of Recovery, we are witnessing many of the larger Recovery Act projects getting underway. In the last three months alone, Federal Highway Administrator Victor Mendez, Deputy Secretary John Porcari, and I have visited 21 projects in States throughout America. In each of these cities, I have had the chance to talk with project employees and hear how the Recovery Act has touched their lives. Their stories are truly amazing.

As we look ahead, work is continuing on our effort to establish America's historic high speed passenger rail program. So far, three individual projects are underway and we expect a ground breaking in Maine to occur in August. The Federal Railroad Administration has already obligated close to $175 million for High Speed Rail, initiating work on several major corridors, including Tampa-Orlando (FL), Charlotte-Raleigh (NC), and Milwaukee-Madison (WI). This is the first step in building this new industry that will deliver expanded and improved passenger transportation, economic recovery, and many other public benefits.

Projects funded through our Discretionary Grant program (TIGER I Grants) are also accelerating rapidly. The Department announced 51 TIGER Discretionary Grant awards on February 17, 2010. These innovative, multi-modal grants are creating jobs and demonstrating how transportation investments help achieve key national objectives, like economic competitiveness and sustainability, among others. The Department is using the program's limited funds to foster substantial co-investment from state and local governments and the private sector and to encourage broad partnerships for well-planned and well-coordinated projects.

The Office of the Secretary and the relevant modal administrations are entering into grant agreements and obligating funds on a rolling basis. Currently, two projects have started construction, a rural road safety project in Pine Ridge, South Dakota, and a state-of-good-repair road project, on the Beartooth Highway, in Wyoming. The next groundbreaking is expected to be in Seattle, where the Mercer Corridor project will get underway in August. By the end of this construction season, we anticipate that another sixteen or so TIGER Discretionary Grant projects will have started construction. One of the Department's key initiatives with respect to the TIGER Discretionary Grant program is working with each of the grantees to develop a performance measurement plan for its project.

While technically not part of the Recovery Act funding, the Department is gearing up to evaluate applications for the $600 million in TIGER II Discretionary Grant funds authorized under the FY 2010 Appropriations Act. Yesterday, July 26, was the deadline for submitting pre-applications for this program, and the deadline for submitting TIGER II applications is August 23, 2010. The number of pre-applications we received demonstrates the continued robust interest in a program like this.

The TIGER programs have provided opportunities for the Department to do many innovative things that have little precedent in traditional Federal transportation investment programs. We have applied rigorous analytics to a multi-modal project evaluation process and are working towards real, sustained performance measurement. As we break down modal silos within the Department and working with other Federal agencies to better align and integrate our public service efforts, we are focused on demonstrating substantial value for every taxpayer dollar we invest.

Again, thank you for the opportunity to share the Department's accomplishments in meeting the goals of the Recovery Act. I will be happy to answer your questions.

Testimony Before:

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE

Subject:

IMPLEMENTATION OF THE
AMERICAN RECOVERY & REINVESTMENT ACT OF 2009

By: BRIAN MACLEOD
SENIOR VICE PRESIDENT
GILLIG LLC
25800 CLAWITER ROAD
HAYWARD, CA 94545
PH: 510/785-1500

July 27, 2010

Good morning Mr. Chairman, Congressman Mica, Honorable Members, Counselors, Committee Staff, and special guests.

BACKGROUND

My name is Brian Macleod and I represent the employees and owners of GILLIG LLC, a 100% American manufacturer of transit buses.

GILLIG is a 120 year old American company that started in San Francisco as a builder of horse drawn buggies and carriages. We are still in the San Francisco Bay Area and still in the transportation business, except now we build modern heavy duty hybrid electric and fuel efficient transit buses that we and most of our customers believe are the most reliable and most economical buses available in the U.S.

GILLIG is the second largest transit bus manufacturer in North America and we believe we are the last surviving U.S. owned and operated major transit bus manufacturer left in America. Others like GM's Truck and Bus Division, AM General and the Flxible Company have all closed down, but GILLIG has survived because we have dedicated, hardworking American employees, great products and a true commitment to our American customers. We have a unionized workforce and about 700 direct employees and they produce about 1,500 buses per year that are operated by transit systems across our great country from Alaska to Florida and Massachusetts to Hawaii.

