RECOVERY ACT:
ONE-YEAR PROGRESS REPORT FOR
TRANSPORTATION AND INFRASTRUCTURE INVESTMENTS

(111–88)

HEARING
BEFORE THE

COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

February 23, 2010

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SUMMARY OF SUBJECT MATTER

TO:       Members of the Committee on Transportation and Infrastructure

FROM:    Committee on Transportation and Infrastructure Majority Staff

SUBJECT: Hearing on "Recovery Act: One-Year Progress Report for Transportation and Infrastructure Investments"

PURPOSE OF HEARING

The Committee on Transportation and Infrastructure will meet on Tuesday, February 23, 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 programs across the Committee’s jurisdiction, including highways, bridges, public transportation, rail, aviation, waterways, flood control, water resource development, wastewater treatment facilities, hazardous waste clean-ups, economic development, and Federal buildings.

BACKGROUND

State of the Economy

According to the Bureau of Labor Statistics (BLS), as of January 2010,\(^1\) the unemployment rate in January 2010 was 9.7 percent — lower than the rate experienced over the past four months. These are 14.8 million unemployed persons in the United States, for all sectors of the economy combined. In addition, when part-time (8.3 million) and discouraged (2.5 million) workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 25.7 million.

After workers have lost their jobs, they have had more trouble finding new jobs. The average length of unemployment is now 30.2 weeks. The number of workers who have been

\(^1\) The latest month for which data is available.
unemployed for longer than six months is now 6.3 million. One-half of the unemployed have been out of work for more than 19.9 weeks and 41 percent have been out of work for more than six months.

In January 2010, the economy lost 20,000 jobs, while in January 2009, the economy lost 598,000 jobs.

The construction sector has lost 1,866,000 jobs since the recession began in December 2007. The unemployment rate in construction was 24.7 percent in January 2010. This is the highest unemployment rate of any industrial sector. As of January 2010, there are 2,194,000 unemployed construction workers in the nation.

The Transportation Construction Coalition reported that 63 percent of transportation contractors laid off employees in 2009, and 44 percent of contractors indicated they plan to lay off employees in 2010.

However, a study by a national transportation construction association also shows that, between May 2009 and December 2009, the value of new contract awards for highway and bridge projects exceeded that period in 2008 by $5.2 billion. Prior to May 2009, the value of new contract awards was down 12 percent. Furthermore, between May and November 2009, the value of construction work on highway and bridge projects was up six percent when compared to the same months in 2008.

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, address the nation’s long-term infrastructure investment needs.
RECOVERY ACT

On February 17, 2009, the Recovery Act was signed into law. The Act provides $64.1 billion of infrastructure investment for programs within the jurisdiction of the Committee on Transportation and Infrastructure, including:

- $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;
- $5.26 billion for environmental infrastructure;
- $4.6 billion for the U.S. Army Corps of Engineers (Corps);
- $5.575 billion for Federal buildings;
- $150 million for the Economic Development Administration (EDA);
- $210 million for Firefighter Assistance Grants;
- $240 million for Coast Guard facilities and bridge alterations; and
- $100 million for Maritime Administration Small Shipyard Grants.

I. IMPLEMENTATION HIGHLIGHTS OF TRANSPORTATION AND INFRASTRUCTURE INVESTMENT

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 16,692 transportation and other infrastructure projects totaling $56 billion. This amount represents 87 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $42.3 billion for 16,031 projects, representing 66 percent of the available funds.

To download a complete list of projects, please visit the Transparency and Accountability section of the Committee’s website at http://transportation.house.gov/ and click on “Transparency and Accountability Information by Project (Data Reported as of January 15, 2010)”. The list may be searched by State, Congressional District, Federal agency, or program.

II. HIGHWAY AND TRANSIT FORMULA FUNDS: TRANSPARENCY AND ACCOUNTABILITY INFORMATION

The Recovery Act provides $34.3 billion for highway and transit formula programs. According to the latest submissions by States, metropolitan planning organizations (MPOs), and public transit agencies:

Out to Bid

As of December 31, 2009, 12,252 highway and transit projects in all 50 States, five Territories, and the District of Columbia have been put out to bid, totaling $26.4 billion,
representing 77 percent of the total available formula funds for highway and transit projects.

Signed Contracts

Fifty States, four Territories, and the District of Columbia have signed contracts for 10,594 projects totaling $22.6 billion, representing 66 percent of the total available funds.

Work Underway

Work has begun on 9,241 projects in 50 States, three Territories, and the District of Columbia, totaling $20.6 billion, representing 60 percent of the total available funds.

Completed

Work has been completed on 3,148 projects totaling $2.9 billion in 45 States and the District of Columbia, representing nine percent of the total available funds.

Jobs Created

The 9,241 projects that are underway have created or sustained more than 280,000 direct, on-project jobs. Total employment from these projects, which includes direct, indirect, and induced jobs, reaches almost 890,000 jobs. Direct job creation from highway and transit formula projects has resulted in payroll expenditures of $1.4 billion. Using this data, the Committee calculates that $238 million in unemployment checks have been avoided as a result of this direct job creation. Furthermore, these direct jobs have caused nearly $291 million to be paid in Federal taxes.

For additional information by State and formula program, visit the Transparency and Accountability section of the Committee’s website and click on “Transparency and Accountability Information by State and Program (Data Reported as of December 31, 2009).”

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2 Direct jobs are charged directly to the project, and include workers employed to build a facility or upgrade equipment on-site. Consistent with the U.S. Department of Transportation’s (DOT) reporting requirements, 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).

3 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 manufacturing 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.

4 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.

5 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.
III. IMPLEMENTATION HIGHLIGHTS BY FEDERAL AGENCY

DEPARTMENT OF TRANSPORTATION

Of the $48.1 billion in funding provided under the Recovery Act, DOT has obligated $33.4 billion for 12,799 projects. This amount represents 69 percent of the total available funds.

Highway ($27.5 billion)

The Federal Highway Administration (FHWA) has approved 10,668 highway projects totaling $23.3 billion. This amount represents 85 percent of the total available highway funds.

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

➢ improvement of 23,956 miles of road; and
➢ improvement of 1,125 bridges.\(^7\)

The Government Accountability Office (GAO) testified at the Committee’s December 10, 2009 hearing that almost one-half of Recovery Act highway obligations nationally have been for pavement improvements, including resurfacing, rehabilitating, and reconstructing roadways.

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 10,508 projects totaling $23 billion, approximately 86 percent of the Recovery Act highway formula funds. Work has begun on 6,739 projects, totaling $15.9 billion, representing 60 percent of the funds.

Federal and Indian Lands ($550 million): FHWA has awarded 122 projects totaling $254 million, representing 46 percent of the funds for Federal and Indian Lands. Work is underway on 45 projects totaling $177 million, representing 32 percent of the available funds.

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 14 projects totaling $13 million, representing 22 percent of the funds for Ferry Boat capital grants. Work is underway on seven projects totaling $8.7 million, representing 15 percent of the available funds.

On-the-Job Training ($20 million): FHWA has awarded 19 training grants worth $6 million, representing 31 percent of the total apportionment for On-the-Job Training. Work is underway on six projects totaling $1.8 million.

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): DOT has approved five applications for bonding assistance, totaling $50,000.

\(^6\) All information is as of January 15, 2010, unless otherwise specified.

\(^7\) Data is based on obligations as of January 7, 2010.
Transit ($8.4 billion)

The Federal Transit Administration (FTA) has awarded 720 projects totaling $7.5 billion. This amount represents 89 percent of the total available transit funds.

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

➢ the purchase or rehabilitation of 10,561 vehicles ($2 billion);
➢ the purchase or rehabilitation of 613 rail cars and locomotives ($281 million);
➢ the construction or rehabilitation of 2,325 passenger facilities ($1.1 billion); and
➢ the construction or rehabilitation of 202 maintenance facilities ($727 million).

Transit Urban and Rural Formula Grants ($6.8 Billion): FTA has awarded $6 billion for 635 projects in all 50 States, five Territories, and the District of Columbia. This amount represents 88 percent of the total funding. Work has begun on 2,394 totaling $4.1 billion, representing 60 percent of the funds.

FTA has also received $273 million in 29 transfers from FHWA. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale.

Fixed Guideway Infrastructure Investment ($750 Million): FTA has awarded 47 grants worth $738 million in 27 States, Puerto Rico, and the District of Columbia. This amount represents nearly 100 percent of the total funding. Work has begun on 108 projects in 19 States and the District of Columbia totaling $567 billion, representing 76 percent of the funds.

New Starts Grants ($750 million): FTA has awarded nine grants totaling $468 million. This amount represents 62 percent of the available funds.

Transit Greenhouse Gas and Energy Reduction Funding ($100 Million): 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. FTA plans to soon begin awarding TIGGER grants.

Rail ($5.3 billion)

Amtrak ($1.3 billion): Work is underway on 141 projects totaling $1.1 billion, representing 83 percent of the total Amtrak Recovery Act funds, as of January 21, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 331 contracts totaling $657 million. Of these contracts, Amtrak has awarded 152 contracts (46 percent) to small businesses.

Recovery Act investments will result in:
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➢ replacing 80,000 concrete ties ($50 million), of which 41,000 ties (16 miles) have been completed;

➢ restoring and returning to service 60 Amfleet cars, 21 Superliners, and 15 P-40 locomotives; and

➢ improving 270 stations.

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. 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 rail service.

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.

Some Members have raised concerns that the Administration should have required private sector leveraging in planning and developing high-speed rail under the Recovery Act. First, the

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Notes:

8 Critics focus on section 502 of the Passenger Rail Investment and Improvement Act of 2008 (P.L. 110-432). Section 502 requires DOT to issue a request for proposals from private interests to develop high-speed rail in the designated high-speed rail corridors and the Northeast Corridor. The law requires DOT to transmit the proposals to State/locals to form commissions to review the proposals and submit recommendations to DOT; and subsequently Congress. No further action may be taken until Congress acts.

In accordance with the law, DOT published this request in the Federal Register on December 16, 2008, and submissions were due on September 14, 2009. According to DOT, eight private interest proposals were submitted, which were then sent to DOT’s Volpe National Transportation Systems Center for review. The Volpe Center recommended five proposals for consideration, and DOT concurred after an independent review. The proposals were submitted by the Société Nationale des Chemins de fes Français (SNCF) (the French Railway) (four proposals) and the California High Speed Rail Authority (one proposal). SNCF submitted proposals for the Florida, Midwest, California, and Texas corridors. The California High Speed Rail Authority is already a recipient of the grants. No proposals were submitted for private sector development of high-speed rail in the Northeast Corridor.
Recovery Act does not include any requirement for high-speed rail applicants to demonstrate private sector leveraging and adding such a mandate administratively would be inconsistent with statutory intent. Second, according to DOT, many of the grant recipients have committed to utilize the private sector in some form in moving forward with their projects. For instance, California’s high-speed rail financing plan includes one-third funding from the Federal Government; one-third funding from the State; and one-third funding from the private sector and local governments. Wisconsin, part of the Midwest High-Speed Rail Corridor Initiative, is using some of its funds to purchase trainsets from Talgo. Florida plans to develop high-speed rail via a design/build/operate/maintain contract that might include private participation, and Amtrak has issued several requests for bids for its projects (e.g., Niantic Bridge in Connecticut).

**Aviation ($1.3 billion)**

Work is underway or completed on 649 projects ($1.2 billion), representing 92 percent of the total available Recovery Act aviation funds.

**Airport Improvement Program ($1.1 billion):** Work is underway or completed on 360 projects ($1.1 billion), representing 100 percent of the funding for airport grants. Within this total, work is underway on 175 projects ($702 million), and work has been completed on an additional 185 projects ($395 million).

Recovery Act investments will result in:

- runway improvements: 155 projects at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million); and
- taxiway improvements: 82 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million).

**Facilities and Equipment ($200 million):** Work is underway or completed on 289 projects ($108 million), representing 54 percent of the funding for Facilities and Equipment. Within this total, work is underway on 145 projects ($99 million), and work has been completed on an additional 144 projects ($9 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. 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.

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Under the law, once the proposals are submitted, DOT must forward them to States and the States have to form local commissions to consider the proposals. Recommendations are then submitted to Congress for further review. According to DOT, the proposals will be sent to the States in February.
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.

**Small Shipyard Grants ($100 million)**

Of the $100 million provided for small shipyard projects, the Maritime Administration, on August 18, 2009, awarded 70 grants totaling $98 million for small shipyard projects in 26 States and Guam. This amount represents nearly 100 percent of the funds apportioned for small shipyards.

**ENVIRONMENTAL PROTECTION AGENCY ($4.7 BILLION)**

**Clean Water State Revolving Fund (SRF) ($4 billion)**

All States met the deadline that Clean Water SRF Recovery Act funds be under contract or under construction by February 17, 2010.

Recovery Act investments will:

- construct, upgrade, or maintain publicly owned treatment works serving an estimated 60 million people, almost one-third of the U.S. population currently served by sewers – 575 projects ($1.1 billion);
- improve, rehabilitate, or expand wastewater collection systems – 500 projects ($680 million); and
- protect our nation’s water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 250 water or energy efficient projects ($515 million).

**Out to Bid:** According to submissions received by the Committee from States, as of December 31, 2009, 50 States, Northern Marianas, and the District of Columbia have put out to bid 1,811 projects totaling $3.6 billion, representing 94 percent of the total available Clean Water SRF formula funds.

**Signed Contracts:** Fifty States, the Northern Marianas, and the District of Columbia have signed contracts for 1,351 projects totaling $2.8 billion, representing 73 percent of the funds.

**Work Underway:** Work has begun on 1,107 projects in 49 States, the Northern Marianas, and the District of Columbia totaling $2.2 billion, representing 57 percent of the funds.

**Superfund ($600 million):** The Environmental Protection Agency (EPA) has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing nearly 100 percent of the total allotment for Superfund work. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites. Of the 57 construction projects, on-site work has begun or is completed on 38 projects ($443 million).
Brownfields ($109 million): EPA has awarded grants or provided funds for Brownfields projects worth $96 million for all 186 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.

GENERAL SERVICES ADMINISTRATION ($5.55 BILLION)

The General Services Administration (GSA) has awarded contracts worth $2.1 billion in Federal Buildings Recovery Act funds for 354 projects, representing 37 percent of GSA’s total apportionment. Work has begun on 127 projects in 41 States and two Territories, totaling $1.7 billion. GSA plans to award a total of $4 billion worth of contracts by March 31, 2010, a total of $5 billion by September 30, 2010, and the remaining funds ($550 million) by September 30, 2011.

GSA’s Recovery Act spending plan comprises projects in all 50 States, Washington, D.C., and two Territories, including:

- 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 200 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).

U.S. ARMY CORPS OF ENGINEERS ($4.6 BILLION)

The Corps has committed $2.8 billion for 772 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 61 percent of the total amount of Recovery Act funds allocated to the Corps.

Recovery Act investments will fund the following:

- navigation: repair or improve 284 locks or commercial ports;
- flood risk management: 1,124 projects to improve dam or levee safety; and

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9 GSA released their original spending plan on March 31, 2009, and submitted their most recent amendment on January 19, 2010.
✓ recreation: maintain or upgrade 460 recreation areas.

Construction Program ($2 billion): The Corps has committed $973 million for 148 projects. This amount represents 49 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has committed $1.5 billion for 521 projects. This amount represents 72 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has committed $218 million for 38 projects. This amount represents 58 percent of the apportionment for this program.

Formerly Utilized Remedial Action Program ($100 million): The Corps has committed $90 million for 10 projects. This amount represents 90 percent of the apportionment for this program.

Investigations Program ($25 million): The Corps has committed $17 million for 50 projects. This amount represents 69 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has committed $11 million for five projects. This amount represents 44 percent of the apportionment for this program.

ECONOMIC DEVELOPMENT ADMINISTRATION ($150 MILLION)

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. EDA has broken ground on 20 of these projects totaling $45 million, representing 31 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:

➢ the development of regional innovation clusters, which leverage a region’s existing competitive strengths to boost job creation and economic growth – 25 projects ($50 million);

➢ business incubation – 13 projects ($37 million); and

➢ green jobs – 14 projects ($27 million).

COAST GUARD ($240 MILLION)

Alteration of Bridges ($142 million): Contracts have been awarded and work has begun on three of the four planned bridge projects totaling $81 million, representing 57 percent of the available funds. All four bridges are at least 80 years old, with the oldest dating back to 1885.
Acquisition, Construction, and Improvements ($98 million). The Coast Guard has committed $14 million, representing 14 percent of the total available funds. Planned projects include High Endurance Cutter Engineering changes ($10 million), including boiler bedside upgrades and boiler reliability improvement on eight Cutters, of which one is underway and an additional three are complete, and shore facilities ($88 million).

WITNESSES

The Honorable John D. Porcari
Deputy Secretary
U.S. Department of Transportation

Mr. Craig E. Hooks
Assistant Administrator for Administration and Resources Management
Environmental Protection Agency

Mr. Robert A. Peck
Commissioner of Public Buildings
General Services Administration

Ms. Jo-Ellen Darcy
Assistant Secretary of the Army (Civil Works)
U.S. Army Corps of Engineers

Mr. John Fernandez
Assistant Secretary for Economic Development
U.S. Department of Commerce

Mr. Martin J. Rajk
Deputy Assistant Commandant for Resources and Deputy Chief Financial Officer
U.S. Coast Guard

Mr. Thomas C. Carper
Chairman of the Board
Amtrak
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The American Recovery and Reinvestment Act of 2009
Transportation and Infrastructure Provisions
Implementation Status
as of January 15, 2010

Prepared for

The Honorable James L. Oberstar
Chairman

By the Committee on Transportation and Infrastructure
Majority Staff

For Release on Delivery
February 8, 2010
10:00 a.m.
EXECUTIVE SUMMARY

The transportation and infrastructure investments of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have already played a key role in putting Americans back to work. Of the $46.1 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 16,692 transportation and other infrastructure projects totaling $56 billion. This amount represents 87 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $42.3 billion for 16,031 projects, representing 66 percent of the available funds.

The following transparency and accountability information demonstrates the successful implementation of Recovery Act highway and transit investments: of the $34.3 billion provided for highway and transit formula programs under the Recovery Act, $26.4 billion, or 77 percent, has been put out to bid on 12,252 projects, as of December 31, 2009. Within this total, 10,594 projects (totaling $22.6 billion) are under contract. Across the nation, work has begun on 9,241 projects totaling $20.6 billion—that is 60 percent of the total available highway and transit formula funds. Work has been completed on 5,148 projects.

The 9,241 highway and transit projects that are underway have created or sustained more than 280,000 direct, on-project jobs, as of December 31, 2009.1 Total employment from these projects, which includes direct, indirect, and induced jobs, reaches almost 890,000 jobs.2 Direct job creation from highway and transit projects has resulted in payroll expenditures of $1.4 billion. Using this data, the Committee calculates that $238 million in unemployment checks have been avoided as a result of this direct job creation.3 Furthermore, these direct jobs have caused nearly $291 million to be paid in Federal taxes.4

This report highlights the implementation status of each transportation and infrastructure program under the Committee’s jurisdiction that received Recovery Act funds.

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1 Consistent with the U.S. Department of Transportation’s reporting requirements, 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 ($1,448.35) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided 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 this information.
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$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. 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.

The Recovery Act creates family-wage construction and manufacturing jobs.

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;
- the State will maintain its effort with regard to State funding for transportation projects;

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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.\textsuperscript{10}

To view submitted certifications by State, see: http://testimony.ost.doc.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.\textsuperscript{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 obligated;
- 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;

\textsuperscript{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.

\textsuperscript{10} Id. § 1201. The certification shall include a statement identifying the amount of funds to be used, and shall be posted on a website and linked to the Recovery.gov website. Id.

\textsuperscript{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. 13

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. 11

➢ 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

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11 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 1,866,000 jobs since the recession began in December 2007. The unemployment rate in construction was 24.7 percent in January 2010. As of January 2010, there are 2,194,000 unemployed construction workers in the nation.

- A study by a national transportation construction association shows between May and December 2009, the value of new contract awards for highway and bridge projects exceeded that period in 2008 by $5.2 billion. Prior to May 2009, the value of new contract awards was down 12 percent. Furthermore, between May and November 2009, the value of construction work on highway and bridge projects is up six percent when compared to the same months in 2008.

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\(^{15}\) 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 waiver.
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.15

**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 December 2009, the rate of unemployment for African Americans was 16.2 percent — 80 percent higher than the rate for whites. The unemployment rate for Hispanic or Latino Americans was 12.9 percent, 43 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.

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15 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.


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, 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.

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. Funds not obligated as of this date will be withdrawn and redistributed to other States that had no funds withdrawn. The Secretary of Transportation has authority to provide an extension of the one-year period if a State is experiencing extreme conditions.

**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:** Of the amount awarded to date, Recovery Act investments will result in improvements to 23,956 miles of highway and 1,125 bridges.\(^{20}\)

\(^{19}\) Id. § 1512.
\(^{20}\) Mulas and bridge improvement information is based on obligations as of January 7, 2010.
FHWA has approved 10,668 highway projects totaling $23.3 billion. This amount represents 85 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 10,508 projects totaling $23 billion, approximately 86 percent of the Recovery Act highway formula funds.²⁹

**Out to Bid:** According to submissions received by the Committee from States, as of December 31, 2009, all 50 States, five Territories, and the District of Columbia have put out to bid 9,165 projects totaling $21 billion, representing 79 percent of the total available highway formula funds.

**Signed Contracts:** All 50 States, four Territories, and the District of Columbia have signed contracts for 7,813 projects totaling $17.8 billion, representing 67 percent of the funds.

**Work Underway:** Work has began on 6,739 projects in 50 States, three Territories, and the District of Columbia, totaling $15.9 billion, representing 60 percent of the funds.

**Completed:** Work has been completed on 2,256 projects in 44 States and the District of Columbia, totaling $2.4 billion, representing nine percent of the funds.


Examples of projects underway include:

- **I-405 Sepulveda Pass Widening in Los Angeles, California ($190 million):** Construction began in May 2009 on this billion-dollar project, which uses Recovery Act funds to build 10 miles of new HOV lane between the I-10 (Santa Monica Freeway) and the US-101 (Ventura Freeway). In addition to new highway capacity, this project will improve supporting infrastructure along the route such as reinforcing 27 on- and off-ramps, widening 13 underpasses, and building nearly 18 miles of retaining and sound walls. When completed, there will be 72 continuous miles of bus/carpool lanes on I-405 from the San Fernando Valley to Orange County. This project will also cut daily commutes by 20 minutes per person, or more than seven million hours annually, which will also improve local air quality. This freeway serves more than 280,000 drivers each day, and

- **Ft. Duquesne Bridge Preservation in Pittsburgh, Pennsylvania ($26.2 million):** This project, entirely funded by the Recovery Act, is a vital transportation link for the region. These funds will pay for preservation to ensure the bridge stays in good condition for its estimated 80,000 daily drivers. Work includes improvements on 16 bridge and ramp structures as well as steel, concrete, and deck repairs.

For up-to-date information on projects obligated, underway, and completed, see:


**Federal and Indian Lands ($550 million):** FHWA has awarded 122 projects totaling $254 million, representing 46 percent of the funds for Federal and Indian Lands. Work is underway on 45 projects totaling $177 million, representing 32 percent of the available funds.

An example of a project underway includes:

- Yosemite National Park in California ($8 million): This project is approximately 90 percent complete and the improved roads are currently open to public traffic. Located in an economically distressed area, the project will rehabilitate five miles of paved roadway and two lane miles of paved parking. Existing geometry deficiencies, such as incorrect roadway super-elevation, will be corrected in addition to the replacement of the deteriorated pavement. Turnouts within the project limits will be rehabilitated and improved as needed. Reconstruction and realignment of the Chinquapin intersection will address the higher-than-normal accident rate for that particular location. FHWA expects works to be complete in May 2010.

**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 14 projects totaling $13 million, representing 22 percent of the total funds for Ferry Boat capital grants. Work is underway on seven projects totaling $8.7 million, representing 15 percent of the available funds.

An example of a project underway includes:

- Ferry Vessel Construction in Port Aransas, Texas ($6.5 million): This project will add a 28-car capacity vessel to the ferry system to reduce delays. Over the next 10 years, the ferry is projected to carry on average 8,000 vehicles per day, with peaks in excess of over 13,000 vehicles per day.

**On-the-Job Training ($20 million):** FHWA has awarded 19 training grants worth $6 million, representing 31 percent of the total apportionment for On-the-Job Training. Work is underway on six projects totaling $1.8 million.

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:

- Wichita Metro Area Project in Kansas ($200,400): This grant will provide supportive services to increase the total number of minorities, women, and disadvantaged individuals participating in the Federal-aid highway construction industry. The Kansas Contractors Association offers a variety of craft-worker training courses that can quickly improve the skills of the workers who build roads and bridges. The association provides instructors, facilities, materials, and administration to organize courses held all across the State.
Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation has approved five applications for bonding assistance, totaling $50,000.\textsuperscript{22}

An example of a project includes:

- Pedestrian Facility Improvements in South Carolina ($15,872): The Department recently 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.


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

\textsuperscript{22} 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/ot/audit/index.htm.
**Transit — $8.4 Billion**

**Recovery Act Implementation**: Of the amount awarded to date, Recovery Act transit investments will result in:

- the purchase or rehabilitation of 10,561 vehicles ($2 billion);
- the purchase or rehabilitation of 613 rail cars and locomotives ($281 million);
- the construction or rehabilitation of 2,325 passenger facilities ($1.1 billion); and
- the construction or rehabilitation of 202 maintenance facilities ($727 million).²³

The Federal Transit Administration (FTA) has awarded 720 grants totaling $7.5 billion, representing 89 percent of the total transit Recovery Act funds. FTA plans to use the awarded funds according to the following project types:

**Recovery Act Awards**

**By Project Type**

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Awarded Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Purchase / Rehab</td>
<td>$1,051</td>
<td>26%</td>
</tr>
<tr>
<td>Other Capital Expenses</td>
<td>$906</td>
<td>12%</td>
</tr>
<tr>
<td>Preventive Maintenance</td>
<td>$622</td>
<td>8%</td>
</tr>
<tr>
<td>Operating</td>
<td>$6</td>
<td>0.1%</td>
</tr>
<tr>
<td>Transit Infrastructure Conservation</td>
<td>$3,102</td>
<td>44%</td>
</tr>
<tr>
<td>Purchase / Rehab</td>
<td>$281</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: FTA

²³ Information is based on awards as of January 15, 2010.
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.


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. Funds not obligated as of this date will be withdrawn and redistributed to other urbanized areas or States that had no funds withdrawn. The Secretary of Transportation has authority to provide an extension of the one-year period if a State or urbanized area 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 outlaid, 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.24

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

24 Id § 1201.
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.\textsuperscript{25}

**Recovery Act Implementation**: FTA has awarded $6 billion for 635 projects in all 50 States, five Territories, and the District of Columbia.\textsuperscript{26} This represents 88 percent of the total funding. FTA has also received $273 million in 29 transfers from FHWA. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale.

**Out to Bid**: According to submissions received by the Committee from States and public transit agencies, as of December 31, 2009, 2,966 projects have been put to bid in all 50 States, two Territories, and the District of Columbia, totaling $4.7 billion, representing 69 percent of the total available transit capital formula funds.

**Signed Contracts**: Contracts have been signed for 2,675 projects in 50 States, Puerto Rico, and the District of Columbia totaling $4.3 billion, representing 63 percent of the funds.

**Work Underway**: Work has begun on 2,394 projects in 50 States, Puerto Rico, and the District of Columbia totaling $4.1 billion, representing 60 percent of the funds.

**Completed**: Work has been completed on 885 projects in 39 States and the District of Columbia totaling $490 million, representing seven percent of the funds.


Examples of projects underway include:

- **Santa Clara Valley Transportation Authority (VTA) in San Jose, California ($42.2 million)**: The VTA has purchased 70 new, 40-foot hybrid buses from Gillig LLC of Hayward, California. These hybrid buses will be used to replace buses that have been in service since the early 1990s. The addition of the hybrid buses to VTA’s operating fleet will help VTA comply with new, more stringent State and Federal emissions requirements. This purchase also continues VTA’s commitment to green technology, with the new hybrid buses joining an additional 90 hybrid paratransit and non-revenue vehicles. VTA riders will realize immediate benefits provided by these new vehicles, including the low-floor configuration and the enhanced lift systems that provide easier access for mobility-impaired individuals and reduce overall dwell time; and

- **Grays Harbor Transit’s Station Expansion in Aberdeen, Washington ($500,000)**: Grays Harbor Transit has started construction on this station. This project will enhance safety for

\textsuperscript{25} Id § 1512.

\textsuperscript{26} 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=950.
both riders and local traffic and will accommodate future growth of bus ridership. The station improvements include expanding its size, installing better lighting, adding security cameras, and providing a covered seating area for passengers. A park-and-ride lot will be expanded to provide parking for up to 35 vehicles, and sidewalks and bike racks will make the station more accessible. Currently, buses leaving the station pull onto one of the busiest traffic corridors through Aberdeen, and must merge across three lanes of traffic in order to turn onto their routes. Upon completion, bus traffic will enter onto a less busy street.

To view the specific projects, see:

**Economic Impact:** Creates more than 189,000 jobs and $34 billion of economic activity.
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TRANSPORT 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 outlaid, 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.27

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. 28

**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.29 FTA plans to soon begin awarding TIGGER grants.

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27 Id § 1201.
28 Id § 1512.
29 FTA received $2 billion in proposals.
Examples of announced projects include:

- Rock Island Solar Thermal Hot Water System in Rock Island, Illinois ($600,000): Rock Island plans to purchase and install a solar thermal hot water system for their new transit maintenance facility building. This project will help create a sustainable transit maintenance facility for the Rock Island Metropolitan Mass Transit District using energy alternatives that reduce both energy consumption and emissions; and

- Massachusetts Bay Transit Authority (MBTA) Wind Energy Generation Turbines in Massachusetts ($2.5 million): The MBTA plans to install two renewable wind energy generation turbines at the Kingston Layover Facility (100 kW), and the Newburyport Station (600 kW). The MBTA is the largest single electricity consumer in Massachusetts, consuming nine percent of all electricity consumed in the Commonwealth. With the installation of renewable wind energy turbines, the MBTA will generate power to operate its own facilities or return power back to the regional grid, thereby providing clean energy to the region. Both facilities currently consume energy to support the plugging-in of trains for storage, maintenance, and passenger waiting facilities. The annual electricity use at both facilities is 2,815,738 kWe. This investment will allow the MBTA to reduce their energy consumption at these locations by 75 percent.

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

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**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 160 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. 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 14, 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.36

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.37

Recovery Act Implementation: FTA has awarded 47 grants worth $738 million in 27 States, Puerto Rico, and the District of Columbia.32 This amount represents nearly 100 percent of the total apportionment.

Out to Bid: According to submissions received by the Committee from States and public transit agencies, as of December 31, 2009, 121 projects have been put to bid in 23 States and the District of Columbia totaling $637 million, representing 85 percent of the total available fixed guideway formula funds.

Signed Contracts: Contracts have been signed for 106 projects in 20 States and the District of Columbia totaling $575 million, representing 77 percent of the funds.

Work Underway: Work has begun on 108 projects in 19 States and the District of Columbia totaling $567 billion, representing 76 percent of the funds.

Completed: Work has been completed on seven projects in six States totaling $36 million, representing five percent of the funds.

To view formula fund information by State, see:

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36 Id § 1201.
37 Id § 1512.
32 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=530.
Examples of projects underway include:

» Fitchburg CPF-43 Interlocking in Fitchburg, Massachusetts ($10.2 million): This project supports the first phase of a massive rail improvement project on the Fitchburg line along the Massachusetts Bay Transportation Authority’s (MBTA) 50-mile corridor from Fitchburg to Boston, the longest line in MBTA’s system. The funds are being spent to do interlocking work – switches that enable trains to move from one track to another – on 13 miles of rail between Ayer and Fitchburg. The project will enable the authority to increase capacity and provide faster travel times on the line, allowing trains to easily get around a delay or obstacle on the line. The Massachusetts Bay Commuter Railroad Company, which retains a contract to operate and maintain MBTA’s commuter-rail network, began preliminary construction in the fall of 2009 and hired 15 track laborers to help upgrade this commuter-rail line; and

» 55th Street Station rehabilitation and track upgrades in Cleveland, Ohio ($11.2 million): The funds will be used to continue modification of the Greater Cleveland Regional Transit Authority’s 55th Street Station in conjunction with the surrounding neighborhood development. The station will be center-platform, allowing for a wider platform and simplified vertical circulation. The station will incorporate passenger enhancements, a park and ride facility, and a bus loop for bus operation. Additionally, funds will be used to make major improvements to address accessibility and functional deficiencies to the Puritas Station. Recovery Act funds have assisted the transit agency in retaining 159 jobs.

To view the specific projects, see:

**Economic Impact:** 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.36

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.37

Recovery Act Implementation: FTA has awarded nine grants totaling $468 million.38 This amount represents 62 percent of the total available funds.

35 Id § 1201.
36 Id § 1512.
37 On May 11, 2009, FTA announced the allocation of New Starts funding.
An example of a project underway includes:

- **Dallas Area Rapid Transit (DART) Orange Line Construction in Dallas, Texas ($61.2 million)**: This project supports the 14-mile Orange Line rail construction project that will connect Dallas, the thriving Las Colinas Urban Center in Irving, and ultimately DFW International Airport, opening to Las Colinas in 2011 and DFW Airport in 2013. This project represents a public transit investment in excess of $817 million. More than 80 contractors, based in 14 States, are bringing this project to fruition. This project already has attracted one of the country’s largest transit-oriented development programs with a private and municipal investment of $3.7 billion around the first six rail stations. The City of Irving, in particular, is constructing a $114 million, 270,000-square foot convention center. Together, these modern transit villages are expected to draw nearly 10,500 new residents and 18,000 new employees. Over 600 direct, on-project jobs are being created or sustained by these funds.

To view the specific projects, see:

**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.36

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

36 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.37

**Recovery Act Implementation:**

**Amtrak ($1.3 billion):** Work is underway on 141 projects totaling $1.1 billion, representing 83 percent of the total Amtrak Recovery Act funds, as of January 21, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 331 contracts totaling $657 million. Amtrak has made 152 of these awards (46 percent of the total number of awards) to small businesses.

Recovery Act investments will result in:

- replacing 80,000 concrete ties ($50 million), of which 41,000 ties (16 miles) 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.

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37 *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.

- 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.


**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. 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.24

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;

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24 FRA received over $55 billion in applications.
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.\textsuperscript{39}

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

To view a national map of selected projects, see: \url{http://www.fra.dot.gov/wa/content/2243}.

To read descriptions of designated high-speed rail corridors, see: \url{http://transportation.house.gov/media/files/FullCommittee/Stimulus/High-SpeedRail%20Corridors%20Descriptions.pdf}.

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

\textsuperscript{39} Congress provided funding for planning through the U.S. DOT FY 2008 and 2009 appropriations.
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.*

* 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.\(^{41}\)

**Recovery Act Implementation:** Applications for the Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants program were due by September 15, 2009.\(^{42}\) The U.S. Department of Transportation received 1,380 applications from all 50 States, three Territories, and the District of Columbia, totaling $56.5 billion.\(^{43}\) Of that $56.5 billion, the Department received applications according to the following categories:

- Highways: $31.8 billion (56 percent of total amount requested);
- Transit: $10.6 billion (19 percent of total amount requested);
- Rail: $5.8 billion (10 percent of total amount requested);
- Ports: $3.3 billion (six percent of total amount requested); and
- Other: $5.1 billion (nine percent of total amount requested).

Eligible projects include “capital investments in: (1) highway or bridge projects; (2) public transportation projects; (3) passenger and freight rail transportation projects; and (4) port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement.” Selection criteria include contributing to the medium- to long-term economic competitiveness of the nation and improving the condition of existing transportation facilities and systems, the quality of living and working environments through livable communities, energy efficiency and reducing greenhouse gas emissions, and the safety of U.S. transportation facilities. The Department plans to give priority to projects that are expected to quickly create and preserve jobs and stimulate rapid increases in economic activity, particularly projects that will benefit economically distressed areas.

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

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41 Id § 1512.
42 On May 18, 2009, the U.S. Department of Transportation published a notice of funding availability and solicitation of applications from applicants seeking grants.
43 State and local governments, including Territories, tribal governments, transit agencies, port authorities, and other political divisions of State or local governments, and multi-State or multi-jurisdictional applicants are eligible to apply.
AVIATION — $1.3 BILLION

Recovery Act Implementation:

➢ Work is underway or completed on 649 projects ($1.2 billion), representing 92 percent of the total available Recovery Act aviation funds; and

➢ Within this total, work is underway on 320 projects ($801 million) and work is completed on 329 projects ($404 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, obligated, allocated, and budgeted, the number of projects that have been put out to bid and have been awarded, where work has begun and has been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.44

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 90 days (beginning October 30, 2009) after the end of each

44 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.\(^4\)

**Recovery Act Implementation:**

- Work is underway or completed on 360 projects ($1.1 billion), representing 100 percent of the funding for airport grants; and

- Within this total, work is underway on 175 projects ($702 million), and work has been completed on an additional 185 projects ($395 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: 82 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million);

- apron improvements: 51 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).

Examples of projects underway 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 30 year old concrete. The project also completed three connecting taxiways between the passenger terminal apron and the new west runway. Work started in mid-July 2009 and the runway reopened in early December 2009.

\(^4\) Id § 1512.
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. As of December 31, 2009, the airport reported an estimated 300 jobs have been funded by the Recovery Act.

Omaha Eppley 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 the longest commercial runway and several associated taxiways at this airport. Several phases of the runway rehabilitation project started in March 2009. The Recovery Act portion is substantially complete. As of December 31, 2009, the airport reported an estimated 68 jobs have been funded because of this project.

To view the specific projects, see:

**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 outlaid, 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.66

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.67

Recovery Act Implementation:

➢ Work is underway or completed on 289 projects ($108 million), representing 54 percent of the funding for Facilities and Equipment; and

➢ Within this total, work is underway on 145 projects ($99 million), and work has been completed on an additional 144 projects ($9 million).

66 Id. § 1201.
67 Id. § 1512.
Recovery Act investments will:

- upgrade power systems: 136 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 and terminal radar approach control facilities ($80 million); and
- improve lighting, navigation, and landing equipment: 587 projects at 134 locations ($20 million).

An example of a project underway includes:

- Atlanta National Network Control Center Engine Generator Project in Atlanta, Georgia ($2.5 million): This center, along with one other, process all pilot flight plans in the country. Operational problems at either center would cause major air traffic delays. The FAA determined that the Atlanta center required major infrastructure enhancements to properly support current and future operations. Accordingly, these funds resulted in a major upgrade to the 30 year old power distribution systems at the Atlanta center. Work is underway and the FAA expects to create 27 jobs as a result of this critical project.

To view the specific projects, see:

**Economic Impact:** Creates approximately 5,600 jobs and $990 million of economic activity.
Environmental Infrastructure—$5.26 Billion

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 subsidies 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 subsidies 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. Funds for projects not under contract or under construction within one year will be withdrawn by the Environmental Protection Agency (EPA) Administrator and reallocated among the remaining States.

**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.48

48 Id. § 701.
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.⁹

**Recovery Act Implementation:** EPA has awarded approximately $4 billion in capitalization grants to States, representing 100 percent of the total Recovery Act funds for the Clean Water SRF.³⁰

Recovery Act investments will:

- Construct, upgrade, or maintain publicly owned treatment works serving an estimated 60 million people, almost one-third of the U.S. population currently served by sewers – 375 projects ($1.1 billion);
- Improve, rehabilitate, or expand wastewater collection systems – 500 projects ($680 million);
- Protect our nation’s water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 250 water or energy efficient projects ($515 million); and
- Reduce stormwater runoff volumes, pollutants, and sewer overflows, and improve air quality – 200 green infrastructure projects ($200 million).

**Out to Bid:** According to submissions received by the Committee from States, as of December 31, 2009, 50 States, Northern Mariana, and the District of Columbia have put out to bid 1,811 projects totaling $3.6 billion, representing 94 percent of the total available Clean Water SRF formula funds.

**Signed Contracts:** 50 States, Northern Mariana, and the District of Columbia have signed contracts for 1,351 projects totaling $2.8 billion, representing 73 percent of the funds.

**Work Underway:** Work has begun on 1,107 projects in 49 States, Northern Mariana, and the District of Columbia totaling $2.2 billion, representing 57 percent of the funds.

**Completed:** Work has been completed on 55 projects in 16 States totaling $27 million.


Examples of projects underway include:

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⁹ Id. § 1512.

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; and

Snyder County Conservation District in Pennsylvania ($120,000): Work on this project, which addresses non-point source pollution of local streams through the use of forested riparian buffers, began on October 12, 2009. Approximately 51.73 acres of forested riparian buffers will be created along streams that will span over 26 different private properties and five contiguous counties. This project will prevent nitrogen, phosphorous, and sediment from entering the streams, thus improving water quality.

To view the specific projects, see:

**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 construction 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 minimis 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 25 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/water/eparecovery/index.html#NationalWaivers.

**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.\(^1\)

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.\(^2\)

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\(^1\) Id § 701.
\(^2\) Id § 1512.
Recovery Act Implementation: EPA has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing nearly 100 percent of the total allotment for Superfund work. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites. Of the 57 construction projects, on-site work has begun or is complete on 38 projects ($443 million), representing 74 percent of the funds.

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 (8 sites);
- provide alternate residential drinking water supplies (5 sites); and
- mitigate damage to wildlife habitats and ecosystems (4 sites).

Examples of Superfund sites include:

- Horseshoe Road in Sayreville, New Jersey ($5 million): Contaminants at the 12-acre site include volatile organic compounds (VOCs), 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.

- Tar Creek in Oklahoma ($35.8 million): The approximately 40-square mile site is in a former lead and zinc mining rural area that has been affected by mining waste including piles known as "chat" which tower up to 200 feet high (see picture below). Elevated levels of lead, zinc,
and cadmium impact the site's soils, surface water, and ground water. Recovery Act funds will speed up chat excavation from the remote areas of the site and from area streams. Other additional work to be performed includes constructing a repository, providing alternate water supply to two rural residential properties, and conducting cleanup of rural residential yards. The restored land will become available for agricultural development.


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. EPA 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.

Recovery Act Implementation: EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 186 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.

\[\text{id} \S \S 701.\]
\[\text{id} \S \S 1312.\]
\[\text{EPA set aside $3.5 million for management and oversight.}\]
Recovery Act investments will result in:

- assessments, of which 44 projects have been initiated and an additional six projects are completed ($33 million);
- cleanup, of which two projects have been initiated an additional project is complete, resulting in 17 acres made ready for reuse ($7.5 million);
- revolving loan fund ($47.1 million); and
- job training ($6.9 million).

An example of a project underway includes:

- California Department of Toxic Substances Control in San Francisco, California ($1.8 million). This project will initiate clean up of lead contaminated land and will 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.

To view the specific projects, see:

**Economic Impact:** Creates approximately 2,800 jobs and $500 million of economic activity.
**Watershed Rehabilitation Program—$50 Million**

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

**Distribution:** Funds will be distributed to rehabilitate aging flood control structures nationwide.

**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:** The Natural Resources Conservation Service (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:** NRCS has obligated $16 million for 16 dams and signed contracts for and started construction on three dams. In total, NRCS plans to rehabilitate 26 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.

\(^{56}\) Id § 1512.
An example of a project underway includes:

➢ Salina Creek Watershed Dam No. 1806 in Audrain 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 Saline Area Development Authority and water for 20,000 people.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewID=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.\(^{17}\)

**Recovery Act Implementation:**

**Watershed Operations and Flood Prevention ($145 million):** NRCS has obligated $58 million and signed contracts for 40 of the 80 planned projects. Of these projects, contracts have been awarded and construction has begun on six projects.

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;
- protect 102 domestic water supplies;
- reduce 4,484,658 tons/year of sediment;

\(^{17}\) Id § 1512.
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 (7 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 to 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 291 floodplain easements totaling $82 million, representing 57 percent of the total funding. Of this total, NRCS has closed (exercised the right under the option) 24 easements totaling $10.8 million.

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.58

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.59

**Recovery Act Implementation**: IBWC has obligated $144 million and committed to award eight construction contracts worth $16 million, representing seven percent of the total apportionment. IBWC expects all construction to be completed by April 2011.

