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RECOVERY ACT TRANSPORTATION AND INFRASTRUCTURE PROJECTS: IMPACTS ON LOCAL COMMUNITIES AND BUSINESS

(111–138)

HEARING

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

September 29, 2010

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September 27, 2010

SUMMARY OF SUBJECT MATTER

TO: Members of the Committee on Transportation and Infrastructure

FROM: Committee on Transportation and Infrastructure Staff

SUBJECT: Hearing on "Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Business"

PURPOSE OF HEARING

The Committee on Transportation and Infrastructure will meet on Wednesday, September 29, 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

Recovery Act Impact

The nonpartisan Congressional Budget Office (CBO) estimates that during the second quarter of calendar year 2010, the most recent quarter for which data are available, the Recovery Act in its entirety lowered the unemployment rate by between 0.7 percentage points and 1.8 percentage points. CBO further explains that the Recovery Act increased the number of people employed by between 1.4 million and 3.3 million, and increased the number of full-time-equivalent jobs by 2 million to 4.8 million compared with what would have occurred had Congress not passed the Recovery Act. CBO also makes clear that the Recovery Act raised real (inflation-adjusted) gross domestic product (GDP) by 1.7 percent to 4.5 percent.

However, CBO was not able to draw those conclusions using recipient reports alone. According to the report, "estimating the law's overall effects on employment requires a more

comprehensive analysis than can be achieved by using the recipients' reports". CBO had to use mathematical models and the impacts of previous similar policies to estimate Recovery Act impact on unemployment and GDP.

State of the Economy

The Business Cycle Dating Committee of the National Bureau of Economic Research recently announced that the recession that began in December 2007, has ended. According to that Committee, the trough in business activity occurred in June 2009 and a recovery began during that month. The Committee explained that the average of real Gross Domestic Product (GDP) and real Gross Domestic Income (GDI), the two broadest measures of economic activity, for the second quarter of 2010 were 3.1 percent above their low in the second quarter of 2009.

According to the Bureau of Labor Statistics (BLS), private sector payrolls increased by 67,000 in August 2010, the latest month for which data is available. This represents the eighth consecutive month of private sector job growth. At the same time, the panel, "did not conclude that economic conditions since that month have been favorable or that the economy has returned to operating at normal capacity." Private sector employment has risen by 763,000 since December 2009.

However, although the recession as technically ended, the economy is growing, and private sector payrolls are increasing, the economy has not grown at a rate fast enough to keep pace with the normal growth of the labor force. As of August 2010, the unemployment rate was 9.6 percent. As of August 2010, there are 14.9 million unemployed persons in the United States, for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 26.1 million.

The average length of unemployment is now 33.6 weeks. The number of workers who have been unemployed for longer than six months is now 6.2 million. One-half of the unemployed have been out of work for more than 19.9 weeks and 42 percent have been out of work for more than six months.

The construction sector has lost 1,880,000 jobs since the recession began in December 2007. The unemployment rate in construction was 17 percent in August 2010 – down 10.1 points since February 2010. This is the highest unemployment rate of any industrial sector. As of August 2010, there are 1,483,000 unemployed construction workers in the nation – down 957,000 since February 2010.

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

RECOVERY ACT

On February 17, 2009, the Recovery Act was signed into law. The Act provides $64.1 billion of infrastructure investment for programs within the jurisdiction of the Committee on Transportation and Infrastructure, including:[1]

- $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. TRANSPARENCY AND ACCOUNTABILITY INFORMATION

Highway, Transit, and Wastewater Infrastructure Formula Funds

The Recovery Act provides $38 billion for highway, transit, and wastewater infrastructure formula programs. According to the latest submissions to the Committee by States, metropolitan planning organizations (MPOs), and public transit agencies on their use of these formula funds:

Out to Bid

As of August 31, 2010, 19,328 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $35.2 billion, representing 93 percent of the total available formula funds.

Signed Contracts

Fifty States, five Territories, and the District of Columbia have signed contracts for 18,876 projects totaling $34.4 billion, representing 91 percent of the total available formula funds.

Work Underway

Work has begun on 18,365 projects in 50 States, five Territories, and the District of Columbia totaling $33.9 billion, representing 89 percent of the total available formula funds.

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[1] CBO originally estimated the total cost of the Recovery Act to be $787 billion, and revised that figure in August 2010 to $814 billion.

Work Completed

Work has been completed on 8,965 projects totaling $7.1 billion in 50 States, one Territory, and the District of Columbia, representing 19 percent of the total available formula funds.

Jobs Created

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[2] Total employment in August, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[3] During August 2010, the Recovery Act created or sustained 71,000 direct, on-project jobs. Total employment, which includes direct, indirect, and induced jobs, reached nearly 225,000 jobs.

In total, direct job creation from these formula projects has resulted in payroll expenditures of $3.8 billion. Using this data, the Committee calculates that $644 million in unemployment checks have been avoided as a result of this direct job creation.[4] Furthermore, these direct jobs have caused nearly $780 million to be paid in Federal taxes.[5]

Project List: All Programs Under Committee's Jurisdiction

Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,815 transportation and other infrastructure projects totaling $63.1 billion, as of September 10, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $52.7 billion for 19,577 projects, representing 82 percent of the available funds.

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

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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 reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing the number of cumulative direct, on-project job hours created or sustained by Recovery Act funds, as reported by States, MPOs, and public transit agencies, by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[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 manufacture equipment including new transit buses. Induced jobs are positions that are created or sustained when employees spend their increased incomes on goods and services. To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

[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.

Please also see the attached tables, which include: 1) T&I Committee Transparency and Accountability Information by State and Formula Funding; 2) Highway Rankings; 3) Clean Water Rankings; 4) Miles Improved; 5) Bridges Improved; and 6) Buses, Vehicles, and Rail Cars Purchased or Rehabilitated.

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

II. IMPLEMENTATION HIGHLIGHTS BY INVESTMENT TYPE[6]

DEPARTMENT OF TRANSPORTATION

Highway ($27.5 billion) The Federal Highway Administration (FHWA) has approved 13,077 highway projects totaling $26.4 billion. This amount represents nearly 100 percent of the total available highway funds.[7]

Recovery Act investments will result in:

- improvement of 35,399 miles of road;
- improvement of 1,264 bridges; and
- demand for approximately 10 million metric tons of cement, resulting in revenues of $950 million for the cement industry.[8]

An example of a Recovery Act highway project includes:

- Nelsonville Bypass in Nelsonville, Ohio ($138 million): This highway project, the largest Recovery Act project in Ohio, has created nearly 300 jobs since breaking ground last fall. The new 8.5 mile, four-lane bypass will divert freight traffic away from local Nelsonville roads and allow the 620,000 trucks that travel this route every year to do so more quickly and efficiently. The new highway, which is the final upgrade of the U.S. 33 corridor in southeast Ohio, will also allow for transportation infrastructure to support commerce to Appalachia.

Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion): All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,595 projects totaling $25.9 billion, nearly 100 percent of the

[6] All information is as of September 10, 2010, unless otherwise specified.
[7] FHWA approved slightly less than their original allocation, because 20 States chose to transfer funds for transit projects.
[8] Information is supplied by the Portland Cement Association. Demand is measured over a four-year period.

available Recovery Act highway formula funds. Work has begun on 11,978 projects, totaling $24.1 billion, representing 91 percent of the funds.

Federal and Indian Lands ($550 million): FHWA has awarded 404 projects totaling $453 million, representing 82 percent of the funds for Federal and Indian Lands. Work is underway on 205 projects totaling $299 million, representing 54 percent of the available funds.

Ferry Boat Capital Grants to States ($60 million): FHWA has approved 31 projects totaling $52 million, representing 87 percent of the total funds for Ferry Boat capital grants. Work is underway on 17 projects totaling $28 million, representing 47 percent of the available funds.

On-the-Job Training ($20 million): FHWA has awarded 47 training grants worth $16 million, representing 80 percent of the total apportionment for On-the-Job Training. Work is underway on 25 projects totaling $9 million, representing 43 percent of the available funds.

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation has approved 113 applications for bonding assistance, totaling $1.4 million, representing seven percent of the available funding.

Transit ($8.4 billion) The Federal Transit Administration (FTA) has awarded 1,070 grants totaling $8.8 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[9]

Recovery Act transit investments will results in:

- the purchase or rehabilitation of 12,234 buses, vehicles, and rail cars ($2.4 billion);
- the construction or rehabilitation of 4,870 passenger facilities ($1.5 billion); and
- the construction or rehabilitation of 324 maintenance facilities ($925 million).

An example of a Recovery Act transit project includes:

- Dallas Area Rapid Transit (DART) Orange Line Construction in Dallas, Texas ($61 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 around the rail stations. The City of Irving, in particular, is constructing a $135 million convention center set to open in 2011.

Transit Urban and Rural Formula Grants ($6.8 billion): FTA has awarded $7.2 billion for 965 grants in all 50 States, five Territories, and the District of Columbia. This represents 100

[9] FTA awarded more than their original allocation because FTA received $443 million in 88 transfers from FHWA.

percent of the available funding.[10] Work has begun on 4,290 projects totaling $5.4 billion, representing 75 percent of the funds.

Fixed Guideway Infrastructure Investment ($750 million): FTA has awarded 51 grants worth $743 million in 27 States, Puerto Rico, and the District of Columbia. This amount represents 100 percent of the total available funds. Work has begun on 151 projects totaling $681 million, representing 92 percent of the funds.

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

Transit Greenhouse Gas and Energy Reduction Funding ($100 Million): FTA has awarded all 43 Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants in 27 States, totaling the entire $100 million in available funding.

Rail ($9.3 billion)

Amtrak ($1.3 billion): Work is underway on 185 projects totaling $1.3 billion, representing nearly 100 percent of the total Amtrak Recovery Act funds, as of August 31, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 883 contracts totaling $869 million. Amtrak has made 47 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

- replacing 1.3 million concrete ties, of which 326,649 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.

An example of a Recovery Act Amtrak project includes:

- Rail Car Improvements in Beech Grove, Indiana ($32 million): Amtrak is rehabilitating and returning to service 21 passenger cars and 15 diesel locomotives that are currently in storage due to damage and lack of funding for necessary repairs. Once returned to service, many of the cars and locomotives will be used to alleviate capacity constraints on heavily-traveled trains. The cars and locomotives are being repaired at Amtrak's maintenance of equipment facility in Beech Grove. Work is underway and an estimated 108 new jobs were created at the Indiana facility because of the Recovery Act funds.

[10] This total includes transfers from FHWA and 39 Tribal Transit grants totaling $17 million.

High-Speed Rail and Intercity Passenger Rail Grants ($8 billion): On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. Since then, the Federal Railroad Administration (FRA) has obligated $585 million on eight projects.

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

Aviation ($1.3 billion): Work is underway or completed on 757 projects ($1.3 billion), representing nearly 100 percent of the total available Recovery Act aviation funds.

An example of a Recovery Act aviation project includes:

- Apron Improvements at Baltimore Washington Thurgood Marshall International Airport (BWI) in Maryland ($15 million): The Recovery Act grant is a portion of a larger $36.7 million apron rehabilitation project. The rehabilitation of the 30-year-old, 66,000 square yard terminal apron will provide increased safety and more efficient movement of larger aircrafts and service vehicles. In addition, the project will improve power and IT communications as well as environmental controls to contain and recycle deicing fluids. The project currently supports about 50 workers on site each day, jobs that would have been lost without Recovery Act funding.

Airport Improvement Program ($1.1 billion): Work is underway or completed on 362 projects ($1.1 billion), representing 100 percent of the funding for airport grants. Within this total, work is underway on 85 projects ($448 million), and work has been completed on an additional 277 projects ($645 million).

Recovery Act investments will result in:

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

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

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

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

- equipment improvements: equipment including aircraft rescue and fire fighting vehicles, emergency generators, access gates, and fencing at 14 airports ($13 million); and

- nearly 70 percent of the available funding was awarded to projects at airports that provide scheduled commercial service to the traveling public, while the other 30 percent was awarded to 163 projects at general aviation airports, which are a critical part of the National Airport System, providing air transportation access for postal service, firefighting and disaster relief, medical evacuations, law enforcement, homeland security and military operations, and patient and organ transport to emergency centers.

Facilities and Equipment ($200 million): Work is underway or completed on 395 projects ($191 million), representing 96 percent of the funding for Facilities and Equipment. Within this total, work is underway on 78 projects ($153 million), and work has been completed on an additional 317 projects ($37 million).

Recovery Act investments will:

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

Competitive Surface Transportation Grants ($1.5 billion): On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. DOT has since obligated $213 million on 15 projects, representing 14 percent of the available funding. Construction has begun on seven projects totaling $133 million, representing nine percent of the available funding.