ECONOMIC CONDITIONS

The current economic downturn which began about 2 years ago caused many companies to lose money, cut back production and lay off workers. However things are different at GILLIG, thanks to the Recovery Act, as I'll explain.

Our customers are transit agencies who normally buy buses with a combination of Federal money that is matched with local funding from their state, county, city or other local sources. But the economic slowdown has caused their local budgets to be cut, leaving them with fewer local matching dollars which in turn reduces the Federal funding available to them. So early last year our customers began telling us that they would have to reduce their bus order size due to insufficient funding.

This of course concerned us greatly because that would mean we would have to cut production and layoff some of our employees. Hardworking, dedicated employees who had done nothing wrong and did not deserve this fate. However the Recovery Act came to our rescue and just in time. It included 100% Federal funding for buses without the need for a local match. So our customers who qualified for ARRA funds were able to buy the replacement buses they desperately needed. Without the Recovery Act funds we would have seen order cancellations and reductions which in turn would have resulted in cutbacks and layoffs.

However our story gets better. Some customers were able to also buy one or two extra buses, so we actually booked more buses than anticipated and accordingly we were able to increase production slightly and actually hire additional fulltime employees.

GILLIG'S SITUATION

In the last 15 months or so we received bus orders from over 160 different customers for a total of about 1,000 buses. These buses represent about 500 man years of direct employment, and if you add indirect supplier jobs the total is about 3,000 full time jobs for a year. The orders came from transit agencies all over the country, some of the cities receiving ARRA funded buses from us are:

San Jose, CA	–	63 buses
Buffalo, NY	–	56 buses
W. Palm Beach, Fl	–	43 buses
Albany, NY	–	40 buses
Dayton, OH	–	30 buses
Memphis, TN	–	25 buses
Kansas City, MO	–	24 buses
Omaha, NE	–	24 buses
Salt Lake City, UT	–	12 buses

Prince George's Co., MD	–	12 buses
Orlando, FL	–	8 buses
Montgomery, AL	–	8 buses
Etc.		

As a result we have increased our fulltime employment by 40 people, instead of laying off about 160 to 180, which is probably what we would have been forced to do without the Recovery Act. So we actually saved about 170 jobs and added another 40. That's 210 Gillig families that are directly benefiting.

It gets even better! In our industry the job multiplier is about 5 or 6, which means that our 210 jobs possibly saved another 1,000 supplier jobs. However the multiplier factor is very complicated to determine, so I can't be certain about that number, but we know that around 1,000 families benefitted from the recovery act funds that Gillig received, and these are well paid secure jobs.

So on behalf of all our employees and their families, as well as the families of our supplier companies, I thank this Committee, this Congress and this Administration for proposing, thoughtfully devising the transit funding rules and then passing the Recovery Act. We really appreciate the ARRA and have done our best to fulfill its purpose by sustaining and creating U.S. jobs in a dismal economy. Gillig has recycled all that funding back into the U.S. economy, through U.S. workers and their families.

However the benefits don't end there because transit produces multiple benefits. The buses bought with these funds are more energy efficient, more comfortable with better amenities, safer and generate fewer emissions than the buses they replace, and being new and more efficient these buses also cost less to operate. So the general public benefits from better buses, our employees' families benefit from good jobs, and our environment benefits from energy and emission reductions.

THE FUTURE

The Recovery Act has secured our orders and our jobs through next year, but I'm fearful that without Congress's help the slow recovery will threaten our jobs in 2012 and 2013.

State and local budgets are continuing to be cut, so bus orders are likely to start dropping soon, now that the ARRA funding has been used up. This means we could have to cut production late next year. So please consider ways to redirect any unused Recovery Act monies to transit where we can multiply the benefits. We have proven that we used the ARRA funds very efficiently and effectively to maximize its benefits. These funds were well spent and were good for the U.S. economy (fully recycled in the U.S.), good for U.S. families (sustained and created U.S. jobs), good for the general public (better buses encourage transit use and lessen congestion), good for U.S. industry (transit helps mobility efficiency), and good for the environment (less energy, fewer emissions). Gillig and our industry multiplied the benefits of those recovery act dollars resulting in multiple benefits to our communities. So investment in our infrastructure is one of the best ways for Congress to stimulate our economy, create good jobs and generate other benefits for our citizens and our country. A true win, win, win.