Recovery Act investments will:

- rehabilitate 246 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);

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58 Id Title XI.
59 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:

**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.46

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

46 Id. Title IV.
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.\textsuperscript{42}

\textbf{Recovery Act Implementation:} The Corps has committed $2.8 billion for 772 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 61 percent of the total amount of Recovery Act funds allocated to the Corps.

Recovery Act investments will fund the following:\textsuperscript{42}

- navigation: repair or improve 284 locks or commercial ports;
- flood risk management: 1,124 projects to improve dam or levee safety;
- recreation: maintain or upgrade 460 recreation areas;
- environment: 143 projects to restore aquatic ecosystems or improvement management of natural resources;
- hydropower: 35 projects to repair or improve hydropower; and
- water supply: 148 projects to construct local water supply or wastewater infrastructure.

\textbf{Construction Program ($2 billion):} The Corps has committed $973 million for 148 projects. This amount represents 49 percent of the apportionment for this program.

\textbf{Operation and Maintenance Program ($2.075 billion):} The Corps has committed $1.5 billion for 521 projects. This amount represents 72 percent of the apportionment for this program.

\textbf{Mississippi River and Tributaries Program ($375 million):} The Corps has committed $218 million for 38 projects. This amount represents 56 percent of the apportionment for this program.

\textbf{Formerly Utilized Remedial Action Program ($100 million):} The Corps has committed $90 million for 10 projects. This amount represents 90 percent of the apportionment for this program.

\textbf{Investigations Program ($25 million):} The Corps has committed $17 million for 50 projects. This amount represents 67 percent of the apportionment for this program.

\textbf{Regulatory Program ($25 million):} The Corps has committed $11 million for five projects. This amount represents 44 percent of the apportionment for this program.

\textsuperscript{42} On April 28, 2009, the Corps posted its lists of Civil Works work packages funded by the Recovery Act. Selected projects are geographically distributed across the United States to provide the nation with inland and coastal navigation, environmental, flood risk management, hydropower, and recreation improvements.
Examples of underway construction projects include:

- Western Sarpy Levee Improvement Project, Segment 3 in Saunders and Sarpy Counties, Nebraska ($6.5 million): This project is located along the Lower Platte River in an area that has seen significant long-term flooding problems. On December 31, 2009, the Corps awarded a firm fixed price construction contract to a small business, Anderson Excavating Company of Omaha, Nebraska, to improve the levees on the Platte and Elkhorn rivers. The project consists of improving 16 miles of existing levees and will increase the level of flood protection by improving two existing non-Federal levees and filling in levee gaps to improve protection. This work will improve the resiliency of the levee and reduce flood damage reduction risk to life and property of the area.

- Pecos River Levee Improvement Project in Texas ($50 million): This project consists of constructing a new levee along the Pecos River to provide flood protection for the city of Van Horn. The Corps awarded a contract to Parsons and Associates of Austin, Texas, to construct a 9-mile levee. The project is expected to be completed in 2012.

To view the specific projects, see:

To view a national map of Corps projects, see:

**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. 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.

Shore-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. 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.\(^5\)

**Recovery Act Implementation:** GSA has awarded contracts worth $2.1 billion in Federal Buildings Recovery Act funds for 354 projects, representing 37 percent of GSA’s total apportionment. GSA plans to award a total of $4 billion worth of contracts by March 31, 2010, a total of $5 billion by September 30, 2010, and the remaining funds by September 30, 2011.

Work has begun on 127 projects in 41 States and two Territories, totaling $1.7 billion, representing 31 percent of the funds.

GSA’s Recovery Act spending plan comprises projects in all 50 States, Washington, DC, and two Territories, including:\(^6\)

- 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 200 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.

These projects will result in:

- installing 126 roofs, including 54 photovoltaic roofs;

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\(^5\) Id. § 1512
\(^6\) GSA released their original spending plan on March 31, 2009, and submitted their most recent amendment on January 19, 2010.
putting in place 135 lighting systems;
installing 48 water systems; and
completing 208 system tune-ups and recommissionings.

Recovery Act projects underway include:

Ralph H. Metcalfe Federal Building in Chicago, Illinois ($1.6 million): Work began on January 5, 2010. The energy saving “green” elements of the project include retrofitting the HVAC systems as well as installing a lighting control system and light fixtures for smart lighting capabilities; and

Potter Stewart U.S. Courthouse in Cincinnati, Ohio ($318,000): Construction commenced in January 2010 on this improvement to the existing courthouse. The project includes upgrading and expanding the existing Building Automation System to provide more efficient control of all building systems and reviewing and revising the building control strategies related to the HVAC system with an emphasis on client comfort as well as energy conservation.

To view the specific projects, see:

Economic Impact: Creates approximately 154,000 jobs and $27.5 billion of economic activity.
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.\(^7\)

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.\(^8\)

Recovery Act Implementation: The Smithsonian has signed contracts worth $22 million for 16 projects, representing 100 percent of the Smithsonian’s total Recovery Act spending plan.\(^9\) The Smithsonian awarded 14 of the 16 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. 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, repairing 13,000 linear feet of brick mortar joints, and removing 374 tons of non-hazardous and 200 tons of hazardous interior materials; and

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


Economic Impact: Creates approximately 700 jobs and $124 million of economic activity.

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\(^7\) Id § 701.
\(^8\) Id § 1512.
\(^9\) The Smithsonian set aside $5 million in contingency for unforeseen conditions.
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. 79

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 Boeler 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. 81

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. 82

79 Id. Title II.
81 Id. § 1512.
82 EDA will use the remaining $3 million for administration and oversight.
EDA has broken ground on 20 of these projects totaling $45 million, representing 31 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:

- the 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-term jobs and attract $33.1 million in private investment.

To view the specific projects, see:

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.\(^3\)

Recovery Act Implementation: Approximately three months after applications for grants were due,\(^1\) FEMA, on September 23, 2009, awarded 104 projects totaling $166 million. On January 29, 2010, FEMA awarded an additional 15 projects totaling $23 million. The total amount awarded to date, $189 million in 41 States, represents 90 percent of the total available funds. 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.

To view the specific projects, see:

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

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\(^1\) Id § 1512.

\(^2\) On May 29, 2009, FEMA released guidance for the Firefighter Assistance Grants program. Applications for grants were due to FEMA by July 10, 2009.
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.15

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.16

Recovery Act Implementation: The Coast Guard has committed to spend $14 million. This amount represents 14 percent of the total appropriation for Acquisition, Construction, and Improvements.

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15 Id Title VI.
16 Id § 1512.
Recovery Act investments will result in:

➢ High Endurance Cutter Engineering changes ($10 million), including boiler fireside upgrades and boiler reliability improvement on eight Cutters, of which one is underway and an additional three are complete; and

➢ Shore facilities — seven projects ($88 million).

To view the specific projects, see:

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

**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.  

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.

Recovery Act Implementation: Contracts have been awarded and work has begun on three of the four planned bridge projects totaling $81 million, representing 57 percent of the available funds. These four bridges include:

- 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;

- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million);

17 Id. Title VI.
18 Id. § 1512.
Mobile Bridge over the Mobile River in Hurricane, Alabama – built in 1927 ($15 million); and

Galveston Bridge over the Intercoastal Waterway in Texas – built in 1912 ($61 million).79

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.

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79 The Coast Guard plans to have a contract awarded for this bridge by March 2010.
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.80

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.81

80 Id § 1512.
81 Prior to awarding these grants, the Maritime Administration solicited applications until the April 30, 2009 application deadline. The Maritime Administration received 454 grant applications totaling $1.25 billion.
To view the specific projects, see:

**Economic Impact:** Creates approximately 2,800 jobs and $500 million of economic activity.
<table>
<thead>
<tr>
<th>T&amp;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 by T&amp;I Committee (Data Reported as of December 31, 2009)</th>
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<tbody>
<tr>
<td><strong>Revenue Act</strong></td>
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<tr>
<td><em>No. of States</em></td>
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<tr>
<td><strong>Grants</strong></td>
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<tr>
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<td><strong>Federal Capital Assistance</strong></td>
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<tr>
<td><strong>Subtotals</strong></td>
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<tr>
<td><strong>Highway Infrastructure Investment</strong></td>
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<td><strong>Total</strong></td>
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*Note: All data for the Department of Transportation's operating expenses, the FAFs, or the state, county, or local governments' (T&I) job funding. The T&I data were as reported by the states and were not adjusted for any errors or discrepancies.
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<th></th>
<th>Resolution For Non-Funded Projects</th>
<th>Resolution for Paid Projects</th>
<th>Project Funding</th>
<th>Total for Non-Funded Projects</th>
<th>Total for Paid Projects</th>
<th>Total For Both Projects</th>
<th>Total in Other Years</th>
<th>Total in Final Year</th>
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*Note: The data reflects the total amount of funds requested and obligated as of the fiscal year end for the specified fiscal year.*
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<th>Year Period of</th>
<th>2023-2026 Fiscal Year</th>
<th>2024-2027 Fiscal Year</th>
<th>2025-2028 Fiscal Year</th>
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<td>$69,864,292</td>
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The table above represents the asset program for the upcoming fiscal years. Each year, the asset program is allocated across various categories, including transit capital expenditures. The total budget for each year is calculated by summing up the individual allocations. The data provided is based on the fiscal year with the given range and assumes no substantial changes in the budget allocation.
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 December 31, 2009)

Percentage of Allocated Funds Associated with Project Stages

<table>
<thead>
<tr>
<th>State</th>
<th>Out to Bid</th>
<th>Under Contract</th>
<th>Underway</th>
<th>Average*</th>
<th>Average Rank</th>
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* 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 December 31, 2009)

Percentage of Allocated Funds Associated with Project Stages

**Clean Water State Revolving Fund**

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<th>Under Contract</th>
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* 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

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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 January 7, 2010.
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the American Recovery and Reinvestment Act of 2009 (P.L. III-5) (Recovery Act)
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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 January 7, 2010.
The Committee met, pursuant to call, at 10:05 a.m., in Room
2167, Rayburn House Office Building, Hon. James Oberstar [chair-
man of the Committee] presiding.

Mr. OBERSTAR. The Committee on Transportation and Infrastruc-
ture will come to order.

Good morning, everyone, and thank you for participating in this
reconvened meeting, snow-delayed meeting of the Committee on
Transportation. I made it in; I don’t know about the rest of the
world. But nothing else did. And if we had all had snowmobiles,
as self-respecting people in Minnesota do—the ice is 30 inches
thick on Leech Lake, where this past weekend they held the
Eelpout Festival and had some 20,000 people in town to do ice fish-
ing.

Mr. Mica, that probably doesn’t happen in your district.

Mr. MICA. Almost.

Mr. OBERSTAR. This is to be and it will be, was to have been last
week and it is now, the 1-year anniversary review of progress made
under this Committee’s portions of the Recovery Act. This is the
14th in a series of hearings we have held on progress made under
the stimulus.

The act has resulted in 10,348 highway, transit, and wastewater
projects, breaking ground all across the country. Although they had
a slow start at EPA because of various complexities of the rule-
makings that needed to be done, every stimulus dollar allocated to
EPA into the State revolving loan funds is now under contract. And
that is a great achievement.

These 10,348 projects have created, sustained 300,000 direct on-
project jobs. I have been to at least 5 States, 6 States, to see those
projects in progress. Total employment from highway, transit,
wastewater treatment, direct—and those jobs that are in the supply
chain, supplying sand and gravel and aggregate and cement
and Ready Mix and asphalt and rebar and fencing and fence posts
and I-beams, have resulted in over 938,000 jobs.

Those are jobs this Committee has tabulated and calculated and
can account for. I don’t speak for the other Committees, but we
have 15 categories of reporting, and all available on the Committee
website. You can track these projects down to the millions of hours
worked, the job hours created, sustained, and total payroll of job hours created. So this is what I promised to do, it is what I said would be done, and it has been accomplished.

On those direct on-site jobs, payroll: $1.5 billion. Federal taxes paid by those workers who are on the job: $310 million. Unemployment compensation checks avoided: $254 million. Those are real accomplishments. Those translate into lives restored, home mortgages being paid, kids being sent to school, health insurance. Most of those union jobs are reinstated and restored.

But we need to go on from there. We need to pass the additional "Jobs for Main Street" bill. The House has passed it. The Senate is slowly making its way, not to be derogatory—slowly making its way, painfully, toward resolution of that issue. And we need the long-term, 6-year surface transportation bill that we have been working on in this Committee.

Now, the $64.1 billion attributed to our Committee, our Committee’s jurisdiction, we can account for 16,692 projects, totaling $56 billion. Federal agencies, States, and partners have obligated $42.3 billion of that for 16,000 projects.

And while there is some misunderstanding and misapprehension in the news reporting on transportation infrastructure and transportation stimulus dollars, the jobs precede the outlays. States award the bids; contractors begin putting their equipment and their personnel on the job site. After the first week of work, they send a voucher to the State DOT. The State DOT verifies that the work claimed has been accomplished, pays the contractor, vouchers the Federal Highway Administration, who then makes a reimbursement electronically overnight. So the jobs have already been in place for a week before there is actually an outlay. And that is a great misunderstanding. I have to explain that time and again to the news folk.

All 50 States and the District of Columbia have signed contracts for 10,592 projects. Work has begun on 9,241 projects. Work completed on 3,148 projects. $2.9 billion in 45 States and the District of Columbia.

Recovery Act investments are bringing the Nation’s highway, bridge, and public transit systems closer to a state of good repair—that is, cutting down the number of projects in States’ portfolios of state-of-good-repair needs, to bring road surfaces, bridge surfaces, transit systems into compliance with this engineering standard of "state of good repair."

And in completing this work, States can account for 24,000 miles of road surface improvements. That is nearly half of the mileage of the Interstate Highway System. Over 1,100 bridge replacement, redecking, resurfacing, reconditioning, widening—that is an extraordinary accomplishment. It took 50 years to do the interstate; it has taken a year to do 24,000 miles of road surface.

And the Federal Transit Administration reports that the investment funding we provided them will, when completed, result in purchase or rehab of 10,561 vehicles, 613 railcars or locomotives, and rehab of 2,325 passenger and 202 maintenance facilities. Amtrak: 141 projects, 80,000 concrete ties, 60 cars, 21 superliners, 15 locomotives, 270 station improvements. FAA has nearly completed all of its—it is 92 percent out: 649 projects, $1.2 billion, 155 run-
way improvement projects, 139 airports that account for 11 million operations a year, and 82 taxiway improvements at 78 airports that handle 8 million annual takeoffs and landings.

The State revolving loan fund I have already cited has 1,800 projects out to bid. Wastewater infrastructure will result in 375 projects, 60 million people, almost a third of the U.S. population that is now served by sewer distribution systems.

EPA has awarded $582 million for 57 Superfund projects. The Superfund was delayed for 10 years without reauthorization of the Superfund Act, and the fund was running close to zero. But we have been able, with stimulus funds, to do 57 Superfund projects, on which work is either under way or completed already, at $443 million.

The Corps of Engineers has 772 projects, $2.8 billion. The GSA will report on theirs. I won’t go through the rest of them.

I do want to say EDA has done a superb job. All their meager $147 million—it was a lot more than that when it left the House, nearly $4 billion, but it was whittled down, unfortunately, in conference—but that money is all out. And not only is it doing construction projects in industrial parks, but it has launched long-term investments in job-creating industries that are operating in those industrial parks.

And, Secretary Fernandez, you were with me in Nashua just recently, last week. It wasn’t a Recovery Act project, but it was a long-reviewed EDA project that will result in developing the first steel mill in the iron ore mining country in the United States. American steel, Mr. Holden, American steel. Next to an American iron ore mine, with American workers and American jobs.

So I think this is a very successful report, a very successful year. Much more to be done. And while I mentioned the 24,000 lane miles of highway improvement, that accounts for 4 percent of the 576,000 miles of highway in America and of the Federal highway system that is rated not good, in poor condition. We have a long way to go. That is why we need the 6-year bill.

And now, Mr. Mica, my partner, thank you for being here, and the floor is yours.

Mr. MICA. Thank you. Thank you for the almost ride this morning, too, even though I didn’t want you to pick me up.

Well, I think the Chairman has outlaid some of those facts and statistics that need to be cited on a positive vein, and I do think that there has been some progress made in the last year. We are a little over a year out now, and a few days.

And I also commend him for the bipartisan manner in which we both committed to conduct oversight. And I think we have definitely followed through with being responsible stewards of taxpayer dollars.

My father has been dead this year 38 years, but it is funny: Even though somebody is long passed, in your memory you have some haunting, oh, phrases and things, philosophies that they left you with. I remember my father was very frugal. Some people may also accuse me of the same trait. But he used to say, “Son, it is not how much you spend, it is how you spend it.” And not only do we have an obligation to report back on some of the positive things—and I do have to commend some of the agencies. Even the EPA is work-
ing hard to get the money out. EDA has a very good record in leveraging a small amount of money, around $4,000, and actually creating jobs, and I commend them. They got one of the smallest amount and have probably done one of the biggest, at least percentage, of creating jobs with a small amount of money. So I commend them.

Overall, we have to do a better job. Mr. Oberstar and I were trying for a number double the $63.5 billion for infrastructure that was in the $787 billion bill. I was just recounting how we came back, was it in December or something, and were asked to put a package together, and then it got whittled down to the $63.5 billion.

Unfortunately, the total spent today—and that is $10.1 billion—is only 16 percent. That is expended. So we can do better there. We still have $20 billion—right on the target of $20 billion on infrastructure not allocated, which is still a pretty high number when, this week, they will probably be asking for more. And I have no problem with putting more into job creation. But we want that to happen. We have to spend what we have been charged with to date. So, some good, positive news.

Now, DOT got $48.1 billion. Unfortunately, so far only $9 billion has gotten out and $35.6 billion allocated. So we have to assist and find ways to get money for infrastructure projects, even in the areas we tightly oversee, out faster.

I do have concerns also, and I will get into it with some of the witnesses in a few minutes, about how some of the stimulus money was expended. Our job is also to be good stewards, as I said, of taxpayer dollars and how those dollars were spent and were they spent—I mean, anybody can spend money, and it not how many dollars you spend, it is how effective. Our target was, I thought, to help the American people, to recover the economy, help create jobs, and get this country back to a sound economic footing. And then most of the other problems, sort of, would fall into line. So I am committed to that. I do have some very serious questions about how some of the money was spent by some of the agencies, and we will get into more detail as we hear from the witnesses.

So, with those opening comments, I yield back.

Mr. OBERSTAR. I thank the gentleman. I thank my colleague and my partner in this endeavor of the Committee.

And Mr. Mica was right, we had a bipartisan agreement in this Committee in December of 2008. We actually had it in December of 2007 and through much of the year. But when the Committee’s work got swallowed up in a much bigger package and our work was diminished both in size and in comparison, we had some falloff, understandably.

Mr. MICA. And, for the record, I might say that we also had agreement on a 6-year reauthorization bill and were prepared to move forward with that and met in a bipartisan, bicameral fashion to move forward, and other factors intervened.

Mr. OBERSTAR. Until we ran into the can-do, change-you-can-believe-in administration that didn’t believe in it.

Mr. MICA. Well, we——

Mr. OBERSTAR. You don’t have to say that. I did.

Mr. MICA. There is always hope for change. Thank you.
Mr. OBERSTAR. It is coming.
Under previous agreement, we have 2 minutes for Subcommittee Chairs or Ranking Members.

Ms. Johnson, welcome, despite your new neckwear.

Ms. JOHNSON OF TEXAS. It will be off soon.

Mr. OBERSTAR. It will be off soon. That is good news.

Ms. JOHNSON OF TEXAS. Thursday. It has been on since January the 4th. I am truly tired of my partner.

Mr. Chairman and Ranking Member, thank you for holding this hearing today and for continuing your steadfast commitment to holding States accountable for the disbursement of stimulus funds.

Over the past year, this Committee has again and again held hearings on the status of Recovery Act funds and, as appropriate, have praised and criticized the efforts of both Federal and State agencies in getting funds out the door to the American people. And this is different because today we have the opportunity to challenge those agencies and States that have been slow to turn this unprecedented Federal investment into good-paying jobs, such as my State of Texas that is unique and slow.

Through this Committee’s periodic reporting, I was concerned to again find my home State of Texas near the bottom of the allocation charts through the month of December. So, naturally, I contacted the State department of transportation and the Texas Water Development Board to find out why they appear to be slower at getting their stimulus dollars distributed than most other States. And the State department of transportation has assured me that all their stimulus funds will be obligated by the March 1st statutory deadline.

And the State further maintained that, while they may have been one of the fastest States in obligating funds, it is in part because they agreed on a definitive set of criteria for evaluating the ability projects to receive the funds. And the criteria included projects that improve safety of transportation systems, projects on corridors of statewide significance or regional priority, projects that leverage or pool resources projects that create long-term economic benefit, projects in areas that are economically distressed, and, finally, fair and equitable distribution of the projects around the State.

Texas is a very large State. It has nearly 500 Recovery Act projects, over five times as many as some smaller States. And some of these are large-scale projects for which expenditures will be paid out over a time to provide long-term and sustained jobs.

So I noted earlier, I believe it is also appropriate to praise our agencies and States for their efforts, as well. And so today I commend the Environmental Protection Agency and the States for their efforts with the Clean Water State Revolving Fund and investment in our Nation’s wastewater infrastructure.

I thank you, Mr. Chairman, for this leadership. And I will ask the rest of my statement be placed in the record. Thank you.

Mr. OBERSTAR. Without objection, so ordered.

And we welcome you back and pray for a speedy recovery. Thank you.

We will proceed now with our panel.
The Chair will just make a reminder for Members and for audience that it is the rule of the Committee that there be no audible cell phone or BlackBerry devices in the course of Committee hearings. It is a rule rigorously and frequently insisted on by Mr. Young and Mr. Shuster and myself.

Now we will begin with Mr. Porcari, who is the Deputy Secretary of Transportation. We have also Craig Hooks, Assistant Administrator for EPA. Administrator Lisa Jackson is testifying, as we speak, at the budget hearing in the other body. And Secretary LaHood also asked to be—he would have been here but for the snow delay, and he had a commitment also with the budget in the other body.

Mr. Robert Peck, commissioner of public buildings at GSA; Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works; John Fernandez, Assistant Secretary for Economic Development; Martin Rajk, Deputy Assistant Commandant for the Coast Guard; and Tom Carper, chairman of the board of Amtrak.

Mr. Robert Peck, commissioner of public buildings at GSA; Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works; John Fernandez, Assistant Secretary for Economic Development; Martin Rajk, Deputy Assistant Commandant for the Coast Guard; and Tom Carper, chairman of the board of Amtrak.

So, Mr. Porcari, we will begin with you. Welcome. Thank you for being here.

Mr. PORCARI. Thank you, Mr. Chairman, Ranking Member Mica, and Members of the Committee. Thank you for having me here today. It is great to be here to talk about the Department of Transportation's accomplishments at this 1-year anniversary of the Recovery and Reinvestment Act.

As you know, February 17th was that anniversary. We have accomplished much. I will tell you that we have met every single deadline, and we intend to continue doing so.

Overall, the Recovery Act provided $48.1 billion for transportation projects for our nation's highways and bridges, transit systems, airports, railways, and shipyards. To date, we have obligated $36 billion. That is for more than 13,600 projects around the country.

This is substantial progress in a relatively short amount of time. And it was made possible in our transportation program because of the Recovery Act's reliance on DOT's existing formula-based structures and authorities and procedures.

The single largest portion of it, $27.5 billion, was targeted at improving highways and bridges. More than 2,160 projects have already been completed, and over 7,600 are currently under way.

These projects represent more than just infrastructure improvements. These projects are helping communities throughout the Nation. Already, the Federal Highway Administration has funded $722 million in contractor payroll payments from Recovery Act projects.

On the transit side, the Recovery Act provided $8.4 billion to be used for our transit systems. During the past year, the Federal Transit Administration has approved the purchase of more than 11,000 bus and rail vehicles. These purchases support domestic manufacturing jobs right here in America.

The Recovery Act also provided the Federal Aviation Administration with a total of $1.3 billion in additional resources for badly needed improvements at our Nation’s airports. The majority of these funds, $1.1 billion of the $1.3 billion, were designated as airport improvement grants. Over the past year, we have awarded 100 percent of the funds for those, for a total of 360 projects. And I would point out, we originally thought that we could fund 300 projects, but because of the good bids, we were able to fund 360 at 344 different airport locations. Together, these efforts have resulted in approximately 6,000 jobs on the aviation side.

On rail, all the contributions have resulted in jobs, as well. The high-speed rail capability is one of the most exciting portions of the Recovery Act for us. That $8 billion provided to the Federal Railroad Administration is a substantial downpayment on a large high-speed rail corridor network across the country. And the 13 corridors that were identified in this first round are a very strong beginning for a high-speed rail network throughout the country.

We also had discretionary TIGER grants as part of this new spending. Last week, we awarded the recipients of $1.5 billion worth of TIGER grants that were provided in the Recovery Act. We received more than 1,400 applications, totaling almost $60 billion, from all 50 States and the territories and the District of Columbia. Because of the very strong demand, we were able to award fewer than 3 percent of the projects actual funding.

We are hopeful that Congress will continue this program. It is an innovative, multimodal way to attack some of our more pressing transportation problems. And, from the very strong applications we had, we are confident that it would be well-received in the future.

As President Obama made clear in his State of the Union Address, his number-one priority in 2010 is accelerating the pace of job creation. Transportation is an important part of his plan to put Americans back to work. And the President has called for new investments in a wide range of infrastructure, such as highway, transit, rail, aviation, and water, designed to get projects out the door as quickly as possible.

We think the transportation results achieved in this first year speak for themselves. It demonstrates that we can produce these projects and these jobs with long-lasting benefits. We would urge Congress to consider supporting future jobs-creation legislation.

Again, thank you for the opportunity to share our accomplishments over the past year. I look forward to answering your questions.

Mr. OBERSTAR. Thank you, Mr. Secretary.

Mr. Hooks?
Mr. Hooks. Good morning, Chairman Oberstar, Ranking Member Mica, and Members of the Committee. Thank you for the opportunity to appear before you today to discuss EPA's progress in implementing the American Recovery and Reinvestment Act of 2009.

One year ago, EPA was entrusted with more than $7 billion to invest in our economy to rebuild critical infrastructure in our communities, to create jobs for our citizens, and to rekindle our economy. EPA has worked diligently to move Recovery Act money into the hands of its partners and to clear the way for rapid investments in construction, land use, and redevelopment. I am glad to be back before you on this Committee to report on our progress.

EPA has obligated 99 percent of its Recovery Act funds. The Recovery Act required that all the State revolving funds be under contract by February 17, 2010. This included approximately $4 billion in clean water and about $2 billion in drinking water funds. We aggressively reached out to States and territories to help them meet this spending deadline. The administrator personally called Governors to offer assistance, and I called State Recovery Act officials to raise concerns, where needed, and thank them for their efforts. And I am proud to say that every State and territory, through hard work and under extraordinary pressure, has successfully met the Recovery Act deadline for the SRFs.

Recovery Act funds under the Clean Water SRF program have resulted in nearly 1,900 assistance agreements and more than 1,500 projects where construction has begun. These projects will create thousands of jobs and serve more than 68 million people.

In Johnson County, Kansas, a $15 million wastewater treatment plant improvement project will result in an entirely energy-self-sufficient facility. Along with new jobs, that project will provide almost $600,000 in annual cost savings for rate payers and reduce greenhouse gas emissions by more than 9,700 metric tons annually.

This is the largest green project in Kansas, contributing to the Recovery Act requirement that 20 percent of the SRF funds be used for green infrastructure, water and energy efficiencies, and innovative projects. Annabeth Surbaugh, the chairman of the Johnson County Board of Supervisors, commented, “Investing in green projects is a win-win situation because of Johnson County’s strong commitment to sustainability, energy conservation, and reduction of greenhouse gases.”

Other green projects include upgrading pumping stations to increase energy efficiency, water recycling, reclamation projects, and making greater use of natural processes to address urban storm water runoff. I am pleased to say that every State met the green projects requirement.

Through the Recovery Act, the Superfund program funded cleanups at 26 sites that would not have been funded otherwise and supported ongoing cleanups at 25 more sites. All of Superfund’s Recovery Act funds have been obligated, and as of February 18th, construction is under way at 38 sites.

In South Minneapolis, Minnesota, the Superfund program will use Recovery Act funds to remove soil from the yards of approximately 500 homes in a community with arsenic levels as high as 2,800 parts per million, more than 100 times the level selected in the cleanup remedy. We are removing a significant health threat...
from the people’s yards, one that is especially dangerous to children playing in those yards.

I am also pleased to report that, as of February 18th, the Brownfields program has obligated 99.7 percent of its Recovery funds. In Woonsocket, Rhode Island, a Recovery grant allowed the city to clean up the last remaining corner lot of a former Brownfield site. This will facilitate the completion of an $80 million middle school redevelopment project.

EPA is grateful to have been entrusted by Congress with distributing more than $7 billion in Recovery Act funding. We are proud to be a part of the solution for American communities and American families facing economic challenges. These projects have created jobs, and they will leave communities cleaner and healthier and better places to buy a home or invest in a business.

Our most recent report from EPA’s contract and grant stimulus award recipients indicated that nearly 6,800 direct jobs were created or retained. And this is just the beginning, for, as more construction and cleanup activities get under way, this number should grow.

We are excited about these accomplishments and look forward to continuing our work with this Committee, our partners, and the public to ensure an economically and environmentally healthier country for all Americans.

Thank you again for inviting me to testify here today, and I look forward to answering any questions you may have.

Mr. OBERSTAR. Thank you, Mr. Hooks. That is a very good report and a very thorough report.

Mr. Peck?

Mr. Peck. Good morning, Chairman Oberstar, Ranking Member Mica, and Members of the Committee.

One year ago, $5.5 billion in funding provided through the American Recovery and Reinvestment Act gave us at GSA an unprecedented and exciting opportunity to contribute to the Nation’s economic recovery and to environmental sustainability. We are helping stimulate job growth and retention in the construction and real estate sectors, as well as develop markets in energy-efficient technologies, renewable energy, and green buildings—and, by the way, increase the value of our Federal building assets, improve their functioning for Federal agencies and the public, and reduce our backlog of needed capital improvements.

Since passage of the Recovery Act, we established and met all of our target dates for contract awards and outlays. We rewarded $1 billion worth of contracts by August 1st, 2009, and as of December 31st, 2009, had awarded $2 billion. As of last Friday, that number was up to $2.25 billion. We are on track to meet our next target of awarding contracts totaling $4 billion—in other words, an additional $2 billion from December—by March 31st and $5 billion by this September.

We also anticipate expenditures totaling $1 billion to contractors by September for work completed. In other words, we will outlay a billion dollars by the end of September. That is the equivalent of more than 10,000 job years. We are getting people back to work. As of December, our Recovery Act funding recipients indicated that 1,646 prime contracting jobs had been funded.
We have accomplished these goals in addition to managing our normal capital program. Last year, GSA awarded twice the dollar amount in contracts within 8 months that we typically award in an entire normal year. We surpassed our contract goal in December by $70 million on a $2 billion goal despite awards coming in, on average, 8 to 10 percent below our projected estimates.

We carefully monitor project progress and identify any variances early in our project schedules. We have been able quickly to identify and revise our spending plans to reallocate savings from projects under way towards other projects. We have updated that plan twice and submitted those revisions to Congress. The most current plan includes 261 major projects—seven more than we initially reported, again due to those savings—nearly 300 total projects, including rather small ones, in all 50 States, the District of Columbia, and two U.S. territories. The spending plan revisions that we have made represented a reallocation of more than $200 million in savings.

In addition to our Recovery Act funds, we expect to receive approximately $1 billion in Recovery Act funds from other agencies to support their real estate needs. To date, we have entered into agreements with those agencies totaling $397 million in 26 projects. And, of those, we have awarded $120 million in contracts.

I would point out, as you did, Mr. Chairman, that our obligation is that our contract awards flow directly to our contractors and directly into the construction real estate and architecture engineering sectors even before they become actual payments for jobs. When we make a contract award, money does not begin flowing immediately, but the contract award is a catalyst that starts money flowing as contractors begin securing financing, hiring personnel, and taking first steps on the project. Moreover, we pay in arrears; in other words, we have to see actual progress on the ground before we issue a payment. So there are jobs being created before those are reflected in the numbers of our outlays.

As we move forward with our projects, we are also including measures to convert our buildings into high-performance green buildings. We have already installed 37 energy-efficiency lighting systems, seven photovoltaic roof projects, and 136 advanced metering projects. We are currently constructing 49 lighting projects, 22 photovoltaic roofs, as well as a solar hot water project, a geothermal project, and wind projects.

Our projects include the huge Department of Homeland Security project at the St. Elizabeth’s campus in Washington. It is the largest Federal project in this area since construction of the Pentagon. We have started a job center on the site. We started our opportunity center and got more than 445 job applications.

We are also leveraging our Recovery Act investments to become a green proving ground. At the Major General Emmet J. Bean Federal Center in Indianapolis, we intend to design and install a state-of-the-art photovoltaic roof with 4,500 solar panels. In all, our energy savings are going to result in annual savings of 812,000 million BTUs, the equivalent of the power it takes to run 21,000 homes.
We have also launched a pre-apprenticeship program with contract awards in Washington, D.C., and Portland, Oregon. And both organizations have already graduated classes.

In conclusion, we were entrusted with a significant increase in funding to support the construction and modernization of high-performance green buildings. The men and women in GSA have risen to the challenge. And we look forward to working with you and Members of the Committee as we continue to deliver this work.

Mr. OBERSTAR. Thank you very much for that report. It is good to see the very consistent and speeded-up implementation at GSA, which was off to a slow start compared to other agencies. But you made up time and have a good report here for us, and we will come back with some questions later.

Mr. PECK. Thank you.

Mr. OBERSTAR. Ms. Darcy?

Ms. DARCY. Mr. Chairman, Members of the Committee, thank you for the opportunity to testify before you today to discuss the implementation of the Civil Works appropriation within the Recovery Act.

If I may, I will summarize my statement here and ask that my full statement be entered into the record.

Mr. OBERSTAR. All statements will be included in the record in full.

Ms. DARCY. The Recovery Act provides funds to meet the intent of the President and Congress to put our fellow citizens to work and to help in the recovery of the Nation's economy.

The accomplishment of Corps of Engineers Civil Works projects through Recovery Act funding has begun and continues to contribute to the Nation's safety, economy, environment, and quality of life. The Recovery Act provides funding to the Corps to accomplish these goals through the development and restoration of the Nation's water and related resources.

Total discretionary funding for civil works in the Recovery Act is $4.6 billion. The Corps is following the Recovery Act's general principles to manage and expend funds to achieve the Act's stated purposes, including commencing expenditures and activities as quickly as possible, consistent with prudent management and consistent with the President's intent to apply merit-based principles to use the funds for purposes with long-term benefits to the Nation.

Nearly all of the $4.6 billion appropriated for Civil Works has been identified for specific Civil Works projects and activities. As of February 16th, financial obligations totalled just over $3 billion. As of that date, outlays totalled $930 million, which is updated from the numbers in my completed statement.

There are 830 Civil Works projects across 49 States and in both Puerto Rico and Washington, D.C. Among those projects being carried out by the Corps are 284 navigation projects, 304 flood risk management projects, 143 environmental restoration projects, 148 environmental infrastructure projects, and 35 hydropower projects, as well as inspections of 820 levees.

About 74 percent of the Corps's contract actions have been awarded to small businesses, and approximately 46 percent of the total dollar value has been awarded to small businesses. In addition, we are continuing to encourage our larger companies receiving
Civil Works contracts to hire local small businesses as their subcontractors.

For the Civil Works program, stimulus effects begin with contract award because that is when the contractor begins to hire the workers, order the materials and equipment, and take other steps to complete the work, creating ripples throughout the economy. As a result, stimulus impacts for Corps projects are more closely related to the obligation of Recovery funds, primarily through contract awards, rather than through the subsequent outlays which provide payments to contractors for work they already have completed or for supplies and equipment they already have purchased.

In the official recipient reporting system, contractors reported that the Civil Works Recovery Act contracts supported 6,047 jobs in just this last quarter. In addition to these jobs, the Recovery Act investment supports numerous indirect jobs in industries supplying materials and equipment.

On February 19th, I was pleased to attend the groundbreaking ceremony commemorating the new construction work that was made possible by the Recovery Act at Locks and Dams No. 4 in Charleroi, Pennsylvania, along the Monongahela River, which is in former Congressman Murtha’s district. The work was authorized in 1992 by Congress because aging navigation locks and dams in Charleroi, Elizabeth, and Braddock, Pennsylvania, were crumbling and dangerous.

The Charleroi Locks and Dams represent a major Federal investment over a number of years. The additional funding made available through the Recovery Act will permit the Corps to complete construction of the critical lock walls at Charleroi by 2011, sooner than would otherwise have been possible. Unfortunately, Congressman Murtha wasn’t there, but I think he would be pleased.

Thank you, Mr. Chairman and Members of the Committee, for the opportunity to testify. I look forward to answering your questions.

Mr. OBERSTAR. Thank you very much.

And thank you for that reference to our good friend and former colleague, Jack Murtha, whose accomplishments are writ large and who may be remembered for a great many things, but one in particular: At the end of the Cold War era, I talked to him about shifting some of those saved defense dollars to breast cancer research. And within the Appropriations Committee, he was able to do that, and that budget went from $35 million to $300 million. And many women’s lives are being saved because of not only the accelerated research on breast cancer, but also the education programs that have been funded by that savings from the Cold War peace dividend. Had that information been available 15 years earlier, I might not have lost my wife.

Mr. Fernandez?

Mr. FERNANDEZ. Thank you, Chairman Oberstar, Ranking Member Mica, and Members of the Committee. I appreciate the opportunity to testify today on behalf of the Department of Commerce’s Economic Development Administration.

I have been asked to provide you with an update on our progress regarding EDA’s Recovery Act projects. I am pleased to report that many communities that were hit hard by the economic recession
are already putting these funds to work, breaking ground, hiring workers, and leveraging significant private investment.

EDA received $150 million in Recovery Act funding. By the end of September, a full year ahead of schedule, we obligated 100 percent of our allocation, funding 68 projects in 37 States. We invested $50 million to promote the development of regional innovation clusters, $37 million to promote business incubation, $27 million to promote green jobs, and $11 million to promote global trade.

Our investments range from as small as $184,000 up to $6.4 million. These projects target a wide range of economically distressed and underserved communities. We targeted projects that assisted communities as they built up their local assets and infrastructure to strengthen their regional economy and enhance their global economic competitiveness.

EDA awarded $141 million, or about 96 percent of our total Recovery Act funds, for capital investment projects. Our investments are expected to leverage approximately $981 million in private investment over the next few years. Committee staff has a complete list of all of our EDA Recovery Act projects that go into great detail in terms of the project description, job creation numbers, and private leverage.

To date, 41 percent of EDA's Recovery Act projects are already under way. These projects represent about $50 million or 34 percent of our total allocation. I am pleased to report that, to date, nearly all of our projects within the EDA portfolio have met anticipated construction start dates and other project implementation milestones. We have been encouraged that some of our projects, in fact, have started ahead of schedule.

The Recovery Act requires new measures for unprecedented accountability and transparency. With our regional offices, we developed specific outreach initiatives to assist our recipient partners in meeting these additional reporting requirements. At the end of the second reporting period, 100 percent of EDA's grant recipients have successfully reported on their progress.

Our investments support a diverse mix of economic development activities that are proven to be an effective way of creating long-term economic stability and job growth. Simply put, we know what works, and that is why we are particularly focused on investments that support regional, collaborative innovation strategies.

EDA's ability to successfully implement the Recovery Act should be no surprise to those familiar with the agency. In part, our success is due to the fact that EDA has a tremendous experience working with a national network of local and State economic development professionals. This bottom-up approach to economic development is a key strength of our programs. Historically, EDA's program investments have been very efficient. EDA investments serve a catalytic role in local communities. The number of jobs created and the amount of private-sector investment leverage continue to be quite strong.

To the Chairman and others on the Committee, we have had a long-term and very successful relationship working with this Committee. We remain eager to work with you to help our country recovery from this economic recession. And as we prepare for reauthorization, we certainly look forward working with the Committee
to develop an even stronger framework for sustainable economic development.

To Members of the Committee, to the Chairman, Ranking Member Mica and others, I just want to say thank you for the opportunity to testify today, and I look forward to answering any questions.

Ms. Johnson of Texas. [presiding.] Thank you very much, Mr. Fernandez.

Now, Mr. Rajk?

Mr. Rajk. Good morning, Mr. Chairman, distinguished Members of the Committee. Thank you for the opportunity to speak with you today on the Coast Guard’s continued progress in executing funding received through the American Recovery and Reinvestment Act.

The $240 million appropriated to the Coast Guard by the act is allowing us to address critical projects in our Alteration of Bridges Program, selected shore facility projects, as well as to help sustain operation of our high-endurance cutters. Recovery Act funding is providing a significant impact in each of these programs to support our hardworking guardians and, ultimately, the American people.

$142 million designated for the alteration of four bridges addresses significant obstructions to navigation and is critical to improve the safe and efficient movement of people and commerce through the communities of Mobile, Alabama; Joliet, Illinois; Burlington, Iowa; and Galveston, Texas. Once all bridge projects are complete, they will provide an estimated $18 million of annual commercial benefit in and around these communities.

Additionally, construction on these four bridges leverages the over $120 million previously appropriated for these projects. Without the Recovery Act funding, undertaking these four projects would not have been possible until additional appropriations were made.

To date, the funding for all four projects has been obligated and three construction contracts have been awarded. A second bid solicitation for construction of the Galveston Causeway is expected to be under contract in early April. The three bridges under contract are moving along well, with contractors working on each of the projects as we meet here today.

The recipients’ reporting indicates that they have created or retained 65 jobs through these projects. In addition, our discussions with the Burlington Bridge contractor indicates that there has been at least 37 unreported jobs created or sustained indirectly through the building and manufacturing of supplies critical for the project. Direct on-site work for all of these bridges will be increasing as the spring approaches.

The $88 million appropriated for Coast Guard shore construction includes critical projects such as building housing and barracks for our personnel where no suitable and affordable housing exists. Shore projects also include revitalizing mooring facilities and shop buildings.

Once complete, these projects will allow us to better execute our operational missions. So far, we have awarded contracts on four of the seven projects and obligated just over $12 million, which represents 14 percent of the shore construction funds and is consistent with our original planning.
The contracting aspects for each of these seven projects have had their challenges. Most significantly, we planned to utilize a national multi-award construction contract for five of the seven projects, but that contract award was protested. As a result, we are pursuing individual contracts for each project. Currently, all contracts that have been awarded, along with those that are yet to be awarded, are intended for small-business set-aside programs.

The $10 million appropriated for engineering changes on our high-endurance cutters is being leveraged to upgrade critical pieces of equipment that most commonly contribute to major cutter casualties that adversely impact operations. These are some of our oldest and hardest-working ships, which the crews continue to struggle to keep operational. These upgrades will go a long way to helping their efforts.

For example, one of the projects entails replacing the onboard boilers, which have become very difficult to maintain, as indicated by over 200 casualties in the past 10 years across the fleet. Without doing something for these absolutely critical systems, these ships would continue to lose operational days due to casualties. In fact, the Coast Guard Cutter Hamilton, which recently completed its boiler upgrade, was supporting operations off the coast of Haiti. Hamilton has since been relieved by the cutter Dallas.

Contracts have been awarded for four of the seven high-endurance cutter engineering changes, with the goal of obligating all funds by the end of April. All of these projects are also benefitting the important ship repair industry.

Mr. Chairman, all of these projects will facilitate our mission accomplishment to best serve the American public. Our contracting staff, engineers, and project managers continue to aggressively pursue the execution of these projects in support of the intent of the act.

I would like to thank the Committee for their continued support of the Coast Guard and the opportunity to testify today. I am pleased to answer your questions. Thank you.

Ms. JOHNSON OF TEXAS. Thank you very much.

Mr. CARPER. Thank you, Madam Chairman and Ranking Member Mica and Members of the Committee, for the opportunity to testify before your Committee today.

Ms. JOHNSON OF TEXAS. Could you speak a little bit closer to the mike?

Mr. CARPER. Okay. Sorry, ma’am. Is that better?