Small Shipyard Grants ($100 million): Work is underway or completed on 70 of the 73 planned projects ($123 million), representing nearly 100 percent of the total available funds.[11] Within this total, work is underway on 49 projects ($93 million), and work is completed on an additional 21 projects ($29 million).

ENVIRONMENTAL INFRASTRUCTURE ($5.26 BILLION)

Clean Water State Revolving Fund ($4 billion): All States met the deadline that Clean Water State Revolving Fund (SRF) Recovery Act funds be under contract or under construction by February 17, 2010. Work has begun on 1,946 projects totaling $3.8 billion, representing 100 percent of the available funds.

[11] In addition to their original allocation, the Maritime Administration is also managing three small shipyard projects originally funded under the highway program, totaling $26 million.

Recovery Act investments will:

- construct, upgrade, or maintain publicly owned treatment works, mitigate nonpoint source pollution, and promote estuary management, serving an estimated 64 million people, approximately one-third of the U.S. population currently served by sewers – 629 projects ($1.5 billion);

- improve, rehabilitate, or expand wastewater collection systems – 899 projects ($1.1 billion);

- protect our nation's water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 374 water or energy efficient projects ($741 million); and

- reduce stormwater runoff volumes, pollutants, and sewer overflows, and improve air quality – 261 green infrastructure projects ($232 million).

An example of a Recovery Act wastewater infrastructure project includes:

- Wastewater Treatment Plant Improvement in Batesville, Arkansas ($10 million): Batesville is replacing their existing wastewater mains to their treatment facility with a 3,100 linear foot gravity sewer. The project will provide effective wastewater treatment and will save 62 percent of energy, or about 700,000 kW hours/year, over the minimum 40 year life of the tunnel. The project has also created over 40 jobs.

Superfund ($600 million): The Environmental Protection Agency (EPA) has awarded $584 million for 57 construction projects and four design projects at 51 sites in 28 States, representing almost 100 percent of the total available funds. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites. Work has begun or is complete on 59 projects totaling $584 million, representing nearly 100 percent of the available funds. Within this total, work is complete on two projects totaling $2 million.

An example of a Recovery Act Superfund project includes:

- Hazardous Waste Cleanup in Waukegan, Illinois ($18.5 million): The Recovery Act is accelerating hazardous waste clean-up actions already underway at the Outboard Marine Corp site that may have otherwise taken a decade to complete. Funding also allowed for the demolition of an abandoned 625,000 square foot PCB contaminated facility as well as removal of PCB-contaminated soil and sediment. The cleanup efforts have put more than 40 people to work, and will allow for residential redevelopment on a 60-acre lakefront parcel.

Brownfields ($100 million): EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 185 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds. Work is underway or completed on 165 projects. Within this total, work is underway on 156 projects, and work is completed on an additional nine projects.

An example of a Recovery Act Brownfields project 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 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.

Watershed Rehabilitation Program ($50 million): The Natural Resources Conservation Service (NRCS) has obligated $36 million for work on 29 dam rehabilitation projects. Contracts have been signed for seven dams totaling $11 million. Construction has commenced on six of these dams.

An example of a Recovery Act watershed rehabilitation project includes:

- Dam Restoration in Adair County, Oklahoma ($4 million): The Sallisaw Creek dam is one of the largest flood control structures in the region and is currently in dangerous condition, due to aging. Flooding is particularly dangerous in this area because of the close proximity of residences to the creek, and the sloped and narrow nature of the watershed. With these Recovery Act funds, the dam will be brought up to current safety standards. Once restored, the dam will protect homes, agricultural land, and public works from flooding, and prevent dam failure. The area protected by the project is characterized by high poverty rates. The project also protects Interstate 40, a major economic catalyst for the region. The project reservoir behind the dam will provide water for 20,000 people, including the community of Stilwell, Oklahoma.

Watershed and Flood Prevention Operations ($290 million)

Watershed Operations and Flood Prevention ($145 million): NRCS has obligated $108 million and signed 358 contracts in all 87 of the 87 planned projects, representing 75 percent of the total available funding. Contracts have been awarded on 55 projects totaling $79 million, and construction has been completed on an additional 26 projects totaling $6 million.

An example of a Recovery Act watershed and flood prevention project includes:

- Lower Silver Creek in San Jose, California ($19 million): This project will support an estimated 400 jobs in San Jose. Flood control work has already been completed on the first stretch of the project, an area that extends from Lake Cunningham west to downtown San Jose. Through support of Recovery Act funding, the project will grow to include an additional two-and-a-half mile stretch of the creek. When complete, this project will protect 16,000 people from flooding, as well as businesses, schools, major highways, bridges and other infrastructure used by 250,000 people. The project will also improve wetlands and wildlife habitat.

Floodplain Easements ($145 million): NRCS has signed options for 270 floodplain easements totaling $100 million, representing 69 percent of the total available funding. Of this total, NRCS has closed (exercised the right under the option) 197 easements totaling $73 million. Restoration has been commenced or completed on 194 easements.

International Boundary and Water Commission ($220 million): The International Boundary and Water Commission (IBWC) has signed contracts and work has begun on projects worth $173 million. This represents 79 percent of the available funds. IBWC has three remaining construction contracts to issue, along with associated construction management services contracts. IBWC expects to award close to $30 million by early September and the remaining by September 30, 2010. In addition, IBWC anticipates issuing other design contracts for remaining segments of both the Upper and Lower segments of the Rio Grande Flood Control Rehabilitation Project.

U.S. ARMY CORPS OF ENGINEERS ($4.6 BILLION): The Corps has committed $4.3 billion for 796 Recovery Act projects, representing 93 percent of the total amount of Recovery Act funds allocated to the Corps, as of August 31, 2010. Recovery Act investments will fund the following:

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

An example of a Recovery Act Corps project includes:

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

Construction Program ($2 billion): The Corps has committed $1.8 billion for 162 projects. This amount represents 90 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has committed $2 billion for 522 projects. This amount represents 96 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has committed $356 million for 41 projects. This amount represents 95 percent of the apportionment for this program.

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

Investigations Program ($25 million): The Corps has committed $23 million for 57 projects. This amount represents 93 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has committed $24 million for five projects. This amount represents 95 percent of the apportionment for this program.

FEDERAL BUILDINGS ($5.575 BILLION)

General Services Administration ($5.55 billion): The General Services Administration (GSA) has awarded contracts and begun work on 536 projects worth $4.6 billion, representing 82 percent of GSA's Recovery Act funds.

These projects will result in:

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

An example of a Recovery Act public buildings project includes:

- Federal Center in Denver, Colorado ($39 million): Forty people have been put to work so far installing 35 acres of solar panels on the roofs and grounds of the Denver Federal Center. The seven megawatt solar project will provide clean, renewable energy to help power the offices of the nearly 6,000 people who work on the campus, saving thousands of dollars in energy costs and preventing thousands of tons of greenhouse gases from entering the atmosphere every year. The Denver solar project is the largest single part of GSA's effort to add 12 megawatts of solar power generation capacity at Federal buildings nationwide, increasing solar power capacity by nearly 600 percent while generating enough renewable electricity to power 1,600 homes, or the equivalent of removing 2,500 cars from the road.

GSA's Recovery Act spending plan comprises projects in all 50 States, Washington, DC, 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).

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

ECONOMIC DEVELOPMENT ADMINISTRATION ($150 MILLION): EDA awarded 68 projects in 37 States totaling $147 million. EDA has broken ground on 57 of these projects totaling $130 million, representing 88 percent of the amount allocated to support these investments.

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

- development of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth – 23 projects ($50 million);

- business incubation – 13 projects ($37 million);

- green jobs – 14 projects ($27 million); and

- trade and help connect regional economies to the opportunities offered by the global marketplace – five projects ($11 million).

An example of a Recovery Act EDA project includes:

- Economic Development in Ocala, Florida ($3.2 million): This project includes the construction of critical road, water, and wastewater line improvements to facilitate development of a new road segment of NW 44th Avenue in Ocala. In the short term, 24 construction jobs will be created, but in the long run these industrial tracts will serve the Ocala community for decades. According to recipient estimates, three companies will create a total of 77 new jobs and invest $25 million in capital improvements within three years of the initial estimate and several industrial tracts will become more marketable for future development and employment growth.

FEDERAL EMERGENCY MANAGEMENT AGENCY ($210 MILLION): The Federal Emergency Management Agency (FEMA) has awarded 121 projects totaling $199 million in 41 States, representing 95 percent of the available funds. Ten of these fire stations have already broken ground and another 59 stations have been cleared to begin construction, as of August 25, 2010.

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

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

An example of a Recovery Act firefighter assistance project includes:

- Fire Station in Navassa, North Carolina ($1.6 million): The Navassa Volunteer Fire Department received Recovery funds to replace its undersized 20-year-old prefab metal building with a larger fire station facility which meets all current codes and standards. The 23-member volunteer fire department provides emergency fire and medical services to a rural community of 1,870 people. The new station will improve everyday service delivery in addition to providing adequate and secure space for their existing apparatus and equipment; the addition of sleeping quarters; a decontamination area; an isolated area for the breathing air system and turnout gear; a vehicle exhaust removal system and fire alarm and suppression systems. The station will also have enough room to serve as an emergency operations center and shelter during hurricanes. The construction on the facility will create an estimated 40 construction jobs for North Carolinians.

COAST GUARD ($240 MILLION)

Alteration of Bridges ($142 million): Contracts have been awarded and work has begun on all four planned bridge projects totaling $142 million, representing 100 percent of the available funds. All four bridges are at least 80 years old, with the oldest dating back to 1885.

An example of a project includes:

- 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 current bridge poses multiple hazards to navigation including

shallow water depths and severe cross currents. Construction will be completed in October 2011.

Acquisition, Construction, and Improvements ($98 million)

High Endurance Cutter Engineering Changes ($10 million): The Coast Guard has signed contracts for 100 percent of the planned vessel projects. Of the 40 planned installations to vessels, 24 installations are completed and another two are underway. The Coast Guard plans to complete 37 of the installations by March 2011, and complete all work by November 2011.

Shore Facilities ($88 million): Of the 14 planned shore facilities, 13 have been awarded construction contracts. Construction has begun on two shore facilities, four are expected to break ground later this fall, and eight more are planned to begin construction this winter/early spring.

For additional information, see the attached report entitled *The American Recovery and Reinvestment Act of 2009, Transportation and Infrastructure Provisions Implementation Status as of September 10, 2010.*

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The American Recovery and Reinvestment Act of 2009 Transportation and Infrastructure Provisions Implementation Status as of September 10, 2010

Prepared for

The Honorable James L. Oberstar
Chairman

By the Committee on Transportation and Infrastructure
Majority Staff

For Release on Delivery
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EXECUTIVE SUMMARY

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

The following transparency and accountability information demonstrates the successful implementation of Recovery Act highway, transit, and wastewater infrastructure formula fund investments: ***Of the $38 billion available for highway, transit, and wastewater infrastructure formula program projects under the Recovery Act, $35.2 billion, or 93 percent, has been put out to bid on 19,328 projects, as of August 31, 2010. Within this total, 18,876 projects (totaling $34.4 billion, or 91 percent) are under contract. Across the nation, work has begun on 18,365 projects totaling $33.9 billion, or 89 percent. Within this total, work has been completed on 8,965 projects totaling $7.1 billion.***

During the first year of implementation (February 17, 2009, through February 28, 2010), these projects created or sustained nearly 350,000 direct, on-project jobs.[1] Total employment, which includes direct, indirect, and induced jobs, reached almost 1.2 million jobs.[2] During August 2010, the Recovery Act created or sustained 71,000 direct, on-project jobs. Total employment in August, which includes direct, indirect, and induced jobs, reached nearly 225,000 jobs.

Direct job creation from these projects has resulted in payroll expenditures of $3.8 billion. Using this data, the Committee calculates that $644 million in unemployment checks have been avoided as a result of this direct job creation.[3] Furthermore, these direct jobs have caused nearly $780 million to be paid in Federal taxes.[4]

Overall, of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 19,815 transportation and other infrastructure projects totaling $63.1 billion, as of September 10, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $52.7 billion for 19,577 projects, representing 82 percent of the available funds.

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

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

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

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

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE RECOVERY ACT PROVISIONS

$64.1 BILLION FOR TRANSPORTATION AND INFRASTRUCTURE INVESTMENT

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

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

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

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

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

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

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

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

TRANSPORTATION AND INFRASTRUCTURE INVESTMENT CONTINUED

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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[5] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1602 (2009).

[6] *Id.* § 1605.