Thank you again for an effective and very beneficial Recovery Act, thank you for your time, and please help our future with additional Recovery Act funding if possible, and please also do what you can to get a new 6-year Transportation Bill passed — I promise we'll use the money wisely and multiply its benefits.

Written Testimony of Steve Millsap

Assistant Vice President, Structures

BNSF Railway Company

Before the House Transportation and Infrastructure Committee

For a Hearing on "Progress on Implementing the American Recovery and Reinvestment Act of 2009"

July 27, 2010

Steve Millsap, AVP Structures
BNSF Railway Co.
2600 Lou Menk Drive
Fort Worth, TX 76131
(817) 352-1915

Introduction

Chairman Oberstar, Ranking Member Mica and distinguished Members of the Committee—thank you for the opportunity to appear here today to discuss the progress being made on the Burlington Bridge span replacement project, which is being funded in significant part through Congressional appropriations included in the American Recovery and Reinvestment Act of 2009 (ARRA). My name is Steve Millsap and I am Assistant Vice President for Structures with BNSF Railway Company. In this capacity, I have responsibility for BNSF's bridges, tunnels, snow sheds, other structural assets and facilities.

You are probably somewhat familiar with BNSF. It operates one of the largest freight rail systems in North America with approximately 32,000 route miles in 28 states and two Canadian Provinces. BNSF is the leading intermodal rail carrier, handling millions of shipments every year that could go by truck but are shipped on our railroad. We serve all major ports on the West Coast and Gulf of Mexico, with key routes between Southern California and Chicago, and the Pacific Northwest and Chicago. BNSF is also the largest grain hauling railroad in the country and has major coal and industrial products franchises as well. BNSF employs close to 40,000 men and women around the country who are dedicated to consistently meeting our many customers' expectations.

The Burlington Bridge

The Burlington Bridge was originally built in 1868 by the Chicago, Burlington and Quincy Railroad (CB&Q), a BNSF predecessor road, spanning the Mississippi River between Burlington, Iowa and Gulf Port, Illinois. At the time of construction it was a celebrated engineering marvel, stretching over two thousand feet and the first all metal structure to cross the river. It was built by post-Civil War labor forces of stone masonry piers and wrought iron spans and began as a single track line but was later expanded to accommodate a second track. Upon opening, the bridge immediately played an important role carrying the many people and goods which propelled the young nation's western expansion into the twentieth century.

BNSF's Burlington Bridge continues to be a critically important infrastructure component along the freight and passenger rail corridor between Chicago and Denver and on to California. It carries an average of 34 freight trains per day with peak days of 40 trains, equating to 110 million gross tons of freight in 2009 including electricity-producing coal, consumer goods, industrial products and agricultural commodities. It also handles two daily Amtrak California Zephyr intercity passenger trains. Finally, the bridge is included on the U.S. Military's Strategic Rail Corridor Network (STRACNET), recognizing it as critical infrastructure for the movement of important military equipment in times of defense emergencies.

The bridge sits at the intersection of two different modes of transportation with marine traffic moving up and down the Mississippi River. This is the reason for the bridge's 362-foot movable swing span which opens an average of 300 times per month to allow barges and large pleasure crafts to pass through. The bridge is manned twenty-four hours a day by BNSF bridge tenders who open it upon water vessel demand.

The swing span, however, provides only 147 feet of horizontal clearance for these vessels, requiring wide barges to break tow to move through the bridge and reassemble on the other side. The narrow opening also presents navigation challenges for most other commercial traffic, which must slow down if going downstream and utilize assist tugs during periods of high water. This adds great delay and risk to both the railroad and commercial water traffic and unfortunately accounts for the bridge being struck by marine vessels on a regular basis. In fact, based on information gathered by the United States Coast Guard (USCG) and American Waterway Operators (AWO), the Burlington Bridge is the third most struck bridge in the nation.[1] On August 6, 1991 the USCG declared the bridge a hazard to navigation and an "Order to Alter" was issued by the Coast Guard Commandant. Thereafter BNSF began planning for the improvement of the bridge to provide channel clearances for the reasonable needs of navigation under the provisions of the Truman-Hobbs Act of 1940.