Amtrak was, as you know, a recipient of nearly $1.3 billion in American Recovery and Reinvestment Act of 2009 grant funding. As I speak, more than $1 billion worth of projects are under way. And I expect that when the deadline arrives February of 2011, we will have completed the replacement of all or a significant part of eight bridges, the improvement and repair of 38 Amtrak facilities and 270 stations, and the return of 81 stored and damaged cars and 15 locomotives to service.
Throughout the process, we have pursued three important but subsidiary objectives: to ensure that we get the best possible value for our money; to get as much as possible done within the allotted time; and to make the spending process as transparent as possible, with the important and overriding focus of creating jobs.

The Federal Railroad Administration has approved more than 99 percent of the total funding, and we expect to make the bulk of our outlays in 2010. We are reporting to and meeting with the FRA on a weekly basis and contacting them far more frequently as we work through the grant and contracting process.

About 49 percent of the funding has gone to the Northeast Corridor projects, while the remaining 51 percent has been distributed across our national system. As of February 22nd, we have awarded 413 ARRA contracts, with a total dollar value of $722.8 million.

We have also invested in our fleet. Our mechanical department intends to return a total of 81 cars and 15 locomotives to service with ARRA funding. And the first rehabilitated car rolled off the line at our shops in Bear, Delaware, on July 13th, not quite 5 months after the President signed ARRA into law. When this program is complete, we will have added enough equipment for roughly 10 additional trains with several engines to spare—10 trains that will allow us to grow revenue and add ridership.

Mr. CARPER. Amtrak has already created almost 600 full-time equivalent positions as a result of our working on everything from replacing ties and rail in our yard in Niles, Michigan, to clearing brush and deadfall and cutting back overhanging trees along all 3 divisions of the Northeast Corridor. This cleanup program is combined with other ongoing efforts to reduce the number of incidents that affect our electric traction system. A cleanup of this kind is long overdue and has contributed to improvements in our train performance.

Another part of this year’s story is stations. Many of these projects will be station improvements associated with our Mobility First program of station accessibility that includes $38 million of our funding. In all, we will invest a total $144 million from all funding sources in fiscal year 2010 to address the compliance of our stations with the Americans with Disabilities Act.

For too long the lack of funding greatly hindered our ability to make station improvements. Five years is our goal for all stations to be ADA compliant. Examples are Wilmington, Delaware, and Sanford, Florida, projects that are already under way, on schedule and within budget. Many of these projects are ideal for small businesses, and they are spread all over the country. Forty-five percent of the contracts we have awarded to date have gone to small businesses. We have laid the groundwork for a productive year, and I am confident we will bring the work in on time.

I want to close again by noting that we have created more than 600 full-time equivalents in our workforce, plus a growing number of, vendor-created jobs. We are putting them to work building much-needed capacity and infrastructure improvements. This process has helped us prepare for larger projects that we expect to undertake in the future, and it helped us build a better, more transparent railroad.
I thank you very much for the opportunity today and look forward to taking some questions.

Ms. JOHNSON OF TEXAS. Thank you very much.

Ms. JOHNSON OF TEXAS. We will begin the first round of questions now, and my questions will go to the Deputy Secretary Porcari. Do you feel that requiring States to obligate 50 percent of their highway and bridge funding within 120 days of receiving their apportionment was a good idea? And I ask that because some in my State felt this requirement led to short-term construction projects that did not yield long-term jobs. I would just like to know if you agree with them.

Mr. PORCARI. Madam Chair, it is a good question. I do believe it made sense to have that 50 percent obligation requirement within the first 120 days. And just to give the Committee a sense of where I am coming from, in the early days of the Recovery Act, I was a State DOT secretary delivering projects under the Recovery Act. What tended to happen was your truly shovel-ready projects, the ones that were ready to go, you got out the door as quickly as possible, putting people to work as quickly as possible. As we are in the latter part of the Recovery Act projects right now, what we are seeing are larger, more complicated projects that couldn't move on the same time frame, but if you look around the country, you are seeing a number of those larger projects now. So I think it is actually a good combination of immediately getting people back to work, the recovery part of this, and also larger projects that create jobs that take a little longer to get out the door, the reinvestment part, if you will, of the bill, and I think it is a good balance.

Ms. JOHNSON OF TEXAS. So if by chance a second stimulus, you feel that you have a better vision on how to require the States and the agencies to comply with the time frame.

Mr. PORCARI. We believe the time frames in our legislation are actually pretty good ones. We have been working with our State and local partners. I mentioned earlier that we have met every deadline so far. We expect to continue to do that.

I will tell you for the March 1st deadline for Federal highways, as of today we already have 30 States at 100 percent obligation. We have 11 States at 97 percent or above. The rest will make it by March 1st. Likewise, we believe every one of our transit recipients will make the March 5th deadline. The system that we use, which is our existing reimbursable process, is one that the States and the transit agencies understand. Going forward in a jobs bill, any further investments in transportation infrastructure, if they work the same way, we expect to get the same results.

Ms. JOHNSON OF TEXAS. Thank you very much.

Mr. Mica.

Mr. MICA. Thank you. I have a question to follow up for our Deputy Secretary of Transportation.

I guess that the purpose of the TIGER discretionary grants was, as you said, to try to create jobs in our most economically depressed area as soon as possible. These jobs had to be shovel ready or ready to go to actually employ folks; is that correct?

Mr. PORCARI. Yes, it is correct. There is a separate time frame, as you know, for the TIGER discretionary grants.
Mr. Mica. So there were thousands of these submitted. Did you rank them, and was there any consideration of unemployment or the economic situation in the States?

Mr. Porcari. Yes, sir. It was explicitly one of the things that we looked at. I will tell you that there was tremendous demand. We had over 1,400 TIGER applications, $60 billion worth of applications for $1.5 billion in funding.

Mr. Mica. My question really deals, though—I have another slide there, the bigger one, that shows all of the awards for TIGER grants. You had about 1.5 billion in discretionary money. If you look at the top of the list, you see the lowest unemployment, 141 million went to States below 6.9 percent unemployment. That to me doesn’t quite make sense.

Take the chart of the 10 States with the highest unemployment. We have a separate chart. Just pull that out so it is bigger, that second chart. Okay.

Now, of course, as a Member from Florida, there are certain things that stand out in this TIGER grant distribution, a little chart, which, Madam Chair, I would like both these charts to be made part of the record.

Ms. Johnson of Texas. Okay.

Mr. Mica. Without objection, thank you.

This one sort of baffles me. I thought maybe Florida didn’t apply. I tried to figure out some of the reasoning, and I found, in fact, Florida had 115 project requests from Florida receiving—or asking for a total of 4.2 billion. The Florida Department of Transportation alone requested Four projects, totaling 287 million, and they got zero. Now, we had 11.8 percent unemployment.

I really would like you to submit to the Committee, too, if you could, any of the paperwork in the evaluation process. Now, I know you put these on line, and I appreciate that transparency, but somewhere something doesn’t click. I thought, well, maybe Florida they got some high-speed rail money, 1.1 billion. But that is not immediate; that would be years before that money is actually spent. We don’t even have the commission together or finalized plans. I thought, well, Illinois got 1.1- and 1.2- or something, about 2.3 billion towards rail, passenger rail, and they got 120 million. And then I see the lowest unemployment States under 6.9 getting TIGER discretionary. Somehow it doesn’t appear that it is targeted to these States. And then we look at the piddly amounts that is going there. So somehow this doesn’t click in my mind.

Mr. Porcari. It is a great question that I will be happy to answer.

Mr. Mica. I would like the background, too, of the evaluation process, because how Florida could not have one project read to go and be in the top 10 unemployment. Senator Nelson is also directing inquiry to the Secretary on this matter, but somehow we got screwed in this process, and I want to find out how and why. It just is unconscionable that we would be in the top 10 and have States with half the unemployment getting these discretionary grants for economic recovery and targeted.

Mr. Carper——

Mr. Porcari. I will be happy to answer that, if you would like.
Mr. MICA. Well, again, I would like to see if you could submit for the record. I don't have a whole lot of time. I don't want to take the Committee's——

Mr. PORCARI. We will submit the criteria.

[The information follows:]
<table>
<thead>
<tr>
<th>State</th>
<th>Amount of TIGER Grant (* = at least one grant shared with other states)</th>
<th>Combined Amount of TIGER Grants</th>
<th>Unemployment Rate</th>
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</tr>
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</tr>
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</tr>
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<td></td>
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</tr>
<tr>
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</tr>
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<tr>
<td>MICHIGAN</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>$1,498 billion</td>
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## TIGER Grant Distribution
### States with Highest Unemployment

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<tr>
<th>State</th>
<th>Amount of TIGER Grant</th>
<th>Combined Amount of TIGER Grants</th>
<th>Unemployment Rate</th>
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<tbody>
<tr>
<td>OREGON</td>
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<td>Highest Unemployment - $442.5 million (29.5% of total TIGER grants)</td>
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<tr>
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<td>$19.6 million*</td>
<td></td>
<td>12.1</td>
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<td>12.6</td>
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<td>RHODE ISLAND</td>
<td>$22.3 million</td>
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<tr>
<td>MICHIGAN</td>
<td>$55 million</td>
<td></td>
<td>14.6</td>
</tr>
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Mr. PORCARI. I would also say that of the TIGER awards, sir, 60 percent went to economically distressed areas, which is far in excess of the nationwide distribution.

Mr. MICA. I would think that if you asked Members of Congress what percentage you would like to go to economically distressed areas, I would like to see it in a 90 percent, 95 percent, in that range. Sixty is nice, but you tell that to people who are standing in line.

I was on the phone this morning with a father whose son was released from the United States military with a medical disability and can't get a damn job. And I can tell him that we—and this kid has been out of the military and can't find even menial work. So again, it is just very frustrating from our standpoint.

I know. You are trying to do the best you can. But I would like to see those records, and I think Senator Nelson would, too.

Mr. Carper, you were recipient of—there are 78 high-speed and—so-called high-speed and passenger rail grants. You were recipient, I think, or Amtrak participated in about over 70. I think it is somewhere in the 76 range project, right? Of the 78 you are going to participate in 76 of them according to our Subcommittee staff evaluation. We do have an evaluation of those, which I would like to be made a part of the record, a full list we have evaluated.

Mr. CARPER. I can't give an exact number.

Mr. MICA. I can. I am just telling you the Committee staff, the Rail Subcommittee staff on the Minority will submit that for the record. If you have a dispute.

Mr. CARPER. Understood.

[The information follows:]
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<thead>
<tr>
<th>Project #</th>
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<th>Project Name</th>
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<td>2</td>
<td>FL</td>
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<td>3</td>
<td>WI</td>
<td>GHP-UP HSR-Milwaukee Extension – construct extension from Milwaukee to Madison</td>
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<td>IL</td>
<td>SL-110 – Inner Chicago to St. Louis 2004 ROD Improvement – track, signal, and widening improvements</td>
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<td>5</td>
<td>WA</td>
<td>MARC-WAC Service Block 2-SEA-PV 6 RTs – buses and tracks and maintenance</td>
<td>500,000,000</td>
<td>Available</td>
</tr>
<tr>
<td>6</td>
<td>NC</td>
<td>T2 1-Southeast HSR-Piedmont Corridor Service Sanitation</td>
<td>620,000,000</td>
<td>Available</td>
</tr>
<tr>
<td>7</td>
<td>NC</td>
<td>T2 2-Southeast HSR-Piedmont-48 Frequency</td>
<td>620,000,000</td>
<td>Available</td>
</tr>
<tr>
<td>8</td>
<td>ME</td>
<td>Downeast Portland North Project – 30 mile track rehabilitation for extension to Brunswick</td>
<td>35,000,000</td>
<td>Available</td>
</tr>
<tr>
<td>9</td>
<td>MA</td>
<td>MBTA Knowledge Corridor/Rutgers Interchange – Springfield to East Norfork</td>
<td>75,000,000</td>
<td>Available, additional work in progress</td>
</tr>
<tr>
<td>10</td>
<td>OH</td>
<td>V-S-B (Huber) – 300-mile rail corridor connecting Columbus, Cleveland, Dayton &amp; Cincinnati</td>
<td>400,000,000</td>
<td>Available</td>
</tr>
<tr>
<td>11</td>
<td>AL</td>
<td>New Passenger Rail Service in Alabama – feasibility study</td>
<td>200,000</td>
<td>Available</td>
</tr>
<tr>
<td>12</td>
<td>CA</td>
<td>Pacific Surfliner Los Angeles to Fullerton Triple Track</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>13</td>
<td>CA</td>
<td>Pacific Surfliner-AK</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>14</td>
<td>CA</td>
<td>Pacific Surfliner-Railroad Corridor Program</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>15</td>
<td>CA</td>
<td>Pacific Surfliner-OR Trips Project 1</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>16</td>
<td>CA</td>
<td>Pacific Surfliner-Oregon Track 10</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>17</td>
<td>CA</td>
<td>Rolling Stock-Cab Cabs Bicycle Storage</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>18</td>
<td>CA</td>
<td>Rolling Stock-Cab Cabs Bicycle Storage</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>19</td>
<td>CA</td>
<td>Capital Corridor-South Terminal Station Improvement, San Jose Diridon</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>20</td>
<td>CA</td>
<td>Capital Corridor-Tracks</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>21</td>
<td>CA</td>
<td>Pacific Surfliner – Corridor Strategic Assessment</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>22</td>
<td>CA</td>
<td>Capital Corridor-Track Relocation-Rancho Bernardo Station</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>23</td>
<td>CO</td>
<td>State Rail Plan</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>24</td>
<td>CO</td>
<td>International Connectivity Study, Denver HSR LRT and commuter rail</td>
<td>300,000</td>
<td>Available, other transit services</td>
</tr>
<tr>
<td>25</td>
<td>CT</td>
<td>New Haven-Hartford-Springfield Corridor to 2nd main track</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>26</td>
<td>DC</td>
<td>Long Bridge Preliminary Engineering-NEPA Study</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>27</td>
<td>DC</td>
<td>H3-3 Union Station Garage Expansion Replacement</td>
<td>300,000</td>
<td>Available, other transit services</td>
</tr>
<tr>
<td>28</td>
<td>DE</td>
<td>Intercity Rail Connection Between Delaware and N.J. – feasibility study</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>29</td>
<td>GA</td>
<td>Atlanta to Birmingham Feasibility Study</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>30</td>
<td>GA</td>
<td>Interstate Rail Passenger Network Office – planning for new service from Athens</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>31</td>
<td>GA</td>
<td>Macon to Jacksonville Feasibility Study</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>32</td>
<td>GA</td>
<td>Athens Rail Corridor Improvements</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>33</td>
<td>IL</td>
<td>Chicago to Omaha Passenger Rail Plan</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>34</td>
<td>IL</td>
<td>CREATE I: 1-200 System Chicago-300,000</td>
<td>Available, other transit services</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>IL</td>
<td>Chicago-St. Louis, Double Track NEPA</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>36</td>
<td>IN</td>
<td>Indiana State Corridor</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>37</td>
<td>KS</td>
<td>Kansas Service Development Plan, Kansas City to Oklahoma City, potentially to Fort Worth</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>38</td>
<td>MD</td>
<td>Baltimore &amp; Potomac Tunnel PE and environmental analysis, Baltimore</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>39</td>
<td>MD</td>
<td>Delaware and Maryland corridor for new rail and shuttle platform</td>
<td>300,000</td>
<td>Available, other transit services</td>
</tr>
<tr>
<td>40</td>
<td>MI</td>
<td>Chicago Hub, Chicago-DeKalb/Parkway – new Downtown Amtrak station</td>
<td>300,000</td>
<td>Available, other transit services</td>
</tr>
<tr>
<td>41</td>
<td>MI</td>
<td>Chicago Hub, Chicago-Central/Parkway – new Midway Amtrak station</td>
<td>300,000</td>
<td>Available, other transit services</td>
</tr>
<tr>
<td>42</td>
<td>MI</td>
<td>Chicago Hub, Chicago obedient/Parkway – renovation of Daley Current Amtrak station</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>43</td>
<td>MN</td>
<td>NW Special NEPA</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>44</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – 2nd rail bridge over Osage River</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>45</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Ohio River Railroad</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>46</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – St. Louis-Wrightwood Amtrak station</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>47</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Kansas River crossing</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>48</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Union Pacific Volker Road Bridge</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>49</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Kansas River crossing</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>50</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – public access crossing and widening construction</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>51</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Bridge crossing Missouri River</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>52</td>
<td>MO</td>
<td>Kansas City-St. Louis Corridor – Union Pacific Volker Road Bridge</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>53</td>
<td>MO</td>
<td>Congestion Mitigation – new crossings</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>54</td>
<td>MO</td>
<td>Portal bridge replacement final design – meeting requirements</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>55</td>
<td>MO</td>
<td>New Mexico State Rail Plan</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>56</td>
<td>MO</td>
<td>Missouri-Atlantic Spur Capacity Improvements</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>57</td>
<td>NY</td>
<td>Empire Corridor – seismic, telecommunications, and grade crossing improvements</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>58</td>
<td>NY</td>
<td>Empire Corridor – 12 existing grade crossing safety device improvements</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>59</td>
<td>NY</td>
<td>Empire Corridor – Rochester Station ADA upgrades</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>60</td>
<td>NY</td>
<td>Empire Corridor – Buffalo-Derby Station ADA upgrades</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>61</td>
<td>NY</td>
<td>Empire Corridor – PE and environmental work for third track</td>
<td>300,000</td>
<td>Available</td>
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<tr>
<td>62</td>
<td>NY</td>
<td>Empire Corridor Planning</td>
<td>300,000</td>
<td>Available</td>
</tr>
<tr>
<td>#</td>
<td>CR</td>
<td>Project Title</td>
<td>Funding Amount</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>--------------</td>
<td>---------------</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>OR</td>
<td>Pacific Northwest Rail Corridor – Portland Union Station rail repair</td>
<td>$8,000,000</td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>OR</td>
<td>Pacific Northwest Rail Corridor – UP-origin track connector</td>
<td>$8,000,000</td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>OR</td>
<td>Pacific Northwest Rail Corridor – Replace switches with powered turnouts and crossovers</td>
<td>$8,000,000</td>
<td></td>
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<tr>
<td>66</td>
<td>PA</td>
<td>Keystone Corridor-Crushed Concrete (Philadelphia-Hamburg)</td>
<td>$4,000,000</td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>PA</td>
<td>Keystone Corridor-Allentown-Central Corridor (Philadelphia-Hamburg)</td>
<td>$4,000,000</td>
<td></td>
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<td>68</td>
<td>PA</td>
<td>Keystone Corridor-Interlocking Design (Philadelphia-Hamburg)</td>
<td>$4,000,000</td>
<td></td>
</tr>
<tr>
<td>69</td>
<td>PA</td>
<td>Keystone Corridor-Keystone West planning studies (Harrisburg-Pittsburgh)</td>
<td>$750,000</td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>PA</td>
<td>Keystone Corridor – Capacity and Track Improvements</td>
<td>$1,200,000</td>
<td></td>
</tr>
<tr>
<td>71</td>
<td>TX</td>
<td>Crossing Signal Trench, Burlington Northern Santa Fe Fort Worth Sub. Texas Eagle on-time performance improvements</td>
<td>$7,754,189</td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>TX</td>
<td>Valley View Double Track Project VI – Amtrak Texas Eagle relocation onto new bridge</td>
<td>$7,754,189</td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>VA</td>
<td>Attendant to Powhatan Creek Trestle Track construction</td>
<td>$7,482,129</td>
<td></td>
</tr>
<tr>
<td>74</td>
<td>VT</td>
<td>Hampsden New England Central Railroad Plate improvements – Amtrak Vermonter</td>
<td>$5,000,000</td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>VT</td>
<td>NH-VT Sl-State Intercity Passenger Rail Project – planning studies</td>
<td>$5,000,000</td>
<td></td>
</tr>
<tr>
<td>76</td>
<td>WI</td>
<td>Ottawa-Milwaukee Corridor – Install crossovers for Amtrak Haworth and Empire Builder on-time performance improvements</td>
<td>$12,000,000</td>
<td></td>
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<tr>
<td>77</td>
<td>WI</td>
<td>Chicago-Milwaukee Corridor – Milwaukee Area Regional platform extension</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>78</td>
<td>WV</td>
<td>WV HSIP Program – Rail Safety study</td>
<td>$1,000,000</td>
<td></td>
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<tr>
<td><strong>Total Funding Allocated</strong></td>
<td></td>
<td>$7,921,667,798</td>
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</table>
Mr. Mica. It is 76 out of 78.

Mr. Carper. Okay.

Mr. Mica. Now, the training thing, you mentioned transparency at least twice. I don't know of where I can, even as a Member of Congress, get the transparent information. At least DOT puts theirs on the line. I know you are on the recipient end, and it should be FRA's obligation to put those on line, but they are not on line. I want to see them on line, and I want you to put them on line. Can you handle that?

Mr. Carper. We will do our best to get them on line. I can't understand why we couldn't, and we will get back to you and make sure that that happens.

Mr. Mica. Because I think there should be transparency in that process. You know, people criticize congressional earmarks. I think we should have the transparency in executive and administrative earmarks. And today I am going to declare war on agencies who make determinations for awarding grants behind closed doors. At least we are elected officials, at least we are elected officials.

And I am not picking on the Obama administration. Remember when we failed to pass an appropriations measure for transportation appropriations? The Members who were here, some of you were here, there were 1,155 earmarks that went before our Committee we put on display. They were provided by an elected Member of Congress through the congressional process, passed in the House of Representatives, open to the public, and that Bush administration, when we failed to determine how that $800 million was to be spent, took that money, and behind closed doors some arrogant Bush administration folks put it on five projects of their choice with no hearing, no public recourse.

Now, if the Obama administration is going to do the same damn thing, I am declaring war on executive earmarks today. I want them open and transparent. If it is FRA, it should be. We are Members of Congress, and we deserve to know, and the American public deserves to know. So I guess that is my speech for the morning.

You don't have to answer, Mr. Carper, but I am looking forward—it is not totally your responsibility. FRA is not here for me to bash this morning, but I do want that on line, and I will demand it. And I am going to write a letter and ask Mr. Oberstar, Ms. Brown, Mr. Shuster to sign it and request it.

Mr. Carper. Congressman, if I might, perhaps I misunderstood the question or wasn't thinking quite clearly. The numbers that you refer to, I believe, are projects that were requested by the State, and they likely will be on our service on our lines.

Mr. Mica. Again, between FRA and Amtrak as the recipient, I want them on line.

Finally, Mr. Peck. Good morning, Mr. Peck.

Mr. Peck. Good morning.

Mr. Mica. Sorry you couldn't get away without me saying something.

I am sure you saw this Washington Post story about the commercial real estate situation in D.C., which is desperate, but which presents us, Ms. Norton, with a great opportunity. I saw your number of dollars available, allocated, obligated, expended. Worked with Ms. Norton, the Chairman to see that at this time when we have
a fire sale and we are leasing, we have expensive leases, when we have public agencies that can be housed at 50 cents, 25 cents on the dollar, that we act now instead of later and take advantage of this situation.

I used to be in the development business, and I always bought, sir, at fire sales, and I made a lot of money. Not, God forbid, we should make any money on the Federal Government or have money to give the taxpayers back, but at least expend the money that is available in making wise investments at this time, which may not occur for some time. Things will come back. This is a great city, this is a great National Capital. It will always have value. So if we take those funds sitting there, work together and get this money out.

I took Mr. Oberstar out on a ride around town to see what is available. Ms. Norton knows what I am talking about. We need to get some of that under contract ASAP. No C-R-A-P, just ASAP.

Mr. Peck. Thank you.

Mr. Mica, I know you know, just for the record, of course, we can’t use Recovery Act funds for building purchases because they don’t create jobs. However, what you are referring to is that we do have some unobligated balances, and we can use general tax funds to purchase buildings, and I will tell you that we do have one significant building purchase under negotiation in the District of Columbia. I can’t say what it is right now, because we haven’t closed the deal, but I hear you. You are absolutely right.

Ms. Johnson of Texas. Thank you very much for sticking around. We hope you will put some emotion into it.

Ms. Norton.

Ms. Norton. Thank you very much, Madam Chair. And I thank the Ranking Member for raising an important issue. The Federal building fund is going broke precisely because we do too much leaving, and the Ranking Member has specific buildings he would like us to buy. But I am right with them when it comes to what GSA ought to be doing. This is their economy; they can buy and they can lease at amounts they will never be able to do again. That is why we have been having repeated hearings on GSA. We have had four tracking hearings, which may account for why GSA, in fact, I am pleased to say, has speeded up in at least its obligations.

Mr. Peck says he can’t tell you what building it is that is under contract, but, of course, it is a matter of public record, because the administration, for the first time in almost 20 years that I have been on this Subcommittee, put money in its appropriation to purchase a building. That has never happened since I have been a Member of this Subcommittee, and it did so last year.

I would like to see more of that done. But, of course, we are going to have to come up with the hard cash if we want to purchase money. I think this is the time to do it. Let us all get rich like the Ranking Member did doing precisely that.

Mr. Mica. Ms. Norton, would your yield for just a second?

Ms. Norton. I will always yield to the Ranking Member.

Mr. Mica. Let me make it perfectly clear, because I know things can be misinterpreted by the press. First, I know no Washington real estate developers, I have nothing for sale, I have no specific building. I do have one agency that I would like to be located—all
their things collocated, and I don’t care where the hell they put them, just put them in someplace cost-effective for the taxpayer.

Ms. NORTON. The Ranking Member wants us to move people out of a government-owned building and put the people in a leased building in the District of Columbia. No, rather he wants us to buy another building for these people. I mean, all of this makes sense in its own way. If he and I can get together and come up with some cash, I think we ought to do just that.

I have first some questions for the EDA. I want everybody to note that the EDA has allocated all this money and had a whole lot less money than everybody else. And I think it is worth noting that the EDA is at least obligated—is this Mr. Fernandez—or all its funds. Now, the reason it is worth noting is unlike the GSA which has control over funds, can go into the ground itself, EDA has to work through the States. You are really talking about State projects, aren’t you?

Mr. FERNANDEZ. More so local projects.

Ms. NORTON. In other words, it is the locality that has to obligate the funds and has to go through all of the machinations that are necessary. It is not you who goes into the ground, you, EDA.

Now, let me ask you if there is—the people compete for this little bit of money relative to what some people like the GSA or, for that matter, the transit folks had. You had, what is it, 147 million?

Mr. FERNANDEZ. Correct. We had 147 million. In terms of applications, I think the total amount of requests we had added up to about 241 million.

Ms. NORTON. One of the great issues, the Congressional Black Caucus had an entire press conference on this, was the notion of whether or not funds are being targeted to the hardest-hit parts of our country. You have cities in the United States—my own city, for example, has 12 percent unemployment. That is typical of big cities in the United States. You are not geared toward big cities, but you are certainly geared towards the most depressed areas of the country.

Was there any—is there any correlation between the unemployment rate in the localities that won these contracts and the contract—the success in winning a contract? In other words, can you tell me that the hardest-hit areas, in fact, are who got this entire amount of obligated funds?

Mr. FERNANDEZ. I can’t say that absolutely in terms of projects that were funded were——

Ms. NORTON. That is really not my question. All of your projects come from hard-hit areas.

Mr. FERNANDEZ. Correct.

Ms. NORTON. You can go to some States and find surprises—for example, Pennsylvania has a lower unemployment rate than I thought it would have. I am asking whether there was a criterion among those used to award contracts that went to the unemployment rate?

Mr. FERNANDEZ. Yes. And in fact I appreciate you clarifying that for me. The EDA’s programs are specifically limited to eligible areas, and that eligibility is based on unemployment numbers as well as average incomes. We typically use at EDA a 24-month lag period, and that is by statute, to determine eligibility. With the
ARRA, with the Recovery Act we actually had an opportunity to fine-tune our criteria, and we used a shorter period to reflect the urgent nature of the Recovery Act. So in that case it was 3 months.

Ms. Norton. Mr. Fernandez, it would be helpful if you would submit to the Committee, and I would like a copy, the lists of those who applied and their unemployment rate versus those who succeeded and their unemployment rate so we can see that correlation. It is an important one and would help to clarify this matter.

Ms. Norton. Now, I have a question for you and for Mr. Peck that is the same genre of question. You have obligated all of your money, but then apparently you have broken ground on 20 of the projects, and that would mean 45 million of the 147 million, and that is 31 percent of the amount allocated.

Mr. Fernandez. Correct.

Ms. Norton. Now, one of the great issues that has arisen in these hearings, my own tracking hearings and these hearings, is the jargon and the difference between obligation and outlays.

Now, the GSA has the same issue: 2.1 billion obligated, but only 184 million in outlays. Now, as far as the public is concerned, obligation may not mean very much. We know it is very pregnant with meaning, but one of the reasons that there may be dissatisfaction with stimulus is we keep talking about large amounts of money, but people do not see that money on the ground, even in the case of EDA where all of your money has been allocated.

So I would like each of you to respond concerning outlays, which means that people are on the ground, weekly you are floating money out there to pay somebody who is on the ground. Whereas obligation, as far as we understand it, means that there is some money in the bank waiting to go on the ground.

So, Mr. Peck, Mr. Fernandez, which of you would like to explain the discrepancy between obligation and outlays in your own figures today?

Mr. Fernandez. I think it is pretty—it is a very relevant point. In our case 93 percent of our projects are expected to be initiated by July 1 of this year.

Ms. Norton. Say that again.

Mr. Fernandez. You know, to date we reported that a percentage of our projects have already been started in terms of breaking ground. As you noted earlier, in some cases construction projects—in all cases, in fact, for EDA—are paid on a reimbursable basis. So a project may actually start, but we will not disburse until the request for reimbursement is submitted.

Ms. Norton. People will not work long without being paid.

Mr. Fernandez. True. You would be surprised in terms of how some of our local agencies are more urgent about reimbursement than others.

Ms. Norton. So you think the problem is at the local level?

Mr. Fernandez. No. I think the issue with construction projects, there is often complex work that has to be completed before you can break ground. But my point is that by July 1 of this year, 93 percent of our projects are expected to be initiated in terms of the work will be—the designs will be completed, the ground will be broken, and the projects will be moving forward.

Ms. Norton. All 68 grants will have ground broken——
Mr. Fernandez. Yes.

Ms. Norton. —by July. That is important.

Mr. Peck, what is important is we began on—February the bill passed. I recognize that some of this period has been the winter, but some of it has not been the winter. Part of the spring, of course, was the tooling up after we passed the bill. In your case as well we have this huge amount. You seem to be on track to, in fact, get it spent—excuse me, get it obligated. I am very pleased with, after a great deal of trouble, you have done very good work with the apprenticeship so that we again begin to see something happening. I congratulate you on that. But of 2.1 billion obligated to see only 184 million, which means somebody is being paid, is a matter of some concern.

Mr. Peck. Let me take you through a couple of different kind of projects but, first some numbers. We have about 300 projects. We have 92 in the construction phase, which means the money is going to start to flow. And as I said, by September—right now we are at about 10 percent of a ratio of outlays to obligations, actual spending obligations. By September we will be up to 25, 26 percent.

Ms. Norton. Are you on track knowing that essentially the building period is coming up, it is sort of between late March—what is it, a 6-month period or so? You tell me—when if you want jobs, both jobs essentially are going to have to be created and on the ground in these spring, summer, early fall months?

Mr. Peck. Depends on the area. We are building a new border station in Calexico, and we can go year round, and Calexico gets hot, but there is no snow for sure. But you are right, in a lot of areas it is seasonal.

But on a large project, here is what has happened. There has been on a—take a large modernization on which we had to hire an architect or a large new building, we have had a lot of instances in which architects and engineers have worked around the clock to finish their designs. When they finish their design, their jobs stop, and then there is a little bit of a lag because we produce construction documents, and we go out to bid. It takes a couple of months to get people to bid on complex projects. We have done everything we can, by the way, to streamline fast track contract awards, and it takes a while before the buildings go in the ground. That is one issue.

Second, however, is that while we are doing that, and I think this is important to note, we don’t track it. We have been very conservative about what we claim as job retention and job creation so that when we award a contract to a contractor, and their people know they are going to have a job coming, that contractor can borrow and keep people on the payroll who might have otherwise been let go.

Ms. Norton. Do you know how many jobs you expect to be created by your portion of the stimulus fund?

Mr. Peck. By the end it should be around 60,000 jobs. We will have about 10,000 by—we changed the way we measure. We are doing it quarterly now, not cumulatively. But by the end of September, we will have 10,000 jobs created.

Ms. Johnson of Texas. Thank you very much. Time has expired.
Mr. Brown.

Mr. BROWN OF SOUTH CAROLINA. Thank you, Madam Chair.

Mr. Secretary, I am really appreciative. South Carolina was one of those States that did get a $10 million grant to continue the funding from I-73. And I noticed in part of the criteria for the funding, you could use it either as a grant, or you could use it as a subsidy cost, TIFIA credit assistance. Tell me how that works. And I guess the States would make that choice, or is part of the funding mechanism? Is it direct either/or.

Mr. PORCARI. It is a very good question, sir. First, as you know, there are far more projects than we had funding. I-73 is a good example of a very badly needed but also expensive highway project that would be a direct connection to Myrtle Beach. What this does is gives the States the option of either using what we call challenge grant to either cover the TIFIA subsidy for a TIFIA loan, or to use it for any elements of the project financing that they would like to fund. The idea would be it can be a catalyst for the financing package for a project of that scope, and we will be flexible with the State in how they want to proceed.

The indications we have gotten from different States on this process is they are going to probably approach it different ways, but what we wanted to do was give the maximum flexibility and use this as the catalyst to get the project going.

Mr. BROWN OF SOUTH CAROLINA. Do you think—this is sort of forward a little bit to look at the job bill that is being created, I guess—did the Senate pass it yesterday; is that correct, the job bill?

Mr. PORCARI. Yes.

Mr. BROWN OF SOUTH CAROLINA. How many dollars’ worth of highway funding is going to be in that bill?

Mr. PORCARI. Thirty-eight billion, I believe. We would presume that it would operate essentially the same way that the Recovery Act funding did. So the same types of projects would typically be available; the time frames would presumably be similar. We are geared up and ready to go for it.

Mr. BROWN OF SOUTH CAROLINA. Well, that means that the money will be disbursed back to the States by some kind of formula, or these TIGER grants will actually be allocated by grants?

Mr. PORCARI. Like the Recovery Act, we would anticipate it would work both ways, that the majority would be formula, the way the States are used to it now, but there would also be an ability through the TIGER grants to do the same thing that we did with these, which is fund projects that do not easily fit into any other categories.

I would point out also that in other fiscal year 2010 funding, there will be another round of TIGER grants, $600 million. We expect to award those by the end of this calendar year. So the types of projects and some of specific projects that applied for but did not get funding in this round could be eligible for the next round. And we have been encouraging applicants that were not successful in this round to come in for a debriefing so we can maximize their opportunity for this next $600 million.
Mr. BROWN OF SOUTH CAROLINA. So you will ask for additional grants, or you will just be able to use those same grants and go back and requalify.

Mr. PORCARI. They will have to resubmit. We are required to put out a separate notice of funding availability, which we are doing. Essentially you can take those same applications, strengthen them, and again we would encourage people to get a debrief from us and then resubmit them.

Mr. BROWN OF SOUTH CAROLINA. I don’t remember if you remember all the details or not, but that was about a $300 million request for I-73.

Mr. PORCARI. Yes.

Mr. BROWN OF SOUTH CAROLINA. We were able to get 10 million. South Carolina is one of those States, as Mr. Mica mentioned, 12.6 percent unemployment. In this particular region in the Dillon parts of South Carolina, the unemployment was probably approaching 20 percent. So this would be a win-win for us so we could exceed that somehow.

And one other thing, just a side note, Madam Chair, I know it is a different subject, but back in South Carolina we were able to create, my Chair, the Ways and Means Committee, what we call an infrastructure bank. I know we have been talking about that as we go through the reauthorization bill for the next bill highway bill. But I don’t know exactly how far you have actually taken a look at it, but it seems we need some way to leverage the funding we have to maximize the projects to create more jobs. I thought that may be another tool we could use.

Mr. PORCARI. It certainly is another tool, and in the President’s budget a proposed infrastructure fund is part of the proposal, an infrastructure banklike proposal, which would be another tool in the tool box for these projects. Again, on I-73 we do recognize both the need and the economic distress of the area. That is a great illustration of a project that would be jobs in the short term and then long-term reinvestment from an economic development plan, paying off year after year after year.

Mr. BROWN OF SOUTH CAROLINA. I think it is a window of opportunity in the recovery mode that we find our country in today that we spend the money for infrastructure improvement. We know the economy is going come back, and we are going have the infrastructure that will move commerce and create jobs in the future. Anyway thank you for your service.

Mr. PORCARI. We agree, sir.

Mr. BROWN OF SOUTH CAROLINA. Thank you, Madam Chair.

Ms. JOHNSON OF TEXAS. Thank you very much.

Ms. BROWN OF FLORIDA. I want to piggyback on what Congressman Brown just said, because one of the things about this Committee—and I want to use the disclaimer here that one of the things I have enjoyed about being on this Committee is the nature of the bipartisanship of this Committee and that we work together. And I want to be clear that this administration, the President, the Vice President and Secretary LaHood, has worked with this Chairperson and with the Ranking Member as far as high-speed rail is concerned. And I want everybody to be clear that they have worked
with us due diligently. They have come to Florida; they have talked
to the Florida officials. And I am very pleased that we had trans-
parency as far as the projects are concerned, as high speed is con-
cerned in this country. And I just want to get that on the record
before we get started.

And also about the stimulus, let me tell you, because of Mr.
Oberstar and the hearings that we are having today and the hear-
ings that we have had, we can truly say that we know how the dol-
ars have been spent. We can piggyback on the States that have
received the dollars and where those dollars are. And Members of
Congress and to the city council, to every single level, we have been
able to contact the officials and make them move those dollars out.

And so I just want to put that on the record. This is bipartisan-
ship. I don't understand how sometimes the rhetoric break down
for whatever the moment or the time, but I want to be clear that
I am very pleased with this administration, and, in fact, I, as
Chair, am going to have hearings in Florida. We are going to take
it to Florida and California, but I want to go to two or three cities
in Florida because we have benefited from high speed, and it is an
example of how this country can benefit with high speed, and it can
change the conflicts of this country.

I mean, 50 years ago when Eisenhower and the Members of Con-
gress decided to do the highway system, that was great for the
country. Now we are in a new era. All of our competitors are mov-
ing forward. I just returned from Germany where you can get on
a train and you can go 200 miles in less than an hour. That is the
future of this country, and we need to work together in a bipar-
tisan way and cut down on the rhetoric.

Now, let us go to Mr. Carper. Would you please tell me—and my
question—I am very happy with the project that you did in San-
ford, Florida——

Mr. CARPER. Yes, ma'am.

Ms. BROWN OF FLORIDA. —that the President and the Vice Presi-
dent was one of the first announcements that is in both Mr. Mica
and in my district. Can you tell us how many jobs that is going to
generate?

Mr. CARPER. How many specific jobs? I can't tell you that specifi-
cally today, Congresswoman, but I would be happy to get that to
you very quickly.

Ms. BROWN OF FLORIDA. Well, I can tell you that we are very ex-
cited about that project.

Mr. Peck, one of the things that you talked about—and my ques-
tion is why is it we don't do more design build, because basically
it takes months to plan and then more months to get it out? Why
can't we have more demonstrated projects that shown design build,
because that would actually really put people to work and cut down
on the number of the amount of time. We have done some of that
in VA, and I am very pleased with the project. I don't understand
why it will take us, let us say, 5 years to build a hospital where
in the private sector right next door can do it in 18 months. And
this is a Democrat talking here.

Mr. Peck. You are talking to a private-sector real estate person,
too. In our Recovery Act projects, in fact, we are doing a lot of them
design build because it does speed up the process. The reason I
think that traditionally we haven't done them so much is some of our projects have had longer lead times, and getting agreement on the requirements from agencies are complex. Not a good excuse.

We are doing a lot more design build. We are also using another process called the construction manager is constructor, which also allows us to fast-track the design and get a builder on board early on so the architects and builders are working together at an early stage in the process.

Ms. Brown of Florida. So this will help expedite some of these projects?

Mr. Peck. Yes, ma'am.

Ms. Brown of Florida. Mr. Porcari, tell us something about the TIGER grants. We are so happy that we got a billion-plus for the initial round, but there will be other rounds with the TIGER grants. Tell us for everybody in the room that is interested in the TIGER grants, because that was one of the hottest items all over the country. Everywhere you went, people had projects that didn't actually fit into certain categories, and so it is a great deal of pent-up desire. I think you all received how many applications for a limited amount of money?

Mr. Porcari. We received over 1,400 applications, $60 billion worth of requests for $1.5 billion worth of funding.

And you are correct, ma'am, it is a great program in that projects that are of regional or national significance that don't necessarily fit in the 108 or so of our stovepipe programs were eligible for this. If you look at the awards around the country, these are projects that for the most part typically can't get funded any other way, but are critically important from an economic development competitiveness and jobs point of view.

So we were evaluating things like the condition and performance of the existing systems; whether it was highway, freight rail, port or any others; livability; environmental sustainability. Those were some of the explicit goals that we had in this program.

And as you point out, there is another round. That was $1.5 billion nationwide. The next round will be $600 million. It will be awarded by the end of this calendar year.

Ms. Brown of Florida. Thank you all for what you are doing. Transportation received less than 4 percent of the money, but we generate about 50 percent of the jobs, so thank you again.

Ms. Johnson of Texas. Thank you again.

Mr. Diaz-Balart.

Mr. Diaz-Balart. Thank you, Madam Chairwoman.

Kind of piggybacking on what Congresswoman Brown said, this is one of the pleasures of working on this Committee is the fact that it is not partisan. And frankly, this Chairman has been emphatic in making sure the money is well spent. We have to be emphatic because we have seen where some of the stimulus money has gone elsewhere; $18 million for a Web page of stimulus money, funds going to congressional districts that don't exist, stimulus funds going to political campaign consultants. Now, if that happens in another country, we don't call it waste, we call it corruption.

But this Committee and this Chairman, Chairman Oberstar, has been dead set against letting that happen at least in the area of
responsibility that the Committee has oversight. And once again I need to commend that Chairman and this Committee for that.

I do want to talk about the TIGER grants. So TIGER grants were, again, stimulus money; is that correct?

Mr. Porcari. That is correct.

Mr. Diaz-Balart. So it is to stimulate the economy because the economy is hurting, and because particularly in some States are doing worse than others.

The State of Florida—I know you have already heard it from Mr. Mica—the State of Florida submitted, if I am not mistaken, multiple requests. I believe it was 115 projects requested from Florida that included local governments and FDOT. Now, FDOT only requested four projects. Florida, which is in the top 10 of unemployment numbers, received zero money from TIGER; is that correct?

Mr. Porcari. That is correct.

Mr. Diaz-Balart. So you could not find one project in Florida, not one that qualified for TIGER grants?

Mr. Porcari. No, sir. There were worthy projects all over the country that did not get funded. As I mentioned, only about 3 percent of the our projects were able to—I would point out that economically distressed areas is something that we paid careful attention to. You previously saw a slide from Mr. Mica of the State unemployment numbers. Especially the large States, the unemployment varies, obviously, in different parts of the State. We were trying to zoom in on the particular pockets of higher distress through the economically distressed areas. As I previously testified, 60 percent of the projects went to economically distressed areas.

Mr. Diaz-Balart. I understand that. Is there any debate that Florida is in the top 10 of unemployment?

Mr. Porcari. No, we are not debating that. It is the lack of enough TIGER funding to satisfy the need.

Mr. Diaz-Balart. I understand that. You have a number of States, and I am sure they are worthwhile projects. I am not saying they are not worthwhile projects. We have a number of States that have much lower unemployment, including lower than the national average, which obviously is very high, that received millions of dollars, and Florida, that is the top, top of the Nation as far as unemployment, received zero dollars. I mean, tell me how that is justified.

Mr. Porcari. First you previously heard Florida received a very significant high-speed rail grant as part of Recovery Act funding. So in addition to the rest of the recovery funding, Florida received one of the single largest—

Mr. Diaz-Balart. Let me stop you there. The other States that received high-speed rail, did they also not get any money?

Mr. Porcari. The unemployment and economically distressed areas, sir, is one of the criteria. It is not the only one. It is a combination of a couple of things.

Mr. Diaz-Balart. Correct me if I am wrong. I guess you are trying to justify Florida getting zero because they received high-speed rail lines. If that is the case—let us not lose that thought, you brought that up—are our States that receive high-speed rail money, did they, any of those States, receive zero TIGER grant money?
Mr. PORCARI. I don’t know offhand.