[7] *Id.* § 1606. The Recovery Act requires all laborers and mechanics employed by contractors on projects funded by this Act to be paid prevailing wages. *Id.*

[8] *Id.* § 1607. The Governor shall make this certification within 45 days (April 3, 2009) of the date of enactment. If the Governor does not make such certification, the State legislature may accept the funds. *Id.*

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

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

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

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

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

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[9] *Id.* § 1201. The certification shall include a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment during the period from the date of enactment through September 30, 2010. *Id.*

[10] *Id.* § 1201. The certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website and linked to the Recovery.gov website. *Id.*

[11] *Id.* § 1512.

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

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

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

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

READY-TO-GO INFRASTRUCTURE INVESTMENTS

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

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

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

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[12] *Id.* § 1201.

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

[14] *See id.* § 1602.

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

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

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

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

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

- This investment will specifically help unemployed construction workers. The construction sector has lost 1,880,000 jobs since the recession began in December 2007. The unemployment rate in construction was 17 percent in August 2010. As of August 2010, there are 1,483,000 unemployed construction workers in the nation.

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

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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 match waivers.

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

MINORITY-OWNED AND WOMEN-OWNED BUSINESS IMPACT:

- This investment will also help address the disproportionate effect that the increase in unemployment has had on people of color. In August 2010, the rate of unemployment for African Americans was 16.3 percent – 87 percent higher than the rate for whites. The unemployment rate for Hispanic or Latino Americans was 12 percent, 38 percent more than the rate for whites.

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

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

HIGHWAYS AND BRIDGES – $27.5 BILLION

Recovery Act:

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

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

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

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

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

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

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

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

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

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

In total, FHWA has approved 13,077 highway projects totaling $26.4 billion. This amount represents nearly 100 percent of the total available highway funds.

Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion): All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,595 projects totaling $25.9 billion, nearly 100 percent of the available Recovery Act highway formula funds.[22]

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

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

Out to Bid

According to submissions received by the Committee from States, as of August 31, 2010, all 50 States, five Territories, and the District of Columbia have put out to bid 12,739 projects totaling $25.5 billion, representing 97 percent of the total available highway formula funds.

Signed Contracts

All 50 States, five Territories, and the District of Columbia have signed contracts for 12,371 projects totaling $24.7 billion, representing 94 percent of the funds.

Work Underway

Work has begun on 11,978 projects in 50 States, five Territories, and the District of Columbia, totaling $24.1 billion, representing 91 percent of the funds.

Completed

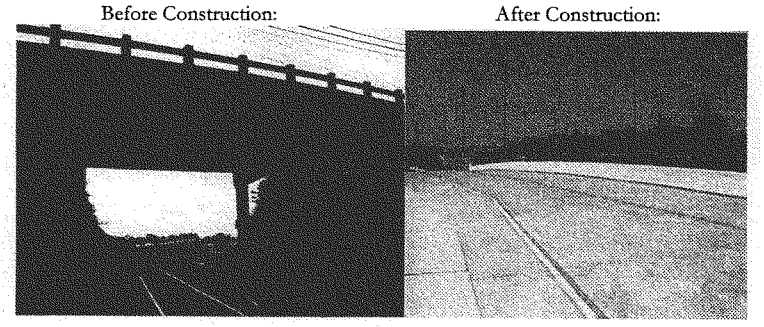
Work has been completed on 6,154 projects in 49 States, one Territory, and the District of Columbia, totaling $5.4 billion, representing 21 percent of the funds.

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

Examples of completed projects include:

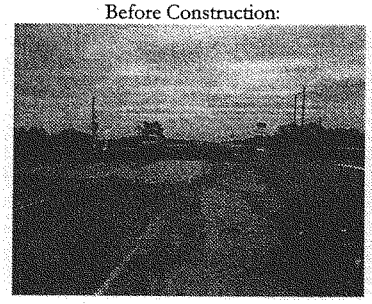
- Chestnut Street Bridge, Nashville, Tennessee ($2 million): This project replaced the bridge that crosses over the CSX Railroad. The 80 year old bridge was classified in "Poor" condition and appeared on the State's list of structurally deficient bridges. The bridge's sufficiency rating was 37.6 out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

Before Construction: After Construction:



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

Before Construction:



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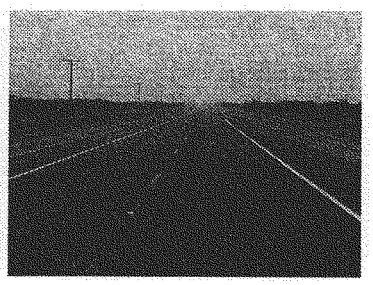
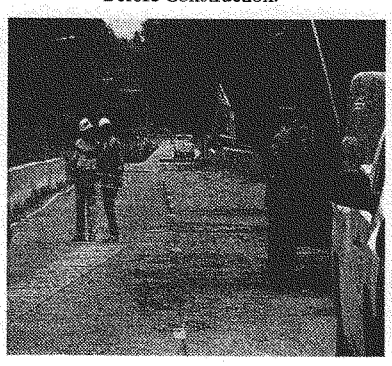


- Bridge in Carroll County, Tennessee ($2.3 million): Work began on three box beam bridges on Tennessee State Route 22, a major route through the heart of Carroll County, Tennessee on June 5, 2009 and was completed on June 30, 2010. The 40-year old existing bridges were in much need of replacement.

Before Construction:



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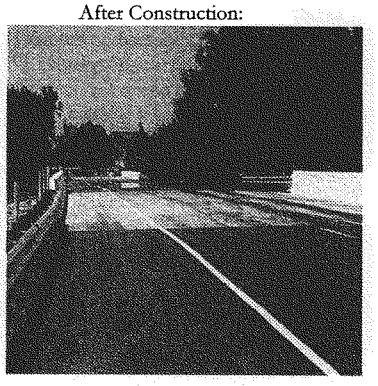


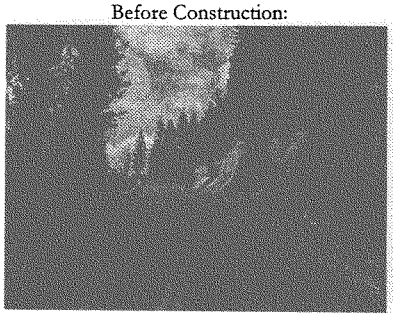
For up-to-date information on projects obligated, underway, and completed, see: http://www.fhwa.dot.gov/economicrecovery/weeklylists.htm.

Federal and Indian Lands ($550 million): FHWA has awarded 404 projects totaling $453 million, representing 82 percent of the funds for Federal and Indian Lands. Work is underway on 205 projects totaling $299 million, representing 54 percent of the available funds.

An example of a completed project includes:

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

Before Construction:



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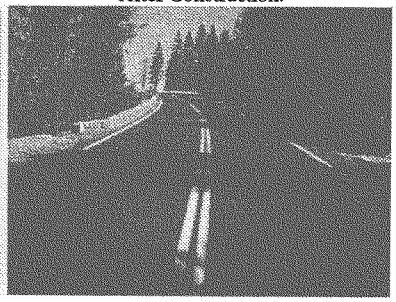

Ferry Boat Capital Grants to States ($60 million): FHWA has approved 31 projects totaling $52 million, representing 87 percent of the total funds for Ferry Boat capital grants. Work is underway on 17 projects totaling $28 million, representing 47 percent of the available funds.

An example of a completed project includes:

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

On-the-Job Training ($20 million): FHWA has awarded 47 training grants worth $16 million, representing 80 percent of the total apportionment for On-the-Job Training. Work is underway on 25 projects totaling $9 million, representing 43 percent of the available funds.

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

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

Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million): The U.S. Department of Transportation has approved 113 applications for bonding assistance, totaling $1.4 million.[23]

An example of a bonding assistance includes:

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

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

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

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

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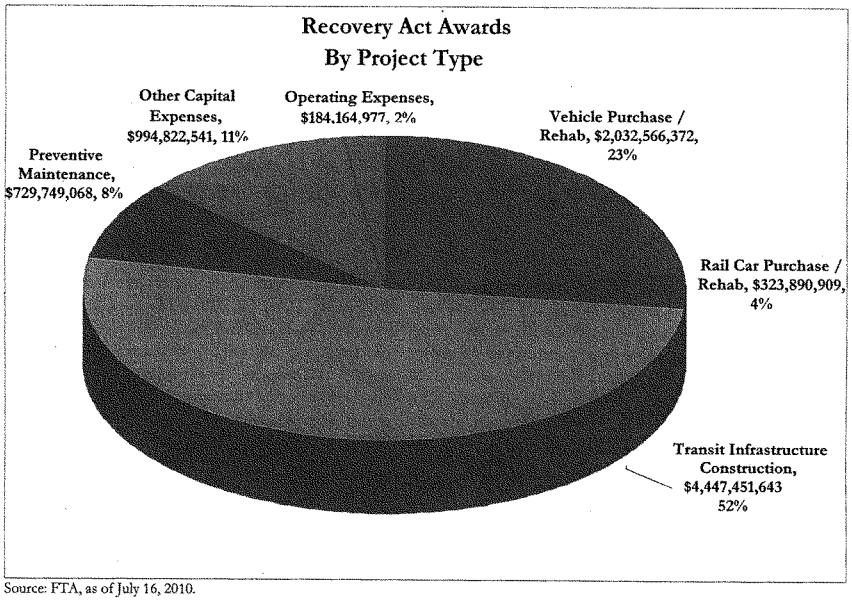
[23] On August 31, 2009, DOT announced that small and disadvantaged businesses may now apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, Recovery Act transportation projects. The Recovery Act created this new program to help small and disadvantaged businesses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

TRANSIT – $8.4 BILLION

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

- the purchase or rehabilitation of 12,234 buses, vehicles, and rail cars ($2.4 billion);
- the construction or rehabilitation of 4,870 passenger facilities ($1.5 billion); and
- the construction or rehabilitation of 324 maintenance facilities ($925 million).

The Federal Transit Administration (FTA) has awarded 1,070 grants totaling $8.8 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[24] FTA plans to use the awarded funds according to the following project types:



Source: FTA, as of July 16, 2010.

[24] FTA awarded more than their original allocation because FTA received $443 million in 88 transfers from FHWA.

TRANSIT URBAN AND RURAL FORMULA GRANTS – $6.8 BILLION

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

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

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

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

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

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

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

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[25] *Id.* § 1201.
[26] *Id.* § 1512.

Recovery Act Implementation: FTA has awarded $7.2 billion for 965 grants in all 50 States, five Territories, and the District of Columbia.[27] This represents 100 percent of the available funding.[28]

Out to Bid

According to submissions received by the Committee from States and public transit agencies, as of August 31, 2010, 4,471 projects have been put to bid in all 50 States, two Territories, and the District of Columbia, totaling $5.3 billion, representing 74 percent of the total available transit capital formula funds.

Signed Contracts

Contracts have been signed for 4,400 projects in 50 States, one Territory, and the District of Columbia totaling $5.2 billion, representing 72 percent of the funds.

Work Underway

Work has begun on 4,290 projects in 50 States, one Territory, and the District of Columbia totaling $5.4 billion, representing 75 percent of the funds.

Completed

Work has been completed on 2,463 projects in 49 States, one Territory, and the District of Columbia totaling $1.4 billion, representing 19 percent of the funds.

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

Examples of completed projects include:

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

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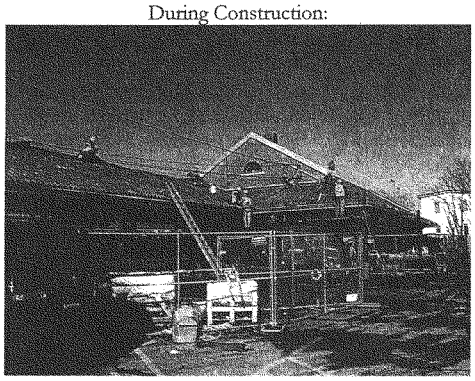
[27] On March 5, 2009, FTA issued public transit urban and rural formula funds apportionments to States and public transit agencies. These apportionments are summarized on the Committee's website:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

[28] This total includes 88 transfers totaling $443 million from FHWA and 39 Tribal Transit grants totaling $17 million.