The Burlington Bridge Span Replacement Project and the ARRA

The Truman-Hobbs Act provides the authority and procedures for the alteration and removal of bridges which are found to unreasonably obstruct the navigable waters of the United States. The most relevant part of the Act for purposes of today's hearing is that it requires the federal government, in this case the Coast Guard, to share with owners the cost of altering such bridges. The Coast Guard's share of funding for the Burlington Bridge span replacement was ultimately determined to be approximately $75.2 million and would normally have come through the regular Congressional appropriations process.

However, despite the fact that the Burlington Bridge order to alter was issued in 1991, it was not until passage of the ARRA in February 2009 that the necessary federal

[1] Report of the Coast Guard-AWO Bridge Allision Work Group, May 2003

funding became available to move the project forward. Until that point, less than half the needed amount was made available over the course of numerous appropriations cycles.[2] With the federal funding commitment fully in place through the ARRA, BNSF moved forward expeditiously to award the project for construction which began in November 2009.

The Burlington Bridge span replacement project under the Truman Hobbs Act consists of replacing the swing span with a modern 356-foot vertical lift span which will increase the channel width to 300 feet (more than double the previous horizontal clearance). It will also reduce the amount of time it takes to open and close the span. The current swing span requires approximately forty minutes to complete the operation while the new vertical lift will take only twenty minutes. Once finished, the project will greatly improve navigation for waterborne traffic through the bridge and reduce railroad delays caused by either waiting for vessels to slowly navigate the narrow opening or vessels actually striking the bridge and causing a temporary bridge outage.

The total cost is currently estimated at $83.5 million with BNSF contributing approximately $8.3 million to the project. BNSF has also decided to move forward with a significant private investment of $72.2 million to simultaneously replace the seven older bridge approach spans on both sides of the new vertical lift span. Weather and river levels permitting, the entire 2,004-foot bridge will be replaced by December 2011.

The opportunity for the span replacement project to move forward now has immediate positive implications beyond the future operational and safety advantages for river traffic, our railroad and overall national commerce. The project has ensured the

[2] From 2001 until passage of the ARRA, $26.3 million was made available through the traditional appropriations process.

retention of 37 well paying jobs by the primary contractor, Ames Construction, and the various foundation, electrical and steel erection subcontractors including local companies like Millard Electrical and Beamis Welding and Fabrication. In addition to employee retention, eight new jobs were created as a direct result of this project. These numbers together equate to 43.98 full time employee equivalents (FTEs) as officially reported for the third quarter of fiscal year 2010. Roughly eighty percent of the daily project crew are local Iowa and Illinois residents.

The reported job numbers do not tell the full story of the economic benefits of this project. Local vendors, such as equipment rental companies, a ready-mix concrete plant, trucking companies, and small material suppliers have all felt the positive effects of this project. The numbers also do not tell, for example, about the three steel fabricator plants that have had steady work related to this project for up to 12 months. Machinery fabricators, reinforcing steel fabricators, steel casting suppliers, and many other non-reported jobs have all been positively affected by this project.

The project is now 33 percent complete. The schedule for construction and completion of the span replacement project contemplates a new operational and functional bridge by March 2011 with substantial completion by May 2011. With this schedule and performance, the transportation and safety benefits of the Burlington Bridge project will begin to be realized only nineteen months after receiving the formal Notice to Proceed (NTP).

<u>Conclusion</u>

BNSF Railway is pleased with the progress of the Burlington Bridge project and proud of its long history of investing in and successfully managing large infrastructure projects. Our railroad is currently looking at a number of additional large rail infrastructure projects across the network which will deliver significant benefits not only to BNSF but also the communities and regions through which we operate. One such project is in the backyard of our company headquarters in Fort Worth, Texas—the Tower 55 rail interlocking. Tower 55 has been called one of the busiest and most congested rail intersections in the country, with more than 100 freight and passenger trains moving through the area every day. Tackling the needed infrastructure improvements at this chokepoint would not only provide immediate near-term job creation, much like the Burlington bridge project, but also tremendous ongoing economic, environmental and safety benefits to the region and state. As at least a few of the members of this committee know, BNSF continues to explore various public-private funding options with local, state and federal officials in hopes of moving forward quickly to unlock the benefits associated with fixing Tower 55.