Mr. DIAZ-BALART. Mr. Secretary, again, look, we are adults here. If you are going to use that as a justification, and then let us be consistent, please. If you are telling me one of the reasons Florida—and by the way, that may be the case, but if you are telling me that one of the reasons Florida did not get TIGER grants is because it got high-speed rail, and if then that was the policy—

Mr. PORCARI. No, sir, that was not the policy.

Mr. DIAZ-BALART. So you are taking that back.

Mr. PORCARI. No. If I can just clarify, I did not mean to imply that States that got high-speed rail grants would not get TIGER grants, and that was a criteria. What I did want to point out is that in addition to the formula recovery money that Florida got, it did get a very significant high-speed rail grant that was awarded on the merits. With both the high-speed rail program and the TIGER program, we were in the unfortunate position of having far more meritorious projects than we could possibly award.

Economically distressed areas was one of the considerations, and it is an important one because both recovery and reinvestment are the aims of the bill. I would encourage, and I have had the discussion with your State DOT secretary about this—I would encourage the applicants for the new TIGER projects to come and let us go through a debriefing on the strengths and weaknesses of the individual proposals so they can maximize their opportunity for the next round.

Mr. DIAZ-BALART. I appreciate that, Mr. Secretary. I think that is a worthwhile exercise, a worthwhile effort, and I am grateful for that. I just want to make it very clear for the record, I don’t know however you cut it or look at it or whatever justification or whatever criteria, there is no explanation why Florida was not able to qualify for one single dollar of TIGER grants. I am sorry, sir. I appreciate the fact that you are willing to look at it and look at their proposals and make sure that they are done better, or whatever it may be, but there is no justification, absolutely zero justification, for Florida to have gotten skunked from TIGER grant money. Thank you.

Ms. BROWN OF FLORIDA. Mr. Chairman.

Mr. OBERSTAR. [Presiding.] Ms. Brown.

Ms. BROWN OF FLORIDA. I just want to say that I, too, am disappointed that we didn’t get TIGER grants, but if you turn to Florida and you look at every single category, Florida has received significant amounts of taxpayer dollars. And part of the problem, when Florida initially received money, it was sitting in Tallahassee, and we had to move it. We were 51, Mr. Chairman. If you had not brought it to our attention—it is only 50 States—in the States using the transportation dollars, 51 out of 50 States. So if we didn’t move it—and once we got on top of it because of your leadership, Florida became 36.

So it is not like money is not sitting in Tallahassee. They need to move it out into the community.

Mr. OBERSTAR. It is a State implementation program.

Mr. Michaud is next.

Mr. MICHAUD. Thank you very much, Mr. Chairman.
Mr. Secretary, first of all, I want to thank the Department of Transportation for getting the money out quick, as you have heard, the infrastructures funding, although the stimulus package actually has been one of the ones that has been able to get the most out and had a big impact.

In your testimony you said that the President made clear in the State of the Union Address that his number one priority in 2010 is accelerating job creation, the pace of job creation. Transportation is an important part of his plan to put Americans back to work, and he urged Congress to consider supporting a jobs bill. That is great, and as you heard, the Chairman and others Members of this Committee were very concerned of the fact that the same administration requested an 18-month delay in the transportation reauthorization. And when you look at the impact that the stimulus money would have had, it would have been a greater impact. However, having talked to contractors, they actually put on hold purchasing equipment, decided to pay overtime versus hiring new people because they are concerned whether it is 18 months, might be 24, might be 36 months.

I am concerned of the fact that some of the individuals surrounded by the administration—I know Chairman Oberstar mentioned Larry Summers, which is not—he has not been very supportive of infrastructure funding. How committed are they in creating jobs—although it is a year late—but how committed are they in creating jobs, and if they are so committed, why aren’t they really aggressively moving to get Congress, which we are prepared in the House, to pass the transportation reauthorization bill? That is a job-creation bill.

Mr. PORCARI. Sir, one very important part, from the transportation perspective probably the single most important part, of the Senate jobs bill is an extension of the surface transportation authorization until the end of this calendar year. That starts to provide the kind of certainty and predictability that you illustrate.

I would also mention, because it needs clarification, I believe, there is a difference in the Recovery Act funding between outlays and obligation. And the important part is obligation, because we work on a reimbursable basis, the obligation is when the job starts, it is when the work starts. We are reimbursing when the work is done. This is like buying a new automobile. You don’t pay the manufacturer to build it. They build it, they deliver it, you test-drive it, and then you pay for it.

So, the jobs, the investment are up front. The Federal reimbursement is at the back of the process.

Mr. MICHAUD. You talked about predictability. I understand what the Senate did on their bill. They are going to have part of the funding similar to the TIGER. We heard some concern with the administration giving out TIGER grants and some other accusation as it relates to that. Do you think for predictability it is better for all the transportation funding to run through the funding formula, for predictability?

Mr. PORCARI. I think that the TIGER grant process in particular has shown that there is a value for both, especially merit-based projects that don’t fit within one of our existing formulas and typically can’t be funded any other way. One illustration in the TIGER
grant awards you saw last week would be our freight-rail capacity projects, where it is incredibly important from an economic development perspective for the Nation, but it can't get funded any other way. A program like TIGER is the only way we are going to be able to make those investments. So the combination of formula funds which the States and our other recipients know and are good at getting projects out the door and then merit-based projects like TIGER for some of the ones that don't fit in those categories is actually a good combination.

Mr. MICHAUD. Mr. Carper, you mentioned the money that your company or Amtrak is putting for new locomotives and what have you. A couple of questions. One is that I was reading a newspaper article where 80 percent of the money has gone to foreign manufacturing for the wind turbines. Is all your funding here locally? That is my first question.

And for those that belong or are part of the administration, also reading an article this last week where the U.S. Trade Representative Ron Kirk is encouraging Mexico to sign on to the government procurement agreement so that Mexico can actually have access to some of the stimulus funding which was intended to create jobs here in the U.S.

One question to Mr. Carper and for those involved in the administration, isn't the administration coordinating what is happening, or are you going to encourage other countries to access the stimulus money?

Mr. CARPER. Thank you, Congressman.

First of all, the 80 vehicles that I mentioned and the locomotives are all in the rebuild mode, so we are reconstructing those, but certainly Amtrak is certainly going to comply with the Buy American component. That has been a great deal of conversation about that, and we are committed to doing that. We are hopeful it will be the genesis for restarting a big manufacturing base for rail.

If I might, I want to make sure that one thing is clear. That has to do with the transparency, and, Congressman, if you can bear with me, it will probably speak to the question that you have. I want to make sure that I make it very clear that the $1.3 billion—and in there, if you go on our website, you will be able to see where we are spending every one of those dollars. There was a reference earlier about some other projects, that while those projects will be on our service and our lines, the money is not coming to Amtrak, and so it is not reflected on our website. But the money that comes directly to Amtrak is shown—we are very proud of our transparency, and I want to make sure that our transparency on our website is first rate. So I hope that answers your question.

Mr. MICHAUD. And, Mr. Chairman, I noticed the administration officials are silent on that issue about job creation. If they want to submit it to the record, Mr. Chairman. Because my concern is the President has been talking about job creation here at home; we have heard the panel here talk about what good that the stimulus package has done for Americans. But, by the same token, you have part of the administration encouraging Mexico to sign on to the Government Procurement Agreement under the WTO so they can get around the Buy American provision. So you have one hand say-
ing one thing; another hand is encouraging countries to access out what is remaining of our stimulus package. And that is a big concern.

If they can’t answer it today, if they could provide the Committee with their answer of why they are encouraging other countries to access the stimulus funding.

Mr. OBERSTAR. We certainly expect answers to those questions.

And the fundamental principle of the Buy American Act goes back to the 1930s. In fact, it was enacted in 1930. And it was rigorously enforced by Roosevelt in the WPA. And we simply reverted to this principle, re-enforced this principle in the stimulus. These are U.S. tax dollars. The purpose of the programs is to put Americans to work and use American materials in this product.

The Chinese are not hiring Americans. They are not buying American materials in their $580 billion stimulus program. Nor have the Japanese, nor have the South Koreans, nor has the European community. France has a $47 billion stimulus program; they are not out here looking to buy American equipment or materials to put into their stimulus programs.

And in other areas, other arenas, fine, that is a different matter. But the purpose of this program is use American tax dollars to put Americans to work.

Mr. PECK. Mr. Chairman, may I answer, too, by saying, in some cases and, as you know, under Buy American under the Recovery Act, we can buy foreign goods if we don’t have American goods——

Mr. OBERSTAR. There are exceptions in the law that are specified particularly, and there is a process by which you have to proceed to resolve those matters.

Mr. PECK. Correct. And I think one of the—for us at GSA, I can tell you that one of the things that we think is an opportunity we have been given in the Recovery Act is to buy some green building products in the kind of bulk in which we can help make the market for American manufacturers to start making them. There have been cases where we haven’t found an American manufacturer. We have been approached by some who have said if we can buy enough of their product, they will be able to set up a plant here. And we are hoping to have a couple of those successes to report to you.

Mr. MICHAUD. I agree. And the whole idea—and I understand, like the Chairman said, there are provisions if we can’t buy it here. But for the administration to be encouraging countries that do not qualify under GPA to become qualified so they can go after the stimulus money is wrong. No two ways about it, it is wrong, dead wrong.

Mr. PORCARI. Mr. Chairman, if I may, I just want to make clear for the transportation part of the stimulus program, Buy American has applied from the beginning. We have granted no waivers that did not meet the statutory criteria. We had one transit project that actually started discussing that. We made it clear that the project would not go forward if that was the case.

Mr. OBERSTAR. You are hearing it straight from the Members of the Committee.

The gentleman’s time has expired.

Mr. Cao?
Mr. CAO. Thank you very much, Mr. Chairman. And thank you for the support that you have shown, especially to the States and, more particularly, to the city of New Orleans in this recovery process. I know that you have been a strong advocate of high-speed rail.

And that would be the first question that I would ask Secretary Porcari. Will there be a second-round application for high-speed rail?

Mr. PORCARI. Yes, sir. First, on the TIGER streetcar grant for New Orleans, that is a great example of both economic stimulus and livability and how those fit together in a long-term investment that will help the country.

Yes, there will be a second round of high-speed rail grants. We will be working directly with the applicants on that. We look forward to that, knowing that the high-speed rail program in the Recovery Act was the first step, an important first step, but just the first step for what will be a nationwide, comprehensive high-speed rail network.

Mr. CAO. Can you provide me with the time with respect to when the second-round application will be requested?

Mr. PORCARI. Yes. In rough terms, we anticipate making the awards prior to the end of this calendar year for those. The criteria and some of the specifics on that we will be happy to get to you. They are being developed right now.

Mr. CAO. And it will be from the stimulus money so that there won’t be any matching requirements from the States?

Mr. PORCARI. These will actually be 80-20. They will require a 20 percent match. These are post-stimulus dollars.

Mr. CAO. Okay. Thank you.

Mr. Hooks, I have noticed that you have been sitting there very quiet, and I don’t want to leave you out of the conversation. And my question to you is, how many jobs have been created through the EPA stimulus funding? And how many of those jobs go to, for example, inspectors who go out to sites and to inspect sites?

Mr. Hooks. I cannot necessarily break down the precise nature of what those jobs are. Right now we estimate about 6,800 jobs have been produced or created or retained at this point in time based on recipient reporting.

Mr. CAO. Well, Mr. Hooks, I would like to put some of those 6,800 people to work. There is a church in Norcross, Georgia. It is a Vietnamese-American church. It serves about 1,100 families. There is a waste transfer plant that is about to be built right next to the church. If I were a student looking out the window, I would be looking straight at the waste transfer station.

So I have no idea where the Federal jurisdiction is, but it seems to me that there is an environmental issue if there is a waste
transfer station right next to a fully functional, operating church. So if you can have your people look into that for me, I would really appreciate it.

Mr. Hooks. We would be happy to follow up on that.

Mr. Cao. If you can have your staff contact my staff, we can give you the information and you can send people out.

Mr. Hooks. I would appreciate that. We will. Thank you.

Mr. Cao. And, Ms. Darcy, this question has really nothing to do with the stimulus jobs, but there is an issue that is being raised in the Second District and also in the adjacent congressional district. Recently, a Federal judge issued a judgment after trial holding the Army Corps of Engineers responsible for the flooding in St. Bernard Parish, as well as in the Lower Ninth Ward.

And the question that many of my constituents have asked of me to ask you is whether or not the Army Corps of Engineers planned to pay on the judgment. What is the Army Corps's plan to do?

Ms. Darcy. Because of the nature of this ongoing litigation, it is not something that I can address at this time. The Department of Justice is still looking at that decision.

Mr. Cao. Okay.

That is all the questions I have, Mr. Chairman.

Mr. Oberstar. Thank you, Mr. Cao.

Mrs. Napolitano? Oh, you have—Ms. Richardson?

Ms. Richardson. Thank you.

That was very kind of you, Mrs. Napolitano.

Mr. Porcari, first of all, I want to say, thank you for being here, and all of our folks who have testified today. And, Mr. Porcari, I had an opportunity for you to come to my district, which I greatly appreciate.

I would like to build on Ms. Norton’s request that this Committee would receive a report or a map or something that gives us an overlay based upon what projects have actually been funded and how that relates to the unemployment and the economic-understressed areas. I remember Ms. Edwards and I, when we first talked about supporting the stimulus package, many of us talked about having the commitment that the dollars were going to go into the unemployment areas.

And also, the second question that I wanted to ask that wasn’t in your testimony and we talked about last time that we would get this time and I don’t see it, and that is: What new contractors have been able to now play in this arena that were not currently working at the time when this all started?

And I know there has been a big play on words of whether it is jobs that were sustained versus jobs that were created. But if all we did out of this whole process of over $800 billion is only to ensure that the people who were already working got to work a few more hours, that certainly was not my objective.

So, if you could—and this is my second time requesting this—that the report that would come to this Committee at our next meeting would include the information of what new contractors, minority contractors in particular, have been able to gain employment, gain contracts in light of all of this money that came out, and then also a record of how this overlays economically with unemployment in the economically distressed areas.
Mr. PORCARI. We will do that. We will need to get the contractor information from the recipients, but we will work with them to do that.

[The information follows:]
[the information follows]

Following the hearing, the Secretary and Deputy Secretary of Transportation met with the Committee Chairman and others on March 23, 2010, to address this and related issues raised by Representative Richardson and Representative Edwards. As a result of that meeting, the Department of Transportation will transmit its response to the Committee on these matters in a letter from the Department.
Ms. RICHARDSON. Okay.

My next point is, I was a little surprised in your testimony, it gave a recap of what has happened with the money, but it didn’t really talk about lessons learned. And because I unfortunately only have 3 minutes and the next thing I need to talk about is pretty important, I would just like to ask that you would forward to the Committee, okay, in light of what we did with the stimulus, if we were to do something again, what would be some of the key things that you have now heard out across the country that would enable us to spend the money in the best way?

And let me give you a couple examples. I have heard in my community that because of the way that the language was written, there has been a greater focus on short-term projects versus long-term projects because it had to be shovel-ready. Well, you know, yeah, we have done a lot of paving, but there were some other very key projects that needed to get done that couldn’t get done because it was going to take longer. Also, there was an issue about funding being allowed for design and some of these things. So I would just be very curious to hear what you have learned as you have been going out and about, and if you could supply it to this Committee.

Finally, I would like to actually chime in to my colleague from Florida. I was a little disappointed with the TIGER allocations. And not only am I going to request my particular area to get a debriefing, I would like to get a debriefing. Because I, to be very frank with you, sir, I find it hard to understand how you can fund port communities, fund goods movement throughout the United States, and yet fail to fund the largest one in the United States. It doesn’t make sense. And so, I would like to have a real serious conversation to understand what was the criteria, how things were determined to be selected, and what we need to do moving forward.

I believe, as a Member of Congress, we are a part of the U.S. House of Representatives. So when you came and you did the tour, I made sure that you went to the Colton Crossing because I believe I have, as a Member of this Committee, just as much obligation to support Mrs. Napolitano as I do Mr. Baca and so on. And I applaud what was done. I have no problems with the ones that were picked, particularly in California. I think they were right on. But I think there were some others that should have been done, as well, in addition to that. And I think it is glaringly a problem.

It further alarms me when I hear your comment about high-speed rail, because when you come from a State like California, okay, California, yeah, we got $2.3 billion, but the route is from, for example, Anaheim to Los Angeles. So even though that is right next-door to me, that is still not — so if you are looking at, well, okay, LA got X amount and so we now need to do some over here, it is not necessarily reflective. And we need to make sure whoever is making these decisions understands the map, because it doesn’t make sense.

And, with that, I have 2 seconds. So I look forward to speaking to you.

Mr. PORCARI. Thank you. We will be happy to do the debriefing and talk about the project criteria. I will say again, both high-speed rail and the TIGER grant process, merit-based process, over-
whelming demand, and we look forward to the next rounds of them.

If I can just spend one moment, if I may, ma'am, on the lessons learned. One, clearly, is reporting requirements, streamlining them, because the States, in particular, had multiple reports they had to put together. It turned into a bit of an administrative burden.

The other comment that you made, which I think is a very important one, is about the short-term resurfacing-type projects versus longer-term. I think of the Recovery Act as a three-stage rocket, and what you saw in the beginning, in the first 120 days, were the easy, already-permitted projects that you could get out the door, which tended to be resurfacing. The next 120 days and leading up to now, you tended to see and we are seeing now much more complicated, much more expensive projects coming on line that were close but not ready to go to bid in the first 120 days. And then, finally, the third stage of that rocket really is the things like the TIGER grants and the high-speed rail, which have a longer time frame, typically, than the other two parts I just described but will really pay off in the future.

Ms. Richardson. Thank you, sir.

Thank you, Mr. Chairman.

Mr. Oberstar. Let's see. Mrs. Napolitano, you are next.

Mrs. Napolitano. Thank you so much, Mr. Chair. And thank you for allowing me to yield over to Ms. Richardson.

I have a lot of questions and probably will have to be in writing, but the first one is to Ms. Darcy.

You have great people in LA. Colonel Magness works beautifully on the Whittier Narrows. And that is one of the areas that I wanted to bring up. Because, in November of last year, I handed you a letter in regard to the ability to be able to raise the additional three feet in the conservation pool. I haven't heard anything. There has been some kind of a delay at headquarters, your headquarters, in being able to allow the county to move forward with that. It would allow for probably 1,100 acre-feet to be retained in that pool for replenishment for the basin. And I have a copy of it; I will give it to you.

But I certainly would want to make sure that that moves forward so that that can be done. It would save a lot of water, and given California's drought situation. So, thank you very much for that. And I won't belabor it. I know you work great with us in our area.

To Mr. Peck on GSA, the areas in my district that have been working with GSA includes the Norwalk Tank Farm, which is an area that is contaminated. It would be nice to be able to have the government release that contamination site, continue to clean it up, but be able to have some of that money be able to be in the pocket of GSA and the government for use in other areas. And I don't want to follow up on that right now, but I would like to maybe speak to you on that.

And, Mr. Porcari, the grade separations, as part of the TIGER grants, as you well know, the Alameda Corridor going straight to my district is a—even Mr. Chair has deemed it of national significance, a corridor of national significance. Yet those separations—
there are 54 going through my district, which bring in all the 40, 50 percent of the Nation’s goods to the rest of the country. Those are project-ready, ready to go. They have already done most of the work. Yet we have very limited funds to be able to get that.

Now, the railroads need to be forced, and hopefully someday we will be able to put into effect laws that will require them to put more funding into participation of grade separations, because they benefit in getting the goods on time delivered to the rest of the Nation.

Those are some of the things that I have in mind. The high-speed rail, I love it. And I am sorry, Ms. Brown, great job. California is getting a lot of funding for that. And like Ms. Richardson was stating, it is going through, yet there is very few—I had to force the issue with the High Speed Rail Authority to sit with the locals, especially in my area because a lot of it goes through my area, to be able to determine whether, are they talking eminent domain? Have they purchased the right of ways? Which they have not. Have they talked to the locals about the ability to go through the communities? The cities are saying, no, you are not. So, while they may have plans, they are going to run into legal objections from the communities they plan to go through.

And I certainly have some concerns and some issues, but I wanted to sit and discuss with somebody and bring the people who are actually going to be affected to the table, so that there is at least an understanding of what—if they want to go through it, fine. I need mass transit. I really don’t need high-speed rail in my area. I need to move my masses. There is 12 million people in LA County alone that need to go to work. And we only have bus transit. And, as you well know, you have one accident and you have a tie-up.

So those are just mostly comments that I want to be able to be sure that we look at. I have just recently heard that the cost of going from San Francisco to LA was deemed to be 55. It has now gone to 105. And this is just mere—how would I say—speculation, because it is not built yet.

I just want to ensure—and I need the dialogue on the right-of-way issues and maybe have somebody come to my district and talk to the communities involved. They have done an MOU with the High Speed Rail Authority, but we have no idea where they are moving forward, because, as Ms. Richardson is stating, it goes from LA—it doesn’t go through our districts, in many areas.

Comments, very quickly? Do any of you request from your contractors information about how many jobs have been created with them? Because we—I hear it in my district, people saying, well, we have gotten jobs developed out of the stimulus money, but yet I have no idea where those jobs are coming from. And if you would request your contractors to report to you how many jobs have been developed, it would be very helpful, because we keep hearing that there is no job development.

The other area in the lessons learned is, we are going to have 10,000 veterans coming home starting in March, 10,000 a month, throughout the United States. Are you making any provisions for them to be hired first? Because right now one of the highest homeless population is women veterans. I take great exception to that.
They have served this country; they need to be able to be put to work so they can be able to get back into society.

Another one would be the projections of some of these projects, because everybody wants to be able to bid on projects. Have you determined if there is any excess money left over from projects done to be able to be put into new projects because they are not going to use it? I am hearing this from some of my water projects in my Subcommittee. And those are things I think this Committee would like to know. If you are, then what can we do to be able to alert some of the communicates that have high unemployment or that have a greater need to be able to move projects forward that are already on line, that can move forward? I wouldn't say 30-day shovel-ready, but at least maybe a 6-month period.

And, with that, Mr. Chair, I have gone over my time. Thank you for your indulgence.

And I certainly would like to hear some answers if anybody is willing to comment.

Mr. PORCARI. Ma'am, I would love to.

Starting with where you ended, the money left over from low bids on projects, we have experienced that in our recovery projects across the board. The States' transit authorities and aviation eligible projects have been able to recycle that money and put additional projects out.

One example: We originally thought we would do about 300 airport improvement projects. We have done 360 because of the good bids. So the money is going right back out for additional projects. I believe my colleagues are actually doing the same. And that is true across the board.

I will be very happy to convene a meeting with the High Speed Rail Authority on the issues that you brought up. I would point out, we have been pushing the applicants on high-speed rail very hard, in this case the California High Speed Rail Authority, to get their act together in the sense of working with all of the stakeholders, working as regions, not as specific areas, not working as one State where they cross State boundaries. The successful applicants are the ones that are actually doing a good job with that. So your point is well-taken. I will be happy to set that up.

And then, finally, if I may, on the Colton Crossing project, I think what it shows, more than anything else, is how dire the needs are for those improvements. And for those not familiar with this project, this is a freight rail improvement where two major Class 1 railroads intersect. And when you have 40 percent of the Nation's imports coming through that one very small pipeline, it is a critically needed improvement.

The at-grade crossings that you mentioned are also critically needed, but I think it illustrates, more than anything else, how far behind we are in our infrastructure.

Mrs. NAPOLITANO. Thank you.

Mr. CARPER. Congresswoman, if I might, we do track the jobs. We do it in work hours. And we do that consistently, and that is reflected on our Web site.

And I would like to make the comment, also, that Amtrak has been longing for so long to have capital funds that, if we had the ability to move it, if bids come in under, et cetera, we are certainly
putting it to good use. So I think you can be assured of that. And we would be happy to talk to you further on that.

Thank you.

Ms. DARCY. If I might address your concern about our returning warriors, we are using $3 million of ARRA money to train returning veterans in what is called our Veterans Curation Project. We are training them to have skills to do digitization and other skills to help us in our archeological cataloging. We have an ongoing project now in Augusta, Georgia, one in St. Louis, and now one here in Washington, D.C. We are hoping that this kind of project can get additional funding—and we are looking toward next year’s budget to try to provide additional funds for that.

Mr. PECK. And, finally, if I might, on contract job reporting, we are by the White House Recovery Act Office required to have our contractors tell us how many jobs they are creating. As I said before, the rules under which they do that are really stringent and very conservative. And, really, they have to have actually been paid for a job by us before they can report it. So when they hire people in anticipation of payment, they are not reporting those jobs yet. And that may be why you are hearing some people saying, “I think I have a job because of the stimulus program, the Recovery Act,” and we are not reporting it yet.

Mrs. NAPOLITANO. Mr. Chair, I would like to have this Committee maybe have a report on some of those figures that the administration has but we may not have them at our disposal.

Mr. OBERSTAR. We have included in our 30-day reports all of the information that comes to us directly, comes to this Committee directly from State DOTs and from other participating Federal agencies. And if there is any additional information that they have, we will, through the course of this hearing, request that to be included and distributed to all Members.

Mr. Hare?

Mr. HARE. Thank you, Mr. Chairman.

And, Chairman Carper, welcome to the hearing. I didn’t get a chance to introduce you, which I would have loved to have done. You are the former mayor of Macomb, which is in my district. And I just want to say for the record, they couldn’t have picked a better person to do this. And I worked with you and I worked with your predecessor on Amtrak and the importance of fully funding it. And you are right, it is nice to be able to see that, you know, we are starting to actually invest in passenger rail. And I am a strong proponent of that.

I may want to ask the panel for some help on this. I don’t know if you can do this for me, Mr. Chairman, but we—and I appreciate the high-speed rail that was announced for Illinois. And the Governor, as you know, of our State put $45 million into the Quad Cities, to Chicago passenger rail. And that came through an investment, which I think infrastructure is an incredibly great investment to put people back to work.

We are short about $4 million or $5 million on the depot end of it, where they want to put the depot at. And I don’t know who I should talk to, so I guess I am asking you maybe for some assistance, or maybe you could have whoever I need to talk to talked to. Because this is, by the way, going to put 800 people to work, and
it is ready to go. It will be huge. We are going to build a new Western Illinois University campus. Young people are going to come from Chicago. As you know, they go to Western Illinois now, in Macomb, Illinois. So any help that I can, you know, work with the staffs on, I would generally love that.

But let me just say, you know, I think you have done a wonderful job here. And putting people back to work is great. So I guess that is more of a plea to get some help here.

But, you know, I just wanted to ask you, Mr. Porcari, you said there is $38 billion, you think, in the Senate bill. The Chairman came to my district, and we had young people—I think you remember, Mr. Chairman—with T-shirts on, on a highway. It is US-34. And we all have in our districts terrible, terrible highways. But here young people came to lunch to meet with the Chairman; they had these shirts. This is a highway that has a curve that goes right around the high school. And eventually—it is going to happen. I mean, it is not a question of if; it is going to be when. If we don't get this thing fixed, what we are going to have—and I think you know, Chairman Carper, where we are talking about here—you know, you are going to have this school getting rammed into while these kids are in school.

What is the process of applying for the funds? What can Illinois do? Because I have two that are very, very dangerous. And my fear is, if we don't get these things moving quickly, we are going to read about something in the paper. And, again, you know, I want to be very proactive on this, and I don't exactly know how to do it, so any help I can get, again, would be great.

Mr. PORCARI. Congressmen, first up, I need to apologize. The version of the jobs bill that was passed yesterday has a surface transportation extension until the end of this calendar year. It does not have, any longer, that additional funding. What it does bring us, though, is that consistency and predictability. So the existing formula funding for every State through the surface transportation bill would be extended through the end of this year.

I need to also caveat that by just reminding the Subcommittee that the Highway Trust Fund will need a cash infusion sometime this late spring for it to continue to be viable. So I think you are speaking to the larger need that is out there that we are currently struggling to fund.

Mr. HARE. Well, I worked hard to get on this Committee, and the reason I did was because, as I said earlier, I believe that investing in infrastructure, you know, particularly when we are in a recession—but we have got—you know, 20 years to go, the president of the iron workers said, you know, X number percent of bridges were in dire need. And, so far, I think, only a very handful of those in 20 years have even been touched.

And this Chairman has worked tirelessly to try to get a multiyear highway bill, reauthorization bill. And I am not going to, and I know he won't—but anything we can do. And I would hope that you would let the President know that this is huge for the American people. Because we cannot piecemeal this, I believe. You just simply cannot piecemeal it.

And when you take a look at the moneys that have been spent by the government on some things that people find a little bit
testy—$750 billion for banks—and yet we are having a very tough time funding the Inland Waterway Trust Fund, we are having a tough time getting a multiyear highway bill, the kinds of money that Chairman Carper would love to have so we could expand Amtrak, you know, those are all things that I think, if we are going to get this economy moving again, that is how we are going to do it. And a little bit here and a little bit there I think really doesn't get to where we need to go.

And Congressman Michaud just was mentioning—I don't know if he is still here; no, he left. But, you know, here again, if we are going to make these railcars—you know, I have an empty factory in Galesburg, Illinois, a former Maytag plant that was outsourced to Reynosa, Mexico, due to NAFTA. We would love to make them there. So if anybody is interested in a wonderful facility in Galesburg, Illinois—are n't you glad I am here today?

But these cars and these kinds of things need to be made here. And, you know, we are going to insist, from my end of it. I will be livid if we find out that we take taxpayers' money and we send it to other countries to manufacture stuff when we are sitting here in Illinois, 11.1, and the gentleman from Florida talked about the unemployment rate there. So anything that we can do to do that.

But just to give you one final example. Mr. Chairman, on this Chicago thing, to repeat it, 800 jobs are going to be created. And I just have to conclude by saying—everybody has gone over their time limit—I must be living in a different time warp here. Because I hear people talking about how the stimulus hasn't put anybody to work or saved a job or done anything. And for those people who are doing it, either I am on the wrong planet or I don't know where they are getting their figures from. Because, quite frankly, we are seeing a number of things that—and a number of good things.

And if the Chairman has his way, and I hope he will, with the surface transportation bill, we can get this country back moving together and we can actually start repairing bridges. My fear is, I don't want to see a repeat of what happened in Minneapolis. But sometimes, you know, people say to me, "Well, that is the way Congress reacts. It has to be horrible before anything gets done." So, whatever you can encourage the administration to do. And I would be happy to—I am sorry I went over and I went on a rant here a little bit—but, you know, whatever you could do to get the message and to move this. I will work with anybody here.

Mr. PORCARI. Congressman, those are some great points. If I can just address one, because I know we are out of time.

On high-speed rail, the American manufacturing component of it is critical to us. Secretary LaHood called together the existing and potential manufacturers basically to tell them that the Buy American Act is the floor, not the ceiling, that we expect more of them in this.

And we have, coming out of that, we have commitments from 30 manufacturers, all different parts of the supply chain, that they are either going to locate or expand in America if they get business as a part of high-speed rail.

It is that kind of bully pulpit and raising the expectations that I think we can do up front and that we are very, very focused on.
Mr. CARPER. Mr. Chairman, I know we are late, but I would like to respond to Congressman Hare.

And thank you for the kind words.

The project that you are speaking of, Congressman, is an example of what we are seeing around the country in certain areas—and I am sorry that the congressman from Maine is not here—is the development that is coming in around stations, whether it be in Illinois or Maine or California or Florida or wherever. I mean, transit-oriented development is a given, and it is starting to happen with passenger rail.

The example here, however, is development that is waiting for two major projects to happen. One is a university expansion, and the other is the expansion of passenger rail. And those jobs may not get equated as we are reporting them there, but it is happening around the country, and we fully support it.

We have been working very hard with the folks in the Quad Cities and on into Iowa, I might add. And we will follow up with your staff on the depot situation and any projects that might be available.

Mr. HARE. Thank you very much.

Thank you, Mr. Hare.

Mr. OBERSTAR. Thank you, Mr. Hare.

Now, Ms. Edwards.

Ms. EDWARDS. Thank you, Mr. Chairman.

And I thank all of our witnesses today for your patience.

I have just a couple of areas of inquiry, because I agree with Mr. Hare and with so many of us here on this Committee. Infrastructure—we have long-term, major infrastructure needs in this country: water and sewer, transportation. There is not a dime that would be spent on infrastructure that wouldn't pay off in jobs right now and in true economic growth for the future. So it seems like a no-brainer. I don't know why we are even wrestling with what we need to do here, but we are.

But I do have some concerns. I am looking at the Buy American provisions. And, particularly, Mr. Hooks, I wonder if you could respond. I know that the EPA has issued 25 regional waivers. There was a nationwide waiver that was announced for June and then updated in August. And I wonder if you can tell me what that means in terms of dollars gone and jobs for the waivers that have been issued. Because I am really concerned that we have some gaps in Buy American that we really do need to close.

And then I wonder if any of you have any comments, particularly Mr. Peck, about how we could actually strengthen Buy American with respect to services. I look at things like high-speed rail, for example, where some of the design services and stuff could easily be taken offshore because that is, kind of, where a lot of the work is. And so I don't want to, you know, make these major investments and then, both on the service and the goods end, see American taxpayer dollars that aren't used to buy American and build American.

So I want comments on that.

Mr. HOOKS. Let me respond to the Buy American question that you asked. We actually have issued 43 project-specific waivers at this point in time and four national waivers, a de minimus waiver
for minor components of various pieces of equipment that is necessary to be purchased. In my opinion, I think that is actually a fairly small number, 43 projects out of approximately about 3,200. I don’t——

Ms. Edwards. What does that mean in terms of dollar amounts and jobs?

Mr. Hooks. In terms of dollar amounts and jobs, I don’t have an algorithm that would give me that specific figure. We would have to do a little bit more prep, a little bit more research. And we could supply that for you at a later point in time.

I can assure you that, at least in the conversations that we have been having, at least, with the recipients and with our States, our primary objective has been to purchase our products here in America. But, in some instances, due to historical purchases of equipment for entities that wanted to replace equipment that have previously purchased foreign-manufactured goods, in those instances we have granted a few waivers for replacement parts and things of that nature.

With every request, they are specifically investigated to ensure there are no American manufacturers that could produce the same piece of equipment. In the event that we do have a manufacturer that does come forward, we actually make that information known across the country in the event that there is another entity or another waste management district, if you will, that also wanted to purchase a similar piece of equipment, to make sure that they are aware of what their potential capabilities are of these American companies.

Ms. Edwards. Mr. Peck?

Mr. Peck. Well, I can say, on the building side of GSA, the major services that we try to acquire—building maintenance services, cleaning services, even architectural engineering services—there are an abundance, fortunately, of American suppliers and contractors to do it. And so I have to say, in our Recovery Act work, I am unaware of any instance in which we have had to go somewhere else. And there are opportunities, but, for one reason or another—there are certainly great architects in other countries, but we have great architects here, and that is who we have been hiring to do the work.

As I said before, my concern and something that I think the Recovery Act funding will allow us to overcome is that there are some aspects of sustainable design and development in which, right now, you have to use foreign components. And there, too, as I said, we are having active conversations with American suppliers in talking about how can we order enough from them to get them to on-shore their production.

Ms. Edwards. Well, part of the challenge is we want them to know that it is a long-term investment. I mean, there is no incentive for them to bring work back on shore or bring it on shore if they don’t know that we have a long-term commitment.

Before my time runs out, I do—well, it has probably already run out, but, Mr. Chairman, if you would indulge me for just a moment?

Mr. Oberstar. Your time has not run out.

Ms. Edwards. Thank you.
I want to get to a question about the disadvantaged business participation. Because I have had this inquiry, and I know others on the Committee have, as well. And I know that we have a 10 percent aspirational goal. But what I don’t see is, sort of, State by State, what are States really doing? How do you keep track of that, Deputy Secretary Porcari?

And it concerns me that we also, with Mr. Cummings’s and the Chairman’s help, allocated additional bonding authority, but only five applications, $50,000 out of $20 million—what are we doing to make sure that people even know that that authority is available so that disadvantaged businesses can take advantage of the bonding authority?

And then, again, how are we really meeting that 10 percent aspirational goals? Because those are huge complaints that have come out of my district and within our State.

Mr. PORCARI. I think those are excellent questions, and we have heard some of the same questions.

One of the advantages of using the existing mechanisms and relationships and policies with the States in the Recovery Act is that the States and grant recipients know what they have to do, including with disadvantaged business enterprises. And they should have in place established programs to promote and get to that goal and beyond.

It is clear that we have a lot of work to do on this. It is clear that some States have done a better job than others. It is, I will tell you, particularly frustrating that the bonding assistance program—which we are very appreciative of because it tackled one of the very specific barriers to entry that minority and disadvantaged businesses have, which is securing bonding so you can bid on a job—we are very frustrated that it hasn’t been used more than it has so far.

We have been working with the Small Business Administration. We have a partnership with one of the largest minority-owned banks in the country to promote this. Brandon Neal, who directs our Office of Small and Disadvantaged Businesses, has literally been around the country promoting this and pushing our partners to do better at this.

Ms. EDWARDS. I have to tell you, I mean, I was with a group of businesses just a few weeks ago. They had no idea it even existed. So I don’t know what it is that, you know, the Department is doing additionally to reach out and to encourage States to do the same.

And I would like—I don’t know if it is possible, but we really do actually need a report, a specific report on minority business, disadvantaged business participation and where States are in terms of meeting those aspirational goals, by categories. I want to know how many women-owned businesses, how many African-American-owned businesses, how many Latino-owned businesses are really contributing to getting to that 10 percent, which really should be a floor and not a ceiling.

Mr. PORCARI. If I may suggest, maybe a place to start is we could sit down with you and make sure we are getting the information together that you would like on this. This is, again, something that we have not been as successful at as we would like to have been. We are looking for ways to improve the process and would appre-
ciate suggestions and input. We have talked to a number of minority contracting associations and professional groups and others as part of this, but it is clear we need to do more.

Ms. EDWARDS. Look forward to working with you.

Thank you, Mr. Chairman.

Mr. OBERSTAR. On that point, I just want to underscore that, early in this process last year, I convened a meeting of the building trades, the presidents of all the building trade's unions, and the Tri-Caucus. And the Members of the Asia Pacific Islanders, the Hispanic caucus, the black caucus participated in this. I mean, we had a very frank exchange with the presidents of the trades about outreach, about inclusiveness, about bringing minority trainees into the program. The building trades, going back to the Middle Ages, were guilds, where the skill was handed down from father to son, from generation to generation. We need to break that chain and change things.

And I designated Mrs. Napolitano to coordinate for the Tri-Caucus for follow-ups to those meetings. The presidents of the building trades all committed to initiate new programs, to recruit from the minority communities and bring people into their journeymen and apprenticeship programs. And the same needs to be done with the minority contracting community.

And your point was well-taken about the need to outreach and notify companies of the existence of the bonding provisions. In Minneapolis, just last week—Mr. Ellison represents Minneapolis. And I met with minority contractors in Minneapolis. A good many were aware of the bonding, but they also didn't have a way of accessing the funding. They didn't quite know how to go about it. There were also concerns that the outreach was very successful for women-owned contracting firms but not black-owned or Hispanic-owned contracting firms.

So I have discussed with Mrs. Napolitano about a follow-up meeting that we would have with the Department, with the associated general contractors, with the building trades. And we will set up a time to convene and have a roundtable discussion about these issues and have a full agenda, which we will develop with you.

And, Ms. Brown, did you——

Ms. BROWN OF FLORIDA. Yes, sir.

Mr. OBERSTAR. I yield to the gentlewoman.

Ms. BROWN OF FLORIDA. Thank you. Because I want to add to that. There is a major discussion in the black caucus. And you know I had invited you to come and speak with the caucus on this issue, because there is a lot of concern that—let's say that all of what we are discussing, all of the stimulus is like—I look at it like my grandmomma's sweet potato pie. And we all contributed when we voted for the stimulus. In fact, it was all Democratic votes, not one Republican. But it is important that minorities and females get a slice of what I call my grandmomma's sweet potato pie.

And when we had the Secretary in Florida, we wanted to know—and so it is broader than just two or three people—we want to know how those programs are working and whether or not—because part of the problem, you have these big contracts. If you don't break them down, then minorities or females cannot participate be-
cause they can’t—not just bond, but, you know, it is just the big guys get all of the dollars. And that is part of the problem. And that has been a part of the problem. And, basically, it is throughout the Federal Government. It is not just with transportation, even though we have had some successes, minimum. But, all through government, part of the problem is that minorities and females don’t get an opportunity to participate because of the size of some of these projects, general service in particular. I mean, that is one of the real good award systems. In other words, people have been doing business with general service for years, and so it is hard to break in.

And so the question is, what can we do to let people know? And part of it is the workshops that you all have, some of that outreach, going into the community and letting them know that these opportunities are available and how you apply. I have had several of those workshops, and I would encourage other Members to do the same thing.

Mr. Oberstar. We are going to follow up on them. We are going to have lessons learned in this arena, as well——

Ms. Brown of Florida. As practices, I guess is what we should call it.

Mr. Oberstar. —and establish new practices——


Mr. Oberstar. —as we go into the authorization for the 6-year surface transportation bill.

Mr. Porcari, there has been much misrepresentation or misinformation about the pace of implementation of the stimulus program. And a good deal of it on talk radio and television reporting and newspaper and print reporting comes under the rubric, I would say, of misunderstanding of terms and then, in fact, misinformation to the general public. So let’s have a discussion now about the terms “allocate,” “obligate,” “outlay.” These are budgetary terms.

Now, I said and I posited at the outset of this hearing that the jobs precede the reporting; the jobs are on the site. Contractors have ordered their materials with which to do the project. They have brought their workers back or hired new, put them on the job site. They perform work. Then the contractor bills the State on a highway project or an aviation project bills the airport authority, and then the State pays and then vouchers the Federal Government. So the jobs are out there long before the outlay takes place.

But I want you to explain for public understanding “allocate,” “obligate,” “outlay.”

Mr. Porcari. Thank you, Mr. Chairman, because this is probably the single biggest misconception in the whole Recovery Act. And what we should all care about is exactly what you said, which is when the materials are ordered, when the jobs are created, when the layoffs are averted. And “obligation” and “outlay,” in particular, have been a source of confusion.

Obligation for transportation projects is when those things happen. That is when the materials are ordered and the work happens. Because we work on a reimbursable basis, of those three terms, the one we should care about the least is actually “outlay,” because that is the end of the process.
Again, I have seen this from both sides, starting the Recovery Act, delivering projects in a State DOT, and I can tell you what "obligation" actually means. It means you can talk to the State contractors associations and tell them, "These are the bid packages. These are when they are going to be on the street." In fact, we put them on the street conditionally on the act being passed, so that the moment the bill is signed, you can actually award projects. That is when people are hired.

The reimbursable process, what it does is protect our Federal taxpayers. I used the analogy before, if you are buying a car, you don't pay the manufacturer to build it. They build the car; they employ the people to build the car. You buy the finished product after you have test-driven it. That is how our projects work. After it is completed, for our smaller and midsized projects, we reimburse the States the same day or within 24 hours.

For the larger projects that are much more expensive and higher expense, we do that on a milestone basis. So think about having a house built. You don't hand—if you are smart, at least, you don't hand the builder a check up front for the entire cost of the house. You make progress payments based on the work that is actually done. And that is how our transportation projects work.

So the color of the money, as it were, who is putting the money up front shouldn't matter. Because the States, the transit authorities, in some cases, are actually fronting the money, getting the work under way, employing the people. When it is built right, when we have a project we can be proud of, when we have that investment, the Federal Government, with the Recovery dollars, is reimbursing.

So the outlay, which is the actual Federal expenditure, is the least important of those three terms. The obligation, which is when we are saying, "Yep, that is a good project, you have met the Buy American Act, you have all your permits in hand, you are truly shovel-ready," that is when the clock starts and when people are employed, the materials are ordered, and the economic stimulus is actually there.

Ms. Brown of Florida. Mr. Chairman, on that point——

Mr. Oberstar. I yield to the gentlelady.

Ms. Brown of Florida. There was a question asked earlier about how many inspectors. You use the inspectors to go and verify whether or not the project has been completed, specified according to what we are buying; is that correct?

Mr. Porcari. That is correct. The projects are inspected.

Ms. Brown of Florida. Okay. Because the question was, how many of these jobs was inspectors? You need the inspectors to certify that the work has been done.