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

During Construction:



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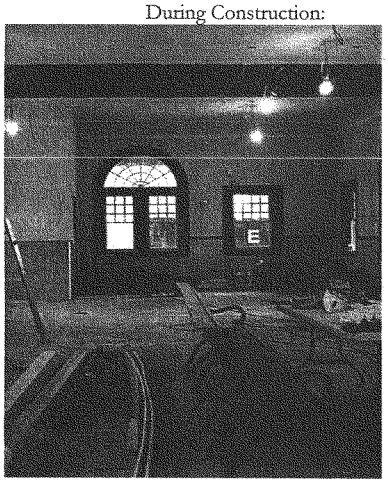

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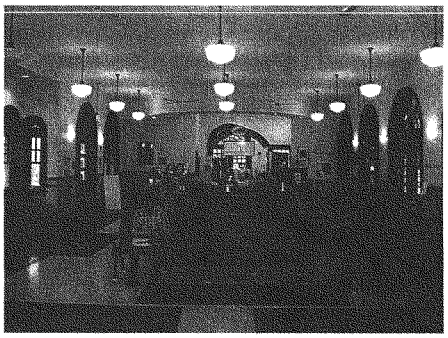

- Metra Locomotive Remanufacturing in Northern Illinois ($71 million): Metra used Recovery Act funds to remanufacture 40 locomotives. This effort is part of a project involving the life-extending remanufacture of 52 locomotives dating back to the late 1970s. The locomotives had experienced a substantial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

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

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

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

TRANSIT GREENHOUSE GAS AND ENERGY REDUCTION FUNDING – $100 MILLION

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

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

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

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

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

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

Recovery Act Implementation: FTA has awarded all 43 Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants in 27 States, totaling the entire $100 million in available funding.[31]

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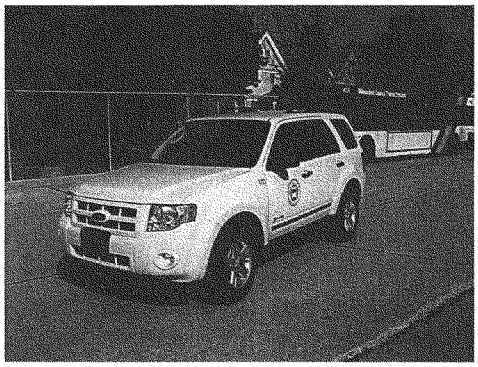
[29] *Id.* § 1201.
[30] *Id.* § 1512.
[31] FTA received $2 billion in proposals.

An example of a completed project includes:

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



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

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

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT – $750 MILLION

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

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

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

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

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

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

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

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

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

Out to Bid

According to submissions received by the Committee from States and public transit agencies, as of August 31, 2010, 156 projects have been put to bid in 25 States and the District of Columbia, totaling $672 million, representing 90 percent of the total available fixed guideway formula funds.

Signed Contracts

Contracts have been signed for 148 projects in 25 States and the District of Columbia totaling $644 million, representing 87 percent of the funds.

Work Underway

Work has begun on 151 projects in 25 States and the District of Columbia totaling $681 million, representing 92 percent of the funds.

Completed

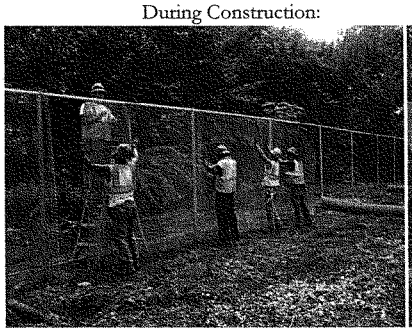
Work has been completed on 42 projects in 19 States and the District of Columbia totaling $85 million, representing 11 percent of the funds.

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

Examples of completed projects include:

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

During Construction:



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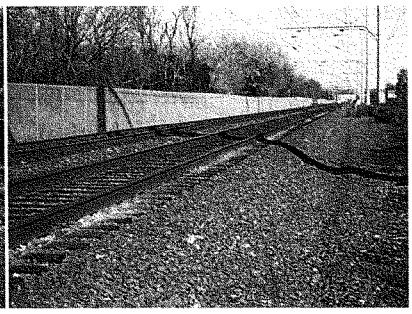
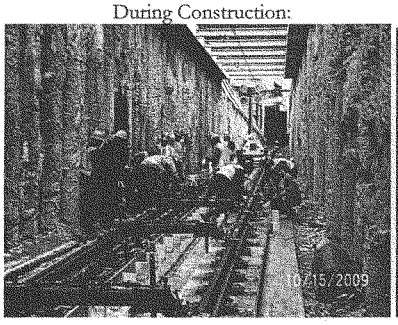


- Cleveland Waterfront Line Chute Track Repairs in Ohio ($600,000): Cleveland used $600,000 out of its more than $11 million in Recovery Act fixed guideway funds to replace the concrete plinths that support the rails of the Outbound "Chute" track of the 12-year-old Waterfront Line. The plinths began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

During Construction:



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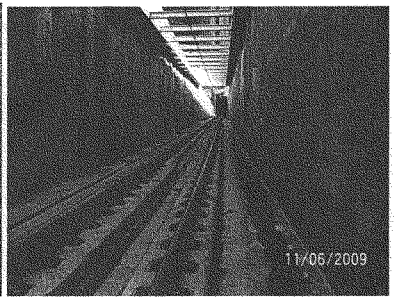


To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

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.[35]

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

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

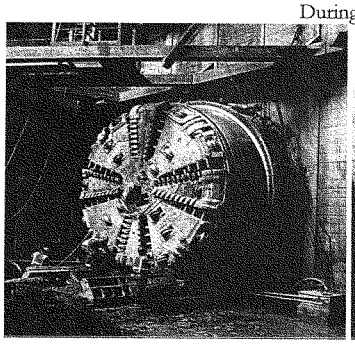
An example of a completed project includes:

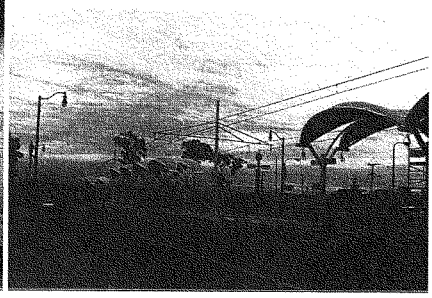
- Los Angeles Metro Gold Line Eastside Extension in California ($66.7 million): The Los Angeles County Metropolitan Transportation Authority used Recovery Act New Starts

[35] *Id.* § 1201.
[36] *Id.* § 1512.

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

During Construction:





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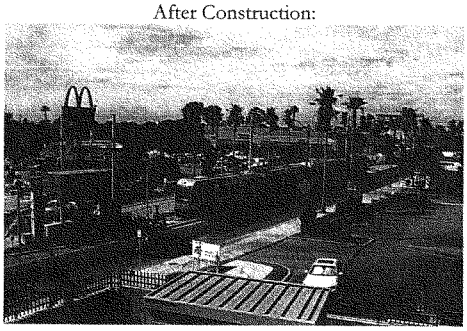


To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

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

RAIL – $9.3 BILLION

Recovery Act:

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

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

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

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

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

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

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

[37] *Id.* § 1201.

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

Recovery Act Implementation:

Amtrak ($1.3 billion): Work is underway on 185 projects totaling $1.3 billion, representing nearly 100 percent of the total Amtrak Recovery Act funds, as of August 31, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 883 contracts totaling $869 million. Amtrak has made 47 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

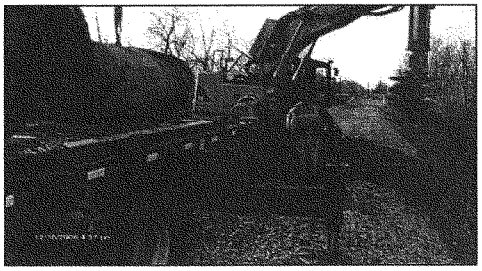
- replacing 1.3 million concrete ties, of which 326,649 have been completed;

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

[38] *Id.* § 1512.

Examples of projects underway include:

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



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

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

High-Speed Rail and Intercity Passenger Rail Grant Programs ($8 billion): On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. Since then, FRA has obligated $585 million on eight projects.

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

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

The announced grants include:

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

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

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

The 13 corridors include:

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

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

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

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

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

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

NATIONAL SURFACE TRANSPORTATION SYSTEM DISCRETIONARY GRANTS - $1.5 BILLION

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

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

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

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

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

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[41] *Id.* § 1201.

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

Recovery Act Implementation: On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. DOT has since obligated $213 million on 15 projects. Construction has begun on seven projects totaling $133 million.

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

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

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

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[42] *Id.* § 1512.

AVIATION – $1.3 BILLION

Recovery Act Implementation:

- Work is underway or completed on 757 projects ($1.3 billion), representing nearly 100 percent of the total available Recovery Act aviation funds; and
- Within this total, work is underway on 163 projects ($601 million), and work is completed on an additional 594 projects ($682 million).

AIRPORT IMPROVEMENT PROGRAM – $1.1 BILLION

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

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

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

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

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

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

[43] *Id.* § 1201.

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

Recovery Act Implementation:

- Work is underway or completed on 362 projects ($1.1 billion), representing 100 percent of the funding for airport grants; and
- Within this total, work is underway on 85 projects ($448 million), and work has been completed on an additional 277 projects ($645 million).

Recovery Act investments will result in:

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

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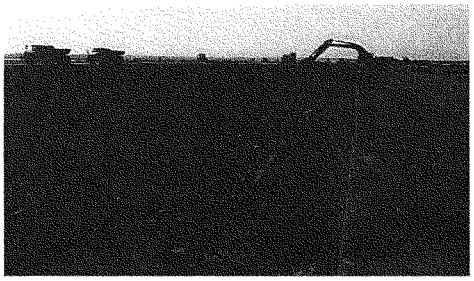
[44] *Id.* § 1512.

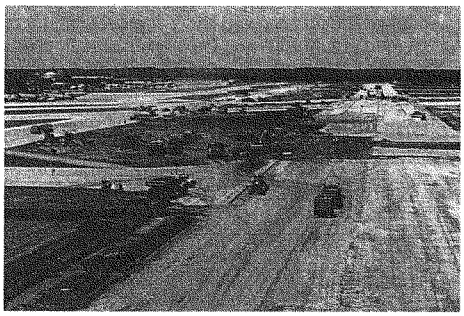
Examples of completed projects include:

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



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

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



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

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

FAA FACILITIES & EQUIPMENT – $200 MILLION

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

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

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

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

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

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

Recovery Act Implementation:

- Work is underway or completed on 395 projects ($191 million), representing 96 percent of the funding for Facilities and Equipment; and
- Within this total, work is underway on 78 projects ($153 million), and work has been completed on an additional 317 projects ($37 million).

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[45] *Id.* § 1201.
[46] *Id.* § 1512.

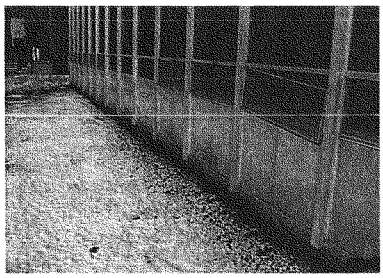
Recovery Act investments will:

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

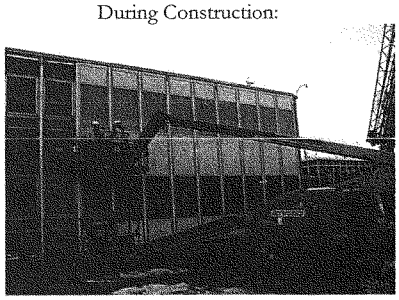
An example of a completed and underway project includes:

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

Before Construction:



During Construction:



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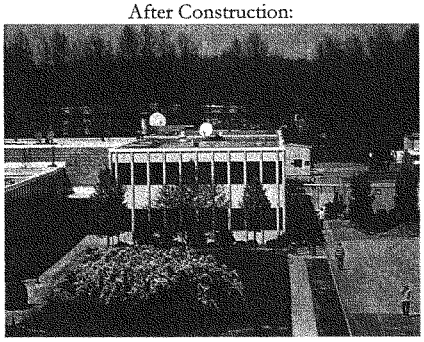
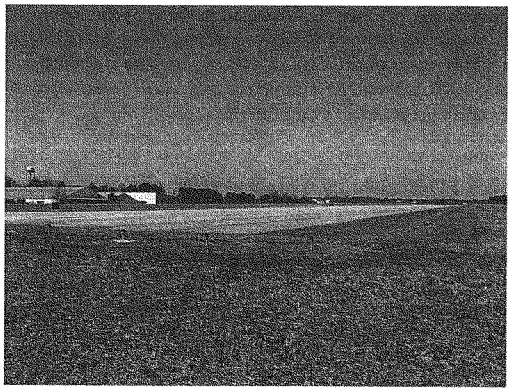


- Winder, Georgia Medium-intensity Approach Lighting System with Runway Alignment Indicator Lights ($620,000): The project established a Medium-intensity Approach Lighting System with Runway Alignment Indicator Lights on Runway 31 at Barrow County Airport. The project provided the first approach lighting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



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

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

ENVIRONMENTAL INFRASTRUCTURE – $5.26 BILLON

CLEAN WATER STATE REVOLVING FUND – $4 BILLION

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

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

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

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

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

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

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

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

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[47] *Id.* § 701.