Mr. Chairman, thank you again for inviting me to testify here today. At this point I'd be happy to answer any questions you or other Members might have.

U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

John L. Mica
Ranking Republican Member

James W. Coon II, Republican Chief of Staff

August 10, 2010

Mr. Steve A. Millsap
Assistant Vice President of Structures
BNSF
2650 Lou Menk Drive
Fort Worth, Texas 76131-2830

Dear Mr. Millsap:

Thank you for your testimony before the Committee on Transportation and Infrastructure on July 27, 2010, concerning implementation of the American Recovery and Reinvestment Act of 2009. I am pleased you were able to appear and testify on behalf of BNSF. The Committee gained valuable insight from the information you provided at the hearing.

Enclosed please find questions for written response for the record. The Committee would appreciate receiving your written response no later than August 31, 2010. Please submit your response via U.S. mail to Joseph Wender at 2165 Rayburn House Office Building, Washington, D.C. 20515. Additionally, please provide an electronic version of your response via email to Joseph.Wender@mail.house.gov.

If you have any questions please contact Joseph Wender at (202) 225-4472.

Sincerely,

Jim Oberstar

James L. Oberstar, M.C.
Chairman

Enclosure

Questions Submitted in Writing by Congresswoman Grace Napolitano
For Mr. Steve A. Millsap
Assistant Vice President of Structures
BNSF
House Committee on Transportation and Infrastructure
Hearing on "Recovery Act: Progress Report for Infrastructure Investments"
July 27, 2010

1. Mr. Millsap, many of the high speed rail routes being proposed across the country would use right-of-way that is currently owned and operated by freight railroad companies. Railroad companies and public safety advocates have opposed government efforts to take freight railroad right-of-way. They feel high speed rail may hinder freight rail operations, move more freight onto the highways, and slow down the national goods movement system. Do you agree with these concerns? Pleas explain.

   BNSF has a long history and solid reputation of working cooperatively with the public on intercity and commuter rail projects across its network. There are some basic principles of fairness around these types of partnerships—what BNSF refers to as its Passenger Principles. In general, the first key principle is that where access by passenger providers to freight rail networks is feasible, it must be negotiated at an arm's length with freight railroad that owns the right of way. This includes joint use tracks and rights of way, as well as opportunities for shared corridors with separate track structure for freight and passenger service. The second is that the impact on present and future corridor capacity must be mitigated to ensure that freight rail capacity is not reduced. Speed differences between passenger and freight trains and particular passenger service requirements must be taken into account when assessing these capacity needs. The freight railroad must be fairly compensated for the use of its right of way including assignment of costs based on the ongoing expense of passenger services, such as the cost of upgrading and maintaining track, signals and structures to support joint freight and passenger operations and the cost of maintaining and improving the safety and reliability of highway/railroad grade crossings in joint use corridors. Finally, all host railroads must be adequately and comprehensively protected through indemnification and insurance for all risks associated with passenger rail service on their lines and within their rights-of-way.

2. Mr. Millsap, do you have concerns that any of the high speed rail proposals awarded by the Recovery that will use our right of way? If so, why?

BNSF has supported various state agencies' applications for Recovery Act High Speed and Intercity Passenger Rail (HSIPR) funding based upon how we have handled prior state investments under existing or prior agreements with such states and Amtrak. Therefore, to the extent the basic structure of those agreements remains intact to govern new investments, BNSF has no concerns with Recovery Act HSIPR grants which involve its rights-of-way. However, BNSF would be concerned about ex post facto changes which may upset the carefully balanced approach to these types of public-private partnerships.