Mr. Porcari. We absolutely do. The shortest duration transportation projects you have out there—think about a resurfacing project. Even those are 15 years' life. You know, our bridge projects might be 60 or 70 years. You want to make sure you get the product you pay for. That is why we have a reimbursable process. So we are not using our Federal taxpayer dollars until we have a product that we are all proud of. And you need inspectors, obviously, to make sure we get our money's worth.

Ms. Brown of Florida. Thank you, Mr. Chairman.
Mr. Hooks, Mr. Chairman, if I could?

Mr. Oberstar, Mr. Hooks?

Mr. Hooks. That question about inspectors was asked of me, actually, earlier. We actually do have inspectors. We just weren’t putting them—we weren’t using stimulus dollars to actually hire inspectors. Our region heads are actually visiting each State twice a year, plus some of our headquarters personnel are also visiting each State, to ensure that the moneys that have been appropriated for stimulus act projects are being, in fact, spent on stimulus projects as they were intended.

Mr. Oberstar. So the point is that we have $32.2 billion obligated in highway and transit, 94 percent of the $34 billion that was approved. That translates to 12,414 projects approved. We have 12,252 projects out to bid. That is $26.4 billion, or 77 percent, through the end of December. That number is higher now because we are into February.

So the point is that those who just didn’t agree with the stimulus can use any number they want, but they are not entitled to their own numbers. These are real numbers. The obligation—first, the DOT allocated to each State, told the State, “This is your formula allocation.” Now you are approved to proceed to obligate the funds—that is, to commit projects to these dollars.

And then the next stage is to advertise for bids, for project-specific bids, correct?

Mr. Porcari. Correct.

Mr. Oberstar. And the bids come in, and then the bids are evaluated and awarded. And when the award is made, then the work can start.

And I think we have an extraordinary track record, very successful track record, on the surface transportation program and transit and aviation. The FAA moved out and airport authorities committed over 400 projects in a very short period of time.

Now, they have a different contracting authority than highway departments. They can take bids and hold the bid and hold the contractor to that for up to a year, many authorities have told me. It may be different with certain ones, but most of them can do that. Is that correct?

Mr. Porcari. That is correct. And I will tell you, contractors were so desperate for work that many of them held their bids even longer than they were required to. And that is an illustration of the good value we have gotten. I previously mentioned we thought that the Federal Aviation Administration would be able to do 300 airport improvement projects. The bids came in so aggressive and so low, we did 360.

And working within the statutory process that the States had, they teed themselves up well, and some States were extremely aggressive about, for example, putting projects out to bid even before the stimulus bill was signed, subject to Federal appropriation. So that it was essentially a conditional award, so that those projects would start that much sooner.

The reimbursement process has served us well in protecting our Federal taxpayer dollars. It has not been an impediment to getting the work done and the people hired, which, after all, is the goal here.
Mr. Oberstar. Well, I can say from personal experience that the aviation side worked so well that an airport authority just outside my district, although their territory—the lake water goes up to the shore. The lake is in my district, but the town isn’t, but they think they are. And they invited me to a ground breaking. By the time I got there, it was a ribbon cutting. The project was completed. It was a taxiway improvement. That is success. That is putting people to work.

Mr. Porcari. That is truly success. And there are countless stories like that throughout America. There were projects under way within 24 hours—under construction within 24 hours of the President signing the bill. I know that because we had the first one in the country.

Mr. Oberstar. Maryland, Silver Spring, 24 hours after signing. I know. I carried my report card around with me. You can’t read it from out there, but I have it in my vest pocket everywhere I go. This is my monthly updated report card on stimulus projects under the jurisdiction of this Committee.

Now, Mr. Porcari, among the criticisms are those who can’t find anything else to do, say, “Oh, well, these are just short-term projects.” It isn’t DOT that made the selections. It wasn’t the Federal Highway Administration that made the selections. It is the State DOTs.

And for years—and I have served here, this is my 36th year, and before that I was staff director of this Committee. I was an administrative assistant for my predecessor, who was also Chairman of this Committee. I have heard State after State say, “We have all this portfolio of repair projects. ‘State of good repair,’ it is an engineering term. If we only had the money, we would do these.” Well, now they have the money, and they have been doing them. You can’t have it both ways. You can’t complain that these are short-term projects and then say, “But our roads need fixing.” You have to do both at the same time.

And, “Oh, we should have had longer-term projects,” now because the program has been such an undeniable success, with 980,000 jobs nationwide. And I cited the numbers earlier of the unemployment compensation checks avoided, the taxes being paid by those at work, and the payrolls for those who are on the job. So now the critics find something else to carp about. “Well, they should have been longer-term projects.” Well, we will have plenty of time to do that in the 6-year authorization bill.

Mr. Porcari. It is very true. But we have long-term projects also in the Recovery Act. You know, I likened this to, kind of, a three-stage rocket where the first projects out the door were things like resurfacing that can be done very quickly. Those have a 15-year life.

The next series of projects—and one illustration would be the Caldecott Tunnel project in the San Francisco Bay area, which is now under way as part of the, kind of, second wave or the second stage. That is an improvement that will be there 50 years from now, easily.

Mr. Oberstar. And the interdispersal loop in Tulsa. I went to Ms. Fallin’s district. I went to Tulsa, I went to Oklahoma City. Secretary of Transportation Gary Ridley for Oklahoma said this is a
$76 million project. It is a 66-or-so-mile loop around the city of Tulsa. It has needed major repairs for years. They haven’t had the money to do it.

The project entails 44 bridge redockings and huge work on resurfacing the existing roadway and creating shoulder space for safety purposes. We went out on the job site, and I asked, “How long did it take to design this?” He said, “We had planned 18 months, design and engineering. But after your hearing in October of 2008,” in this Committee room, he said, “I went back to my staff and said, ‘That Committee is serious. We are going to have a stimulus program. We better get ready.’” And in 4 months they did the design and engineering for an 18-month design plan. And he said, “I told my engineers, ‘You take your design work to church with you on Sunday, because if I need to talk to you, I will.’” And they did and he did.

And so they have people on the job site. There were contractors out there telling me, “See that equipment? It was in mothballs 2 months ago.” Now they are working. I went up to contractors. They are doing a continuous pour jersey barrier on one of the bridge segments, 44 bridges. And they said, “We are so glad to be working. We are so delighted to have our job.”

So you will get back to us. And we will call you for meeting with the Tri-Caucus and to discuss.

Mr. Hooks, lessons learned. EPA was off to a slow start—we noted that in hearings a year ago—because you had some internal difficulties interpreting the Buy American. Are those issues now fully resolved?

Mr. Hooks. Yes, sir, I believe so. We——

Mr. Oberstar. What are the lessons learned for the future? What advice do you give for your brother or sister agencies here and for us as we move forward?

Mr. Hooks. I think one of the things that we have learned throughout this process is a closer working relationship with our stakeholders, quite honestly. When faced with these new provisions, whether they were Buy American or Davis-Bacon, we actually sat down with our contractors, we sat down with the stakeholders. And we conducted numerous Webinars, visited the States, said these are new provisions to this particular group of entities that are actually building wastewater management treatment facilities. How are we going to work our way through this? It was a mass education program.

And I think, in terms of the lessons learned, we developed a much closer working relationship as a result. I think we were able to work through many of the difficult issues that troubled us, that troubled the community. I think we were expecting a lot more Buy American waivers, in all honesty. To date, we have had just a handful. Work is proceeding. People are going to work. And we are purchasing our products, by and large, from American manufacturers.

Mr. Oberstar. I think the State agencies learned a great deal and learned to be more nimble and respond more quickly. Understandably the State Revolving Loan Fund for 12 years in the previous management of the Congress was not authorized.
Mr. Hooks, I think one other thing the State does well is that typically it took 2 years from times of appropriation to times when they had to actually have this work under contract. They actually did it in 1 year. So we all learned how to expedite the process. Even internal to EPA, we have learned some things on how to achieve some administrative efficiencies that we will incorporate not only to finish out administering the Recovery Act funds, but we will put in as a permanent fixture in terms of the way we do business at the Agency.

Mr. Oberstar. I looked at the list for the State of Minnesota, the State Public Facilities Authority, managed by Jeff Freeman and Terry Kuhlman, been doing it for 25 years, they are career professionals. They have ranked every project, 1 through 263, in the wastewater treatment arena and small communities, 1,500 or 500 population. And they have been waiting for years. Their mound systems are failing, their septic systems are failing, or they had 100-year-old sewers that are grown through with tree roots, and now they are getting the funds for the projects. They were able to leverage the loan money and grant money together to take a $73 million program and make a $502 million program out of it.

Mr. Hooks. I think the additional 50 percent of subsidization that we provided provided these communities an opportunity, heretofore that had not had an opportunity, to participate in this program, are engaged, as you said.

Mr. Oberstar. So you have done combined sewer overflow; you said 6 percent of the projects are CSO. Do you have one or two examples of those?

Mr. Hooks. At my ready? No, unfortunately I don’t.

Mr. Oberstar. Provide that for the record.

Mr. Hooks. I will do that.

[The information follows:]
1) Examples of combined sewage overflow Recovery Act projects

**Springfield, MA:** The Massachusetts Department of Environmental Protection provided $2,607,968 in ARRA funds to the Springfield Water and Sewer Commission for a combined sewer separation project. Total SRF assistance provided to the project was $22,251,162. The project work involves the separation of combined sewers in two areas in the City of Springfield. The work will reduce surcharging and flooding of the collection system, reduce annual activations and volume of untreated CSO discharges, reduce annual fecal coliform bacterial loads, and reduce exceedances of water quality criteria in the Connecticut River.

**Onondaga County, NY:** The State of New York provided $10,000,000 in ARRA funds to Onondaga County for Harbor Brook CSO Abatement. ARRA funds will support the planning, design and construction of the County's Combined Sewer Overflow Abatement projects. The projects to be funded will reduce combined sewer discharge into Onondaga Lake from the City of Syracuse using green infrastructure and other traditional stormwater mitigation technologies. The green infrastructure technologies included approximately 50 tree pits with expanded infiltration basins along Herriman, Hartson, Lydell, Hoeffer and Rowland Streets, as well as a rain garden and bio retention basin at intersection of Grand Avenue and Delaware Street.

**Newark, OH:** The Ohio Environmental Protection Agency provided $5,000,000 in ARRA funds to the City of Newark for the High-Rate Treatment System (HRTS) project. The project will include construction of a wet-weather pump station, wet-weather screen and grit facility, high-rate treatment system, wet-weather disinfection, and outfall to the Licking River. When completed, flows in excess of Newark's existing WWTP capacity (i.e., 20 MGD) will be pumped into the new HRTS and support facilities for treatment and disinfection prior to discharge to the Licking River. The project will reduce pollution and provide disinfection of wet-weather flows currently discharged to the Licking River during storm events, reducing public health risks from discharges of untreated sewage during wet weather, and improve water quality for support of fish, such as bluegillls and sunfish, through reducing pollutants entering local waterways.
Mr. OBERSTAR. And for improving rehab or existing wastewater collection systems. In my hometown, Chisolm, Minnesota, their wastewater treatment system is a little old. I worked on it when I was in college pushing a ready-mix wheelbarrow up a ramp to pour it into the forms for the retaining facility. It is like my hip, osteoarthritis. I had it taken out and have a new one. The same thing with that system. It has got osteoarthritis; it needs to be replaced. There are lots of those all over the country.

Mr. HOOKS. There are.

Mr. OBERSTAR. And this Recovery Act, the stimulus program, gives us the opportunity to do that rehab, rehabilitating and expanding of existing inadequate capacity.

You have some examples of non-point source projects. I call that the new or the next frontier of the clean water program.

Mr. HOOKS. One of the requirements of the Recovery Act, the goal was to have 20 percent of the wastewater monies spent on what they refer to as green project reserve. These are projects that basically capture water on site. Just a few months ago I had an opportunity to participate in a ground-breaking ceremony not too far from here, in Edmonston, Maryland, right next to Hyattsville, where a community had received some wastewater monies, and where they are instituting bioretention gardens and planting trees, capturing water on site. I think the community is also going to be instituting rain barrels. So there are a variety of practices that are used, historically used, across the country that are now being expanded.

I think we originally thought we might have trouble trying to identify 20 percent for this green project reserve. It turns out we were oversubscribed; we were probably closer to 29 percent across the country in terms of these types of projects. Green infrastructure, water and energy efficiency are also included in that 20 percent as well, but we are highly pleased with some of the green infrastructure projects that have been developed.

Mr. OBERSTAR. Those are very encouraging, and I am glad that EPA has encouraged States to move and pushed them to move in that direction. It is not entirely your decision to make, but you can certainly encourage, and you have done, and Ms. Jackson deserves great credit, Administrator Jackson, for her leadership in that arena.

Of course, we need to reauthorize the program. I said earlier for 12 years of the previous Majority in Congress, it wasn't done. For 8 years the Bush administration never submitted a proposal to Congress to reauthorize the program. And we have done more in 1 year of stimulus than has been done in several years of that program. But we have passed it in the 110th Congress, we passed it again in the first session of this Congress from this Committee and from the House, the reauthorization of the State Revolving Loan Fund. And the Senate needs to act on it, and I hope you and Ms. Jackson will insist on that with the President and the OMB and with the Senate leadership, get them going, let them move something over there. They haven't passed much.

You don't have to respond to that. I don't want to get you in trouble with the other body.

Mr. HOOKS. Thank you, Mr. Chairman.
Mr. OBERSTAR. I will take them on. Superfund. How many Superfund sites yet remain to be dealt with?
Mr. HOOKS. In the entire inventory?
Mr. OBERSTAR. Yes.
Mr. HOOKS. I am not sure. I will have to get that figure for you.
[The information follows:]
2) Examples of non point source Recovery Act projects

A2. Shady Side, MD: The Maryland Department of the Environment provided $811,000 to the Chesapeake Bay Trust for the Shady Cove Living Shoreline project. The project will create a living shoreline with an installed 3 acre wetland offshore on the West River. This project will prevent further erosion and create habitat.

Charlotte, NC: North Carolina provided $1,570,740 to the City of Charlotte for the Creek/Campbell Creek Stream Restoration. The project included the restoration of approximately 7,373 linear feet (lf) of stream, 6.1 acres of wetlands, and the creation of 27.9 acres of wild life habitat (i.e. establishing woody riparian buffer).
3) The number of Superfund sites in the entire Superfund inventory (and how many sites are touched by Recovery Act funds)

A3. As of March 11, 2010, there are 1,279 Final sites on the National Priorities List (NPL). Of these final NPL sites, 535 have not achieved construction completion. Many of these sites require resources for site characterization, design, construction and PRP oversight. More than two-thirds of these sites (68%) still require assessment and characterization work, while the remainder requires design and construction of remedies already selected by EPA. There are 51 NPL sites that have received Recovery Act funds.
Mr. OBERSTAR. It is like 400 or 500 or so projects that need to be addressed. I compliment EPA for committing the $600 million we allocated for Superfund. You have undertaken work on 35 projects. Do you have some examples of success stories there?

Mr. HOOKS. We are actually up to 38 projects.

Mr. OBERSTAR. Thirty-eight.

Mr. HOOKS. At this point. I think one of the projects I actually used in my testimony was in Minnesota, as a matter of fact.

Mr. OBERSTAR. Yes, I am sorry, you did mention that.

Mr. HOOKS. We were removing arsenic from, I think, approximately in 500 homes in the State of Minnesota, reducing that threat.

Mr. OBERSTAR. All right. That is—in our next hearing, which will probably be in another 4 or 5 weeks, we will have an update on the progress.

Mr. Peck, you told us that GSA has awarded twice the amount of contract awards in the last 6 months as GSA does in an entire year. That is a great achievement. How did you go about doing these projects differently than those in the regular year-by-year GSA program?

Mr. Peck. A couple of things. One is we set up a dedicated office in the national headquarters to supervise the projects. We created and have 11 regions, and they really are our service delivery mechanisms. In each of the regions, we created a Recovery Act executive, and those people worked as a team starting to figure out how they could make things move faster. We put in some special tracking systems, and I have to say getting the funding to upgrade our information technology on tracking things helped.

And then I have to say there is one other thing that I am fond of saying. We discovered some of our interactive review processes internally could be collapsed, and there was a lot of—because we have lots of rules we have to go by, contracting rules, structural rules, mechanical standards that we follow, that a designer designs something, our regions review it, and particularly in this case when we were looking at new green technology, it would be reviewed by our national office as well, and it was starting to be a lot of back and forth.

In about November we decided that some of the things were taking too long, and we instituted a system that I have termed “speed dating.” We told our regional officers that they could come to Washington, and told our national people they had a couple of hours in which they were going to work through their differences on the reviews and come up with something we could put on the street.

One other lesson learned, since you have asked—two other lessons learned, and I would like to know, Ms. Brown talked about design build and some other ways we can accelerate funding. One of the reasons we haven’t done that sometimes in the past is because of constraints in funding. We will get the money to design a project, and then that project often sits on a shelf, and only later, years later sometimes, do you get the money to construct it. By the time you get to construction, almost inevitably something has happened to make the design somewhat obsolete. Either requirements have changed, or, better, in some way technology has improved. So
you are not going to build a building with 5-year-old technology, and you go back and redo the design. That is one reason we haven’t been able to use some of the compressed processes. The fact that we got full funding made us move forward.

One other lesson I think we have is that knowing that you have the money to do it means that we take design to a point where we can actually get a shovel-ready project. You know, when you just get money for design, we go through design development, which is about 35 percent of design. It is not enough to put a bid document out on the street that a contractor can respond to. You would have to be crazy, if you could only get the money to design, to go all the way to a bid package not knowing when, if ever, you are ever going to put that product on the street.

So in this instance—and I think this is a lesson for us for the future—in this instance in many cases we were able to do all the design at once. But in other cases we had to take old designs off the shelf, and then one of the lag periods, which we have discovered is we had to update the designs and get them from 35 percent to 65 percent.

One of the things that I think we know in the economy is there are—at least in the real estate industry there are ups and downs. And to the extent that we could have a group of projects ready to go when the economy turns down so that we can get the advantage of the softer construction markets, we would all be better off. I can't say we could put off if a roof fails; we would have to fix it no matter when it happens. But some of the projects, for example, replacing windows in a building, that could happen this year, or it could happen in some cases 5 years from now. We could hold off and get the advantage of a better bid.

So there is a lesson for the government as a whole about having some capital requirements held off for a point in which we can get better bids. We will get a better price, and we will be able to stimulate the industry.

Mr. Oberstar. Those are good lessons learned and good practices. Maybe we can incorporate some of that in future GSA legislation.

Did you have any bid challenges? Typically GSA has a plethora of challenges when bids are awarded.

Mr. Peck. We have had some protests, as they are called. We had one that I have to say—we had two that I could cite in which we had protests where we were able to sit down with contractors and get the protest withdrawn. I think that is also a reflection of the climate. There is a real reason for people to say, I have to let this work go forward in my community.

Another thing to remember is contractors have a lot of subcontractors who are anxious to get to work. General contractor that gives us a protest right now isn’t going to be very popular with a lot of the subcontractors.

Mr. Oberstar. I think that is generally true. I think there are very, very few challenges in the Federal highway program, none that I am aware of.

You reference the Bean Federal Center, Indianapolis, where you plan to install 4,500 solar panels. Are those similar to the ones that were installed on the Department of Energy roof?
Mr. PECK. I am not familiar with those.
Mr. OBERSTAR. They are a very new technology.
Mr. PECK. Right. There is a new way——
Mr. OBERSTAR. I have a sample of it in my office.
Mr. PECK. Yes, sir. The Bob Dole Courthouse in Kansas City, Kansas just got photovoltaic membranes really that you lay down flat on a roof service. The photovoltaic technology is really moving ahead, and that is another way in which we think that we can help make the market in the industry. You can now put them flat on a roof in appropriate places, and you can also start to put photovoltaic panels on facades that get a lot of sun, on vertical facades. And there are places where you don't actually need transparency in the glass, or you can put them on a hard surface. We can actually get some energy generation that way.
At the Bean Center, we have a photovoltaic lab there, so we are going to measure the results against what we are expecting. And one of the things we are saying is we want to be able to tell the American building industry, which needs to go green outside the government, too, how well these things are working, what is the best climate in which to install certain kinds of systems, and which of the different technologies are giving us the biggest energy reduction, bang for the buck.
Mr. OBERSTAR. Well, I think this is a very important initiative. Not only did our Speaker insist on green provisions in each of the Committee contributions to stimulus, but I started it in this Committee in 1977.
We had a hearing in which we took testimony I happened to Chair. I wasn't Chair of the Subcommittee, but the Subcommittee of Public Buildings and Grounds, and Teno Roncalio was the Chair. He had to be out of town that day, and so I was the only one left. First-term Members don't get the Chair, at least in those days. And the sheet metal workers union and GSA had combined to do a study, a two-volume study, of converting Federal civilian office space to photovoltaics. The cost of energy generated by photovoltaics in 1977 was 1.75 a kilowatt-hour compared to 7 cents from the investor-owned utilities. They estimated that with a multiyear investment of $175 million a year for 3 years, you would generate enough production in the private sector to reduce the cost down to something approaching 10 or 12 cents or lower and further over a period of years. The government would be the consumer; the private sector the producer.
I thought it was a terrific idea, so I took their proposal, drafted a bill, introduced it. Senator Humphrey did the same thing over in the Senate. We got it passed. Jimmy Carter signed it into law, put the $175 million for the first year in his subsequent budget and then lost the election. President Reagan abolished the whole alternative energy program; $960 million, poof, just went out the window.
Mr. PECK. Mr. Chairman, around that time——
Mr. OBERSTAR. Thirty years later I assumed the chairmanship of this Committee. So I am Chairman now; we are going to do this thing. We did it again. I dredged out my old bill. My testimony before the Committee was still in the Committee files, including my own typewritten testimony and my own red-line underline, and we
passed the bill, and we did it with the Department of Energy building, and now we put it into the stimulus. And now, by damn, it has to happen all across America. We have got to do this.

Mr. Peck. Mr. Chairman, I would also say that around that time we put the first green roof on a building. Thirty-some years ago we were moving in a great direction, and it stopped. We are relearning those lessons, and we have—we are going to be able to report to you we have photovoltaics in amazing numbers all over the country. But there are other technologies, too, which America in some cases is behind other countries, and in some places we are doing pretty well. We have geothermal, chilled beams; there are all kinds of things you can do.

Mr. Oberstar. This is another arena where the United States did the basic research, developed the technology, provided the resources and then didn’t invest. Other countries take our ideas, invest in them, and we end up buying solar panels from abroad.

Mr. Peck. I know.

Mr. Oberstar. That is not right. We need to do this at home, and the stimulus has given us an opportunity.

Has GSA completed the survey of photovoltaic panel-ready facilities?

Mr. Peck. In the——

Mr. Oberstar. This is in the bill we passed 2 years ago.

Mr. Peck. Yes, sir. We have—I forget the number. I will provide it for the record. But of our limited-scope projects of which there are 100 and some, a large number are the photovoltaics.

Mr. Oberstar. I want to see that survey completed and have that material submitted to the Committee.

[The information follows:]
Has GSA completed the survey of photovoltaic panel-ready facilities?

Section 204 of EPACT 2005 (P.L. 109-58) requires the Administrator to “establish a photovoltaic solar energy systems evaluation program to evaluate such photovoltaic solar energy systems as are required in public buildings.” The Act authorizes $10,000,000 to be appropriated for each of fiscal years 2006 through 2010 to carry out this program.

GSA engaged with the renewable energy program’s solar experts at the Department of Energy and the National Renewable Energy Laboratory (NREL) to assess the solar potential of various roofs and sites. This work established an effective practice of assessment and directly influenced capital funding decisions to the extent that appropriations allowed. In addition, this preparatory work allowed us quickly to assess over 120 buildings for their solar potential as we selected the best projects for funding by the American Recovery and Reinvestment Act. Currently we have 70 solar projects funded and underway: this is in addition to the 23 solar projects, producing over 3.8 million kWh per year, that we funded from 2006 through 2009.
Mr. OBERSTAR. And final question for you, what is the status of the Public Buildings Fund?

Mr. PECK. Well, there is a short-term and long-term answer. The short-term answer is in this year we are—the fund, as you know, will collect about $8.3 billion in revenue; $5 billion we immediately turn around and give to private-sector landlords from whom we lease space. About 52 percent of our inventory is in leased space. The fund still does produce a net income, but as you know, it is that net income only that we use to do capital upgrades on our buildings. And the short answer in the long term is that we are not producing enough net income in the Federal Building Fund to meet the capital expenditure, the capital improvement needs that that we have in our owned inventory.

Mr. OBERSTAR. That is a subject we will deal with in another hearing.

Mr. Porcari, I understand you have a 1:30 commitment. You may be excused.

Mr. PORCARI. Thank you, sir.

Mr. OBERSTAR. Not the rest.

Ms. Darcy. The Corps also got off to a late start, but you are catching up, and before you get to those, just one question. What is—this is not a stimulus project, but the second lock at Sault Ste. Marie was authorized in the 2007 Water Resources Development Act, vetoed. Congress overrode the veto, enormous bipartisan support, urgent need for the second lock at the Sault. Work has started. What is the status of that work? Because it was a new start, it was not eligible for stimulus funding.

Ms. DARCY. Correct. The current benefit-to-cost ratio of the Sault lock is not in keeping with the 1-to-1 (or greater) benefit to cost ratio that we budget for.

Mr. OBERSTAR. Well, that benefit ratio is an old one, I know, I have got the documents, and it does not reflect the new work that is under way in the iron ore mining country in my district with the Mesabi Nuggets that will soon be coming on line producing foundry-, and minimmill-, and electric art furnace-capable product that will be moving through the Sault.

And SR Steel, which is under construction now, but building a steel mill on the Mesabi Range and exporting slabs, the only way that project is economically viable is that we can rail the slabs to the Duluth Superior port and put them on board ship for moving to lower lake steel mills or in some cases for export abroad.

So there is—that benefit-cost ratio is wrong. The project needs to move forward, and we will have to have a more extensive conversation about that.

Ms. DARCY. We will, sir.

Mr. OBERSTAR. You are undertaking the inspection of 820 levees across the country. What is the status of that inspection work, and what will be the intended benefits to safety and to flood protection, to navigation?

Ms. DARCY. We are conducting inspections with ARRA dollars. We are inspecting 820 levees. We hope that the outcome of that, will be to allow us to determine which of those levees are in the position or are providing the level of safety in which they were originally designed, or the level of safety that was anticipated by
those being protected by the levees. So we hope with this money we have accelerated the levee inspection program, which was authorized in the Water Resources Development Act of 2007.

Mr. Oberstar. Well, we would like to have periodic reports on progress being made and the showing of the geographic distribution of those levees so that all the Members can understand what work is being done and how it affects their districts or States.

You also said that you have awarded $1.2 billion to small business. What determination do you use for small business?

Ms. Darcy. We use the——

Mr. Oberstar. The SBA.

Ms. Darcy. —SBA definition of a small business. We have been successful in our small business development. Nearly 74 percent of our contracts——

Mr. Oberstar. Give me some examples of small businesses in Corps of Engineers work.

Ms. Darcy. An example would be at a reservoir, for example, if we were going to be doing multiple things at a reservoir, whether it is a stretch of bank stabilization or some kind of upgrade, a small business contractor who does, let us say, riprap could possibly qualify as a small business.

Nearly 20 percent of those small business owners are women-owned businesses. Between 15 and 20 percent are disadvantaged businesses. We have been, I think, pretty lucky. And because of the size and scope of some of our projects, our contracts are not huge; they are not multimillion-dollar contracts, they are smaller, and they go to smaller projects as well. We have some what are called our CAP projects, which are our smaller restoration projects, which sort of lend themselves really well to small businesses.

Mr. Oberstar. Was it a limitation or was it a benefit for the Corps of Engineers that the authorizing language prohibited or took off limits on new starts?

Ms. Darcy. Well, because we have a backlog of projects——

Mr. Oberstar. A huge backlog.

Ms. Darcy. Right. In a way I think it was of benefit, especially because of all the deferred maintenance we have had to address.

Mr. Oberstar. A huge, huge backlog of things that need to be done.

Mr. Fernandez, I love EDA. I was present at its creation.

Mr. Fernandez. The EDA loves you, Mr. Chairman,

Mr. Oberstar. I was present at its creation in 1965. I still have my green pen, one of several that Lyndon Johnson used to sign the bill into law, and a photo of him handing it to me. That is mounted in my office. You are welcome to come and inspect.

I think EDA does a superb job, and you have moved out quickly and vigorously to implement the meager funds that were leftover scraps from the table, in my view. We had a much more robust figure for EDA when the recovery bill left our Committee, but by the time it got to the floor, to conference, to the Senate, and all other hands in it, it got narrowed down.

But you have a two-for-one with EDA. You provide the funds to do the industrial part, and then you get the business that comes in to locate in that facility. So you have the construction jobs, and then you have the long-term private-sector jobs in that facility.
You have some examples for us of such success stories?

Mr. FERNANDEZ. Well, you know, in some cases, Mr. Chairman, I would say it is even more than a two-for-one. For example, as part of the Recovery Act, we funded a number of incubators throughout the country, and in those instances not only do you have the benefit of the immediate construction jobs, but then you have multiple businesses created that grow and create jobs, graduate from those facilities, and continue to become an engine of growth.

So I believe in my testimony we referenced 37 million investments in business incubation. One specific example I can give you is in my home State. For the record, these decisions were made before I was confirmed. But in Anderson, Indiana, there is the facility called the Flagship Center, which was originally funded by EDA, I believe, in 19—no, in 2003, and as part of the Recovery Act, we funded an expansion of that facility. And that is a good example where in the original funding of the project, a company called Bright Automotive was started within that incubator. Now that has expanded and become a very strong force in helping the community recover from the downturn in the auto industry. There are a number of projects like that where the multipliers go well beyond the short-term job creation.

Mr. OBERSTAR. Those are great success stories. I was fascinated with the Bright Automotive. I was not aware of that company until I saw this reference in an earlier EDA report.

You also put funding into regional innovation centers and trade promotion. You do have an example in Alaska, construction of an expansion to an existing dock.

Mr. FERNANDEZ. Right.

Mr. OBERSTAR. How is that going to promote trade?

Mr. FERNANDEZ. Well, it is going to expand their capacity for exports. They have a facility there, but with the additional expansion of about an 8-acre site, they will have more capacity to move product.

Mr. OBERSTAR. And in green jobs you make a reference to a LEED-certified facility in New Mexico. Explain a little more about what that project will do.

Mr. FERNANDEZ. Sure, I can do that. The facility there in New Mexico that is being built as part of this Recovery Act investment is for—they do—that operation does a lot of small business micro-lending and other kind of technical assistance. So they will continue to do work in that field as part of the ability to do more in this building. They are a headquarters facilities for the organization.

Mr. OBERSTAR. You have success stories within success stories. The funds through EDA went out very quickly because of those local development agencies. The EDR, the Economic Development Representatives, are out on the ground with communities, guiding them, helping them get their projects ready. So they had the design and the engineering. They are ready to go. They just needed the funding for it.

And then you have the follow-on success story, the facilities, the businesses or enterprises that come into those projects. This is an opportunity to tell the good things that are happening with the Re-
covery Act, and I want to complete the record to provide us further
details on that.

Mr. FERNANDEZ. Sure. Mr. Chairman, as I noted in my testimony
earlier, the Committee has a full listing of all of our 68 projects
with the project descriptions and the benefit of the individual
projects as well. And I think there is a treasure trove of success
stories that go on. And because I think other panelists had men-
tioned earlier that the reporting on Recovery Act job creation is in-
credibly conservative, and so I think it is fair to say that you will
see, then, larger benefits from these projects in terms of job cre-
ation than what is going to be reported.

For example, in Montana we funded a revolving loan fund that
is part of the timber industry, and it is a response to some of the
changes that have been going on, and they developed their own
cluster to respond to changes in their marketplace. Under the re-
porting requirements we report that one job was created. Well, the
EDA put in $2.7 million. That was matched by the State of Mon-
tana. One hundred percent of those—or 93 percent of those funds
have been disbursed to the supplier network, et cetera, that are
part of that cluster. And I think it is fair to assume that more than
one, job is accounted for as part of those 4 actually, almost $5 mil-
lion in investments. But the way the Recovery Act reporting is con-
structed, in other words, one, job created as part of the administra-
tion that fund.

Mr. OBERSTAR. It is an underreporting, and the reason I am
probing is there is a story behind the story.

Mr. FERNANDEZ. Yeah.

Mr. OBERSTAR. And other States can learn from that experience.
I think that is a remarkable—I noted this particularly because we
have a similar problem in Minnesota, the timber and wood prod-
ucts industry. When the housing market died, the contractors don't
need corrugated strandboard, they don't need particleboard, they
don't need dimensional lumber. They are not building homes. So
two companies in my district just went out of business altogether,
and several in Canada as well. Those companies carrying OSB,
trucking companies, through my district to the South and South-
west, that dried up as well. But if you have an idea here of capital
for businesses to do technical assistance for borrowers, inter-
mediaries as you describe it, to develop loan packages or other as-
sistance for companies, they are longer-term jobs that are going to
result from this.

Mr. FERNANDEZ. Absolutely.

If I could, Mr. Chairman, so much of the discussion today has fo-
cused on infrastructure, appropriately. And infrastructure that has
been described has been, you know, focused primarily in transpor-
tation, what we might consider more traditional infrastructure. But
in terms of the Economic Development Administration and the
work we are trying to do to drive innovation and business creation,
we like to include in our definition of infrastructure certainly incu-
bators, business facilities that can help start-up companies, proof-
of-concept labs where we can accelerate the commercialization re-
search coming out of our universities or out of our Federal labs.

There is an infrastructure that is essential to the innovation
economy that we certainly play a role in and hope to continue to
play an even larger role in at the EDA. I include in that infra-structure-critical issue that we have to address today, and that is access to capital. Particularly when you look at the deployment of early-stage funding or seed capital, there is a huge lack of availability of funds. When we look at how those funds typically get disbursed across the country, there is a tremendous magnet that drives a lot of the innovation to areas like Boston, Silicon Valley. As I travel around the country there are pockets all over America where you have tremendous innovation, you have strong entrepreneurs, but you have an incredibly difficult time pulling those funders to bring that early-stage capital into the heartland or into other parts of the country.

So we think there is an opportunity with the EDA through our revolving loan funds and some of our other intermediary agencies that we support to help address that critical infrastructure need, if you will, to be able to spur the kind of sustainable, innovation-based economic development that I know we all want.

Mr. OBERSTAR. Thank you for that answer and for the work on this very important aspect of job creation and sustainability.

Mr. RAJK—is that how you pronounce it?

Mr. RAJK. Mr. Chairman, it is Rajk.

Mr. OBERSTAR. Mr. Rajk?

Mr. RAJK. Yes, sir.

Mr. OBERSTAR. What is the origin of your name?

Mr. RAJK. Slovak.

Mr. OBERSTAR. Slovak. I am Slovenian. We pronounce it Rajk.

Mr. RAJK. Yes, sir. The last time I was here, we had a conversa-
tion about that, sir.

Mr. OBERSTAR. I didn’t remember that.

Mr. RAJK. The pronunciation in the United States hasn’t changed since that time, sir.

Mr. OBERSTAR. Well, that is too bad. Bring back the old.

I tell you, I am not happy with the Coast Guard. I am happy with a lot of things the Coast Guard does. They have done a remarkable job of responding to Haiti. The Seventh District was on the spot. They had two cutters underway immediately and four later that day en route to Haiti. They set up the first air traffic control support for the airport after the tower was decommissioned by the earthquake. The Coast Guard, extraordinary work. But the Coast Guard has not broken ground on any one of the shore facilities you told us were needed. Why?

Mr. RAJK. Well, sir, indeed we have started the work on a num-ber of the projects, both in the Northwest. Coos Bay and Neah Bay, the mooring facilities out there have begun to work.

Mr. OBERSTAR. Well——

Mr. RAJK. The other projects, as I indicated in my oral state-
ment, sir, some of the projects we were depending on a particular contract strategy, which I believe Mr. Peck addressed, in terms of protest. There was a protest which we had to scrap that strategy and move to individual solicitation and awards.

Mr. OBERSTAR. So you did undertake a bidding process, and there were protests to bid awards. Is that what is holding these up?
Mr. RAJK. Well, in the case of five of the short projects, yes, sir, we had intended to use what they call a national multiaward construction contract, the longer-term, regionalized-type contract activity that would allow us to issue task orders with a certain set of contractors participating in only those particular contract vehicles. Each of those five were protested to the GAO. The GAO in December upheld that protest. Fortunately we had already begun to pursue separately, in anticipation of the protest being upheld, and we have since gone out and now we have solicited for, I think, two of the five projects that were originally supposed to have been done under that particular venue.

Mr. OBERSTAR. Is there something in the contracting procedures that the Coast Guard followed that can be changed for the future to avoid this type of situation?

Mr. RAJK. Mr. Chairman, possibly there is. I don't recall all the specifics of the nature of the protest itself. Maybe at another time we could get back to staff on that, sir.

Mr. OBERSTAR. Also, of the $98 million for the acquisition, construction and improvements account, $10 million was designated for the high-endurance cutter engineering changes. Is work under way on that now? We have no—previous to this hearing we had no accounting for that work.

Mr. RAJK. Yes, sir. A number of those contracts for those ship-repair installation projects have began. I believe four of the seventh contracts have began. Some of the work has not yet begun.

Mr. OBERSTAR. What is the reason for the delay? What has been the problem there?

Mr. RAJK. An example might be one of them we were replacing refrigeration systems on eight of the cutters, and the manufacturer, when they came on board to begin the installation, they recognized that there had to be some additional work prepared on board the vessel, which delayed some of the work; had to go back, redescribe, make sure that the engineering and technical aspects of the work could be done with their unit, which was subsequently overcome, and the work was gone on.

As I indicated in my opening statement, for example, Hamilton, which you may have been aware of was one of the cutters on scene in Haiti, had that work done on it. But it was deferred or delayed until some of those other technical issues could be dealt with on board the ship.

Mr. OBERSTAR. The stimulus program is people working quickly on projects that were needed on, in the case of the Coast Guard, shoreside facilities, vessel work that needed to be done, and it is surprising that the contracting was not properly or carefully thought through. Contractors were not engaged appropriately. There are some lessons learned for the future?

Mr. RAJK. Well, I think, sir, as the others have stated, there are always lessons to learn in this. I think part of it is—I think part of it is one of the lessons I think we learned is just in terms of bringing the right people together regularly to have the conversation. For example, I meet every Monday morning, 8:30, with the entire team, including the procurement folks, with the legislative folks, the technical folks to talk through these particular issues to stay on top of it.
I think in terms of the procurement process, we have learned that maybe to be a little more nimble, a little more responsive to the opportunities. Oftentimes, as you are probably aware, some of the nature of our—the colors of money, as I put it. You know, we are used to using multiyear monies. While this was multiyear money, it wasn’t as long as some of the improvement projects that we normally undertake with the multiyear money, for example, the 5-year money. So we have learned to be a little more responsive to that, sir.

Mr. Oberstar. Well, that is instructive and important to know. We have passed legislation that changed through the House—it hasn’t passed the Senate yet—to change the contracting procedures for the Coast Guard on those longer-term projects, and I think that legislation will deal with the problems encountered in the Deepwater program. But I am very strongly advocating a follow-on stimulus to the current program. And we have passed legislation through the House. I hope the Senate acts on it. But to be credible we have to be able to show that the government agencies are putting the funds to work as intended and creating the jobs as expected. So in your weekly review, raise that with your associates.

Mr. Rajk. I will do that, sir. Thank you.

Mr. Oberstar. Mr. Carper, you said 45 percent of Amtrak contracts awarded to small businesses.

Mr. Carper. Yes, Mr. Chairman.

Mr. Oberstar. Who are the small businesses, and what is the type of work that they are doing?

Mr. Carper. Well, I can’t get into a great deal of detail, but I can give you an example. They start from maybe a $1,000 contract, a painting contract in the Tampa train station. Many of the contacts are in our stations around the country that would lend themselves very well to small businesses. I can give you much more detail on that, Mr. Chairman, in the future.

I also think that as our contracts are being let into this construction season, there are going to be lots of opportunities for small businesses as subcontractors on some of our larger contracts.

Mr. Oberstar. Well, we give you credit for a great deal of track work, ties that are being—80,000 contract—concrete ties are going to be replacing wooden ties, 16 Amfleet cars, 21 Superliners, 15 locomotives. I gave you all that credit at the outside of that hearing, so what is the status of that work?

Mr. Carper. Well, the work is ongoing. I think we have turned, I believe, 15 cars out, with 20 in the queue, and we are very confident that we will have our 80 cars and the locomotives out by 2011.

As I stated in my remarks, this is 10 train sets that we can put out on the system. On some of our trains on the Northeast Corridor, we are turning people away, so this will be very good, it will be put to very good use.

Mr. Oberstar. Where is that rehabilitation work being done?

Mr. Carper. It is being done in our facility right up the way here in Bear, Delaware, and also Beech Grove, Indiana.

Mr. Oberstar. Well, the work ahead of Amtrak is enormous. You have been underfunded for at least 8 previous years. There are 2 years the previous administration when the Congress was pre-
sented with a bankruptcy budget for Amtrak where they—Bush OMB—said, it is our intention to put Amtrak out of business, break it up and sell its parts. Congress said, no. By very strong majorities and bipartisan votes, we restored Amtrak funding, but only, as I said at the time, enough to keep Amtrak’s nose above water.

Now we have an Amtrak authorization bill that passed in 2008. We have the $8 billion in high-speed rail funds the President advocated for the stimulus. We have full-year authorization at $5-plus billion. I suspect we will sustain that for as long as this administration is in office. And now you can begin getting your rolling stock in good shape, your track in good shape, switches that need replacement, catenaries in the Northeast Corridor that need to be replaced—some of those are 100 years old—and the restoration of your passenger cars as well as locomotives.

So tell the folks, this is it, this is their moment to shine, to show—we said for all these years, just give Amtrak the money, and they will be able to rehabilitate the cars, put the track in good shape, put the locomotives out, move passengers and keep the system on time. Well, this is your opportunity to do it.

Mr. CARPER. Well, thank you, Mr. Chairman. We are also on track to bring our stations into a state of good repair and to adhere to the Americans with Disabilities Act in the next 5 years.

As you mentioned, yes, our nose is above the water line, and we are coming out. It is an exciting time for Amtrak. I think one of the most telling things that I have seen coming out, to slip a little bit into the lessons learned and looking forward, is putting together a fleet plan that really gives some teeth to planning for the future. And if we talk about job creation, the establishment of a domestic railcar industry would be very difficult to do without some good planning on our part. This is aside from anything that might happen with high-speed rail. This is just our own fleet of existing cars that range from the age of 60 years old to 20 years old.

I think it is a testament—and you have been here and watched it over the years and, frankly, decades—that our staff has been able to keep these cars operating in revenue service for that long. But with good work of good staff, and some of whom are sitting behind me, there has been a team put together that has responded to the challenges or to the opportunities. We see the value of being transparent with Congress and the FRA and our great partners in FRA and DOT and our stakeholders; reaching out to vendors ahead of time to ensure more minority contractors and contracts; and to more closely monitor projects and costs so reprogramming can be done in a timely manner. So I think—no, I know—you are seeing great changes in Amtrak.

But from a Board standpoint, one of the things that I have seen in my short tenure here, 2 years, is the importance of stability and quality personnel in Amtrak, and that is what we have today, and CEO Joe Boardman, and, as I mentioned, some of the folks sitting behind me and the team that he has put together. It is absolutely critical for Amtrak to move forward and to be what this body and, frankly, the American public wants out of Amtrak is a rock-solid and also a visionary organization, and we have that now. And to
be able to sustain that is one of the things that Amtrak truly needs.

We look forward to being a partner, an active partner, in the economic development component of restimulating the American economy including in railcar manufacturing. We are doing our part in that by putting the fleet plan so manufacturers can plan to see what over the next 10, 12, 14 years, or 30 or 40 years actually, is going to be needed just to replace the existing fleet and to take a modest assumption of 2 or 3 percent growth each year. To give you an example, over the next 14 years, we are going to need, and this is a conservative estimate, about $11 billion to start replacing the existing fleet.

I might also add that we are also seeing and tracking the job numbers in investment that doesn’t show up perhaps on anyone’s tally sheet, and that is the investment that can come in around quality passenger rail, around train stations in downtown city centers. My Congressman, Congressman Hare, mentioned that. And I give you countless other examples of that around the country.