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

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

Recovery Act investments will:

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

Out to Bid

According to submissions received by the Committee from States, as of August 31, 2010, 50 States, four Territories, and the District of Columbia have put out to bid 1,962 projects totaling $3.8 billion, representing 100 percent of the total available Clean Water SRF formula funds.

Signed Contracts

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

Work Underway

Work has begun on 1,946 projects in 50 States, three Territories, and the District of Columbia totaling $3.8 billion, representing nearly 100 percent of the funds.

Completed

Work has been completed on 306 projects in 36 States and the District of Columbia totaling $170 million, representing four percent of the funds.

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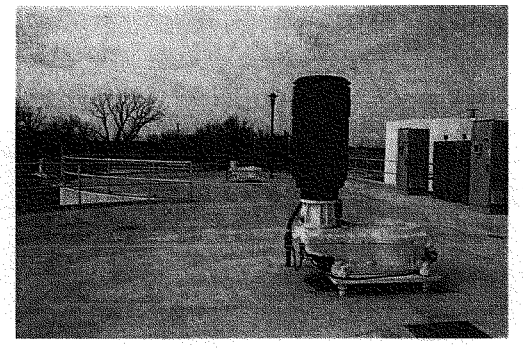
[48] *Id.* § 1512.

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

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

An example of a completed project includes:

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



Examples of projects underway include:

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

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

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

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

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

EPA has also granted 55 regional waivers for individual projects. A list of these regional waivers can be found on EPA's Recovery Act implementation website: http://www.epa.gov/ow/eparecovery/.

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

SUPERFUND – $600 MILLION

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

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

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

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

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

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

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

Recovery Act Implementation: EPA has awarded $584 million for 57 construction projects and four design projects at 51 sites in 28 States, representing 100 percent of the total available funds. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites.

Work has begun or is complete on 59 projects totaling $584 million, representing nearly 100 percent of the available funds. Within this total, work is complete on two projects totaling $2 million. As of June 22, 2010, 60 percent of the sites targeted for Human Exposure Under Control achieved this status.

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[50] *Id.* § 701.
[51] *Id.* § 1512.

The Recovery Act investments will:

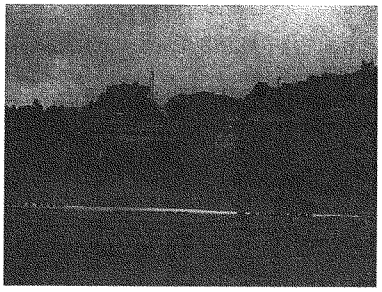
- treat or remove heavy metal contamination (36 sites);
- treat or remove organic compound contamination (28 sites);
- begin or accelerate work to treat drinking water to meet Federal and State standards (eight sites);
- provide alternate residential drinking water supplies (five sites); and
- mitigate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

Examples of underway projects include:

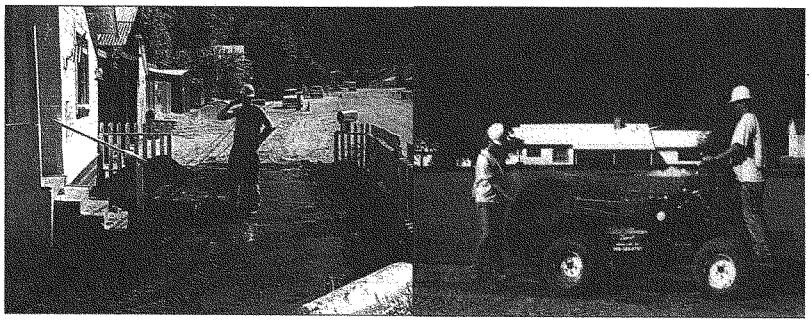
- Iron Mountain Mine in Redding, California ($20.7 million): As a result of mining activities, annual rains sent toxic levels of copper, cadmium, and zinc from the mine into the Sacramento River—a valuable commercial fishery and a major source of drinking water for more than 70,000 people in northern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

- Horseshoe Road in Sayreville, New Jersey ($5 million): Contaminants at the 12-acre site include volatile organic compounds, metals, pesticides, and polychlorinated biphenyls (PCBs). The area around the site includes residential properties as well as business, commercial, and industrial areas. About 63 residential properties are located within one-half mile of the site, and about 14,000 people obtain drinking water from public wells within four

miles. Recovery Act funds will expedite the cleanup of the remaining on-site soils that act as a source of contamination to the ground water and surface water, which drain into the Raritan River; and



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



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

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

BROWNFIELDS – $100 MILLION

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

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

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

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

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

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

Recovery Act Implementation: EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 185 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.[54] Work is underway or completed on 165 projects. Within this total, work is underway on 156 projects, and work is completed on an additional nine projects.

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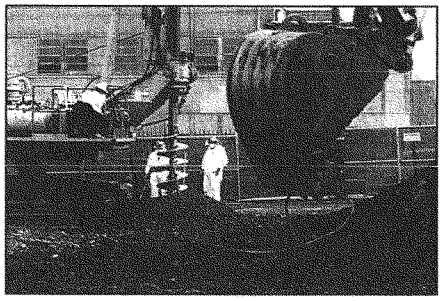
[52] *Id.* § 701.
[53] *Id.* § 1512.
[54] EPA set aside $3.5 million for management and oversight.

Recovery Act investments will result in:

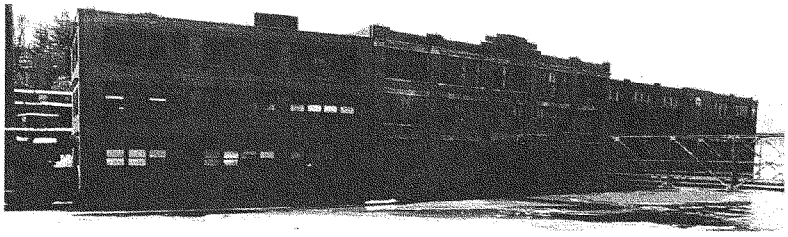
- 953 assessments, of which 310 assessments are completed, with another 390 assessments have started ($33 million);
- cleanup, of which 8 property cleanups are completed, resulting in 21 acres made ready for reuse, and an additional 13 cleanups have started ($7.5 million);
- revolving loan fund, of which two sub-grants have been made ($47.1 million); and
- job training, of which 22 students completed training and four obtained employment under job training ($6.9 million).

Examples of underway projects include:

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



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



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

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

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.[55]

Recovery Act Implementation: NRCS has obligated $36 million for work on 29 dam rehabilitation projects. Contracts have been signed for seven dams totaling $11 million. Construction has commenced on six of these dams.

Rehabilitating these 26 dams will:

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

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[55] *Id.* § 1512.

An example of a project underway includes:

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

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

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

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

WATERSHED AND FLOOD PREVENTION OPERATIONS – $290 MILLION

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

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

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

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

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

Recovery Act Implementation:

Watershed Operations and Flood Prevention ($145 million): NRCS has obligated $108 million and signed 358 contracts in all 87 of the 87 planned projects. Contracts have been awarded on 55 projects totaling $79 million, and construction has been completed on an additional 26 projects totaling $6 million.

This watershed protection and flood prevention will:

- result in $431 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 9,749 farms or ranches and 997 bridges;
- protect 102 domestic water supplies;
- reduce 4,484,658 tons/year of sediment;

[56] *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 (seven projects).

An example of a project underway includes:

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

Floodplain Easements ($145 million): NRCS has signed options for 270 floodplain easements totaling $100 million. Of this total, NRCS has closed (exercised the right under the option) 197 easements totaling $73 million. Restoration has been commenced or completed on 194 easements.

Recovery Act investments will result in:

- water quality improvement: eliminate soil erosion and associated sedimentation and nutrient transfer from over 24,000 acres of cropland that will be converted to hardwood bottomland forests and other wetland habitat;
- flood damage reduction: improve community health and safety by removing 23 homes and families from reoccurring flood damages and restore natural water flows to 12 stream miles while eliminating flooding of 83 homes;
- wetland and wildlife habitat restoration/improvements to 37,000 acres; and
- improved fish and wildlife habitat for neo-tropical and migratory waterfowl: restoration efforts will restore and enhance critical habitat for 37 federally listed threatened and endangered species of fish and wildlife.

An example of a project underway includes:

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

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

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

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

INTERNATIONAL BOUNDARY AND WATER COMMISSION – $220 MILLION

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

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

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

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

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

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

Recovery Act Implementation: IBWC has signed contracts and work has begun on projects worth $173 million. This represents 79 percent of the available funds. IBWC has three remaining construction contracts to issue, along with associated construction management services contracts. IBWC expects to award close to $30 million by early September and the remaining by September 30, 2010. In addition, IBWC anticipates issuing other design contracts for remaining segments of both the Upper and Lower segments of the Rio Grande Flood Control Rehabilitation Project.

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

Recovery Act investments will:

- rehabilitate 253 miles of deficient river and floodway levees in the Upper and Lower Rio Grande Flood Control Systems of Texas and New Mexico (almost one half of the total 506 miles of levees);
- enhance the protection of lives and property for over two million border residents; and
- achieve certification standards established by FEMA, thereby reducing the cost of flood insurance to border residents.

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

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

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

Recovery Act:

1. **Provides an additional $2 billion for the Corps of Engineers Construction program;**
2. **Provides an additional $2.075 billion for the Corps of Engineers Operation and Maintenance program;**
3. **Provides an additional $375 million for the Corps of Engineers Mississippi River and Tributaries program;**
4. **Provides an additional $100 million for the Corps of Engineers Formerly Utilized Remedial Action Program;**
5. **Provides an additional $25 million for the Corps of Engineers Investigations program; and**
6. **Provides an additional $25 million for the Corps of Engineers Regulatory Program.**

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

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

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

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

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

[59] *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.[60]

Recovery Act Implementation: The Corps has committed $4.3 billion for 796 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 93 percent of the total amount of Recovery Act funds allocated to the Corps, as of August 31, 2010. Recovery Act investments will fund the following:

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

Construction Program ($2 billion): The Corps has committed $1.8 billion for 162 projects. This amount represents 90 percent of the apportionment for this program.

Operation and Maintenance Program ($2.075 billion): The Corps has committed $2 billion for 522 projects. This amount represents 96 percent of the apportionment for this program.

Mississippi River and Tributaries Program ($375 million): The Corps has committed $356 million for 41 projects. This amount represents 95 percent of the apportionment for this program.

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

Investigations Program ($25 million): The Corps has committed $23 million for 57 projects. This amount represents 93 percent of the apportionment for this program.

Regulatory Program ($25 million): The Corps has committed $24 million for five projects. This amount represents 95 percent of the apportionment for this program.

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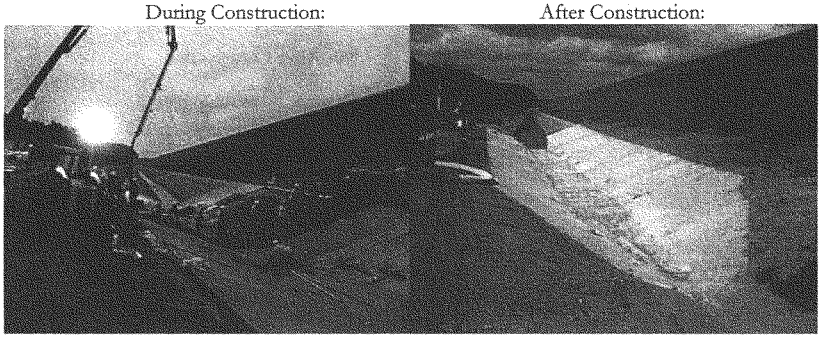
[60] *Id.* § 1512.