NATIONAL STONE, SAND & GRAVEL ASSOCIATION

Natural building blocks for quality of life

STATEMENT OF

BILL SCHNEIDER, PRESIDENT/CEO OF KNIFE RIVER CORPORATION

ON BEHALF OF THE NATIONAL STONE, SAND & GRAVEL ASSOCIATION

REGARDING RECOVERY ACT: PROGRESS REPORT FOR TRANSPORTATION INFRASTRUCTURE INVESTMENTS

BEFORE THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. HOUSE OF REPRESENTATIVES

JULY 27, 2010

Chairman Oberstar and Ladies and Gentleman of the Committee,

My name is Bill Schneider and I am the President and CEO of Knife River Corporation, the nation's 9th-largest aggregates producer. I am also here in the role of Chairman of the Board for the National Stone, Sand and Gravel Association. Thank you for this opportunity to speak to you about the benefits our employees have received because of the American Reinvestment and Recovery Act stimulus money. However, I am also here to talk to you about the condition of America's infrastructure, the construction industry's record unemployment numbers and the urgent need for a long-term funding bill.

When the construction industry began its steep decline in 2008, we thought it would be a temporary downturn with an upturn just around the corner. Today we see no light at the end of the tunnel. Knife River's employment numbers went from 7,100 during the summer of 2007 to 5,000 this construction season. According to the U.S. Geological Survey, an estimated 317 million metric tons (MT) of total construction aggregates was produced an shipped for consumption in the U.S. in the first quarter of 2010, a decrease of 11 percent compared with that of the same period of 2009. The estimated annual output produced for consumption in 2009 was 1.92 billion metric tons (Gt), a 23 percent decrease compared with that of 2008.

Last year we experienced a much-needed boost of public works projects with the American Reinvestment and Recovery Act. As the NSSGA board chairman I have heard dozens of stories from our members about how the ARRA monies helped them. It has kept thousands of people employed and made it possible to reconstruct thousands of miles of our nation's highways.

As Knife River's CEO, I can confirm that the additional funding has had a positive impact on our company. The stimulus money created great value for our customers, our employees and our subcontractors and suppliers. Today, approximately 18 percent of our construction backlog is stimulus-funded work. Because of ARRA, we have been able to keep many of our employees on the payroll. Knife River hoped we could hire back the 2,000 employees we had previously laid off, but that hasn't happened.

But we all understood it was a one-time bankroll, and we are headed back to square one, wondering what the future holds for the industry. How many American construction workers can continue to stand in the unemployment lines? The FHWA reports that for every $1 billion spent on highway construction, 34,000 jobs are created annually. Chairman Oberstar proposed a $500 billion six-year funding plan in late 2008. If passed, your legislation would put 1.5 million Americans back on the job, providing for families and injecting their own money into local economies.

Construction workers are on the unemployment lines at nearly triple the rate of American workers. The unemployment rate peaked at more than 27 percent earlier this year and now sits at 20.1 percent, only because the full construction season is in swing. With a decline in construction activity, nearly 2.2 million construction workers have lost their jobs since industry employment and aggregates production peaked in mid-2006.

The loss of 2.2 million jobs mirrors the condition of our highways and bridges. Deplorable and unsafe are the first terms that come to mind.

More effective than these statistics are real-life stories of what is happening across the country. As an unbelievable example of road conditions and correlated lack of funding, Stutsman

County, North Dakota, started turning nearly 50 miles of paved roads back to gravel surfaces this summer because it no longer has the money to maintain the existing surfaces. This is equivalent to turning the clock back 75 years. Each of the other 49 states has a similar story to tell about road conditions and the dire need for long-term funding to coincide with long-term planning.

The American Society of Civil Engineers released its annual report card on the U.S. infrastructure and the 2009 report concluded that we are "a nation woefully underachieving in every category." ASCE's overall grade was "D". In the ASCE report is says that one-third of America's major roads are in poor or mediocre condition, and our bridges are in even worse condition. According to 2008 data from the Federal Highway Administration, the cost to repair or modernize the country's bridges is $140 billion annually, assuming all the bridges were fixed immediately. The Transportation Construction Coalition, of which NSSGA is a member, unveiled a highway safety study in May 2009 that finds half of U.S. highway fatalities are related to deficient roadway conditions. Correcting roadway conditions for safety should be of the highest priority. These deaths from such causes are preventable deaths.