Good investments in infrastructure, in transportation infrastructure, around our station will be good investments in downtown. Being a former mayor of a community, I understand the value of infill and not have to extend new sewer lines and new water lines, and build new highways or new roads, and take up good-quality farmland when you can do infill investment, commercial retail and residential, in downtown areas, and one of the ways to stimulate that is with passenger rail. We see a new day with Amtrak, and we thank again your support and for the many, many years you have been supporting us, and look forward to working with you in the future.

Mr. OBERSTAR. Thank you for that response and for your enthusiasm. I enjoy hearing it. America is on the threshold of a passenger rail renaissance because of the bill we passed in 2008; because of the funding that President Obama has committed in the high-speed rail initiative, the $8 billion; because of the funding the President has committed to sustain the regular annual Amtrak program to make the investments for the short term and the long term. And I want the word to go out to all Amtrak employees that there is a new era. Their faithfulness, dedication and years of work against incredible odds have paid off, and now Amtrak will have an opportunity to show what it can do to move people by passenger rail at speeds faster than the highway can take people in our society. They move greater numbers of people more efficiently.

And the numbers that you have cited are very sobering, a huge, huge backlog of investment needs, but that is true in all of our infrastructure. That is true in every one of the categories represented at the witness table here today.

We have underinvested in the underpinnings of our economy. And it was Adam Smith well over 200 years ago who said, if the public sector does its job well, then the private sector will be able to do what it does best. The public sector is providing the transportation needs, the water system support, the aviation requirements, the planning for economic development long term. The private sector, relying upon that and those foundations, will be able to invest for the long term.
So for each of the agencies represented here, thank you for the work you have done. Thank you for keeping faith with the Recovery Act, with the stimulus funding that Congress and the President have provided. Keep it going. Take the lessons learned; apply them for the future not only for stimulus, but for our standard regular programs, and we will revisit this issue in another 4 or 5 weeks.

I will just close with one face of recovery. Last August I went to visit a project, I-35, Interstate 35, southern tier of my district, between North Branch and Rush City. Granite—sorry, Knife River Construction was doing 28 lane miles, 4 lanes, 7 miles. I went to the gravel pit where they were classifying aggregates, gravel and sand. It had been shut down 2 or 3 months earlier; now it is re-open, workers are on the job site.

We went to the highway project itself, and the foreman called over one of the trucks. You have seen them, the big-belly dumpers on construction sites. The driver pulled over, shut the engine off, jumped down sobbing, and threw her arms around me and said, I am Joyce Fisk. Thank you for my job. Two months ago my husband and I had finished dinner, we sent our boys off to bed, we just looked at each other across the table and said, where do we go from here? Our health insurance ended December 31, our unemployment comp ran out 3 months ago, we have 2 months’ saving for our mortgage, and are we going to be able to send the boys to summer camp? And then we just cried and hugged each other.

The next morning the phone rang, and Knife River called and said, we won the bid on I-35, report for work on Monday. And now if I can get my 1,200 hours in and my husband, who works for the same company, then our health insurance will be reinstated. We are paying the mortgage, we are paying taxes, and the boys went to summer camp.

That is the human face of recovery. There are Joyce Fisks all over America and in every State who are looking to us and counting on us to make lives better; to move the projects through and move the funding along; to put people to work; to reestablish their self-worth and their identity in this society and in our economy. All of us have jobs. There are a couple million out there who don’t who are counting on us to deliver. You started that process, done it well, lessons to be learned. We will go forward from here. Thank you for your contribution.

The Committee is adjourned.

[Whereupon, at 2:01 p.m., the Committee was adjourned.]
OPENING STATEMENT OF REP. STEVE COHEN

The Full Committee on Transportation and Infrastructure

“Recovery Act: One-Year Progress Report for Transportation and Infrastructure Investments”

February 23, 2010

I am pleased to be here today to receive testimony from our distinguished guests about the progress and success of the Recovery Act.

The heart of the Memphis economy is the city’s transportation infrastructure. With the largest cargo airport in the world seventeen years in a row, five class 1 railroads, the nation’s fourth largest inland port, two existing interstates, and two more interstates under construction, the state of the city’s infrastructure is critical to our economic success. Because of the Recovery Act, millions of dollars are being spent in Memphis to enhance the quality of this infrastructure system and enhance the mobility of all citizens. In fact, just last week the Secretary announced that Norfolk Southern Corporation was awarded $52.5 million in TIGER Grant funding to support development of a major intermodal facility in the Memphis area. This infusion of federal funding will extend Memphis’s prominence as America’s Distribution Hub and play a vital role in keeping people and commerce moving throughout our nation for many years to come. I am proud to have supported the Recovery Act and am excited to see the continued impact this legislation has on my district.

I would like to thank the witnesses for attending this important hearing today. I look forward to hearing about the implementation of the Recovery Act and the progress it has made stimulating the economy and improving the nation’s transportation infrastructure.
Chairman Oberstar, thank you for holding this hearing today and for continuing your steadfast commitment to holding states accountable for their dispersal of stimulus funds.

Over the past year, this Committee has, again-and-again, held hearings on the status of Recovery Act funds, and, as appropriate, have praised and criticized the efforts of Federal and State agencies in getting funds out the door, and creating good jobs for Americans.

Today is no different.
Today, we have the opportunity to challenge those agencies and States that have been slow to turn this unprecedented Federal investment into good paying jobs – such as my own State of Texas.

Through this Committee’s periodic reporting, I was concerned to, again, find my home state of Texas near the bottom of the allocation charts through the month of December.

Naturally, I contacted both the Texas Department of Transportation and the Texas Water Development Board to find out why they appear to be slower in getting their stimulus dollars distributed than most other States.

The Texas Department of Transportation has assured me that all of their stimulus funds will be obligated by the March 1 statutory deadline.
Further, the Department maintains that while they may not have been one of the fastest States in obligating funds, it is in part because they agreed on a definitive set of criteria for evaluating mobility projects to receive stimulus funds.

These criteria include: projects that improve the safety of the transportation system; projects on corridors of statewide significance or regional priority; projects that leverage or pool resources; projects that create long-term economic benefit; projects in areas that are economically distressed; and, finally, fair and equitable distribution of projects around the State.

Also, as a large State, Texas has nearly 500 Recovery Act projects, over five times as many as some smaller states. Some of these are large-scale projects for which expenditures will be paid out over a period of time and provide long-term sustained jobs.
Mr. Chairman, as I noted earlier, I believe it is also appropriate to praise agencies and States for their efforts as well.

Today I commend the Environmental Protection Agency and the States for their efforts with the Clean Water State Revolving Fund and investment in our nation’s wastewater infrastructure.

Despite the concerns of some, over the past year, States have successfully executed 1,869 Recovery Act agreements totaling over $3.8 billion – the entire amount available for wastewater projects under the Recovery Act.

Of the 1,869 executed agreements, 1,869 are now under contract totaling $3.8 billion.

Of this number, 1,478 projects have started construction totaling $3.1 billion, or 81.3 percent of funds available for projects.
Based on conservative projections, this investment will result in the creation or sustainment of 110,000 jobs related to the construction of wastewater infrastructure, alone.

More difficult to quantify, but equally important, is the added benefit that this investment will have on restoration and maintenance of water quality throughout the nation.

This money is essential to small communities that have been able to utilize the financial flexibility included as part of the Recovery Act to afford upgrades to wastewater treatment plants that they otherwise may not have made.

Of equal importance is the promotion of innovative approaches to improve water quality, such as green technologies, that may, in the long-run, provide more cost-effective and sustainable approaches to improve water quality.
Again, with respect to my own state of Texas, its Water Development Board may have been slow from the start, but was able to meet the statutory deadline of February 17, 2010 to obligate all funds under the Clean Water State Revolving Fund.

The Board explained that it took them time to formulate new processes and procedures to meet the requirements to provide deeper subsidies for disadvantaged communities and to ensure that green infrastructure projects were included.

The Texas Water Development Board received over 1,400 application packets, totaling more than $7 billion for $340 million in Recovery Act funding.

Mr. Chairman, these hearings, and your dedication to continuous oversight of Recovery Act expenditures, are essential to ensure accountability to the American public for our investment in the nation’s future.
I remain dedicated to following my own State’s progress in Recovery Act expenditures, as well as continued oversight by the Subcommittee on Water Resources and Environment on the impact of the Recovery Act in meeting our continued clean water challenges.

Thank you Mr. Chairman.
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 December 31, 2009, the U.S. Department of Transportation (DOT) has obligated $42.3 billion for 16,031 projects, which represents approximately 66 percent of total available funds. Furthermore, across the nation, work has commenced on 9,241 highway and transit projects, totaling $20.6 billion, which represents 60 percent of the available highway and transit funds. 3,148 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 December 31, 2009, approximately $366 million in Recovery funds had been invested in projects that are already underway. More than $372 million had been invested in projects that were already under contract. In addition, another $412 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.
One year ago, Congress passed and the President signed into law the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act). Since then, Federal agencies, States, and their local partners have demonstrated they can deliver transportation and infrastructure projects and create urgently needed employment in the tight timeframes set forth in the Recovery Act. This Act has already resulted in 10,348 highway, transit, and wastewater infrastructure projects breaking ground all across the country. Every Recovery Act dollar available under the Clean Water program is now under contract.

These 10,348 projects have created or sustained nearly 300,000 direct, on-project jobs. Total employment from these highway, transit, and wastewater infrastructure projects, which includes direct, indirect, and induced jobs, reaches over 938,000. Direct job creation from these projects has resulted in:

- Payroll expenditures of $1.5 billion;
- Federal taxes paid totaling $310 million; and
- Unemployment checks avoided worth $254 million.
While the Recovery Act has positively impacted millions of Americans across the country and ushered the nation towards economic recovery, Congress needs to take additional action to offset the continued rise in construction unemployment, the collapse of the private construction market, and State budget crises that limit States’ ability to finance highway and transit projects. The House took action in December by passing the Jobs for Main Street Act of 2010, which provides an additional $39 billion for programs under the Committee’s jurisdiction. I urge the Senate to take action now to provide increased investments for ready-to-go highway and transit projects.

Against this backdrop, I scheduled this oversight hearing to hear from Federal officials who are implementing programs receiving funding under the Recovery Act.

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 16,692 transportation and other infrastructure projects totaling $56 billion, as of January 15, 2010. This amount represents 87 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $42.3 billion for 16,031 projects, representing 66 percent of the available funds.
The successful implementation of the Recovery Act highway and transit investments adds force to the calls for additional infrastructure investment. As of December 31, 2009:

- 12,252 highway and transit projects in all 50 States, five Territories, and the District of Columbia have been put out to bid, totaling $26.4 billion (77 percent of the total available formula funds for highway and transit projects);

- Fifty States, four Territories, and the District of Columbia have signed contracts for 10,592 projects totaling $22.6 billion (66 percent);

- Work has begun on 9,241 projects in 50 States, three Territories, and the District of Columbia, totaling $20.6 billion (60 percent); and

- Work has been completed on 3,148 projects totaling $2.9 billion in 45 States and the District of Columbia (nine percent).

These 9,241 projects have created or sustained more than 280,000 direct, on-project jobs. Just as important as direct, on-project jobs, are indirect and induced jobs in the supply chain that have resulted from Recovery Act investments. Indirect jobs include jobs at companies that produce construction materials such as steel, sand, gravel, cement, and asphalt, or manufacture equipment such as new transit buses. Total employment from these 9,241 highway and transit projects, which includes direct, indirect, and induced jobs, reaches nearly 890,000.

The Recovery Act investments are also bringing our nation's highway, bridge, and public transit systems to a state of good repair. The Federal Highway Administration (FHWA) reports that these highway and bridge investments will result
in nearly 24,000 miles of road improvement and over 1,100 bridge improvements.

The Federal Transit Authority (FTA) reports that these transit investments will result in the purchase or rehabilitation of 10,561 vehicles and 613 rail cars or locomotives as well as the construction or rehabilitation of 2,325 passenger and 202 maintenance facilities.

In addition to these investments, the Recovery Act also included funding for many other infrastructure investments within the Committee’s jurisdiction, including Clean Water, Federal building, and U.S. Army Corps of Engineers investments. More specifically:

- Amtrak has started work on 141 projects totaling $1.1 billion (83 percent of the available Amtrak funds);
- Amtrak investments will result in the replacement of 80,000 concrete ties, the restoration to service of 60 Amfleet cars, 21 Superliners, and 15 locomotives, and the improvement of 270 stations;
- The Federal Aviation Administration (FAA) has initiated or completed work on 649 projects totaling $1.2 billion (92 percent);
- Aviation investments will result in 155 runway improvement projects at 139 airports that accommodate 11 million annual takeoffs/landings, and 82 taxiway improvement projects at 78 airports that accommodate 8.1 million annual takeoffs/landings;
- Clean Water State Revolving Fund (SFR) projects have broken ground all across the country: 1,811 projects are out to bid totaling $3.6 billion (94 percent), 1,351 projects are under contract totaling $2.8 billion (73 percent), and work has begun on 1,107 projects totaling $2.2 billion (57 percent);
Wastewater infrastructure investments will result in 375 projects totaling $1.1 billion to improve publicly owned treatment works, that impact 60 million people (almost one-third of the U.S. population currently served by sewers);

The Environmental Protection Agency (EPA) has awarded $582 million for 57 Superfund construction projects and four design projects at 51 sites (100 percent). Of these construction projects, on-site work to treat or remove contamination has begun or is complete on 38 projects totaling $443 million (74 percent);

Superfund investments include the treatment or removal of heavy metal contamination from 36 sites and organic compound contamination from 28 sites;

The U.S. Army Corps of Engineers has committed $2.8 billion for 772 projects (61 percent);

Corps investments will result in navigation repair or improvement to 284 locks or commercial ports, 1,124 dam or levee safety projects, and maintenance or upgrade of 460 recreation areas;

The General Services Administration (GSA) has awarded contracts worth $2.1 billion for 354 projects (37 percent), and work has begun on 127 projects, totaling $1.7 billion (31 percent);

GSA investments include the installation of 126 roofs, including 54 photovoltaic roofs, and the installation of 135 lighting systems;

The Economic Development Administration (EDA) has awarded 68 grants totaling $147 million (nearly 100 percent) and has broken ground on 20 of these projects totaling $45 million (31 percent);

EDA funded projects in areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring, and include 23 projects to develop regional innovation clusters and 13 projects to promote business incubation; and

Under the Coast Guard’s Alteration of Bridges program, contracts have been awarded and work has begun on three of the four planned bridge projects totaling $81 million (57 percent).
Although the Recovery Act has counteracted the increase in construction unemployment, Congress must continue to focus on job creation. Additional funding for highway and transit projects will immediately create and sustain needed employment. According to a December 2009 American Association of State Highway and Transportation Officials (AASHTO) survey of State Departments of Transportation, there are 7,497 ready-to-go highway and bridge projects, totaling $47.3 billion. Furthermore, according to a December 2009 American Public Transportation Association (APTA) survey, there are more than $15 billion of ready-to-go transit projects.

I am pleased with the progress that has been made in the first year 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.
STATEMENT

OF

JOSEPH H. BOARDMAN
PRESIDENT AND CEO
NATIONAL RAILROAD PASSENGER CORPORATION
60 MASSACHUSETTS AVENUE, NE
WASHINGTON, DC 20002
(202) 906-3960

BEFORE THE

HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

WEDNESDAY, FEBRUARY 10, 2010
10:00 A.M.

2167 RAYBURN HOUSE OFFICE BUILDING
Thank you, Mr. Chairman, for the opportunity to testify before your committee today. I’d like to give you a quick summary of what we plan to do, where we are today, and where we plan to go over the course of the coming year. Amtrak was, as you know, a recipient of nearly $1.3 billion in American Recovery and Reinvestment Act of 2009 (ARRA) grant funding, and our company has been striving to put this money to work. As I speak, more than $1 billion worth of projects are underway, and I expect that when the deadline arrives in February 2011, we will have completed such important projects as the replacement of all or a significant part of eight bridges, the improvement and repair of 38 Amtrak facilities and 270 stations, and the return of 81 stored or wreck-damaged cars and 15 diesel locomotives to service.

Throughout the process, we have had one overarching priority: to create jobs. With this in mind, we also pursued three important but subsidiary objectives. First, we have aimed to ensure we get the best possible value for our money. Second, we have tried to get as much as possible done within the allotted time. Third, we have tried to make the spending process as transparent as possible, so the public can see and understand what we’re doing and where we’re doing it.

The Federal Railroad Administration has approved more than 99% of the total funding, and we expect to make the bulk of our outlays in 2010. This is going to be our big year – the work season will open in March, and once it does, you will see a lot of money flowing into major projects such as bridge replacements, maintenance facilities and station improvements. As the contracts have gone out for bid, there has been some fluctuation in our project list, as bids come
in above or below the expected level, and projected work durations vary. We are reporting to and meeting with the FRA on a weekly basis, and contacting them far more frequently as we work through the grant and contracting processes. About 49% of the funding has gone into Northeast Corridor projects, while the remaining 51% has been distributed across our national system. As of February 3, we have awarded 371 ARRA contracts, with a total dollar value of $709.4 million.

We have also invested in our fleet. Our Mechanical Department intends to return a total of 81 cars and 15 locomotives to service with ARRA funding, and the first rehabilitated car rolled off the line at our shops in Bear, Delaware on July 13, not quite five months to the day after the President signed ARRA into law. When this program is complete, we will have added enough equipment for roughly ten additional trains, with several engines to spare – ten trains that will allow us to grow revenue and add ridership.

Amtrak has already added more than 600 full time equivalent (FTE) positions as a result of ARRA. We have already put a lot of these employees straight to work on tasks that will improve the reliability and capacity of the Amtrak system. Our workforce has replaced switches, ties and rail in our yard in Niles, Michigan, and we have been clearing brush and deadfall and cutting back overhanging trees along all three divisions of the Northeast Corridor. Trees and tree limbs falling on wires have long been a problem – they cause circuit breakers to trip and delay trains. The cleanup program has combined with other ongoing efforts to reduce the number of incidents that affect our electric traction system. Cleanup of this kind is long overdue, and has
contributed to improvements in our train performance. We have been able to use ARRA money to extend the lease on a second track laying machine, which we are using to replace deteriorated concrete ties on the Northeast Corridor.

Another important part of this year’s story is stations. For many of the 270 station projects we’re undertaking, we will be doing major work this year. Many of these projects will be station improvements associated with our “Mobility First” program of station accessibility that includes $38 million of ARRA funding. In all, we will invest a total of $144 million from all funding sources in FY 2010 to address the compliance of our stations with the Americans with Disabilities Act of 1990. For too long, the lack of funding greatly hindered our ability to make station improvements. In about five years, however, we expect all stations to be ADA compliant and in a state of good repair. Major station improvement projects in Wilmington, Delaware and Sanford, Florida are already underway – and are on schedule, and within budget. Many of these projects are discrete efforts without the burden of complex construction work, and they are ideal projects for small businesses – and they are spread all over the country. I would note that 45% of the contracts we have awarded to date have gone to small businesses. We have laid the groundwork for a productive year, and I am confident our workforce and our business partners will bring the work in on time.

There are just a couple of points I want to leave with you as I close today.
1) The ARRA funding for Amtrak has been well spent, and has created more than 600 jobs in our company, and close to 200 jobs among our suppliers.

2) Last year was busy, and we were laying the groundwork for our program of investment. This is going to be the year when we get our people and our equipment out on the railroad to finish the work.

3) ARRA has funded a major capacity addition to our fleet, and it’s going to become available at just the right moment. With the release of the High Speed and Intercity Passenger Rail (HSIPR) Grants last week, several states are going to be looking to add service, and we will be ready.

4) Thanks to the ARRA program, our organization is going to be well prepared for the large projects that are coming down the pike. We’ve been able to staff up, and we are ready for the work it’s going to take to bring the HSIPR grants to fruition.

5) This reporting process has helped us become a more transparent company – and all this work has made us a healthier railroad.
DEPARTMENT OF THE ARMY

COMPLETE STATEMENT

JO-ELLEN DARCY
ASSISTANT SECRETARY OF THE ARMY
(CIVIL WORKS)

BEFORE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES

ON

RECOVERY ACT:
PROGRESS REPORT ON WATER INFRASTRUCTURE INVESTMENT

FEBRUARY 10, 2010
Mr. Chairman and distinguished members of the Committee, I am Jo-Ellen Darcy, Assistant Secretary of the Army (Civil Works). Thank you for the opportunity to testify before the Committee today to discuss the U.S. Army Corps of Engineers implementation of the Civil Works appropriations within the American Recovery and Reinvestment Act of 2009 (Recovery Act).

RECOVERY ACT HIGHLIGHTS

The Recovery Act provides funds to meet the intent of the President and Congress to quickly provide our fellow citizens meaningful work and to help the recovery of the Nation’s economy. The Act provides funding to: Preserve and create jobs and promote recovery; assist those most impacted by the recession; provide investment needed to increase economic efficiency by spurring technological advance in science and health; invest in transportation, environmental protection, and other infrastructure that will provide long term economic benefits; and stabilize State and local government budgets.

The Recovery Act provides Corps funds to accomplish these goals through the development and restoration of the Nation’s water and related resources. Recovery Act funds also support permitting activities to protect the Nation’s regulated waters and wetlands and to cleanup sites contaminated from the Nation’s early efforts to develop atomic weapons. The execution of Corps of Engineers Civil Works projects through Recovery Act funding is contributing to the Nation’s safety, economy, environment, and quality of life.

Total discretionary funding for Civil Works in the Recovery Act is $4.8 billion and is provided in six accounts. Within the total program, $2.075 billion is for activities funded in the Operation and Maintenance account. The Recovery Act also provides $2 billion in the Construction account; $375 million in the Mississippi River and Tributaries account; $25 million in the Investigations account; $25 million in the Regulatory account; and $100 million in the Formerly Utilized Sites Remedial Action Program account.
The Corps adheres to the Recovery Act’s general principle to manage and expend funds to achieve the Act’s stated purposes, including commencing expenditures and activities as quickly as possible consistent with prudent management, and consistent with the President’s direction provided in the Executive Memorandum of March 20, 2009—Ensuring Responsible Spending of Recovery Act Funds. In that Memorandum, the President directed agencies to ensure Recovery Act funds are spent responsibly and transparently and projects are selected on merit-based principles.

Additional project selection criteria suggested in the Joint Explanatory Statement accompanying the Act states that projects, programs or activities (PPAs) accomplished with Recovery Act dollars will:

- Be obligated/executed quickly;
- Result in high, immediate employment;
- Have little schedule risk;
- Be executed by contract or direct hire of temporary labor; and
- Complete a project phase, a project, an element, or will provide a useful service that does not require additional funding.

The Recovery Act also stipulated that no funds will be allocated for any PPA that, at the time of the allocation, had not previously received funds in Acts making appropriations available for Energy and Water Development. In other words, no new starts can receive Recovery Act funds.

Other statutory language includes:

- Recovery Act funds are not to be cost-shared with the Inland Waterways Trust Fund
- Not less than $200 million is for environmental infrastructure (wastewater treatment and municipal and industrial water supply treatment and distribution)
- All unobligated funds (except for engineering and design, supervision and administration, and claims for Recovery Act-funded work) expire September 30, 2010.
STATUS OF RECOVERY ACT EXECUTION FOR CIVIL WORKS

All of the $4.6 billion appropriated for Civil Works has been identified for specific Civil Works projects and activities, and, as of January 29, 2010, financial obligations totaled $2.9 billion, of which $2.6 billion was for contracts and the balance was for temporary hired labor and administration and oversight of contracts. Total outlays, primarily comprising payments made to contractors for work completed, have reached $851 million.

Of the 830 Civil Works projects planned, forty-two projects are complete. Most of the remaining projects are underway through thousands of contracts.

The most recent information indicates that 3,578 contract actions have been awarded, of which about 74 percent were awarded to small businesses. Of the $2.6 billion in contracts awarded, about 46 percent of the total dollar value was awarded to small businesses. In addition, larger companies receiving Civil Works contracts are encouraged to hire local small business as their sub-contractors.

The Civil Works investments funded with Recovery Act funds were selected, in part, to produce long-term benefits, to achieve work mainly through contracting, and to award the contracts in a short period of time. This approach maximizes private sector employment impacts with a strong emphasis on small businesses. Stimulus effects begin with contract award when the contractor hires workers, order materials and equipment, and take other steps to complete the work, creating ripples through the economy. As a result, stimulus impacts are frequently more closely related to obligation of Recovery Act funds, primarily through contract awards, rather than subsequent outlays, that provide payments to contractors for work already completed or for supplies and equipment purchased.

For October through December 2009, recipients of Civil Works funds reported approximately 5,800 jobs created or retained, expressed in full-time equivalent workyears.
Additional jobs will be reported as funds are expended on contracts. In addition to the direct job support, these investments support numerous indirect jobs in industries supplying material and equipment. Finally, additional jobs are supported as direct and indirect income generates increased consumer spending.

Following are two examples of ARRA funded work being undertaken utilizing funding provided to the Corps of Engineers:

Decades ago, canal excavation and road construction disrupted the natural water flow to much of the South Florida ecosystem, including the Everglades, and over-drained or flooded many areas of this unique ecosystem. In October 2009, the Corps awarded a contract which included $40 million ARRA funding to address this issue in part of the area west of the Everglades called the Picayune Strand. The ARRA funds allowed for full funding of a, contract to restore an area affected by the Merritt canal. The funds allowed for an accelerated construction schedule and provided increased employment opportunities in the region. Work began in December, 2009 and will be completed September 2012. As a result of this work, water flows will be redirected to spreader canals to distribute sheetflow and lead to the restoration of critical habitats to support endangered wildlife and vegetation in the region. It will also maintain flood damage reduction to adjacent lands.

A 1996 analysis of the Santa Maria River levee system in Santa Barbara, California concluded the existing levee system's rock revetment, as well as the rip rap protection at certain locations along the system, did not meet the original design criteria. In October 2009, using the ARRA funds, the Corps awarded a $10 million contract to allow for the application of soil cement to the levee face and levee toe along approximately 6.2 miles of the levee as well as other needed work. The work will be completed in December 2010 and will speed the recovery of the levee after a flooding situation and reduce flood damage reduction risk to life and property in the area.

Among the Recovery Act projects being carried out by the Corps include 284 navigation projects, 304 flood risk management projects, 143 environmental restoration projects,
148 environmental infrastructure projects, and 35 hydropower projects, as well as inspection of 820 levees.

CONCLUSION

At $4.6 billion, the Recovery Act provides resources for the Civil Works program to pursue investments that create and preserve jobs and yield good returns for the Nation’s future.

Thank you, Mr. Chairman and Members of the Committee, for this opportunity to testify on the Recovery Act program of the Army Corps of Engineers Civil Works Program.
Testimony of

John R. Fernandez
Assistant Secretary of Commerce
Economic Development Administration
U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, D.C. 20230
202-482-5081

before the

United States House of Representatives Committee on Transportation and Infrastructure

February 23, 2010
Introduction

Chairman Oberstar, Ranking Member Mica, and members of the committee, thank you for this opportunity to testify on behalf of the Department of Commerce’s Economic Development Administration (EDA).

From his first day in office, Secretary of Commerce Gary Locke has focused the Department on fostering economic growth by supporting job creation efforts, harnessing innovation and increasing capital investments in economically distressed areas.

To achieve these objectives, EDA is working, region by region, to help speed the transition to a more entrepreneurial, innovation-driven society. In practical terms, that means three things:

- Fostering regional innovation that builds on an area’s competitive advantage;
- Encouraging business exports and competitiveness; and
- Leveraging private investment.

As the economic recovery continues, EDA plays an important role in helping build a new foundation for sustainable economic growth. EDA responds quickly and nimbly to changing economic conditions largely due to our support for and reliance on a well-established network of local and regional economic development professionals. This bottom-up approach to economic development builds on our local partners’ strategies, rather than relying on a top-down imposed solution.

American Recovery and Reinvestment Act Funding

I’ve been asked today to provide you with an update on the progress being made regarding EDA’s 68 American Recovery and Reinvestment Act (Recovery Act) of 2009 funded projects. I am pleased to report that many communities hard hit by the economic...
recession are already putting these funds to work—breaking ground, hiring workers and leveraging significant private investment.

EDA is an integral part of President Obama’s economic recovery team and is committed to sustained economic growth through its efforts to create jobs, harness innovation and increase capital investments in economically distressed areas. EDA is proud of its reputation as an agency that can efficiently foster job creation, and one that encourages innovative solutions in the interests of improving local and regional economic development outcomes.

EDA received $150 million of Recovery Act funding to apply toward these goals. By the end of last September—a full year ahead of schedule—we obligated 100% of our allocation, funding 68 projects in 37 states. We invested $50 million to promote the development of regional innovation clusters, $37 million to promote business incubation, $27 million to promote green jobs, and $11 million to promote trade, connecting regional economies to the global marketplace.

Investments ranged from $184,000 to $6.4 million. These projects targeted a wide range of economically distressed and underserved communities, and focused on assisting them expand local assets and infrastructure to strengthen the regional economy and thereby enhance global economic competitiveness. EDA awarded $141.3 million (96%) of its Recovery Act funds for construction projects. These projects are creating high-skill, high-wage jobs, and attracting private investment. EDA’s Recovery Act investments are expected to leverage $981 million in private investment over the next nine years. Committee staff has been provided a complete listing and description of all EDA Recovery Act projects.

To date 33% of EDA’s Recovery Act projects are already underway—helping communities and businesses create jobs. These projects total over $50 million, or 34% of our Recovery Act allocation. I am pleased to report that to date, nearly all projects
within EDA’s Recovery Act portfolio met anticipated construction start and other project implementation milestones. We have been encouraged that some projects have, in fact, started ahead of schedule.

These investments support a diverse mix of economic development activities that are proven to be effective at creating long-term economic stability and job growth, such as supporting regional clusters, promoting business incubation and investing in innovation.

- EDA invested approximately $50 million of its Recovery Act funds to promote the growth of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth.

One example of how EDA can address one of the biggest challenges facing businesses today is by improving access to capital. EDA, utilizing its Economic Adjustment Assistance program, made a $2.7 million Revolving Loan Fund (RLF) investment to provide much-needed capital to businesses in Montana’s timber and wood products industry.

This investment is providing capital and technical assistance to borrowers, intermediaries such as economic development districts, and lenders to help them formulate and implement specific loan packages for targeted firms in this important regional cluster.

EDA has worked closely with the State of Montana to ensure the quick disbursement of funds. As of January 28, 2010, $2.5 million, or 93% of the entire Recovery Act award, has been disbursed.

EDA expects that this investment will leverage $4.7 million in private investment.

- EDA also invested $37 million to promote business incubation.
EDA’s ARRA program funded 13 projects for a total of $37.4 million to promote business incubation. According to grantee estimates, these grants will leverage $246 million in private investment.

For example, in Anderson, Indiana, one of many communities struggling to respond to the restructuring of the U.S. domestic automotive industry, EDA invested $2.7 million to expand the Flagship Center. The Flagship Center was developed in 2003 and has produced such success stories as Bright Automotive. EDA’s Recovery Act investment will enable the Flagship Center to construct a new multi-tenant facility to serve companies that “graduate” from their incubator.

- **EDA’s Recovery Act investments included $27 million to promote green jobs**

EDA recognizes the critical role strategic investments in environmentally sustainable development have on creating jobs and regional prosperity. EDA provided a $1.75 million investment to ACCION New Mexico to fund the construction of an 8,000 square foot LEED certified facility. Construction on this green facility began October 7, 2009. Additionally, this investment is expected to leverage $12.6 million in private investment over the next nine years.

- **EDA directed $11 million to promote trade.**

In an increasingly globalized world, investments that help high growth businesses and entrepreneurs expand and compete in larger markets are critical. The $11 million EDA invested to help communities more effectively trade will generate regional jobs and prosperity.

For example, EDA provided a $3 million investment in Matanuska-Susitna Borough, Alaska to support the construction of a 7.8 acre expansion to their existing dock. The investment in this dock expansion will provide necessary platforms to allow for exchange of goods and materials into and out of Alaska. Construction on this investment broke
ground on January 12, 2010. EDA anticipates this investment will leverage $21.1 million in private investment over the next nine years.

**ARRA Summary**

The Recovery Act requires new measures for unprecedented accountability and transparency. With our Regional Offices, we developed specific outreach initiatives to assist our recipient partners in meeting these additional reporting requirements. I am pleased to report that at the end of the second reporting period, 100% of EDA Recovery Act grant recipients have successfully reported on their progress.

**Success of ARRA & EDAP Programs**

EDA’s ability to successfully implement the Recovery Act should be no surprise to those familiar with the Agency: we have a long history of working with communities to provide effective infrastructure, technical assistance, and capital investments through traditional Economic Development Assistance Programs (“EDAP”), as well as through budgetary supplementals, such as those that have been recently provided for disaster-mitigation and job creation purposes. EDA’s ability to consistently achieve these successful results is the direct result of three core strengths.

- **First, EDA provides cost-effective investments to distressed communities.** EDA manages investments in a cost-effective manner: in 2009 the Agency’s161 FTEs oversaw $407 million in EDAP and supplemental appropriations, a rate of more than $2.5 million per employee. EDA’s strategic focus on innovation and entrepreneurship make sense, in that investments in business incubators generate significantly greater impacts in the communities in which they are made than do other project types.

- **Second, EDA projects successfully leverage other investments.** EDA investments serve a catalytic role in local communities, serving as seed money that attracts other private and public investors. According to the research by Rutgers
University, every $1 million of EDA funding leverages on average $10.08 million in private investment and another $1 million in Federal, state, or local investment.

- **Finally, EDA investments support critical components that support national competitiveness, including innovation and entrepreneurship.**

EDA’s programs are designed to support job creation and stronger regional economies throughout the United States. To achieve this, EDA is particularly focusing on programs that build upon two key economic drivers – **innovation and regional collaboration**.

Many of EDA’s traditional programs support this effort. For example, the Agency’s RLF program provides much-needed capital to help grow and create businesses, EDA’s University Center Program leverages local assets to support regional collaboration, and our Global Climate Change Mitigation Fund is being used to grow the “green” economy.

**Conclusion**

Mr. Chairman, EDA has had a long-term and very successful working relationship with you and the Committee. We remain eager to provide excellent service to the citizens of this country. As the Committee prepares for EDA reauthorization, I look forward to working with you to develop a stronger framework for sustainable economic development that meets the needs of the 21st century.

Chairman Oberstar, Ranking Member Mica, and members of the committee, thank you for your time today and for inviting me to discuss progress on EDA’s implementation of the American Recovery and Reinvestment Act of 2009. I look forward to answering any questions you may have.
Chairman Oberstar, Ranking Member Mica, and Members of the Committee, thank you for the opportunity to appear before you today to discuss the U.S. Environmental Protection Agency’s (EPA’s) progress in implementing the American Recovery and Reinvestment Act of 2009 (Recovery Act).

Background

One year ago EPA was entrusted with more than $7 billion dollars to invest in our economy -- to rebuild critical infrastructure in our communities; to invest in jobs that would put our citizens back to work and to rekindle a strong and thriving economy. In that year, EPA has worked diligently to move that money into the hands of our partners and to clear the way for rapid investments in construction, land reuse and redevelopment.

Let me share a quick overview. As of February 18, 2010:

- we have obligated $7.1 billion dollars or 99% of our Recovery Act funds;
• ensured that 100% of both our Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) dollars are under contract or construction (as reported by the states);
• obligated 100% of the funds for our Superfund projects and started construction at 35 of these sites; and
• obligated 99.7% of Brownfields dollars.

Chairman Oberstar and Members of the Committee, we are proud of the work that we have done, and we recognize that there is still more to be accomplished. We also recognize that you play a key role in the oversight of how we invest this money and the benefits that will accrue from it. We share with you a keen interest in that oversight and are following closely the stewardship plan that we shared with you at our last hearing. We recognize that all that we do is in the public eye – as it should be. Let me share some specifics for three of these programs, the Clean Water State Revolving Fund, Superfund and Brownfields.

**Clean Water State Revolving Fund**

Recovery Act funds have been put to good use with respect to the CWSRF. Of the $4 billion allocated, 100% of this money has been obligated based on the Clean Water Act formula, with tribes receiving 1.5% of the funding. These awards have resulted in nearly 1,900 assistance agreements and over 1,500 projects where construction has begun, representing 100% of the obligated funds. These projects will serve approximately 68 million people and address a wide variety of infrastructure needs:
- 30% of the projects, representing 48% of the funds, are for improving or maintaining treatment levels at publicly owned treatment works (POTWs);
- 44% of the projects, representing 33% of the funds, are for improving, rehabilitating or expanding wastewater collection systems;
- 6% of the projects, representing 9% of the funds, are for Combined Sewer Overflow (CSO) correction projects;
- 11% of the projects, representing 4% of the funds, are for nonpoint source projects;
- 7% of the projects, representing 4% of the funds, are for storm sewer projects; and
- 2% of the projects, representing 2% of the funds, are for water reuse projects.

We are grateful for our partners’ cooperation in helping to expedite placing these funds in contracts so that needed construction projects can begin quickly. The Administrator was personally involved in working with the states. She called 12 governors, to raise concerns where necessary, offer assistance, and to thank them when they achieved completion or made significant progress. I called Recovery Act Senior Accountable Officials in several states to listen to their concerns and offer our assistance. I am proud to say that every state and territory, through hard work and under extraordinary pressure, has successfully met the Recovery Act deadlines for the Clean Water and Drinking Water SRFs. Credit goes to the officials and staff of the SRF programs, and everyone involved at the local level, to place every dollar under contract or construction. Not one dollar will be reallocated – an impressive feat and a testament to the dedication and hard work of all involved in the SRF programs.
Under the Recovery Act, states with SRF programs had until February 17, 2010 to place Recovery Act funds under contract or start construction. We aggressively reached out to states and territories to help them meet the deadline. In addition to the calls placed to the state’s Recovery Act Senior Accountable Officials, EPA regional staff met at least weekly, if not more, with state program staff and reported back to EPA headquarters staff on progress and issues. We provided weekly updates and closely monitored the data states were required to report to EPA. We consistently communicated at the headquarters level with EPA’s regions which maintain direct contact with fund recipients, and offered assistance at every turn. Staff visited 49 of the Clean Water SRF programs to ensure compliance and to provide assistance. EPA provided contractor support for regions to conduct oversight reviews and for state programs to help meet the deadline and comply with new requirements. This support included the development of solicitation materials, informational meetings for contractors, recipients, and engineers on the new requirements, and the development of environmental review documents.

To ensure quick progress, preference was given to projects that were shovel ready. In other words, funding was the only limiting factor to moving forward. States were also required by the Recovery Act to use at least 50% of these funds for “additional subsidization” in the form of principal forgiveness, negative interest rates, or to provide grants to communities that could not normally afford a Clean Water SRF loan. Project examples include treatment plant and sewer line upgrades and combined sewer overflow remediation.

The Recovery Act provided that 20% of the money be used for “Green Projects” where the most environmental benefits could be realized. Project examples include upgrading pumping
stations to increase energy efficiency, water recycling and reclamation projects to reuse effluent for public purposes, and making greater use of natural processes to address urban storm water runoff. Every state met the "Green Projects" requirement.

For example, one of the projects funded under the CWSRF for $15 million is the Douglas L. Smith Middle Basin Treatment Plant, located in Johnson County, Kansas. Using Recovery Act and CWSRF base program funds, this wastewater treatment plant improvement project is expected to be completed by the end of this year. This is the largest "Green Project" funded in Kansas. It is expected to result in almost $600,000 in annual cost savings for rate payers and reduce annual greenhouse gas emissions by more than 9,700 metric tons.

Some of the components of this project include the development of a new receiving station to collect fats, oils and grease, and the expansion of an anaerobic digestion sludge treatment system. In addition, a digester gas handler and new power production system will burn digested gas to produce hot water for heating and electricity for on-site usage. When completed, this wastewater treatment facility will be entirely energy self sufficient.

Superfund

When the Superfund Program entered FY 2009, it faced the prospect of no new construction projects. As a result of the Recovery Act funding, Superfund was able to fund 26 sites that would not have been funded otherwise. The Recovery Act also funded ongoing site cleanup work at 25 other sites. As of February 18, 2010, construction projects at 35 sites have started on-site work. The Superfund Program also achieved its target of obligating 100% of the
Recovery Act funds for the 51 sites by December 31, 2009. As of February 18, 2010, approximately 23% of the allocated funds have been expended and we anticipate expending 70% of all allocated funds by the end of FY 2010.

To give you an idea of the nature of the projects and why Recovery Act funding has been so important in this area, I would like to cite some examples of how Recovery Act funds are being used.

The swift allocation of $25 million in Recovery Act funds accelerated cleanup at the New Bedford Harbor Superfund site in Massachusetts. The site is located in one of the nation’s busiest fishing ports with more than 100,000 people living in the area. Dangerous levels of pollution in over 18,000 acres of water necessitated the banning of lobstering and fishing in this area. This project was scheduled to take almost forty years to cleanup. Instead, Recovery Act funds will help to create and save jobs, and have the potential to generate economic activity in tourism, development and shipping in the years ahead. The new funding could also more than triple the amount of PCB contaminated sediment removed compared to recent years, significantly expediting the timetable to return a clean harbor back to the community.

We are utilizing the Recovery Act funds to treat or remove toxic compounds. One such project is the Escambia Wood Treating Company site in Florida. The primary contaminants of concern include creosote related compounds, such as pentachlorophenol and dioxin. These contaminants affect surface soils on the facility and at nearby properties. Recovery Act funds are
being used to clean up and contain the contaminated soils, thereby reducing harmful exposures to the nearby population.

In addition, Superfund will be treating or removing heavy metals that have contaminated 36 sites, including a neighborhood in South Minneapolis, Minnesota. At this site, Superfund is removing soil from the yards of approximately 500 homes in a community that have arsenic levels as high as 2,880 part per million, which if left in place, would pose a health risk, especially to children.

Efforts to begin or accelerate work to treat drinking water to meet federal and state standards will be undertaken at eight sites. One of these locations is the Ottati & Goss/Kingston Steel Drum site in New Hampshire, where ground water, surface water and soils are contaminated with organic compounds, polychlorinated biphenyls (PCBs) and metals. Approximately 450 people live within a one mile radius of the site and an estimated 4,500 people live within three miles. Recovery Act funds are being used to clean up the ground water so that it is of the same quality standard as drinking water.

Superfund is also working to mitigate damage to wildlife habitats and ecosystems, and to begin the land restoration process at six sites that received Recovery Act funds. The Iron Mountain Mine site in California is an example where EPA is addressing toxic runoff containing copper, cadmium and zinc in the Sacramento River. Project funds have been used to dredge nearly 90,000 cubic yards of sediment to date, helping to improve conditions in the Sacramento
River ecosystem. This project, like many others, would have otherwise been delayed if not for Recovery Act funding.

**Brownfields**

To date, EPA has awarded 100% of the 186 assessment, cleanup, revolving loan fund and job training, Recovery Act cooperative agreements. Current outlays represent over $4 million, or 5% of the total Recovery Act allocation for this program. EPA has been working with cooperative agreement recipients to encourage their prompt expenditure of Recovery Act funds and completion of work. The Brownfields Program has been closely monitoring outlays and where necessary, working directly with the grantees to help expedite these contracts, create jobs, restore these properties to beneficial use, and revitalize the local economy.

Recovery Act funds have been put to good use in numerous communities across the country. The Town of Sanford, Maine used $200,000 of these funds to complete cleanup activities at an abandoned mill site in their downtown area. In Woonsocket, Rhode Island, a $200,000 cleanup grant allowed the City to remediate the last remaining corner lot of a former Brownfield site to facilitate the completion of an $80 million middle school redevelopment project. A $200,000 grant for asbestos abatement work in former apartment buildings located on 27 acres of property in Village, Oklahoma is bringing new development and jobs to this community. A potential developer is expected to invest approximately $25 million to construct new garden homes, two story condominiums, and a pedestrian walkway on this prior abandoned and unsafe property.
Recovery Act funds have been used to provide low interest loans to help fund cleanup activities on lead contaminated land. The California Department of Toxic Substances Control used $1.675 of the $1.8 million in Revolving Loan Fund Supplemental funds to loan to a company to perform these cleanup activities. After cleanup is completed, the property will be used for residential units, a restaurant, retail businesses and a day care center. The loan will be repaid in six to seven months, allowing California to use the funds again for other cleanup and job creation projects, contributing to economic recovery and environmental protection.