Examples of completed construction projects include:

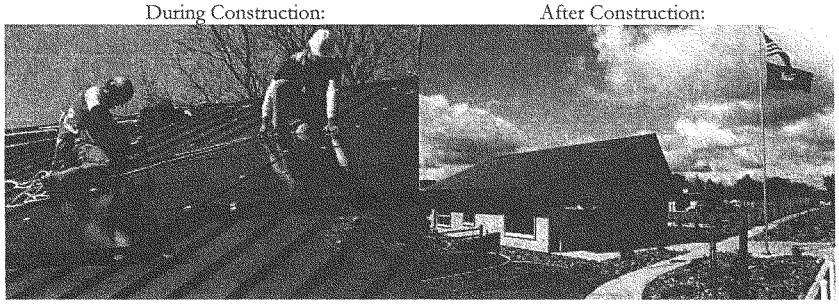
- Ferrells Bridge Dam, Lake O' the Pines in Jefferson, Texas ($244,000): This project replaced a degraded structure and fortified the existing toe ditch to decrease erosion and prolong the life of the dam. The project was completed in April 2010 by CKY Inc;

During Construction: After Construction:



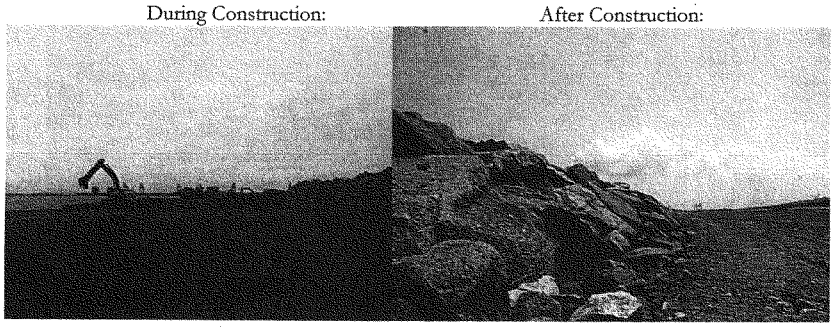
- Solar Electricity System Installations, Sacramento District, California ($1.3 million): The Corps used Recovery Act funds to install solar electricity systems at nine of its park and dam operation offices in California, part of a Corps-wide effort to improve the environmental sustainability of its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

During Construction: After Construction:



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

During Construction: After Construction:



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

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

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

FEDERAL BUILDINGS – $5.575 BILLION

GENERAL SERVICES ADMINISTRATION – $5.55 BILLION

Recovery Act:

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

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

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

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

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

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

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

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

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

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

Recovery Act Implementation: GSA has awarded contracts and begun work on 536 projects worth $4.6 billion, representing 82 percent of GSA's total apportionment.

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

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

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

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[63] *Id.* § 1512.

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

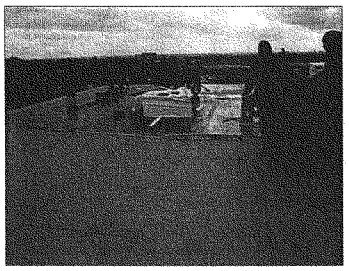
These projects will result in:

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

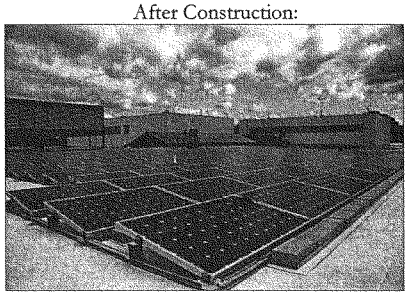
Examples of completed projects include:

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

During Construction:



After Construction:

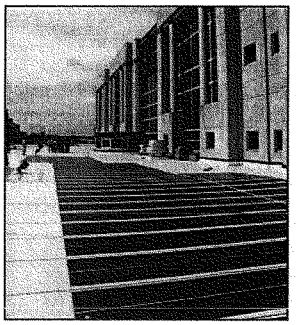


- Robert J. Dole U.S. Courthouse in Kansas City, Kansas ($1.6 million): GSA recently installed a new white roof and solar panels on this courthouse. The roof design and installation created jobs in solar manufacturing, design, and roofing. Many of the roofers were able to learn new skills with their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

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

During Construction:

After Construction:



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

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

SMITHSONIAN INSTITUTION – $25 MILLION

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

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

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

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

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

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

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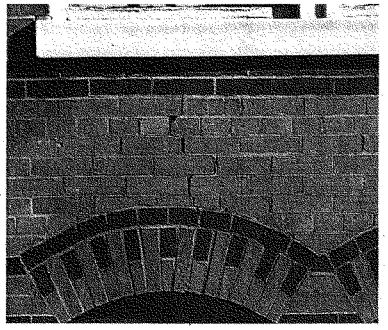
[65] *Id.* § 701.
[66] *Id.* § 1512.

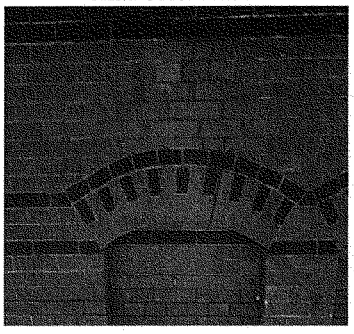
Examples of Recovery Act projects include:

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

Before Construction:



After Construction:



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

Before Construction:

After Construction:

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

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

ECONOMIC DEVELOPMENT ADMINISTRATION – $150 MILLION

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

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

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

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

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

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

Recovery Act Implementation: EDA awarded 68 projects in 37 States totaling $147 million.[69] EDA has broken ground on 57 of these projects totaling $130 million, representing 88 percent of the amount allocated to support these investments.

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

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

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

Examples of projects underway include:

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

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

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

FEDERAL EMERGENCY MANAGEMENT AGENCY – $210 MILLION

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

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

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

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

Recovery Act Implementation: FEMA has awarded 121 projects totaling $199 million in 41 States, representing 95 percent of the available funds. Ten of these fire stations have already broken ground and another 59 stations have been cleared to begin construction, as of August 25, 2010.

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

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

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[70] *Id.* § 1512.

Examples of new construction projects include:

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

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

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

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

COAST GUARD – $240 MILLION

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS – $98 MILLION

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

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

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

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

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

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

Recovery Act Implementation:

High Endurance Cutter Engineering Changes ($10 million): The Coast Guard has signed contracts for 100 percent of the planned vessel projects. Of the 40 planned installations to vessels, 24 installations are completed and another two are underway. The Coast Guard plans to complete 37 of the installations by March 2011, and complete all work by November 2011.

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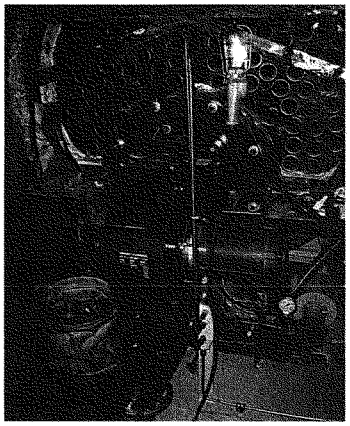
[71] *Id.* Title VI.
[72] *Id.* § 1512.

These installations include:

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



Shore Facilities ($88 million): Of the 14 planned shore facilities,[73] 13 have been awarded construction contracts. Construction has begun on two shore facilities, four are expected to break ground later this fall, and eight more are planned to begin construction this winter/early spring.

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

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

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

BRIDGE ALTERATIONS – $142 MILLION

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

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

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

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

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

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

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

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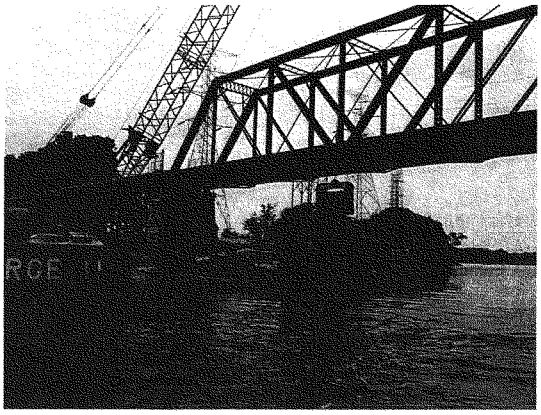
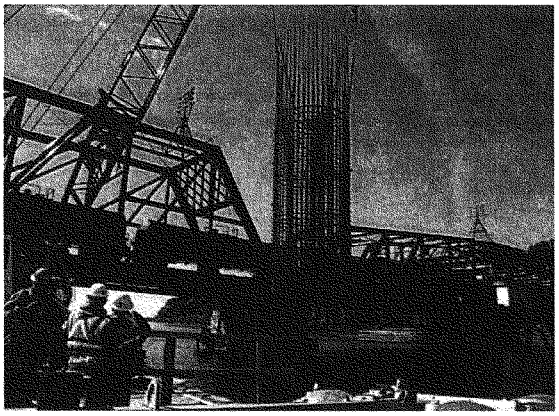
[74] *Id.* Title VI.
[75] *Id.* § 1512.

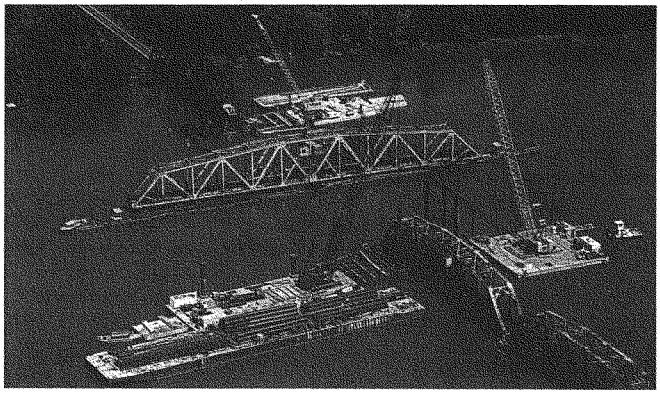
- Elgin, Joliet, and Eastern Bridge over the Illinois Waterway in Divine, Illinois – built in 1885 ($30 million). Work is ongoing to replace the existing 120-foot horizontal clearance with a new 300-foot clearance. The bridge poses multiple hazards to navigation including shallow water depths and severe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



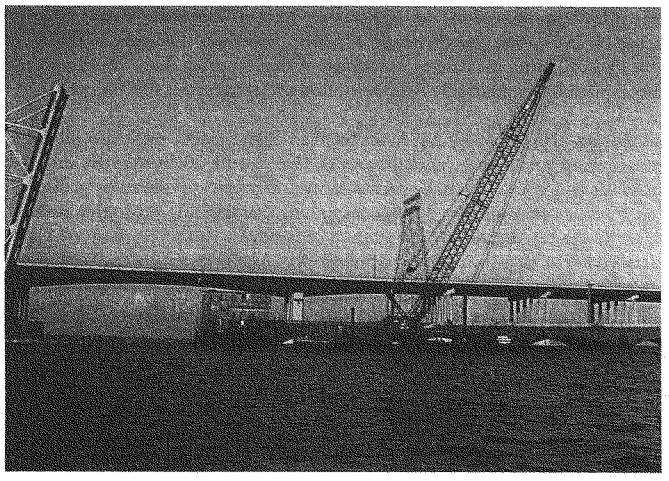
- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million). Construction will be completed in August 2011;



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



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



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

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

MARITIME ADMINISTRATION
SMALL SHIPYARD GRANTS – $100 MILLION

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

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

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

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

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

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

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

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[76] *Id.* § 1512.

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

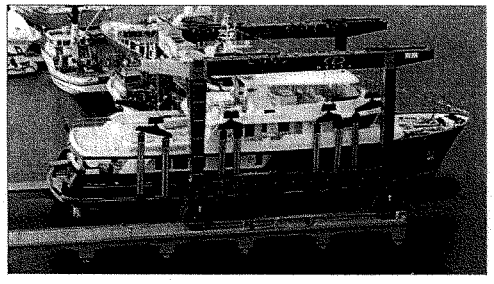
Work is underway or completed on 70 of the 73 planned projects ($123 million), representing nearly 100 percent of the total available funds. Within this total, work is underway on 49 projects ($93 million), and work is completed on an additional 21 projects ($29 million).