In a 2008 poll conducted by Fabrizio McLaughlin & Associates Research, the findings reported:

- 72 percent of Americans believe that the federal government should lead the funding of major highways and bridges. For all other modes, most Americans believe state and local governments should have the lead funding role.
- 88 percent of Americans are concerned about congestion on our nation's major highways and bridges.
- 14 out of 15 Americans believe it is important for federal elected officials to support the position that fuel taxes and other highway fees be dedicated only for highway and bridge improvements.

- Nearly three-quarters of Americans support increased investments in infrastructure, and 57 percent would support an increase in gasoline user fees if the funds were dedicated only to transportation.
- Leading cause of death for Americans age 1 to 44 is motor vehicle crashes.

The single biggest shockwave sent throughout the nation about the need for infrastructure funding should have been the collapse of the I-35 Bridge in Minneapolis nearly three years ago. However, after immediate funding became available to put a new bridge in place, the tragedy and continued need was soon forgotten. The U.S. Department of Transportation estimated last year that the current backlog of unfunded but needed road, highway and bridge repairs and improvements stands at $495 billion.

In my role as NSSGA's chairman, I represent hundreds of our members, thousands of workers, and millions of Americans when and I say that Congress needs to pass long-term highway funding legislation now. We have had too many SAFETEA-LU extensions and need a new comprehensive plan which includes expanding badly needed road capacity. According to FHWA, since 1980, the U.S. population has increased by 34 percent, registered vehicles are up by 55 percent and the number of miles Americans driver every year has nearly doubled to 97 percent. Yet during that same time period, new lane capacity ahs grown by a scant 6.3 percent and new roads have grown by only four percent. More than 70% of the dollar value of freight is carried by trucks in this country and truck corridor lanes make sense for efficiency and for safety of motorists.

Continued short-term funding will lead to an even faster decline in our nation's roads and bridges. This is something we cannot continue to put on the back burner. Do we want hundreds of miles of rural highways going back to gravel? How many more lives will we put at risk by unsafe driving surfaces and dangerous bridges?

Our states and our industry cannot plan for maintenance and new construction projects without knowing if the federal government has a long-term budget plan. Nearly every state is doing business in deficit spending, which means highway funding and new construction projects will continue to be delayed. With the majority of the states dealing with budget deficits, federal highway funding is crucial. The leadership buck stops here.

The July 5, 2010, Associated General Contractor's Data DiGest said this: *"Many state Departments of Transportation are projecting 30-50 percent declines in their highway construction budgets next year, officials reported this month at regional meetings attended by the Associated General Contractors of America. Last year's spending for many DOTs was at record levels as a result of federal stimulus funding and the lingering impact of bonding and other state funding initiatives since 2005. However, with the stimulus funds having largely been spent and with state budgets being negatively impacted by the economic downturn, many state DOTs reported that their programs will drop significantly next year. The DOT officials also reported that the uncertainty over federal surface transportation authorization legislation, which is already 10 months overdue…will force them to focus their construction programs on maintenance and rehabilitation contract rather than expansion projects."*

The biggest issue is increasing revenue flow necessary for future funding. With the overall condition of our economy, the biggest question is: Where will the money come from?

The U.S. already has the system in place – the Federal Highway Trust Fund. It needs to be restored to the strength it once had, and more money needs to be pumped into it to keep up with growing demands. It is difficult to consider raising the federal gas user fees, but many of us in the industry believe it may be our only answer at this point to fund highway projects that are in serious need. As noted in the previous research, American taxpayers would support it if it meant safe, efficient highways.

In closing, I urge you to gather support for a long-term highway funding and multiyear authorization bill and make it a priority in Congress. Passing this bill, means you are essentially passing a jobs bill, putting thousands, perhaps millions, of Americans back to work not only in the construction industry but in the many other supportive industries. Supporting a well-funded multiyear authorization bill which includes capacity expansion also benefits millions of Americans who depend on safe driving surfaces.

There is a need for real jobs meeting real needs to provide American taxpayers real value.

###