The small town of Kit Carson, Colorado is another happy ending story. Located in Colorado’s Cheyenne County, Kit Carson has at least four known Brownfield sites along the main highway that runs through town. The Paxson Building site is the largest and most visible. Recovery Act grant funds were used to oversee the cleanup, removal and disposal process of inorganic contaminants and friable asbestos found on the site. Prior to cleanup, Brownfields properties such as the Paxson site posed potential threats to human health. The only health clinic in town was next door to the site, and four churches, a bank and a grocery store were within 100 feet of the building. Such sites impair the quality of a town’s commercial area, reduce the number of available sites for redevelopment, and have a disproportionate impact on small and rural main street communities. Cleanup will serve as a catalyst, enabling the town to redevelop this and other properties, improving the environment for job creation and economic development.
Conclusion

EPA is grateful to have been entrusted by Congress with distributing more than $7 billion in Recovery Act funding for programs administered by our Agency. These funds supported work under the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Superfund, Brownfields, Leaking Underground Storage Tank, and Clean Diesel programs, and made a significant impact in improving public health and safety and the environment, creating and retaining jobs, and stimulating the economy. In addition, Recovery Act investments were used to help many of our neediest communities and populations, to promote and expand green technologies and energy independence, and to help create and retain jobs in existing and emerging industries.

Our most recent report from EPA’s contract and grants stimulus award recipients indicated that nearly 6,800 direct jobs were created or retained. And this is just the beginning, for as more construction and cleanup activities get underway, this number should grow substantially.

Recovery Act funds have enabled EPA to expedite projects that benefit both the environmental health of our states and communities and the individuals who live and work in them. We are excited about the accomplishments thus far and look forward to continuing our work with this Committee, our partners, and the public to ensure an economically and environmentally healthier country for all Americans.
Thank you again for inviting me to testify here today, and I look forward to answering your questions.
STATEMENT OF

ROBERT A. PECK
COMMISSIONER
PUBLIC BUILDINGS SERVICE
U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. HOUSE OF REPRESENTATIVES

FEBRUARY 23, 2010
Good Morning Chairman Oberstar, Ranking Member Mica, and members of the Committee. My name is Robert A. Peck, and I am the Commissioner of the U.S. General Services Administration’s (GSA) Public Buildings Service (PBS). Thank you for inviting me to appear before you today to discuss GSA’s contribution to our nation’s economic recovery through green modernization and new construction of our Federal buildings.

Nearly one year ago, $5.55 billion in funding provided through the American Recovery and Reinvestment Act of 2009 (Recovery Act) gave us an unprecedented and exciting opportunity to contribute to our nation’s economic recovery and environmental sustainability. The investments we made and continue to make in our public buildings are helping to stimulate job growth and retention in the construction and real estate sectors, reduce energy consumption, improve the environmental performance of our inventory, reduce our backlog of repairs and alterations, and increase the value of our assets. In addition, our investments will help further developments in energy efficient technologies, renewable energy generation, and green building solutions.

We are successfully meeting our established milestones to meet the intent and goals of the Recovery Act. I will first summarize, then further elaborate on our accomplishments. Since passage of the Recovery Act on February 17, 2009, we have accomplished the following:

- Submitted the first spend plan, identifying projects funded by the Recovery Act, to Congress on March 31st. As revised to date, the plan includes 261 projects in all 50 states, the District of Columbia, and two U.S. territories. These projects fall into four categories:
  1. New Federal construction: 17 projects totaling $1 billion, including $450 million at the DHS Headquarters on the St. Elizabeths campus
  2. Major building modernizations: 45 projects totaling $3.2 billion
  3. Limited-scope “green” projects: 199 projects totaling $912 million

- Established and met our target dates for contract awards and outlays:
  - $1 billion in contract awards by August 1, 2009
  - $2 billion in total contract awards by December 31, 2009

- Put ourselves on track to meet our next targets:

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1 Federal buildings, United States Courthouses and Land Ports of Entry
- Award a total of $4 billion by March 31, 2010
- Award $5 billion in design and construction contracts by September 30, 2010

- To date, we have obligated approximately $2.1 billion and outlaid over $184 million

- Identified a number of green technologies to include in our projects. I am proud to announce that we have already installed 37 energy efficient lighting system projects, 7 PV roof projects, and 136 advanced meter projects.

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<th>System</th>
<th>Projects Underway as of 01/20/10</th>
<th>Projects Completed by 12/31/09</th>
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- In addition to our Recovery Act Funds, GSA expects to receive approximately $1 billion in Recovery funds from other agencies, such as the Department of State and Social Security Administration, among others. To date, we have received nearly $397 million in Recovery Act reimbursable work authorizations and of that have awarded over $120 million in contracts on behalf of other agencies.

- Over the last 2 reporting periods, GSA obtained nearly 100 percent compliance on contract recipient employment reporting on all 500+ separate contract awards. During the first quarter, only one recipient did not comply; in the second quarter, GSA achieved 100% compliance.

- Established PBS as a Green Proving Ground to provide practical data in order to measure the returns on investment in emerging green technologies and practices

GSA is proud of these accomplishments and our opportunity to contribute to this nation’s economic recovery and reinvestment in our building infrastructure. I will now elaborate further on what we’ve done as well as describe some of our exciting building projects.
Organizational Response

Given the urgency of the situation and the goals of the Recovery Act, we knew this could not be business as usual. We moved forward quickly to select the best projects for accomplishing the goals of the Recovery Act based on two overarching criteria: potential of the projects to put people back to work quickly and to transform Federal buildings into high-performance green buildings. To help manage and oversee our Recovery Act program, PBS created a new national approach to program management and we adopted a credo of “On Schedule, On Budget and On Green.”

As described earlier, we met our targets of “On Schedule and On Budget” by achieving our aggressive goals of obligating $1 billion by August 1, 2009, and a total of $2 billion by December 31, 2009. This means we awarded twice the dollar amount of contract awards in the last 6 months of fiscal year 2009 as we award in an entire “normal” year. More impressively, we surpassed December’s goal of $2 billion by $70 million. This is especially impressive given the fact that project awards were on average 8-10 percent below our projected estimates, due to the soft construction markets in many areas. To further describe the magnitude of this achievement: to meet the December goal, we accelerated schedules for 98 projects representing $577 million in investments.

We are meeting our performance target of “On Green” with our Recovery Act funding targeted at high-performance green building projects. The funding provided by the Recovery Act has jump-started our effort to meet mandated energy and water conservation targets in the years to come. We appreciate Congress’ foresight to direct the majority of our funding toward high performing green buildings.

Key to meeting these aggressive measures are monitoring project progress, identifying schedule variances early, streamlining and accelerating projects, and sharing best practices. PBS has quickly identified and revised the spend plan to reallocate savings from projects underway toward the enhancement, acceleration or funding of other projects. To date, we have revised our spend plan twice: revisions were submitted to this committee on November 23, 2009 and January 19, 2010. The spend plan revisions represent a reallocation of more than $200 million. Speedy revisions to the spend plan were essential to meeting our interim goals and will be essential to meeting the mandated timelines in the Recovery Act.

Stimulating the Economy

GSA’s infrastructure investments vary in scope, type, and region and cover our entire portfolio. Funds from the Recovery Act are converting our inventory to high-performance green buildings, as well as renovating and constructing Federal buildings, courthouses, and land ports of entry. These projects range from single building system modernizations to large complex new construction
projects. As of February 16, 2010, our obligations totaling $2.1 billion are funding the following projects in 50 states and 2 territories and in the District of Columbia:

- New Federal Buildings and Courthouses: 8
- Land Ports of Entry: 6
- High Performance Green Buildings - Full & Partial Modernizations: 43
- High Performance Green Buildings Limited Scope Projects: 176

A list of the projects awarded as of this hearing is enclosed.

Notably, GSA's "obligations" are awards flowing directly to our contractors, i.e., directly into the construction, real estate and architecture/engineering sectors. While contract award is the catalyst for money flowing through the economy, funds associated with construction or design projects are not immediately outlaid following contract award. Rather, payments to contractors for progress made over the life of the contract provide steady support for our economy over an extended period – not a jolt that lasts only a few months.

Less visible but important contributions to economic recovery follow shortly after we award a contract: contractors immediately begin securing financing, hiring initial personnel, and initiating early steps to perform the project. In addition, job numbers increase after the contractor completes these initial steps, not necessarily immediately after the contract has been awarded. There is a lag between the time a contract is awarded and when new jobs are created.

As of the reporting quarter ending December 31, 2009, reports from our Recovery Act funding recipients indicate that 1,646 prime contractor jobs have been funded as a direct result of PBS Recovery Act funding.

Diversity of Investments

As noted, the projects we have funded vary in amount of investment, scope of project, type of project, and geographic region.

New projects range across the nation in size and scope

For example, in Austin, Texas, we are building a new courthouse that incorporates many innovative green features such as high-efficiency heating, ventilation and air conditioning (HVAC) systems and extensive use of natural light. PBS is building this courthouse to achieve Leadership in Energy and Environmental Design (LEED) Silver certification through the U.S. Green Building Council. Although construction began in September, the project team continues to review the design to determine if additional high-performance green building features can be added to the project, including recycled interior finish materials and a highly insulated cool roof. Anticipated completion date is December 2012.
Our progress toward the consolidation of the Department of Homeland Security (DHS) Headquarters at the St. Elizabeths campus, in Washington, DC is on track. The St. Elizabeths project is the Washington metropolitan area’s largest Federal project since construction of the Pentagon, and will help revitalize and spur additional development in Southeast Washington’s Anacostia community. Funding for the U.S. Coast Guard (USCG) Headquarters, the first project for the DHS Headquarters at St. Elizabeths is a mix of Recovery and non-Recovery funding from both GSA and DHS. The first awards occurred before August 2009, earlier than anticipated. Subsequent awards for construction management services and for construction of the core/shell of the National Operations Center followed in November and December. We also awarded a contract in December to complete the design of some future phases of this enormous and critical campus project. Finally, in December we also made an award for the renovation/expansion of the central utility plant for the St. Elizabeths campus. The USCG Headquarters will feature green roofs, landscaped courtyards to capture and reuse surface water runoff, and innovative HVAC systems. We registered all buildings at St. Elizabeths with USGBC, and we expect the St. Elizabeths campus to earn a LEED Gold certification.

GSA is moving forward with a $213 million port-replacement project in Nogales-Mariposa, Arizona. The entire construction portion, $199.4 million, is funded through the Recovery Act. The Mariposa LPOE is expected to achieve a LEED Silver certification. It will use electricity-generating photovoltaic solar panels, solar-powered domestic hot water, and advanced lighting. Our goal is to provide up to 20 percent of the facility’s energy from solar power produced onsite. Construction is scheduled for completion in 2014.

The Bakersfield Courthouse in California is a 33,400 gross square foot, two-story courthouse project within the central business district of Bakersfield. The new courthouse will be a catalyst for the redevelopment of the historic downtown area. Key green elements include improved indirect daylighting in the courtroom, radiant heating and cooling, drought-tolerant landscaping, solar array infrastructure, active energy saving technologies and evaporative cooling. The Bakersfield design-build contract was awarded in November 2009, with construction scheduled to start in June 2010. Completion and occupancy is scheduled for 2012. The project goal is to attain a LEED Silver rating or better.

**PBS: A Proving Ground for Green Technologies and Practices**

We are leveraging our Recovery Act investments to turn our large, varied and stable inventory of buildings into a proving ground for green building technologies, materials, and operating regimes. By adopting new ideas and products, then evaluating and publicizing our results, GSA is working
to become one of the commercial real estate industry's "go to" sources for data on the environmental and economic payback of new systems and procedures. Our investments in innovative technologies and alternative energy solutions can help lead the transformation to new green jobs and new green industries.

For example, at the Edith Green/Wendell Wyatt Federal Building in Portland, Oregon, we are installing one of the nation's most extensive vegetative facades. This westerly-facing green façade will provide shading and reduce solar load during summer months, and will admit light and allow solar gain in winter months.

At the Major General Emmett J. Bean Federal Center in Indianapolis, Indiana, GSA intends to design and install a state-of-the-art photovoltaic roof with over 4,500 solar panels. This project is being undertaken in collaboration with the Department of Energy and supported by the Sandia National Laboratories. The panels will cover 25 percent of the 480,000 square foot roof and will produce over 1.4 megawatts of electricity. GSA is mounting a "Photovoltaic Lab" comprised of four alternative photovoltaic
systems; each array is about three kilowatts each. This lab will create a benchmark for commercially available photovoltaic solar panels operating in Midwest climates, and will provide long-term operational and maintenance “lessons learned” for each of these systems. The photovoltaic systems are expected to reduce peak electrical usage of the building by six percent as well as provide a proving ground for emerging technologies.

**Measures to Improve Projects Previously Funded**

In addition to funding new project starts, we are improving the green building performance of projects that were already underway before the Recovery Act.

For example, GSA awarded a contract for the renovation of the façade and windows of the historic Brooklyn General Post Office for $53 million in July 2009 that will improve the energy performance of the facility and complete another aspect of the renovation of this historic asset.

At the Margaret Chase Smith Building in Bangor, Maine, we will be able to significantly reduce our energy consumption and obtain LEED certification by upgrading or replacing windows, HVAC, and electrical systems. The building’s current design reduces energy usage (BTUs per GSF) by half and relies on geothermal systems for 90 percent of the required heating and cooling. We will achieve further energy reductions through Recovery Act funded energy improvements.

At the Columbus, New Mexico Land Port of Entry, we are providing additional funds to improve the energy efficiency of the facility with a goal of achieving a net zero energy building. A net zero energy building is a highly energy-efficient building that uses renewable energy-generation technologies to produce as much energy as it consumes from traditional utility grids over the course of a year. Not only will this reduce greenhouse gas emissions, but it will also support the mission need of DHS’s U.S. Customs and Border Protection to maintain critical systems in the event of a complete loss of utilities. Building systems and technologies may include: integrated building walls containing super-insulation and high-performance glass; high-efficiency HVAC systems; energy-saving lighting systems; ground-source heat pumps; passive solar heating; natural ventilation; use of day lighting; solar heated air; and solar thermal water heaters.

**Limited Scope Projects**

We are also pursuing projects that will upgrade the performance of specific systems within many of our buildings. These “Limited Scope”
projects focus on improving energy performance and are evaluated in the context of the existing physical condition of the building. We evaluated these buildings and identified opportunities to "tune-up" the systems, improve building mechanical system controls, recommission building systems and retrofit or replace lighting or HVAC systems. To better achieve the goals of the Energy Independence and Security Act (EISA) of 2007, we particularly focused on those projects related to renewable energy production and water conservation.

For example, at the Robert J. Dole U.S. Courthouse in Kansas City, Missouri, GSA invested $1.6 million to install a new white roof and photovoltaic solar panels. The white membrane roof will deflect the sun's rays and keep the building cooler in the summer while helping to reduce the urban heat island effect. In addition, 200 thin-film photovoltaic solar panels installed on the portion of the roof receiving the most sun are expected to generate about 5 percent of the building's electricity. The roof design and installation created jobs in solar manufacturing, design, and roofing. GSA also plans to invest an additional $3.1 million to improve the building's infrastructure and operating systems.

GSA has evaluated approximately 2,800 proposed energy conservation measures for 250 buildings. Only the best proposals were approved and will progress toward contract awards within the month.

**High-Performance Green Building Small Projects**

In addition to the Limited Scope projects, there are approximately $100 million of High-Performance Green Building Small Projects that represent other opportunities for funding measures to convert our buildings to high-performance green buildings. These projects tend to be smaller in scope and size.
For example, GSA will be installing five 100 kilowatt wind turbines at the Pembina, North Dakota Land Port of Entry. Combined, the turbines will produce 76 percent of the energy consumed at the station and will generate approximately 1,250 renewable energy credits (REC). Multiple turbines will provide system redundancy during routine maintenance and power outages. Standing 90 feet high, these units will become landmarks and a tangible symbol of our commitment to renewable energy as visitors cross the border from Canada to the United States.

**Increased Workload Created by Recovery Act Projects**

To address the increased workload created by Recovery Act funded projects, we have reassigned experienced existing personnel to support Recovery Act projects. Gaps created by this movement as well as new staffing requirements created by the burgeoning workload are being filled, as appropriate, with temporary/term Federal personnel or contractors.

**Managing, Tracking and Reporting Building Projects**

As we move forward with our infrastructure investments, we have set interim target dates for project awards in each quarter to ensure we obligate $5 billion of the more than $5.5 billion we received in Recovery Act funds by the end of fiscal year 2010. We established tracking and reporting systems to help us meet our reporting requirements and better manage our projects. We are monitoring "early warning" signals of project slippage and taking immediate corrective action.

**Recipient Reporting**

The Recovery Act requires contractors and other recipients of Recovery Act funds to submit quarterly reports that provide the public information on the prime and sub-awards, funding, and project status. The second reporting period was completed on January 29.

For this reporting period, we continued the multimedia outreach approach we developed last reporting quarter to ensure recipients were aware of the quarterly reporting requirement. We telephoned our prime recipients, directing them to the FederalReporting.gov website used to register and report, we e-mailed Recipient Reporting Guidance to all recipients, we provided pre-populated report templates, and we posted guidance to the gsa.gov/recovery website. We also continued our call center to assist recipients with any questions about reporting. Our recipients have provided positive feedback about GSA’s call center, and have expressed gratitude to our staff for assisting with the reporting process. I am proud to report that as of January 30, 2010, 100 percent of GSA’s recipients have reported in 533 reports.
Pre-Apprenticeship

We are excited that apprenticeship and pre-apprenticeship programs are an integral part of our Recovery Act projects. GSA launched the pre-apprenticeship program with two contract awards to the Community Services Agency (CSA) of the Metropolitan Washington Council, AFL-CIO in Washington, DC, and Oregon Tradeswomen Inc. (OTI) in Portland, Oregon. In December 2009, CSA (20 graduates) and OTI (23 graduates) both celebrated the first graduating classes of pre-apprentices. CSA, OTI, and subsequent pre-apprenticeship program contract awardees will work with the Department of Labor to place the program graduates in registered apprenticeship programs at construction sites. The registered apprentices will gain on-the-job experience and industry-recognized credentials.

GSA is in the process of soliciting proposals to fund additional pre-apprenticeship training programs in six identified high unemployment areas: San Juan, Puerto Rico; Tampa, Florida; Detroit, Michigan; Fresno/Bakersfield, California; Youngstown/Dayton, Ohio; Providence, Rhode Island. The pre-solicitation notice was advertised on January 20, 2010, the request for proposals was advertised on February 4, 2010, and proposals will be due on or about March 3, 2010.

Support to Other Agencies

In addition to GSA’s Recovery Act program, we are supporting the real estate needs of other agencies that have received Recovery Act funding, such as the Social Security Administration (SSA), DHS, the Department of State (State), and DHS Customs and Border Protection (CBP). To date, we have entered into reimbursable work agreements with customer agencies totaling $397 million across 26 projects. Of this amount, $120 million has already been awarded. In total, we anticipate receiving approximately $1 billion for Recovery Act projects from our customers.
• Working collaboratively with SSA, GSA is working to deliver a new data center to replace the existing National Computer Center. SSA turned to GSA for assistance in locating, designing and building this new data center, which will meet the agency’s expansion needs for the long-term. We are in the process of developing SSA’s Program of Requirements for the new data center, and expect to complete the Program of Requirements in August 2010. We are conducting a site search including the possibility of locating the new data center within the existing headquarters campus. Construction award is expected in March 2011.

• For the St. Elizabeths DHS’ Headquarters consolidation, which provides space totaling 4.5 million gross square feet, GSA has accepted $199 million in reimbursable Recovery Act funds from DHS. Of this amount, $50.5 million has been awarded. As described above, we are pursuing a number of exciting and innovative high performing green features for the DHS Headquarters; the buildings have been registered with the USGBC and we anticipate earning a LEED Gold certification.

• We are providing acquisition, project management, planning, design/build, and construction management services in support of CBP’s Land Port of Entry (LPOE) Modernization Program. GSA has accepted $88 million in reimbursable funds related to the Recovery Act, of which $64 million has been awarded. CBP’s Recovery Act funds will be utilized to replace eight aging LPOEs in four states along the northern border: Morgan, Scoby and Wild Horse in Montana; Churubusco in New York; Antler, Noonan and Maida in North Dakota; and Frontier in Washington. Seven projects were awarded on August 14, 2009 using GSA’s IDIQ contracts. The design contract for the eighth project, Maida, North Dakota, was awarded in January 2010 and is expected to be completed by the end of June 2010. The designs for the seven other projects are expected to be completed by April of 2010.

Conclusion

Congress entrusted GSA with a significant increase in funding to support the construction and modernization of high performance green buildings while quickly putting people back to work during these challenging economic times. The men and women of GSA have risen to the challenge, and we are implementing our program rapidly and successfully.

Today, I have described GSA’s accomplishments and contributions to our nation’s economic recovery through our investments in green technologies and reinvestments in our public buildings funded by the American Recovery and Reinvestment Act of 2009. We look forward to working with you and members of this Committee as we continue to deliver this important work.
The Public Buildings Service is one of the largest and most diversified public real estate organizations in the world. Our inventory consists of over 8,600 assets with nearly 360 million square feet of rentable space across all 50 states, 6 territories, and the District of Columbia. Approximately half of that space is contained in 1,500 buildings owned by the Federal Government on behalf of the American people. The remainder of the space is leased from private property owners. Our portfolio is composed primarily of office buildings and courthouses, land ports of entry, and warehouses. GSA’s goal is to manage these assets responsibly while delivering and maintaining superior workplaces at best value to our client agencies and the American taxpayer.
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<thead>
<tr>
<th>Project Title</th>
<th>Total Obligations</th>
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<td>Fargo Federal Building and U.S. Courthouse</td>
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U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

March 8, 2010

Mr. Robert A. Peck
Commissioner of Public Buildings
General Services Administration
1800 F Street, NW
Washington, DC 20405

Dear Commissioner Peck:

Thank you for your testimony before the Committee on Transportation and Infrastructure on February 23, 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 the General Services Administration. 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 March 29, 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,

James L. Oberstar, M.C.
Chairman

Endorse
1. How many jobs have been created by GSA's Stimulus funds?

2. What is GSA's timeline for obligating the remainder of the stimulus funds?

3. What is GSA's timeline for outlaying the remainder of the stimulus funds?

4. How is GSA verifying the job creation numbers?

5. This committee held a joint hearing with the Ways and Means Committee on the Social Security's stimulus project to replace its Woodlawn computing facility. At this joint hearing the committees requested additional information regarding the project from GSA and the Social Security Agency. When can this committee expect to receive a response?
1. How many jobs have been created by GSA’s Stimulus funds?

For the reporting period ending September 30, 2009, our Recovery Act funding recipients created or retained 726 jobs as a direct result of PBS Recovery Act projects.

For the reporting quarter ending December 31, 2009, our Recovery Act funding recipients indicate that 1,702 jobs have been funded. Beginning this quarter, jobs are reported on a quarterly basis rather than on a cumulative basis and are based on the total hours worked by employees on Recovery Act-funded projects. Thus, recipients report on the number of jobs funded rather than how many jobs were “created or saved.”

2. What is GSA’s timeline for obligating the remainder of the stimulus funds?

As we move forward with our infrastructure investments, we have set interim target dates for project awards in each quarter to ensure we obligate $5 billion of the more than $5.5 billion we received in Recovery Act funds by the end of fiscal year 2010. We established tracking and reporting systems to help us meet our reporting requirements and better manage our projects. Our obligation targets are:

- $4 Billion total by 3/31/10
- $5 Billion total by 9/30/10
- $5.55 Billion Total by 9/30/11
3. **What is GSA’s timeline for outlaying the remainder of the stimulus funds?**

PBS made $268 million in actual outlays as of 3/31/10.

Projected Outlays:

- $1.09 billion by 9/30/10
- $5.47 billion by 9/30/15
- $5.55 billion by 9/30/16

4. **How is GSA verifying the job creation numbers?**

The Office of Management and Budget (OMB) issues guidelines for reporting on jobs data impacted by Recovery Act projects. The guidelines instruct recipients of stimulus dollars to report the number of jobs funded with federal assistance. OMB changed the formula for the reporting quarter ending December 31, 2009, such that jobs are now reported on a quarterly basis rather than on a cumulative basis and are based on the total hours worked by employees who are working on Recovery Act-funded projects. OMB also issues guidance to federal agencies on performing quality assurance checks on the data reported by recipients.

The second reporting period was completed on January 29, 2010. For this reporting period, we continued the multimedia outreach approach we developed last reporting quarter to ensure recipients were aware of the quarterly reporting requirement. We telephoned our prime recipients, directing them to the FederalReporting.gov website used to register and report, we e-mailed Recipient Reporting Guidance to all recipients, we provided pre-populated report templates, and we posted guidance on the gsa.gov/recovery website. We also operated a call center to assist recipients with any questions about reporting. Our recipients have provided positive feedback about GSA’s call center, and have expressed gratitude to our staff for assisting with the reporting process. As of January 30, 2010, 100 percent of GSA’s recipients have reported in 533 reports.

In preparation for the April reporting quarter, PBS continued to leverage the success of our multimedia approach that has resulted in high reporting compliance in the previous reporting quarters. We have disseminated guidance and information to our recipients using a variety of outreach methods including web based guidance, emails and through the GSA call center. We have conveyed OMB’s updated guidance, M-10-14, and we have communicated the new processes and methods to submit a report in the FederalReporting.gov system. Our recipients have continued to use the GSA call center as their main source of information for Recovery Act reporting and GSA expects to maintain the high standard it has set for reporting compliance.
The GSA Outreach Call Center has conducted outreach to recipients instructing the recipients on the correct use of the OMB's jobs calculation formula and has asked Prime Recipients to verify this data field.

5. **This committee held a joint hearing with the Ways and Means Committee on the Social Security's stimulus project to replace its Woodlawn computing facility. At this joint hearing the committees requested additional information regarding the project from GSA and the Social Security Agency. When can this committee expect to receive a response?**

GSA has conducted a feasibility study to assess the Government's procurement options, which include purchasing new land or using land already owned by the Federal Government. The analysis compares schedule, cost, and risk issues and was delivered to both Committees on April 6, 2010.

GSA also received Questions for the Record (QFRs) from the Committees on January 6th. The responses to the QFRs were delivered to the Committees on April 14, 2010.
STATEMENT OF
THE HONORABLE JOHN D. PORCARI
DEPUTY SECRETARY OF TRANSPORTATION

BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

FEBRUARY 23, 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 (Recovery Act). February 17th marks the one-year anniversary of this hallmark legislation and I am pleased to report that much has been accomplished to improve transportation infrastructure throughout the Nation.

Overall, the Recovery Act provided $48.1 billion for transportation programs to be used for improvements to our Nation’s highways and bridges, transit systems, airports, railways, and shipyards. To date we have obligated $36 billion on more than 13,600 projects nationwide. Nearly 25% of these funds have already been expended as projects get underway and move towards completion – creating jobs throughout the transportation sector. This is substantial progress in a relatively short amount of time – made possible in part because of the Recovery Act’s reliance on DOT’s existing formula-based structures and authorities.

Improving Highways

The single largest investment of Transportation Recovery Act dollars – $27.5 billion – was targeted at improving highways and bridges. As we approach the one-year anniversary, the Federal Highway Administration (FHWA) has approved 11,981 highway projects in total. More than 2,160 of these projects have been completed and over 7,600 are currently underway.
Many of these projects will have a direct impact on the safety of our highways. For example, the Doyle Drive Replacement project in San Francisco, California will help improve the safety for nearly 91,000 drivers every day. When completed in 2013, this billion-dollar project, which relies on more than $100 million in Recovery Act funding, will replace the 73-year-old Doyle Drive protecting the route—a key economic artery for the Bay Area—against earthquake damage.

On the east coast, safety on Connecticut’s Merritt Parkway is also being improved. Nearly $70 million in Recovery Act funding will widen shoulders and install or update guard rails along 9.3 miles of one of the East Coast’s most congested commuter routes. Such improvements will enhance the safety for the estimated 60,000 drivers who use the parkway daily.

The Caldecott Tunnel near Oakland, is using $197.5 million in Recovery Act funds to add a fourth tunnel to ease congestion in its existing three tunnels—which carry an estimated 160,000 daily drivers on six lanes. This $420 million project will significantly reduce traffic congestion in the Bay area by adding a new tunnel to carry two new lanes as well as numerous safety features like emergency walkways and escape passages.

The Recovery Act was based on the need to help spur economic recovery, which is at the heart of San Bernardino’s I-215 Widening Project. This $800 million project relies on $128 million in ARRA funds to add two new lanes to I-215 in downtown San Bernardino, which will improve access to local businesses. It will also ease congestion on a route serving an estimated 83,000 daily drivers currently—but predicted to grow to 130,000 drivers in the next 20 years.

These projects represent more than infrastructure improvements—these are employing people in communities throughout the Nation. Already FHWA has funded $722 million in contractor payroll from Recovery Act projects.

**Improving Transit Systems**

The Recovery Act provided $8.4 billion for improving transit systems. During the past year, the Federal Transit Administration (FTA) has approved the
purchase of more than 11,000 bus and rail vehicles. Many of these will replace buses and other vehicles that have surpassed their useful life. At the same time, these purchases support American manufacturing jobs. FTA has also approved construction of 1,637 bus and passenger shelters and the construction and renovation of more than 850 transit facilities and stations.

Many of these grant awards advance the President's "Green Economy" objectives as well as produce new jobs. Link Transit, which operates in economically distressed counties in north central Washington State, is the first public transit agency in the nation to receive funding from the Recovery Act for a new generation of clean-fuel buses and other equipment. On February 4th, Secretary LaHood announced that the Federal Transit Administration made a $3 million award as part of a $100 million competitive transit grant program funded by the Recovery Act. The program enables transit agencies to invest in projects that reduce greenhouse gases and put more energy-efficient buses on the road. Link Transit’s award will put cutting-edge technology for battery-powered, zero-emission circulator buses and charging stations in operational use. These charging stations will be built locally, providing jobs for folks in central Washington State hard-hit by the recession.

Over the past year, FTA has spent $622 million of its Recovery Act funds on preventative maintenance which has maintained public transit service and transit jobs. For example, Recovery Act funds were critical to assisting the Cooperative Alliance for Seacoast Transportation (COAST), the regional transit agency in the Portsmouth, New Hampshire area – to address preventative maintenance needs by funding COAST’s three-person maintenance team over the past year. Based on the new methodology for calculating job retention and creation, COAST has sustained at least four full time equivalent positions through the expenditure of its Recovery Act funds – critical for a small community.

Improving our infrastructure is only one focus. Improving transit safety also continues to be one of our top transportation priorities. Rail transit has the potential for catastrophic accidents resulting in multiple injuries, considerable property damage, and heightened public concern. Following the recent tragic accidents in Washington D.C., Boston, and San Francisco it is clear we need to
strengthen the safety oversight of transit rail operations. The Administration’s transit safety bill will implement a comprehensive safety oversight strategy to establish common safety standards nationwide and to ensure the safety of our Nation’s transit riders and I am pleased that the Chairman has introduced a transit safety bill.

Improving Airports

The Recovery Act provided the Federal Aviation Administration (FAA) with a total of $1.3 billion in additional resources to address needed improvements at the Nation’s airports. The majority of these funds – $1.1 billion – were provided for airport improvement grants; the remainder can be used to upgrade FAA-owned infrastructure. Over the past year, FAA has awarded 100% of the airport grant funds on a total of 360 projects at 334 airport locations. More than 80% of these funds were used for 288 runway, taxiway and apron construction projects totaling $889 million and supporting jobs at 265 airport locations nationwide. Other projects include an additional $85 million directed towards improvements at 23 small commercial service airports, replacing decades-old infrastructure and improving facility efficiency for travelers at airports in smaller communities. FAA estimates that all together these efforts resulted in approximately 6 thousand jobs Nationwide so far. Perhaps even more impressive FAA reports that because the Recovery Act provided resources through FAA’s existing programs, some of the workers had paychecks in their hands within the first 90 days following passage of the Act.

One of the major airport projects is the Washington Dulles International Airport (IAD), in Chantilly, Virginia. This $15 million project rehabilitated a portion of Runway 1C/19C from the south end to approximately the mid-point of the runway. The project removed and replaced the existing concrete that was almost 50 years old. 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 mid-July, 2009 and the runway reopened in early December, 2009. In addition to the employment impacts, and reduction in
aircraft taxi time and fuel consumption, the project will reduce airport maintenance costs and enable more efficient movement of aircraft, thereby reducing delays.

$13.1 million in Recovery Act funds were used to rehabilitate the runway at the Omaha-Epply Airfield (OMA) in Omaha, Nebraska. The project removes and replaces the existing concrete pavement, originally constructed in 1950, on a portion of runway 14R/32L and is part of a larger effort to completely rehabilitate the longest commercial runway and several associated taxiways. Several phases of the runway rehabilitation project started in March, 2009. The ARRA portion is substantially complete.

Recovery Act funds have also been used to fund a terminal apron rehabilitation at the Reno/Tahoe International Airport (RNO) in Reno, Nevada. The $6.3 million project will complete a critical portion of the terminal apron serving aircraft terminal gates. The project started in July 2009 and is 60 percent physically complete. This phase of construction was originally planned to begin in late 2010, but the availability of Recovery Act funding allowed the project to proceed last summer.

Tower and Radar Control facilities have also been replaced with Recovery Act funds. $14 million was used to replace the tower and Terminal Radar Approach Control Facility at Wilkes-Barre, Pennsylvania. To date, $14 million has been obligated toward the construction project and work on the project began in December 2009. Roughly 140 jobs over two years are anticipated, yielding considerable benefit to the community’s depressed economy. Once completed, the new facility will enhance safety by improving the line-of-sight for air traffic controllers. It will be a more cost-efficient facility, thanks to new energy-efficient materials that cut down on heating and ventilation costs. Administrative costs will be lower than before, generating additional savings for the Federal Government every year.

The Recovery Act included an exemption to the Alternative Minimum Tax that has enabled airports to leverage Recovery Act investments for even more benefit. Over the past year, 75 transactions representing about $8.9 billion in
airport bonds have been sold at 38 different airports. This has resulted in reduced financing costs to these airports that can now be used toward airport development to reduce long-term debt. The savings to airports from this provision is estimated at $635M.

**Expanding Rail Opportunities**

Of all the contributions in the Recovery Act, the continuation of efforts to establish our Nation’s high speed rail capability ranks among the most exciting. The $8 billion provided to the Federal Railroad Administration (FRA) represents a substantial down payment on developing or laying the groundwork for 13 new, large scale high-speed rail corridors in 31 states across the country.

The majority of the dollars will go toward developing new, large-scale high-speed rail programs. This includes projects in Florida, which are receiving up to $1.25 billion to develop a new high-speed rail corridor between Tampa and Orlando with trains running up to 186 miles per hour and at an average speed of 100 mph, and in California, which is receiving up to $2.25 billion for its planned project to connect Los Angeles to San Francisco and points in between with trains running up to 220 miles per hour.

FRA received almost $57 billion in project proposals for the initial $8 billion in funds awarded – demonstrating strong interest in the development of high-speed rail throughout the county.

The Recovery Act also addressed the needs of Amtrak providing $1.3 billion that doubled the size of Amtrak’s capital investment program. Amtrak is using these funds to achieve a state of good repair for its critical infrastructure and assets that will benefit Amtrak passengers with increased capacity, improved operational reliability and increased passenger comfort and accessibility at stations.

**Assisting Small Shipyards**

The Recovery Act included $100 million to assist small shipyards with infrastructure improvements to be administered by the Maritime Administration (MARAD). To date, MARAD has approved 70 grants including a grant to Pacific
Shipyards International in Honolulu that has allowed them to provide employment to 30 people on the ARRA funded dry-dock project. The Aker Philadelphia Shipyard is using Recovery funds for a first-year skilled apprentice program. The Guam Shipyard purchased a plasma cutting machine and a plate roller with the help of Recovery Act funds. The plasma cutter will allow Guam Shipyard to cut steel that was previously cut by hand or cut on the mainland requiring a longer lead time. Guam Shipyard provides service to the military where a quick turn-around is essential. The plasma cutter and plate roller will advance the yard’s ability to respond quickly. The erection of a new Recovery Act funded 400 ton Travelift will soon begin at Steiner Shipyard in Bayou La Batre, Alabama. As offshore supply boats and fishing vessels grow larger, the new travelift will enable Steiner Shipyard to compete in the larger vessel market. Finally, Recovery Act funds provided to Eastern Shipbuilding in Panama City, Florida will allow the yard to purchase an Ogden Panel Line. The panel line will enable Eastern to assemble and weld steel more efficiently, with a quality of welds far superior to welds done by hand. The overhead cranes will provide a safer method to handle large steel plates. The yard estimates that this investment could save up to $1,000,000 in the construction of a 300-foot vessel because of increased efficiencies. These are just a few examples of improvements to small shipyards made possible through the Recovery Act.

**Discretionary “TIGER” Grants**

Last week Secretary LaHood announced the 51 award recipients of the $1.5 billion TIGER Discretionary Grant Program that was provided in the Recovery Act for surface transportation projects of significance nationally, regionally, or within a major metropolitan area. We received over 1,400 TIGER Grant applications totaling nearly $60 billion. We have been very impressed with the high quality of the applications and their innovative approaches. Many of the TIGER awards fund integrated multi-modal projects, and other projects that cannot be funded through existing transportation formula programs. With applications requesting a total of over $60 billion in applications, fewer than 3% of the projects could be funded. I hope Congress will continue the TIGER program in the context of any jobs legislation and work to enact the President’s new National Infrastructure
Innovation and Finance Fund proposal which builds upon TIGER and will encourage future innovative thinking.

**Enhancing the Dialogue with the Public and Reporting Jobs Data**

In addition to jobs creation and other economic benefits, the Recovery Act included provisions that have changed the way the Federal government communicates information about its programs to the American people. The Act calls for unprecedented transparency so the public can fully understand what is being accomplished with Recovery Act funds. In addition, Section 1512 calls upon Recovery Act fund recipients to report on the number of jobs created on individual projects. We have now completed two rounds of recipient jobs reporting. Based on the numbers reported during each round, we are averaging about 41,000 direct full time equivalent jobs reported for transportation programs nationwide based on the recent October – December 2009 reporting period. I want to emphasize that the jobs estimates included in this report are only those directly associated with the individual transportation projects and do not include the many other jobs created as due to increased demand on supply chains and other supporting services. When these indirect jobs are also taken into account, it is clear that the Recovery Act resources have made a significant impact on jobs and we expect these numbers to hold steady as some of the larger transportation projects continue to come on-line.

**Future Bill**

As President Obama made clear in his State of the Union address, his number one priority in 2010 is accelerating the pace of job creation. Transportation is an important part of his plan to put Americans back to work. The President has called for new investments in a wide range of infrastructure, such as highways, transit, rail, aviation, and water, designed to get out the door as quickly as possible. We think the efforts achieved in transportation during this first year demonstrate that transportation is an area where continued successes can be
achieved and I urge the Congress to consider supporting future jobs creation legislation.

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.
March 8, 2010

The Honorable John D. Porcari
Deputy Secretary
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590

Dear Deputy Secretary Porcari:

Thank you for your testimony before the Committee on Transportation and Infrastructure on February 23, 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 the Department of Transportation. 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 March 29, 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,

James L. Oberstar, M.C.
Chairman

Enclosure
Question Submitted in Writing by Congressman John L. Mica
for The Honorable John D. Porcari
Deputy Secretary, U.S. Department of Transportation
House Committee on Transportation and Infrastructure
Heating on "Recovery Act: One-Year Progress Report for Transportation and Infrastructure Investments"
February 23, 2010

1. What will happen to high-speed or intercity rail grants if the State fails to spend federal funds by Sept. 30, 2012?

2. How many jobs have been created by DOT's Stimulus funds? How many direct jobs and how many indirect jobs? And were they created, saved, or retained, and what is the difference between the three terms?

3. On December 18th, OMB issued new guidance on how to calculate how many jobs are created using economic stimulus funding, can you explain these changes and why they were made?

4. Are agencies going back to recalculate the number of jobs created before the new guidance was published, or will we be dealing with two different sets of data calculated using two different formulas - one prior to December 18th and one data set after December 18th?

5. How well are State DOT's complying with the Maintenance of Effort provisions in the Stimulus bill? Has the Secretary approved certifications from all States that will serve as the baseline from which maintenance of effort will be measured? Do you think all State DOTs will be able to meet the maintenance of effort requirements in the stimulus bill?

6. Will DOT make available all of the documentation related to the evaluation and scoring of the high-speed and intercity rail projects and the TIGER Grants that were considered for Recovery Act grants?

7. Do you believe that the Recovery Act requirement that “priority be given to projects that support the development of intercity high-speed rail” was successfully met in the award of the high-speed rail grants?
Questions Submitted in Writing by Congressman John L. Mica
for The Honorable John D. Porcari
Deputy Secretary, U.S. Department of Transportation
House Committee on Transportation and Infrastructure
Hearing on "Recovery Act: One-Year Progress Report for Transportation and Infrastructure Investments"
February 23, 2010

1. What will happen to high-speed or intercity rail grants if the State fails to spend federal funds by Sept. 30, 2012?

RESPONSE: States are not required to outlay (that is, "spend") their High-Speed Intercity Passenger Rail (HSIPR) Program grant funds by September 30, 2012. However, all HSIPR funds must be obligated (awarded to the HSIPR grantees) by September 30, 2012, and the Federal Railroad Administration (FRA) must outlay these funds within 5 years from the time the authority to obligate them expires – or by September 30, 2017. FRA’s ability to outlay these funds is dependent upon HSIPR grantees requesting reimbursements for all funds awarded to them by September 30, 2017. Funds remaining unobligated (not awarded) by September 30, 2012 will revert to the U.S. Treasury. Likewise, any funds remaining unexpended (funds not reimbursed to HSIPR grantees) by September 30, 2017 will be de-obligated by FRA and sent back to the U.S. Treasury.

2. How many jobs have been created by DOT’s Stimulus funds? How many direct jobs and how many indirect jobs? And were they created, saved, or retained, and what is the difference between the three terms?

RESPONSE: The Recovery Act’s Section 1201 directs DOT to estimate the number of “job-years,” distinguishing between the number of direct jobs, the number of indirect jobs, and the amount of total employment. Section 1512 directs recipients of Recovery Act funds to report estimates of jobs using specific data, as specified at the FederalReporting.gov website. The definitions of created or retained jobs are included in the OMB guidance of December 18, 2009 (OMB: M-10-08, Updated Guidance on the American Recovery and Reinvestment Act – Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates) and includes the following:

"Definitions of jobs considered to be created or retained:

"a. A job created is a new position created and filled, or an existing unfilled position that is filled, that is funded by the Recovery Act;

"b. A job retained is an existing position that is now funded by the Recovery Act."

The third round of recipient reporting for 1512 began on April 1, 2010 and, while it is too early to determine the total number of jobs reported for this past quarter, based on the two previous rounds of reporting, DOT is averaging about 41,000 direct full time equivalent jobs per quarter.

The most recent estimate of jobs that DOT has issued under section 1201 dates from September 2009, containing data from July 2009. DOT has almost completed the most recent estimate of jobs under section 1201, containing data through January 2010. DOT
expects to complete that estimate shortly and provide that to the Committee as soon as it is available. DOT does not believe that there is any difference in meaning between a job “saved” and a job “retained.” Both of these terms differ in meaning from a job that was “created,” because a job created did not exist before, whereas a job saved or retained did exist before, but it would have disappeared in the absence of Recovery Act funding.

3. On December 18th, OMB issued new guidance on how to calculate how many jobs are created using economic stimulus funding, can you explain these changes and why they were made?

RESPONSE: OMB’s December 18th guidance made two principal changes in how jobs were to be estimated under section 1512 of the Recovery Act. First, it said that jobs were to be estimated on a quarterly, not a cumulative basis. OMB’s original guidance said that grant recipients were to estimate the number of full-time-equivalent (FTE) jobs since the enactment of the Recovery Act, based on the number of job-hours worked on a Recovery Act project divided by the number of hours in a full-time schedule since the beginning of the quarter in which the project started. The change to estimating jobs purely on a quarterly basis was made to simplify the job-reporting process for grant applicants and to respond to GAO’s recommendation (in GAO-10-223, November 19, 2009) that OMB “standardize the period of measurement for FTEs.” Second, OMB eliminated the “but for” standard for reporting jobs, directing grant recipients to report the number of jobs supported by Recovery Act funds, without attempting to make a judgment of whether the job would have existed without the availability of Recovery Act funds. OMB concluded that requiring grant recipients to make this hypothetical judgment of whether the job would have existed but for the availability of Recovery Act funds injected a substantial degree of subjectivity into the job-estimating process, and undermined the objectivity of the estimates. OMB was also responding to a GAO recommendation (also in GAO-10-223) that OMB be “more explicit that ‘jobs created or retained’ are to be reported as hours worked and paid for with Recovery Act funds."