Recovery Act investments will result in:

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

An example of a funded project includes:

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



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

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

T&I Committee Transparency and Accountability Information by State and Formula Funding under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Submissions Received by T&I Committee (Data Reported as of August 31, 2010)

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during August 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Alabama															
Clean Water State Revolving Fund	$43,821,600	$43,821,600	$23,384,036	9	$42,068,736	9	$42,068,736	9	$42,068,736	1	$269,270	118	135	153,627	$3,605,223
Highway Infrastructure Investment	$511,924,313	$513,692,083	$301,245,301	251	$487,660,251	248	$485,934,961	240	$476,913,749	89	$108,469,818	3,383	1,458	1,473,562	$19,890,371
Transit Capital Assistance	$40,132,290	$38,620,709	$7,778,273	11	$14,470,074	54	$33,325,778	53	$29,925,778	10	$4,843,966	5	0	11,835	$133,331
Total	$595,878,203	$596,134,392	$332,407,810	271	$544,199,061	311	$563,329,475	302	$548,910,263	100	$113,523,054	3,506	1,592	1,639,024	$23,629,127
Alaska															
Clean Water State Revolving Fund	$23,454,981	$22,516,800	$10,836,679	20	$22,516,800	20	$22,516,800	20	$22,516,800	5	$1,238,225	75	32	64,922	$3,723,506
Highway Infrastructure Investment	$173,461,487	$178,520,994	$115,381,485	28	$173,049,714	26	$167,955,972	26	$167,955,972	7	$31,190,100	666	504	518,795	$24,754,133
Transit Capital Assistance	$40,869,469	$40,869,469	$27,121,974	28	$27,616,448	32	$28,223,438	33	$32,080,388	13	$14,948,636	306	105	105,051	$5,629,113
Total	$239,785,937	$241,907,263	$153,340,138	76	$223,182,962	78	$218,696,210	79	$222,553,160	25	$47,376,961	1,047	641	688,768	$34,106,752
American Samoa															
Clean Water State Revolving Fund	$3,354,000	$3,354,000	$0	0	$0	0	$0	0	$0	0	$0	0	0	25	$500
Highway Infrastructure Investment	$4,500,000	$4,500,000	$0	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	251	57,615	$386,422
Transit Capital Assistance	$341,099	$341,099	$0		$0	0	$0	0	$0	0	$0	0	33	5,760	$21,853
Total	$8,195,099	$8,195,099	$0	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	24	284	63,400	$408,775
Arizona															
Clean Water State Revolving Fund	$26,469,630	$25,410,816	$17,660,007	17	$25,410,816	17	$25,410,816	17	$25,410,816	15	$18,975,530	1,104	43	230,964	$7,277,901
Fixed Guideway	$640,070	$640,070	$956	1	$640,070	1	$640,070	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$520,884,655	$489,822,518	$224,017,681	182	$470,430,398	182	$469,765,367	180	$466,736,268	94	$191,415,631	5,659	1,440	2,265,693	$36,812,751
Transit Capital Assistance	$99,911,878	$99,746,240	$17,104,446	49	$82,730,615	45	$80,723,624	40	$57,404,992	22	$15,683,452	728	18	342,823	$5,702,049
Total	$647,906,233	$613,619,644	$258,783,090	249	$579,211,899	245	$576,539,877	237	$549,552,076	131	$226,074,613	7,491	1,501	2,839,480	$49,792,701
Arkansas															
Clean Water State Revolving Fund	$25,636,545	$25,636,500	$14,504,060	7	$25,636,500	7	$25,636,500	7	$25,636,500	0	$0	251	114	109,342	$2,539,291
Highway Infrastructure Investment	$351,544,468	$350,171,842	$133,910,792	121	$317,643,174	121	$317,643,174	121	$317,643,174	56	$48,329,109	2,026	839	949,533	$17,292,579
Transit Capital Assistance	$20,573,849	$20,365,956	$12,902,692	26	$16,857,835	23	$16,193,901	24	$16,118,826	11	$7,786,605	315	122	233,350	$3,399,100
Total	$397,754,862	$396,174,298	$161,317,544	154	$360,137,509	151	$359,473,575	152	$359,398,500	67	$56,115,714	2,572	1,075	1,292,225	$23,230,970
California															
Clean Water State Revolving Fund	$280,285,335	$280,285,800	$87,810,514	109	$269,074,368	109	$269,074,368	109	$269,074,368	4	$1,810,326	6,780	0	2,575,010	$65,066,588
Fixed Guideway	$63,214,610	$63,214,609	$45,641,603	9	$62,083,157	9	$60,668,151	10	$63,214,609	4	$18,328,644	555	16	455,287	$26,829,293
Highway Infrastructure Investment	$2,537,626,450	$2,524,895,113	$704,913,185	849	$2,370,236,385	741	$2,064,251,750	741	$2,064,251,750	529	$481,476,654	12,673	3,189	6,003,837	$274,747,975
Transit Capital Assistance	$842,698,000	$827,411,834	$398,890,380	462	$562,038,793	346	$570,505,764	450	$735,354,113	217	$230,650,174	23,987	unavailable	5,563,332	$177,288,908
Total	$3,723,824,395	$3,695,807,356	$1,237,255,682	1,429	$3,263,432,703	1,205	$2,964,500,033	1,310	$3,131,895,140	754	$732,265,798	43,995	3,204	14,597,496	$543,982,764
Colorado															
Clean Water State Revolving Fund	$31,348,152	$30,093,792	$18,436,231	12	$30,093,792	12	$30,093,792	12	$30,093,792	3	$2,167,975	206	96	129,899	$4,546,465
Fixed Guideway	$753,399	$753,399	$0	1	$753,399	1	$753,399	1	$753,399	0	$0	0	0	0	$0
Highway Infrastructure Investment	$385,324,130	$384,335,094	$226,825,469	104	$376,076,595	103	$374,060,876	100	$361,872,123	38	$67,450,847	5,180	937	1,734,772	$47,217,702
Transit Capital Assistance	$121,315,663	$121,315,663	$71,385,294	57	$103,383,935	56	$100,575,736	54	$100,075,736	15	$47,158,781	1,738	164	628,522	$16,629,636
Total	$538,741,344	$536,497,948	$316,646,994	174	$510,307,521	172	$505,483,803	167	$492,795,350	56	$116,777,603	7,124	1,196	2,513,193	$68,393,803

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

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during August 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Connecticut															
Clean Water State Revolving Fund	$48,010,347	$48,010,300	$20,228,471	5	$46,089,888	5	$46,089,888	5	$46,089,888	0	$0	296	122	119,219	$5,545,866
Fixed Guideway	$32,030,396	$32,030,396	$11,825,310	3	$32,030,396	3	$32,030,396	3	$32,030,396	0	$0	0	70	30,149	$1,570,476
Highway Infrastructure Investment	$298,903,936	$289,619,176	$97,668,015	137	$289,619,176	124	$281,250,322	115	$262,611,079	37	$36,461,469	1,195	350	576,233	$21,213,758
Transit Capital Assistance	$132,305,023	$132,305,023	$35,871,662	25	$113,685,941	25	$113,685,941	25	$113,685,941	18	$698,403	39	49	53,508	$3,101,424
Total	$511,249,722	$501,964,895	$165,593,458	170	$483,425,401	157	$473,056,547	148	$456,417,304	55	$37,159,952	1,524	790	781,109	$31,431,524
Delaware															
Clean Water State Revolving Fund	$19,239,066	$18,469,536	$6,253,509	10	$18,469,536	10	$18,469,536	10	$18,469,536	0	$0	167	111	109,538	$2,889,435
Highway Infrastructure Investment	$121,828,650	$120,559,809	$48,101,408	39	$118,382,221	36	$115,251,521	32	$110,486,386	3	$683,242	1,374	226	477,451	$18,599,632
Transit Capital Assistance	$19,000,000	$18,917,211	$2,464,536	5	$18,917,211	5	$18,917,211	4	$18,917,211	0	$0	30	40	29,895	$1,115,226
Total	$160,067,716	$157,946,556	$56,821,473	54	$155,768,968	51	$152,638,268	46	$147,873,133	3	$683,242	1,571	377	616,884	$22,604,293
District of Columbia															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$5,175,347	25	$19,239,100	25	$19,239,100	19	$13,699,297	2	$608,338	24	55	42,647	$1,094,984
Fixed Guideway	$17,749,826	$17,749,826	$10,206,842	7	$17,749,826	7	$17,749,826	7	$17,749,826	1	$3,472,593	76	10	28,195	$1,802,773
Highway Infrastructure Investment	$123,307,842	$123,279,094	$31,332,070	16	$112,479,094	15	$107,737,184	15	$107,737,184	1	$1,000,000	485	444	387,303	$9,824,542
Transit Capital Assistance	$184,083,396	$184,083,396	$75,844,127	25	$184,083,396	24	$180,083,396	23	$180,083,396	3	$31,658,988	33	13	28,361	$2,732,866
Total	$344,380,130	$344,351,416	$122,578,386	73	$333,551,416	71	$324,809,506	64	$321,179,703	7	$36,739,919	638	523	484,704	$15,455,167
Florida															
Clean Water State Revolving Fund	$132,286,374	$132,286,300	$66,817,294	28	$132,286,300	28	$132,286,300	28	$132,286,300	2	$8,210,029	1,883	395	794,222	$15,112,457
Fixed Guideway	$2,918,660	$2,918,660	$70,094	5	$763,989	3	$71,177	5	$763,989	2	$66,166	1	1	1,510	$37,534
Highway Infrastructure Investment	$1,344,471,413	$1,300,089,322	$456,360,795	605	$1,267,622,317	593	$1,173,716,997	568	$1,158,249,377	242	$83,230,086	6,443	3,290	4,094,096	$87,557,011
Transit Capital Assistance	$323,287,614	$261,054,314	$78,616,203	244	$147,996,250	250	$135,245,768	226	$112,382,648	147	$37,470,692	1,321	137	702,626	$24,492,314
Total	$1,803,964,061	$1,696,348,596	$601,864,386	882	$1,548,868,896	874	$1,441,320,242	827	$1,403,682,514	393	$128,976,874	9,647	3,804	5,592,454	$127,209,316
Georgia															
Clean Water State Revolving Fund	$84,337,044	$84,336,750	$59,990,431	38	$81,686,310	38	$81,686,310	38	$81,686,310	3	$7,864,243	661	360	439,666	$18,705,363
Fixed Guideway	$7,380,854	$7,380,854	$2,523,376	1	$7,380,854	1	$7,380,854	1	$7,380,854	0	$0	0	31	15,974	$269,304
Highway Infrastructure Investment	$901,585,680	$847,488,902	$278,152,955	376	$847,488,902	365	$806,888,073.00	358	$800,170,687.00	173	$156,964,676	3,841	1,322	2,056,772	$36,311,803
Transit Capital Assistance	$132,909,498	$132,909,498	$32,961,360	9	$76,825,085	13	$79,014,987	11	$121,238,628	9	$7,695,943	6,880	475	1,631,468	$49,338,611
Total	$1,126,213,076	$1,072,116,004	$393,628,122	424	$1,013,381,151	417	$974,970,224	408	$1,010,476,479	185	$172,524,862	11,382	2,207	4,143,880	$104,825,081
Guam															
Clean Water State Revolving Fund	$2,471,500	$2,371,500	$2,371,500	2	$2,371,500	2	$2,371,500	2	$2,371,500	0	$0	0	0	255	$3,504
Highway Infrastructure Investment	$18,000,000	$19,560,000	$0	8	$19,560,000	5	$13,700,000	4	$9,250,000	0	$0	0	63	10,961	$136,624
Transit Capital Assistance	$921,976	$921,976	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,393,476	$22,853,476	$2,371,500	10	$21,931,500	7	$16,071,500	6	$11,621,500	0	$0	0	63	11,216	$140,128
Hawaii															
Clean Water State Revolving Fund	$30,352,311	$29,752,300	$17,639,694	7	$29,752,300	7	$29,752,300	7	$29,752,300	0	$0	124	24	66,010	$2,684,736
Fixed Guideway	$254,793	$254,793	$254,793	1	$254,793	1	$254,793	1	$254,793	1	$254,793	0	1	125	$10,218
Highway Infrastructure Investment	$125,746,380	$123,189,201	$24,019,821	21	$95,835,259	20	$95,442,259	17	$83,675,974	3	$2,392,090	274	84	132,238	$5,228,102
Transit Capital Assistance	$43,582,583	$43,582,583	$24,618,663	9	$33,435,583	9	$33,435,583	9	$33,435,583	5	$27,034,699	31	13	68,127	$2,448,204
Total	$199,936,067	$196,778,877	$66,532,971	38	$159,277,935	37	$158,884,935	34	$147,118,650	9	$29,681,582	429	122	266,500	$10,371,260
Idaho															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$5,675,903	8	$19,239,100	8	$19,239,100	8	$19,239,100	0	$0	80	45	56,806	$2,161,688
Highway Infrastructure Investment	$178,878,631	$178,842,410	$111,497,334	82	$178,842,410	78	$176,767,407	78	$176,767,407	0	$0	1,476	883	775,169	$24,649,505
Transit Capital Assistance	$21,484,297	$21,484,297	$3,640,159	50	$13,237,001	50	$12,537,001	49	$12,537,000	20	$2,725,368	114	30	44,728	$1,495,878
Total	$219,601,994	$219,565,807	$122,813,416	140	$211,318,511	136	$208,543,508	135	$208,543,507	20	$2,725,368	1,670	957	876,703	$28,307,071