4. Are agencies going back to recalculate the number of jobs created before the new guidance was published, or will we be dealing with two different sets of data calculated using two different formulas - one prior to December 18th and one data set after December 18th?

RESPONSE: Agencies have not been directed to go back to recalculate the number of jobs created before the new guidance was published. This means that the number of FTEs reported in the first report under section 1512 is based on employment during part of the 1st calendar quarter of 2009 and all of the 2nd and 3rd quarters of 2009, whereas the second section 1512 report is based on employment only during the 4th calendar quarter of 2009. It also means that the second 1512 report is based on a somewhat more comprehensive definition of the employment effects of the Recovery Act.

5. How well are State DOTs complying with the Maintenance of Effort provisions in the Stimulus bill? Has the Secretary approved certifications from all States that will serve as
the baseline from which maintenance of effort will be measured? Do you think all State DOTs will be able to meet the maintenance of effort requirements in the stimulus bill?

**RESPONSE:** States are making a good faith effort to comply with the maintenance of effort (MOE) provision in section 1201 of the Recovery Act. On February 9, 2010, DOT issued additional guidance to the States which allowed them to resubmit their MOE certifications by March 11. Review of the prior certifications revealed that there were inconsistencies in how States applied the DOT guidance on how to calculate planned expenditures, which are the focus of the MOE certifications. In order to ensure that there is a level playing field for determining whether States have met their MOE objectives, DOT decided to give States one last opportunity to correct their certifications. We are in the process of reviewing the certifications (as of April 22, 2010) and expect to post to them to the DOT Recovery Web site soon.

Some States have indicated that meeting their planned level of expenditures will be difficult. Most States tie transportation spending to specific revenue sources, such as a State gas tax, and cannot spend more than they collect. Revenues have been down in several States, thus limiting their ability to spend State funds on transportation. A determination will not be made about whether a State has maintained its level of effort until after the next section 1201 report data is submitted as of February 17, 2011.

6. Will DOT make available all of the documentation related to the evaluation and scoring of the high-speed and intercity rail projects and the TIGER Grants that were considered for Recovery Act grants?

**RESPONSE:** The Department of Transportation has submitted to the Committee and Ranking Member the following information about the application and selection process for TIGER Discretionary Grants and the High Speed and Intercity Passenger Rail (HSIPR) Grants:

- A list of the TIGER Grant applicants, including a description of what they applied for, how much they requested, and, if selected, how much they were awarded.

- A written summary of the selection process, and the criteria used, to evaluate TIGER Grant applications and to make awards.

- The Secretary’s decision memorandum, describing which TIGER projects were chosen, and why.

- A list of the HSIPR Grant applicants, including a description of what they applied for, how much they requested, and, if selected, how much they were awarded.

- A written summary of the selection process, and the criteria used, to evaluate HSIPR Grant applications and to make awards.
The Secretary's decision memorandum, describing which HSIPR applications were chosen, and why.

This information will also be made publicly available on the Department's TIGER website.

7. Do you believe that the Recovery Act requirement that "priority be given to projects that support the development of intercity high-speed rail" was successfully met in the award of the high-speed rail grants?

**RESPONSE:** Of the $8 billion in high-speed and intercity passenger rail projects that have been selected for awards under the Recovery Act, over $5.5 billion (nearly 70 percent) will go towards projects that directly support services that, upon completion of the projects, are expected to operate at speeds of at least 110 miles per hour - the statutory definition of high-speed rail established by the Passenger Rail Investment and Improvement Act of 2008. These figures reflect the fact that nearly all applications received by DOT for high-speed rail improvements (and which were determined to be eligible and ready for funding) were indeed selected to receive awards. Furthermore, the Federal Railroad Administration is actively working with those applicants selected to receive awards from projects that will benefit services expected to operate at top speeds of less than 110 miles per hour to ensure that those projects are compatible with, and indeed will build the foundation for, future high-speed rail operations.
TESTIMONY OF MR. MARTIN RAJK
DEPUTY ASSISTANT COMMANDANT FOR RESOURCES

“RECOVERY ACT: ONE YEAR PROGRESS REPORT”

BEFORE THE
HOUSE SUBCOMMITTEE ON
COAST GUARD AND MARITIME TRANSPORTATION

FEBRUARY 23, 2010

The Coast Guard thanks the Chairman and distinguished members of the Committee for the opportunity to provide an update on the Coast Guard’s progress regarding funding received from the American Recovery and Reinvestment Act (ARRA) (P.L. 111-5). The ARRA provided the Coast Guard with $240 million to address critical priorities within our Alteration of Bridges Program and address critical projects for our shore infrastructure and our High Endurance Cutter fleet.

1. ALTERATION OF BRIDGES PROGRAM

The ARRA provided $142,000,000 for alteration or removal of obstructive bridges, as authorized by section 6 of the Truman-Hobbs Act (33 U.S.C. 516).

ARRA funds allow for the completion of four projects to alter bridges found to be unreasonably obstructive to navigation. These construction projects offer numerous benefits: employment for the construction sector and local communities, long-term economic returns; and improved safety and efficiency on navigable waterways. Most significantly, the rebuilt bridges will enhance the safety of navigation by preventing allisions. For example, the Galveston Causeway Bridge has suffered at least 99 allisions over a 10 year period causing $4.2 million in damages to both the bridge and vessels. The four bridges combined will see an $18 million estimated annual navigational benefit from the improvements. Further, these projects leverage an additional $120.4 million of previously obligated Bridge Alteration appropriations already allocated to these projects. As such, the ARRA appropriation is infusing $252 million into the economies of four different states as well as national suppliers of equipment and materials associated with the projects.

Work has begun on three of the four Alteration of Bridges awards, and I anticipate a rapid escalation of project activity as spring approaches. The fourth bridge, Galveston, has experienced contracting challenges, which will be detailed below.

An update of the four bridge projects funded via the ARRA, including current status, follows:
1. **Mobile Bridge** (Mobile River), Alabama
   - **Execution Strategy**: Competitive bid process.
   - **Accomplishments to Date & Future Milestones**:
     - Original Contract award planned for August 2009.
     - Order of apportionment issued to the bridge owner on July 20, 2009.
     - Actual Contract awarded on August 20, 2009.
     - Construction completion is anticipated by August 2011.

2. **Elgin, Joliet & Eastern (E&J&E) Bridge** (Illinois Waterway), Illinois
   - **Execution Strategy**: Competitive bid process.
   - **Accomplishments to Date**:
     - Original Contract award planned for August 2009.
     - Order of apportionment issued to the bridge owner on September 21, 2009.
     - Actual Contract awarded on October 1, 2009.
     - Construction completion is anticipated by October 2011.

3. **Burlington Bridge** (Upper Mississippi River), Iowa
   - **Execution Strategy**: Competitive bid process.
   - **Accomplishments to Date**:
     - Original Contract award planned for August 2009.
     - Order of apportionment issued to the bridge owner on July 20, 2009.
     - Actual Contract awarded on July 31, 2009.
     - Construction completion is anticipated by August 2011.

4. **Galveston Causeway Bridge** (Gulf Intracoastal Waterway), Texas
   - **Execution Strategy**: Competitive bid process.
   - **Accomplishments to Date**:
     - On July 1, 2009, the Coast Guard authorized Galveston County to advertise bid solicitation.
     - Original contract award planned for October 2009. A Letter of Intent was issued to the bridge owner on September 17, 2009.
     - The first bid process for the Galveston Bridge resulted in a lowest bid significantly higher than the estimated cost.
     - On October 14, 2009, the Galveston County Commissioners Court rejected all bids.
     - The project was re-advertised, with design changes, on December 29, 2010.
     - Bids are scheduled to be opened on February 25, 2010.
     - Anticipate awarding the contract in early April 2010.
     - Construction completion is anticipated by March 2012.

II. **ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS (AC&I)**

Of the $98 million in ARRA funding appropriated for AC&I, $88 million will be used for the construction, renovation, and repair of vital shore facilities that provide critical support necessary to execute a full range of mission needs. The remaining $10 million will address High Endurance Cutter fleet Engineering Changes to support systems as well as safety, and environmental issues.
Shore Facility Projects:

The Coast Guard’s ARRA Expenditure Plan from July 30, 2009 estimated that 14% of the $88 million shore project allocation would be obligated through the first quarter of FY 2010, and we have met that target. Thus far, we have made three shore contract awards based on competitive small business set aside strategies. We plan to utilize this contracting method on all of the remaining shore projects.

A list of shore facility projects to be completed with ARRA funding is provided below.

1. **Station Coos Bay, OR**
   - **Background:** This project will provide covered moorings for Coast Guard small boats. The existing covered mooring structure cannot accommodate the station’s 47-foot Motor Lifeboats. Without adequate covered moorings, boat maintenance and operations are continually disrupted during periods of adverse weather.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met.
     - Initial phase of construction was awarded via a competitive small business set aside September 30, 2009.
     - Construction completion is anticipated by September 2011.

2. **Coast Guard Cutter (CGC) Syeamore - Cordova, AK Housing**
   - **Background:** This project will complete the final phase of a housing project to construct 26 housing units. These units are required to support Coast Guard housing needs in Southeast Alaska.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met.
     - The Coast Guard exercised an option in May 2009 on the existing contract for Phase IV of the project. The original contract was awarded via a competitive small business set aside.
     - Construction completion is anticipated by March 2011.

3. **Station Neah Bay, WA**
   - **Background:** This project will provide covered moorings for Coast Guard small boats. Without covered moorings, boat maintenance and operations are continually disrupted during periods of adverse weather.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met.
     - Initial construction contract was awarded in September 2009 via a competitive small business set aside.
     - Construction completion is anticipated by September 2011.
4. Support Center Elizabeth City, NC
   - **Background:** This project will replace Thrun Hall (Barracks), Phase I. This barracks facility is functionally obsolete, has numerous code compliance discrepancies, is in poor condition, and is beyond rehabilitation. Due to its proximity to the airfield, the building violates FAA "object free zone" regulations for runways, and is subjected to 70dB Day-Night Average Sound Level noise from aircraft. Thrun Hall, Building 61, was constructed in 1966. Based on the age and regulations, it is not a potential candidate for rehab.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: An Environmental Assessment and NHPA Section 106 Finding of No Significant Impact are pending and will be finalized during February 2010.
     - Contract award is anticipated by July 2010.
     - Construction completion is anticipated by December 2011.

5. Station Indian River, DE
   - **Background:** This project will provide waterfront bulkhead repairs and replacement for a Coast Guard small boat station.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met and there is no impact to historic resources.
     - Construction award is anticipated by July 2010.
     - Construction completion is anticipated by October 2011.

6. Training Center (TRACEN) Yorktown, VA
   - **Background:** This project will upgrade the water distribution system for a large Coast Guard training campus to provide an ample potable water supply and a more efficient fire protection system to meet life-safety standards.
   - **Execution Strategy:** Coast Guard management of design and construction.
   - **Accomplishments to Date:**
     - NEPA and Section 106 NHPA Requirements: An Environmental Assessment and NHPA Section 106 consultation have been initiated and will be completed by March 2010.
     - Contract for archeological survey of site designated for water main route awarded on August 19, 2009.
     - Contract for water distribution system inside the gate anticipated for July 31, 2010.
     - Contract for water main upgrades outside the gate anticipated for August 15, 2010.
     - Construction/upgrade completion is anticipated by December 2011.

7. Group/Air Station North Bend, OR, ENG/AST Building
   - **Background:** This project will demolish six maintenance-intensive and functionally obsolete buildings and replace with a single, multi-purpose facility. The Group and Facility Engineering offices are located in 33 year old "temporary" modular trailers that have far exceeded its economic life and therefore are not candidates for rehabilitation.
• **Execution Strategy:** Coast Guard management of design and construction.

• **Accomplishments to Date:**
  - NEPA and Section 106 NHPA Requirements: A categorical exclusion has been completed. NHPA Section 106 requirements have been met and there is no impact to historic resources.
  - Contract awarded for Mechanical Engineer to support RFP development, October 20, 2009.
  - Construction project award anticipated August 31, 2010.
  - Construction completion is anticipated by December 2011.

**High Endurance Cutter (WHEC) Engineering Changes:**

Of the $98 million appropriated in AC&I funding, $10 million was provided to address auxiliary support systems, safety, and environmental issues for the 378' WHEC fleet. NEPA and NHPA Section 106 compliance is in progress and will be completed prior to the execution of funds.

We currently have active contract activity on four of the seven vessel projects, with all remaining contracts expected by May 2010.

A summary and update on vessel projects to be completed with ARRA funding is provided below:

1. **Boiler Fireside Upgrades & Boiler Reliability Improvement**
   - **Background:** This project will replace boiler components on both ship’s service boilers.
   - **Eight Cutters installs planned:** Coast Guard Cutter (CGC) HAMILTON, DALLAS, BOUTWELL, GALLATIN, RUSH, MUNRO, JARVIS, and MIDGETT.
   - **Accomplishments to Date:**
     - Delivery orders awarded for the first five vessels on September 29, 2009.
     - Projects completed on CGC HAMILTON, RUSH, and JARVIS
     - Remaining delivery orders anticipated to be awarded by April 2010.
     - Completion is anticipated by December 2010.

2. **Automatic Bus Transfer Switch Upgrade**
   - **Background:** This project will replace the obsolete automatic bus transfer switches to improve electrical distribution reliability and safety.
   - **Eight Cutters installs planned:** CGC MELLON, BOUTWELL, SHERMAN, GALLATIN, MORGENTHAU, MUNRO, JARVIS, and MIDGETT.
   - **Accomplishments to Date:**
     - Contract award is anticipated for March 2010.
     - Completion is anticipated by July 2011.

3. **Refrigeration System Upgrade**
   - **Background:** This project will replace unserviceable refrigeration boxes and improve the refrigeration system with an environmentally-approved refrigerant.
   - **Four Cutters installs planned:** CGC MELLON, BOUTWELL, MORGENTHAU, and MIDGETT.
4. Fire & Smoke Alarm System
   • **Background:** This project will replace an obsolete and unsupportable monitoring system, providing a more reliable remote sensing capability.
   • **Six Cutter installs planned:** CGC HAMILTON, DALLAS, CHASE, GALLATIN, RUSH, and JARVIS.
   • **Accomplishments to Date:**
     - Anticipate contract award during March 2010.
     - Completion is anticipated by March 2011.

5. Auxiliary Salt Water Pump Replacement
   • **Background:** This project will replace worn out and unsupportable equipment which provides cooling water to multiple auxiliary support systems.
   • **Eight Cutter installs planned:** CGC HAMILTON, DALLAS, CHASE, BOUTWELL, SHERMAN, GALLATIN, MORGENTHAU, and RUSH.
   • **Accomplishments to Date:**
     - Anticipate contract award for installation during February 2010.
     - Completion is anticipated by February 2011.

6. Lube Oil Purifier Replacement
   • **Background:** This project will replace obsolete lube oil purifiers, which provide lube oil clarification and purification of the main propulsion diesel engines and the ship’s service diesel electrical generators.
   • **Four Cutter installs planned:** CGC DALLAS, CHASE, MORGANTHAU, and MELLON.
   • **Accomplishments to Date:**
     - Anticipate contract award for installation during February 2010.
     - Completion is anticipated by January 2011.

CONCLUSION
Thank you for your continued support of the Coast Guard and for this opportunity to testify on Coast Guard projects funded by the Recovery Act. The funding provided through ARRA will make our waterways safer through improved bridge transits, improve operational safety on the High Endurance Cutter fleet, and reduce our critical shore infrastructure backlog, all while providing a boost to the economy and local communities. As these projects continue to mature, I anticipate a steady increase in the number of direct jobs being reported by the recipients.

Thank you for the opportunity to testify before you today. I am pleased to answer your questions.
STATEMENT

OF

TIMOTHY W. MANNING
DEPUTY ADMINISTRATOR
PROTECTION AND NATIONAL PREPAREDNESS

FEDERAL EMERGENCY MANAGEMENT AGENCY
U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE

THE

HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

“AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
FIRE STATION CONSTRUCTION GRANT PROGRAM”

WEDNESDAY, FEBRUARY 23, 2010

Submitted By:
Timothy W. Manning
Deputy Administrator
Protection and National Preparedness
Federal Emergency Management Agency
500 C Street, S.W.
Washington, D.C. 20472
(202) 786-9788
Chairman Oberstar, Ranking Member Mica, and members of the Committee, my name is Tim Manning and I serve as FEMA’s Deputy Administrator for Protection and National Preparedness. On behalf of Administrator Fugate, it is a privilege to submit this written statement updating the Committee on FEMA’s implementation of the Fire Station Construction Grant (SCG) Program as provided for under the American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5).

The ARRA provided $210 million to support the SCG Program’s construction and renovation efforts. These efforts will improve the capabilities of the Nation’s fire service while aiding the economies of many American communities. Under SCG, funds are awarded directly to non-Federal fire departments or to state and local governments that fund or operate fire departments. Under SCG there is no match or cost share requirement, although many grantees have pledged local funding. SCG funds will cover 100 percent of allowable project costs. The result will be an infusion of funding that supports local construction, creates jobs and enhances essential services.

SCG funds are also a direct investment in public safety. Funding under the SCG Program will enable fire departments to replace or renovate unsafe or uninhabitable fire stations. These investments in infrastructure will enable fire departments to enhance fire protection coverage, better protect communities from fire-related hazards and help ensure firefighter safety.

To maximize the benefit of ARRA funding, FEMA limited funding for each individual project within a grant application to $5 million. There is, however, no limit on the number of projects that can be included in an application as long as the total amount of grant does not exceed the $15 million statutory cap set forth by ARRA.

The SCG Program is administered by FEMA’s Grant Programs Directorate (GPD). GPD is comprised of dedicated professionals with years of experience in the planning, execution, management and monitoring of Federal grant programs. Currently, GPD manages 52 different disaster and non-disaster grant programs. GPD makes between 6,000 and 7,000 individual grants annually, which total between $7 billion and $10 billion in Federal financial assistance. Every grant program GPD develops and administers is marked by a high level of outreach, discussion and collaboration with the communities, individuals, and stakeholders. The Fire Station Construction Grant Program is no different.

Every year FEMA convenes a panel of fire service professionals to assist in the development of funding priorities for the coming year. In the development of the SCG Program, FEMA consulted and worked with fire service professionals representing nine major fire service organizations to develop funding priorities and other implementation criteria. These fire service organizations included:

- The Congressional Fire Services Institute;
- The National Volunteer Fire Council;
- The International Association of Arson Investigators;
- The International Association of Fire Fighters;
- The National Fire Protection Association;
- The National Association of State Fire Marshalls;
- The International Association of Fire Chiefs;
- The International Society of Fire Service Instructors, and
• The North American Fire Training Directors.

In keeping with the goals of the ARRA to assist not only the fire service, but also the broader economic revitalization of the communities fire departments serve, FEMA collaborated with additional stakeholder organizations in the development of the SCG Program. These groups—representing the Nation’s towns, cities, counties and states—included:

• The National Association of Counties
• The National Governors Association;
• The National League of Cities; and
• The U.S. Conference of Mayors.

On May 29, 2009, FEMA released the grant guidance and application materials for the SCG Program. The SCG Program’s application period closed on July 10, 2009. By the close, FEMA received 6,025 SCG applications requesting over $9.92 billion.

Applications were reviewed based on the funding priorities recommended by the fire service peer review panel. Factors considered included the benefits the project would bring to the community, a demonstration of the community’s and the fire department’s financial need, and the improvements the project would bring to the fire department’s daily operations.

To help assess a community’s economic need, unemployment rates—specifically the change in a community’s unemployment rate from 2007 to 2008—were considered. To illustrate this, the average unemployment rate at the end of 2008 for communities receiving an SCG award was 8.33 percent. This compares to an average national unemployment rate for 2008 of 5.8 percent. The average 2007 to 2008 increase in unemployment for communities receiving an SCG award was 3 percent. The average national increase in unemployment for that same period was 1.2 percent1.

On September 23, 2009, Secretary Napolitano announced the first group of SCG awards. One grant, from the West Seneca Fire District #6 in West Seneca, NY has been returned 2. The 95 remaining awards funded 103 projects and accounted for $165,398,982 in ARRA dollars.

On February 3, 2010, DHS announced an additional 14 SCG awards totaling $23,478,963. This brought the total amount of SCG awards to 109 and the total amount of ARRA SCG funds awarded to $188,877,945. Eight of these awards fund multiple projects.

As of today, $188,877,945 in ARRA SCG funds has been awarded to 118 projects. An additional $4,809,000—or 2.29 percent—of the initial $210 million appropriated has been retained by FEMA to cover Management and Administration (M&A) costs in accordance with the ARRA law, which allowed FEMA to retain up to 3 percent. The remaining $16,313,055 in ARRA SCG funds is available for additional SCG awards. FEMA anticipates using these funds to make as many as 10 additional SCG awards in March 2010.

2 The West Seneca Fire District returned its grant of $320,000 after the Fire District received revised cost estimates for the District’s project. The revised cost estimates were higher than anticipated and the Fire District terminated the project.
Based on the narratives the grantees provided in their applications, we anticipate the SCG funding will result in:

- 45 new fire stations built to meet expanded responsibilities;
- 41 currently unsafe fire stations replaced;
- 16 currently unsafe fire stations renovated;
- 10 fire stations expanded to accommodate 24 hour/7 day coverage;
- 6 fire stations expanded to accommodate increased responsibilities

These funds will make tangible improvements in the health and safety of the firefighters who live and work in those fire stations and in the communities served by those fire stations. Some examples of the work the SCG initiative funds include:

**City of Quincy, Florida ($1.2 million):** New construction. The current station was built in the early 1960's and is Quincy's only station. The facility has no sprinkler system, is not Americans with Disabilities Act (ADA) compliant, and lacks gender separated facilities. Response time from the current station is over five minutes for approximately 60% of the south side of town. Building this new station will bring 100% of that area well within a five minute response time.

**Colona, Illinois ($562,000):** New construction. The fire department’s current average delay in response ranges between five to seven minutes due to trains blocking crossings. The fire department estimates that trains block their crossings over three hours a day. The addition of a new fire station will expand the fire department’s coverage, reduce response time, and result in enhanced safety to the community.

**Madison, Alabama ($1.4 million):** New construction. In June 2007, visible fungal growth appeared within the existing station, prompting an environmental assessment. The assessment revealed a significant presence of a mold known to cause significant illnesses. Based upon the recommendation of an occupational health physician, the station was deemed uninhabitable and was closed in August 2007. A mobile home was purchased and placed adjacent to the closed station. The engine company was moved into the mobile home. Because the mobile home provided insufficient room, an ambulance crew was relocated to another fire station. New construction will provide a facility which firefighters can use safely.

**Mt. Sterling, Kentucky ($1.1 million):** New construction. On September 17, 2007, a fire destroyed one of Montgomery County's principal fire stations. Since the fire, members of the Mt. Sterling station have been reassigned to other stations within Montgomery County. Equipment previously housed at the burned station is presently being stored in basements and other stations scattered throughout the county. The end result has been overcrowding at the other fire stations within the County and a decline in response time to the area served by the Mt. Sterling station. Replacement of the Mt. Sterling facility will restore and improve fire coverage and accommodations for fire service personnel and equipment.

**Newberg, Oregon ($764,000):** New construction. Newberg’s existing station was built in 1933 and was converted from a livestock barn into a fire station. The station poses several health hazards as well as limited space for the housing of firefighters, which currently prevents the department from complying with several National Fire Protection Association staffing and safety standards. The most pressing
safety concern is the fact that the station was built before air quality standards were in effect. As a result, the station 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. Replacing the existing station is Newberg’s most viable option.

The above examples illustrate just some of the pressing and critical needs that the ARRA SCG funds will address, as well as some of the very tangible benefits which will result from these awards. As we move forward with this initiative, we look forward to providing this Committee with more illustrations of the successful impacts this initiative is having on firefighters, their departments, and their communities.

Thank you Mr. Chairman, Ranking Member Mica and members of the Committee, for allowing me to submit this statement.
Statement of Edward Drusina  
United States Commissioner  
International Boundary and Water Commission  
United States and Mexico  

Before the Committee on Transportation and Infrastructure  
U.S. House of Representatives  
February 23, 2010

Chairman Oberstar, Ranking Member Mica, and Members of the Committee, thank you for the opportunity to update you on the progress made by the U.S. Section of the International Boundary and Water Commission (USIBWC) toward implementation of the American Recovery and Reinvestment Act of 2009 (Recovery Act). We have made significant progress since submitting our previous testimony presented for the Committee’s November 4 hearing.

The Recovery Act appropriated $220 million to USIBWC’s construction account for the Rio Grande Flood Control project to fund immediate infrastructure upgrades along 506 miles of flood control levees maintained by the USIBWC along the Upper and Lower Rio Grande. Of that amount, up to $2 million may be transferred to our salaries and expenses account in support of this activity and we project that a total of $1 million will be expended for salaries and expenses toward Recovery Act implementation through September 2010.

The Recovery Act funding will allow rehabilitation of nearly 250 miles of deficient levees, including Rio Grande levees and levees in the interior floodways in the Lower Rio Grande Flood Control Project. Since bids have been received under government estimates, the USIBWC will be able to undertake more miles of levee rehabilitation with Recovery Act funding than originally anticipated. This work will be done in Dona Ana County, New Mexico and El Paso, Hidalgo, and Cameron Counties, Texas. In doing so, we will enhance the protection of lives and property of over two million border residents and bring our levee system into compliance with standards established by the Federal Emergency Management Agency (FEMA) for a 100-year flood event. Reducing the risk of flooding along the Upper and Lower Rio Grande by rehabilitating deficient portions of these levee systems will provide increased safety to border residents and to business communities and encourage future economic growth and development.

As of December 30, 2009, we have obligated $144 million and anticipate obligating additional construction funds for the remaining balance in the amount of $75 million between February and the end of 3rd Quarter of this fiscal year, thereby obligating all of the Recovery Act funding appropriated to our construction account ahead of the September 30, 2010 deadline.
We awarded our first construction contract in the amount of $951,000 on July 24, 2009 for repair work along three miles of the Banker Floodway North Levee in Hidalgo County, Texas. We anticipate that construction on this segment will be completed by February 2010. The contract was awarded in accordance with a federal program targeting qualified small businesses located in distressed areas. On August 31, we awarded a $19 million contract to construct levee improvements along a 43-mile reach of the Main Floodway in Hidalgo County, Texas. The project will provide enhanced flood protection for the communities of McAllen, Hidalgo, Pharr, San Juan, Alamo, Donna, and Weslaco, Texas. On October 19, we awarded a contract in the amount of $21 million to construct 48 miles of levee improvements along the North Floodway and Arroyo Colorado in Hidalgo and Cameron Counties, Texas. The work will provide enhanced flood protection for the communities of Weslaco, Mercedes, La Villa, and La Feria. On December 30 we awarded three separate contracts totaling $50 million to construct levee improvements along the Upper Reach of the Rio Grande, improving over 75 miles of levee. This effort will provide enhanced flood protection for the communities in the counties of Dona Ana, New Mexico, and El Paso, Texas. In addition, a fourth contract was issued on December 30 in the amount of $19 million to construct 13 miles of levee improvements along the Lateral A to Retamal Dam levees in Hidalgo County.

We expect to continue to award construction contracts through the 3rd Quarter of this fiscal year and plan to have all construction contracts for levee improvements in the Lower Rio Grande Valley awarded by the end of April 2010. Additional construction contracts will be awarded for levee rehabilitation in the Upper Rio Grande Valley during the second and third quarters 2010 for the remaining levee work in the Upper Reach. All planned construction to be undertaken with Recovery Act funding is expected to be completed by April 2011.

As noted in my previous testimony, USIBWC’s progress is being reported weekly on the Recovery web site, www.recovery.gov, and on the Department of State Recovery web site, www.state.gov/recovery. Additional details on the scope of our project and our project schedule can be located at http://www.ibwc.state.gov/Recovery/index.html. All contracting actions are being posted on http://www.fedbizops.com and are being reported in the Federal Procurement Data System (FPDS). We are also providing data to this Committee on a monthly basis.

USIBWC continues to be proud of the progress we have made to date and pleased to be contributing to this important effort to bring about economic recovery, while at the same time providing long-term public benefits and infrastructure improvements to the U.S.-Mexico border.
Under the Recovery Act, the Smithsonian Institution (SI) has received an appropriation of $25,000,000 for "Facilities Capital," repair and revitalization of existing facilities. By the end of October 2009, all of the 16 facilities improvement projects were awarded, totaling $21.7 million (87% of the funds appropriated). All but two of the construction projects were awarded competitively to local Small Business/8a firms.

As part of the initial planning for the $25 million appropriation, SI prepared Independent Government Estimates that anticipated the projects to cost approximately $21.7 million. This allowed SI to have funds available for a $3.3 million contingency for unforeseen conditions. Once all the procurement processes were completed on June 15, 2009 and money was obligated to the planned projects, the total contract costs were $16.7 million. This was a significant savings from the original plan. As a result, the ARRA projects were analyzed for the potential to add additional quantities to the already specified and designed work.

This analysis resulted in additions in scope to some of the contracts. The additional scope included an increase in the quantity of materials being removed at the Arts and Industries Building (AIB) for the AIB Demolition/Hazmat Removal project; an additional elevator was added to the elevator renovation at National Museum of American History (NMAH); an additional escalator bank was added to the escalator renovation at National Air and Space Museum (NASM); an additional roof replacement project was added at the National Zoo (NZP) for the Police Station roof; a generator foundation was added at Smithsonian Environmental Research Center (SERC) for the Emergency Generator project; and an additional quantity of waterline was added at NZP-Front Royal to the Utility Loop project. These quantity increases resulted in an additional $5 million in obligations. Any unused portion of the $25 million appropriation will be used as contingency during construction, and if remaining upon construction completion, to fund additional scope for the current SI Stimulus projects.

The original schedule for the ARRA projects identified the procurement process beginning in February 2009 and the last award date for the projects occurring no later than September 30, 2009. The actual completion date for the procurement process for all the ARRA projects was October 15, 2009. The execution of the work as a whole was originally planned to commence on June 15, 2009 with the last project finishing no later than December 31, 2010. Work actually commenced on June 6, 2009 and on the whole is still planned to finish no later than December 31, 2010. The December 31, 2010 date is
based on the current scope of work and does not include any additional time for potential addition of scope.

Reporting of jobs created and expenditures of funds are a requirement of the Act. The completion of the first formal report occurred in October 2009. The second quarterly report for the 4th calendar quarter of 2009 has been completed. As part of the planning process, Smithsonian Institution originally estimated 110 that jobs would result from the ARRA appropriations. The second quarter reports, utilizing contractor-supplied information, identified a total of 147 jobs that actually resulted from the ARRA appropriations.

The Smithsonian Institution will also meet the energy efficiency and green building requirements of the Recovery Act. All of the projects on the Recovery Act list are deemed to have some aspect of increased energy efficiency or other sustainability in their scopes of work. For example, the AIB projects, although mainly exterior masonry repairs and hazardous material removal, are precursors to the sustainability efforts of an insulated roof, walls, and windows, and replacement of all failing mechanical/electrical utilities with more energy-efficient equipment. Every Zoo project (e.g., work to replace deteriorated facilities and repair roads and bridges) includes some form of storm drainage, high-reflectance, or high-efficiency electrical replacement that is sustainable. The other sustainable projects will increase safety and concentrate on areas such as conserving and ensuring a clean domestic water supply, providing more energy-efficient vertical transportation, and giving the Institution access to a more efficient back-up power source at a lower cost.

In sum, the Smithsonian Institution is using Recovery Act resources to focus on facilities revitalization projects that improve the safety and security of our buildings and the collections, and thus enhance our service to the American people.

Smithsonian Projects

Below are the projects that are being accomplished with Smithsonian Recovery Act funds with a quantity of work being accomplished under each project:

- Arts and Industries Building (AIB) — Washington, DC ($4.6 million)
  - Repair exterior masonry: Repairing of approximately 13,000 linear feet (1 ft) of brick mortar joints and the cleaning of approximately 73,000 square feet (sf) of exterior masonry wall area.
  - Demolish selected portions of interior and remove hazardous materials: The demolition project is estimated to generate 373.5 total tons of non-hazardous materials being removed. Of that total, 87% or 325 tons is estimated to be recycled or salvaged.
addition, approximately 200 total tons of hazardous materials are being removed and properly handled and disposed. This high quantity of hazardous materials was due to the drywall joint compound containing asbestos, which resulted in the disposal of the entire sheet of drywall.

- **National Zoological Park** ($9.7 million)
  - Install fire-protection equipment and approximately 4,000 ft of sprinkler pipe in 3 existing buildings.
  - Replace medium voltage switchgear and transformers at 7 locations.
  - Repair of 3 two-lane bridges. Repairs include the resurfacing and deck repairs of the bridges.
  - Replace roof and renovate exterior of 4 buildings at Research Hill and the Lion and Tiger complex. The roof replacement square footage is made up of the following quantities: Bio Research Building roof is approximately 14,260 sf; Necropsy Building roof is approximately 2,000 sf; Vet Hospital roof is approximately 24,500 sf; and the Lion Tiger roof is approximately 5,300 sf.
  - Replace roof at the Police Station totaling approximately 6,000 sf.
  - Replace roof and renovate exterior of 3 barns and animal-holding facilities at Conservation and Research Center in Front Royal, VA.
  - Installation of approximately 5,000 lf of waterline at Conservation and Research Center in Front Royal VA.

- **Other Smithsonian Projects** ($10.7 million)
  - Install 28 high-voltage network protectors for electrical safety improvements at 3 buildings: SI Castle, NMAH, and DW Reynolds Center.
  - Install sewage backflow preventers on potable domestic and fire water lines at multiple locations off the National Mall. These locations include 3 backflow preventers and waterlines for the Garber Facility, 1 backflow preventer and associated waterline for the Museum Support Center Greenhouses and 1 backflow preventer and associated waterline at NMAI Cultural Resource Center.
  - Install 1000 KW emergency generators at the Smithsonian Environmental Research Center in Edgewater, Maryland.
Smithsonian Review of Recovery Act Projects

Details on the progress of each project can be found on the Smithsonian’s Recovery Act website at: http://www smithsonian org/recovery. The progress chart tracks: 1) the posting of pre-award notices on www fedbizopps gov; 2) the posting of Requests for Proposals (RFPs); 3) the RFP due dates; 4) contract award dates; 5) project obligations; 6) project expenses; and 7) percentage of project complete. The Institution evaluates progress by tracking whether the project is on schedule and within the estimated cost projections. Contractors will provide periodic (generally monthly) progress reports that will be used by the Institution program managers to validate and assess the contractor’s performance. In addition to tracking the above major milestones for each project, the Institution is also tracking:

- Percent of actual obligations as compared to the plan
- Percent of Recovery Act revitalization projects completed
- Manpower and Job Creation for each project
Mr. Chairman, thank you for the opportunity to provide a progress report on the status of the American Recovery and Reinvestment Act of 2009 (Recovery Act) funding administered by USDA's Natural Resources Conservation Service (NRCS). USDA's goal through the Recovery Act is to quickly respond to current economic conditions by preserving and creating high quality jobs, spurring rural economic activity, and contributing to the Nation's overall financial health. USDA will be open, transparent, responsive, and accountable to the American people as we deliver Recovery Act funding.

The Recovery Act provided funding for three NRCS programs:

- Watershed Rehabilitation Program: $50,000,000
- Watershed and Flood Prevention Operations Program: $145,000,000
- Floodplain Easements - Emergency Watershed Protection Program: $145,000,000

We have made significant strides toward committing funds for these programs and toward the Administration's objectives of economic recovery and job creation. Projects have already been selected for the Watershed and Flood Prevention Operations Program, the Watershed Rehabilitation Program and the Floodplain Easements Program. We have broken ground to begin work on many of these projects and as of February 10, 2010, have obligated nearly $170 million ($19.5 million for Watershed Rehabilitation, nearly $63 million for Watershed and Flood Prevention Operations, and over $87 million for Floodplain Easements) of the $340 million available through the Recovery Act.

The NRCS programs funded through the Recovery Act will provide significant public and environmental benefits through the restoration of floodplains and investments in watershed improvements, including critical infrastructure. These benefits include reduced threats and damage from flooding; floodplains restored to natural conditions; erosion control; improved water quality; enhanced fish and wildlife habitat; and improved quality of life through expanded recreational opportunities and added community green space. Moreover, watershed rehabilitation projects will mitigate the risks of failure and threats to public safety posed by aging flood control infrastructure.

Following is a brief overview of the three NRCS programs that received Recovery Act funding.
Watershed Rehabilitation Program

Recovery Act Funding: $50,000,000

The objective of the Watershed Rehabilitation Program is to rehabilitate or decommission aging or unsafe dams owned and operated by sponsors that are ready and willing to begin rehabilitation. The authority for rehabilitation of aging watershed dams is included in section 14 of the Watershed Protection and Flood Prevention Act (P.L. 83-566). Any of the over 11,000 dams in 47 States that were constructed under the Flood Control Act of 1944 (P.L.78-534), P.L.83-566, or the Resource Conservation and Development (RC&D) program are eligible for assistance under this authority. Many of these dams are beyond or are nearing the end of their design life. Rehabilitation of these dams is needed to address critical public health and safety issues in these communities. Priority for funding projects was based on a ranking system that considered the condition of the dam and the number of people at risk, if the dam should fail. NRCS may provide financial assistance up to 65 percent of the total rehabilitation project cost.

Twenty-six projects in 11 States have been selected for Recovery Act funding. NRCS State offices are working to obligate these funds as quickly as possible. These “shovel ready” projects will help revitalize rural economies by creating or saving jobs and supporting local businesses that supply products and services needed for construction. These projects will not only ensure that the flood control dams remain safe and protect lives, but will also continue to provide flood control, recreation, and wildlife habitat for decades to come. Here are two examples of Watershed Rehabilitation Recovery Act projects:

1. $344,200 in Recovery Act funding for Little Chocouet Creek Watershed in Broome County, New York will result in the rehabilitation of a flood control structure. The dam will be upgraded to current safety standards and continue to provide protection for 1,600 residents, several hundred homes, and 30 businesses from flooding. This is one of 59 dams constructed by NRCS in New York.

2. Over $4.0 million in Recovery Act funding for New Creek Dam in Grant County will protect the water supply of the City of Keyser, West Virginia. The watershed is situated in the headwater region of the Potomac River Basin. Rehabilitation of this dam will assure continued protection of houses, businesses, utilities, and roads and other infrastructure, as well as provide wildlife and fish habitat. It also will extend the dam’s lifespan by another 50 years, maintain the current 100-year floodplain, and address resource concerns identified by the public.
Watershed and Flood Prevention Operations Program (WFPO)

Recovery Act Funding: $145,000,000

This program provides assistance to sponsoring organizations of authorized watershed projects, planned and approved under the authority of the P.L. 83-566 and designated watersheds authorized by P.L. 78-534. NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for the purpose of watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation, restoration and protection.

Recovery Act funds will be obligated on WFPO projects for completion of permit mitigation obligations or structural repairs, or for land treatment through the application of conservation practices. Recovery Act funds will also be used for new construction projects that are already authorized, are notably beneficial to the environment, and have sponsors that are ready and willing to begin work.

Priority for funding projects was based on NRCS’s merit-based model which was used to identify and select the most cost-effective and highest priority projects to meet the objectives of the program.

USDA Secretary Tom Vilsack announced the selection of 80 projects under the Recovery Act. Here are a few examples of WFPO projects selected for funding through the Recovery Act:

1. $134,000 for the Upper Pettit Jean structural repair project in Logan County, Arkansas. This project uses a chemical grout to seal and bond stress cracks between the principal spillway inlet structure and the outlet pipe. This project provides a water supply for 4,500 people in the City of Booneville and vicinity. The 310-acre reservoir provides flood control, and benefits of this project include public health and safety improvements. The project is scheduled to be completed by June 2010.

2. $369,000 for the Trinity River-Big Sandy Creek Watershed near Dallas and Fort Worth, Texas. This project protects two municipal water supply reservoirs, serving more than one million people, by preventing significant amounts of sediment from depositing into streams. Funding for this project will fulfill a permit requirement to compensate for and minimize impacts from the dam on the stream and wildlife habitat. Twenty seven acres of riparian habitat around the reservoir pool will be preserved.

3. Over $1.2 million for the Lyons Creek Watershed project in Morris County, Kansas will provide flood protection from massive damage that is caused by heavy rains to agricultural land, roads, and rural communities. Fifteen miles of
stream corridor, with a floodplain that encompasses 45 farms and ranches and approximately 2,700 acres of agricultural lands, will benefit directly from improved flood protection. County roads and bridges used by residents will also be protected from flood damage.

**Floodplain Easements - Emergency Watershed Protection Program (FPE-EWPP)**

**Recovery Act Funding: $145,000,000**

Section 382 of the Federal Agriculture Improvement and Reform Act of 1996, P.L.104-127, amended the Emergency Watershed Protection Program (EWPP) to provide for the purchase of floodplain easements as an emergency measure. Since 1996, NRCS has purchased floodplain easements on lands that qualify for EWPP assistance. NRCS purchases easements on floodplain lands and restores them to natural conditions. Floodplain easements restore, protect, maintain, and enhance the functions of a floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion.

Floodplains that have had flooding events twice in the last 10 years or once in the last 12 months are eligible for the program. Easement applications are ranked based on established National and State priorities. Landowners retain several rights to the property, including quiet enjoyment, the right to control public access, and the right to undeveloped recreational use such as hunting and fishing. NRCS currently holds over 1,900 floodplain easements on approximately 126,500 acres nationwide.

NRCS announced a nationwide sign-up for Floodplain Easements Recovery Act funding on March 9, 2009. The deadline was extended until April 10th, due to flooding. North Dakota and Minnesota deadlines were extended until May 1st to allow additional time because of on-going flooding events.

Over 4,200 applications for floodplain easements were received from forty-seven States and Territories. States ranked their applications and then sent their ranking lists to National Headquarters. Projects were selected using a priority ranking system that considered economic and environmental impacts, resulting in 238 easement acquisition and restoration efforts.

As of January 15th, 2010, NRCS has closed on 24 easements with payments made to 33 persons and 220 vendors (for real estate title and closing, land survey, and other due diligence) totaling $12,529,900. As easements close, restoration efforts commence, and we anticipate expenditures of nearly $19 million over the next 12 months. NRCS intends to work with landowners to complete restoration on all easements by December 30, 2010.
Transparency and Accountability

Accountability and transparency are cornerstones of NRCS’s Recovery Act efforts. NRCS has automated systems which will track the amount of financial and technical assistance allocated for approved projects and progress toward project implementation and outcomes. Recovery Act goals and objectives will be integrated into the performance standards for NRCS line officers.

We also ensure that the NRCS programs funded through the Recovery Act fully comply with environmental requirements. NRCS has completed National Environmental Policy Act reviews for the projects cited as well as hundreds more, and the completed environmental reviews are available online at www.nepa.gov.

In addition, the Office of Inspector General has already initiated an audit for oversight of NRCS Recovery Act activities. The objectives of the audit are to ensure:

1. The Department’s stimulus-related programs are timely and effectively implemented.
2. Proper internal control procedures are established.
3. Program participants meet eligibility guidelines.
4. Participants properly comply with program requirements; and
5. Agencies establish effective compliance operations.

NRCS has already made great strides in communicating the results of our Recovery Act activities to the general public. USDA Secretary Vilsack held telephone press conferences with approximately forty journalists on two separate occasions to announce the funding for Watershed Rehabilitation and WFPO. NRCS employees have cooperated with members of Congress on Recovery Act events in their States and districts. Project-specific fact sheets for each NRCS Recovery Act project are posted to our website at www.nrcs.usda.gov/recovery.

Summary

NRCS has moved quickly to identify meritorious and environmentally beneficial projects to commit the $340 million in Recovery Act funding provided for Watershed Rehabilitation, WFPO, and Floodplain Easements. NRCS has obligated nearly $170 million as of February 10, 2010. NRCS understands that Congress and the public will hold the Federal government to the highest standard of accountability for Recovery Act funding. We are committed to expending these dollars in the most expeditious, transparent, and cost-conscious way possible.