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

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during August 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Illinois															
Clean Water State Revolving Fund	$177,243,066	$177,243,100	$130,343,983	69	$177,243,100	69	$177,243,100	69	$177,243,100	4	$3,891,018	616	182	310,014	$18,170,507
Fixed Guideway	$95,534,850	$92,265,050	$44,148,054	9	$95,534,850	9	$95,534,850	9	$95,534,850	4	$38,931,726	3,886	17	697,496	$35,883,930
Highway Infrastructure Investment	$935,592,704	$9,111,181,677	$636,706,131	947	$901,143,382	897	$887,163,244	860	$866,125,190	401	$354,616,090	9,589	1,389	3,005,193	$113,672,411
Transit Capital Assistance	$365,690,769	$361,226,188	$237,632,858	104	$350,294,130	93	$348,769,130	83	$342,080,031	51	$213,229,664	10,658	178	1,972,673	$98,474,169
Total	$1,574,061,389	$9,741,916,315	$1,048,831,026	1,129	$1,524,217,462	1,070	$1,508,710,324	1,021	$1,480,983,171	460	$612,668,498	24,749	1,766	5,985,376	$268,201,017
Indiana															
Clean Water State Revolving Fund	$94,447,485	$94,447,500	$68,394,294	43	$94,447,500	43	$94,447,500	43	$94,447,500	8	$4,790,740	381	290	206,270	$4,305,600
Fixed Guideway	$6,412,487	$6,412,487	$3,391,288	1	$6,412,487	1	$6,412,487	1	$6,412,487	0	$0	57	29	31,801	$2,456,633
Highway Infrastructure Investment	$637,967,707	$645,274,953	$568,057,130	1,095	$645,274,953	1,095	$645,274,953	1,088	$640,301,922	963	$255,162,702	4,784	1,728	2,021,949	$61,712,182
Transit Capital Assistance	$72,630,417	$71,891,565	$39,231,857	78	$58,360,332	77	$58,443,504	77	$58,443,504	45	$21,362,224	1,654	0	264,693	$5,948,662
Total	$831,458,096	$818,026,505	$679,074,569	1,217	$804,495,272	1,216	$804,578,444	1,209	$799,605,413	1,016	$281,315,666	6,876	1,957	2,524,713	$74,423,077
Iowa															
Clean Water State Revolving Fund	$53,040,042	$53,040,000	$26,601,532	47	$53,040,000	47	$53,040,000	47	$53,040,000	0	$0	2	140	217,663	$4,977,620
Highway Infrastructure Investment	$357,623,007	$357,623,007	$292,437,959	243	$357,918,719	242	$357,477,328	242	$357,477,328	107	$120,260,787	6,809	693	1,770,637	$46,755,444
Transit Capital Assistance	$35,640,339	$27,234,369	$24,232,724	102	$31,439,692	102	$29,052,516	89	$27,959,754	50	$19,517,005	215	0	75,025	$2,395,591
Total	$446,303,388	$437,897,376	$343,272,215	392	$442,398,411	391	$439,569,844	378	$438,457,082	157	$139,777,792	7,026	833	2,063,325	$54,128,655
Kansas															
Clean Water State Revolving Fund	$35,374,185	$35,374,200	$19,176,960	22	$35,374,200	22	$35,374,200	21	$33,760,780	1	$70,500	3	102	93,662	$2,854,281
Highway Infrastructure Investment	$347,817,167	$344,414,291	$130,456,977	143	$344,414,291	143	$344,414,291	134	$341,575,083	46	$15,320,819	1,981	1,174	1,327,254	$34,325,407
Transit Capital Assistance	$25,203,158	$25,203,158	$9,923,229	27	$19,911,431	25	$19,787,614	26	$19,468,198	19	$3,786,255	134	0	39,847	$941,767
Total	$408,394,510	$404,991,649	$159,557,166	192	$399,699,922	190	$399,576,105	181	$394,804,061	66	$19,077,574	2,138	1,276	1,460,763	$38,121,455
Kentucky															
Clean Water State Revolving Fund	$49,878,081	$49,878,100	$19,807,986	44	$47,882,976	44	$47,882,976	44	$47,882,976	4	$1,956,646	310	312	386,381	$5,667,260
Highway Infrastructure Investment	$419,899,347	$430,347,654	$232,614,622	107	$427,527,409	106	$417,527,409	103	$411,915,409	14	$46,610,297	3,947	916	1,618,863	$17,540,146
Transit Capital Assistance	$51,045,967	$48,035,621	$40,272,084	140	$24,436,712	138	$19,625,722	138	$40,690,116	123	$29,355,492	497	22	222,919	$7,252,269
Total	$520,823,395	$528,261,375	$292,694,692	291	$499,847,097	288	$485,036,107	285	$500,488,501	141	$77,922,435	4,754	1,250	2,228,163	$60,459,675
Louisiana															
Clean Water State Revolving Fund	$43,081,434	$43,081,400	$22,371,487	53	$43,081,400	53	$43,081,400	51	$42,730,400	2	$1,109,070	33	0	98,748	$1,788,374
Fixed Guideway	$2,425,300	$2,425,300	$2,425,300	2	$2,425,300	1	$80,000	1	$80,000	1	$80,000	15	0	2,720	$65,960
Highway Infrastructure Investment	$429,859,427	$429,859,427	$99,945,484	117	$429,859,427	109	$418,771,330	107	$415,810,381	16	$14,863,747	1,337	1,022	1,034,765	$23,580,678
Transit Capital Assistance	$50,446,673	$42,482,081	$19,190,003	140	$35,782,041	141	$29,839,715	137	$26,290,305	107	$17,368,580	3,273	68	608,511	$8,358,152
Total	$525,812,834	$517,848,208	$143,932,274	312	$511,148,168	304	$491,772,445	296	$484,911,086	126	$33,421,397	4,860	1,090	1,744,744	$33,793,164
Maine															
Clean Water State Revolving Fund	$30,356,768	$29,123,328	$25,427,772	39	$29,123,328	39	$29,123,328	39	$29,123,328	32	$19,861,935	763	56	196,068	$5,016,630
Highway Infrastructure Investment	$130,752,032	$130,752,032	$111,843,232	72	$130,752,032	72	$130,752,032	72	$130,752,032	56	$80,687,160	3,284	247	748,570	$18,453,828
Transit Capital Assistance	$13,266,105	$13,266,105	$831,058	7	$13,266,105	6	$12,882,958	6	$12,882,958	2	$781,584	39	0	6,676	$116,723
Total	$174,354,905	$173,141,465	$138,102,062	118	$173,141,465	117	$172,758,318	117	$172,758,318	90	$101,330,679	4,086	303	951,314	$23,587,181
Maryland															
Clean Water State Revolving Fund	$92,784,580	$92,784,600	$21,977,138	67	$92,784,600	67	$92,784,600	67	$92,784,600	14	$3,986,460	62	114	182,945	$3,426,213
Fixed Guideway	$15,176,485	$15,176,485	$3,001,250	6	$15,176,485	5	$12,176,485	4	$9,377,914	1	$400,000	49	44	25,857	$1,072,167
Highway Infrastructure Investment	$431,034,777	$406,243,313	$190,659,034	170	$410,856,770	165	$408,626,188	153	$397,774,043	28	$42,751,586	3,752	403	1,174,569	$23,854,143
Transit Capital Assistance	$136,550,987	$136,550,987	$42,196,811	113	$135,602,705	103	$119,605,918	79	$89,448,643	48	$21,443,352	787	37	197,976	$6,304,623
Total	$677,546,829	$652,755,385	$260,834,233	356	$654,420,560	340	$633,193,191	303	$589,385,200	91	$68,581,398	4,650	596	1,581,347	$34,657,146

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

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during August 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Massachusetts															
Clean Water State Revolving Fund	$133,057,188	$133,057,300	$76,938,686	61	$127,733,008	61	$127,733,008	61	$127,733,008	0	$0	122	0	133,416	$11,309,273
Fixed Guideway	$51,513,648	$51,513,648	$8,803,291	50	$35,530,881	46	$32,294,707	46	$32,294,707	4	$674,680	119	52	86,473	$2,959,865
Highway Infrastructure Investment	$378,205,755	$361,166,739	$133,214,072	90	$361,166,739	84	$348,880,269	84	$348,880,269	14	$28,227,380	1,034	541	589,563	$23,440,620
Transit Capital Assistance	$290,923,765	$286,518,064	$84,019,662	209	$133,106,243	192	$127,484,086	190	$116,270,622	56	$22,305,550	508	170	613,807	$27,681,517
Total	$853,700,356	$832,253,751	$302,975,631	410	$657,538,871	383	$636,394,070	381	$625,180,606	74	$51,407,610	1,783	763	1,423,259	$65,391,295
Michigan															
Clean Water State Revolving Fund	$168,508,989	$168,509,000	$123,663,569	67	$168,509,000	67	$168,509,000	67	$168,509,000	3	$419,000	1,788	0	910,745	$31,389,972
Fixed Guideway	$1,289,449	$133,125	$133,125	1	$133,125	1	$133,125	1	$133,125	1	$133,125	0	0	936	$32,198
Highway Infrastructure Investment	$846,598,715	$843,699,393	$552,332,967	734	$837,917,255	729	$836,769,339	698	$827,086,200	499	$290,638,914	5,940	2,466	3,190,386	$94,965,609
Transit Capital Assistance	$135,527,367	$135,527,367	$49,321,326	257	$100,957,245	270	$83,978,530	219	$78,005,201	91	$23,252,836	3,448	116	791,130	$21,148,918
Total	$1,151,924,520	$1,147,868,885	$725,450,987	1,059	$1,107,516,625	1,067	$1,089,389,994	985	$1,073,733,526	594	$314,443,875	11,176	2,582	4,893,217	$147,536,697
Minnesota															
Clean Water State Revolving Fund	$82,564,014	$82,564,000	$74,341,059	25	$79,682,760	25	$79,682,760	25	$79,682,760	3	$1,383,951	967	207	276,379	$10,572,452
Fixed Guideway	$1,851,573	$1,851,573	$1,820,698	2	$1,851,573	2	$1,851,573	2	$1,851,573	1	$1,820,698	0	0	4,302	$116,154
Highway Infrastructure Investment	$502,284,177	$499,334,536	$371,935,148	219	$494,209,637	216	$490,489,136	215	$489,696,310	126	$250,106,983	6,220	871	1,947,633	$67,352,606
Transit Capital Assistance	$93,341,542	$93,341,542	$58,010,561	123	$74,895,980	120	$74,033,243	120	$88,863,652	91	$30,093,630	2,535	206	526,069	$23,489,334
Total	$680,041,306	$677,091,653	$506,307,466	369	$650,639,950	363	$646,056,712	362	$660,094,095	221	$283,405,262	9,722	1,284	2,754,383	$101,530,546
Mississippi															
Clean Water State Revolving Fund	$35,308,350	$35,308,300	$18,392,174	16	$33,895,968	16	$33,895,968	16	$33,895,968	3	$939,981	15	14	137,509	$2,158,409
Highway Infrastructure Investment	$354,564,343	$354,564,343	$261,498,114	171	$348,167,487	170	$348,082,987	163	$344,064,083	92	$150,435,387	498	1,018	2,060,544	$32,631,482
Transit Capital Assistance	$20,552,566	$17,619,193	$6,592,359	20	$1,485,072	16	$814,552	16	$814,552	11	$323,459	149	23	57,742	$682,898
Total	$410,425,259	$407,491,836	$286,482,647	207	$383,548,527	202	$382,793,507	195	$378,774,603	106	$151,698,827	662	1,054	2,255,795	$35,472,789
Missouri															
Clean Water State Revolving Fund	$108,641,808	$108,641,800	$38,542,398	44	$104,955,560	44	$104,955,560	44	$104,955,560	0	$0	104	191	186,183	$7,197,468
Fixed Guideway	$1,289,449	$1,289,449	$1,231,425	1	$1,194,603	1	$1,194,603	1	$1,194,603	0	$0	10	8	8,212	$292,719
Highway Infrastructure Investment	$637,121,984	$637,121,984	$321,924,444	327	$628,702,628	324	$628,172,930	317	$624,978,894	206	$191,819,392	3,863	947	1,547,050	$54,263,452
Transit Capital Assistance	$92,797,163	$92,797,163	$33,859,539	54	$43,947,269	53	$43,638,696	51	$45,303,162	31	$28,637,372	146	52	62,410	$2,609,929
Total	$839,850,404	$839,850,396	$395,557,798	426	$778,800,060	422	$777,961,789	413	$776,432,219	237	$220,476,764	4,123	1,197	1,803,855	$64,363,568
Montana															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$17,395,814	31	$18,469,536	31	$18,469,536	31	$18,469,536	19	$12,489,550	745	26	169,488	$5,302,298
Highway Infrastructure Investment	$211,793,391	$206,033,426	$142,526,394	85	$206,033,426	84	$201,813,002	84	$201,813,002	32	$18,472,847	2,436	757	1,124,690	$30,210,199
Transit Capital Assistance	$15,611,710	$15,611,710	$6,477,068	26	$14,049,305	25	$13,925,305	19	$10,456,579	8	$2,720,444	13	15	25,907	$614,620
Total	$246,644,167	$240,884,236	$166,399,276	142	$238,552,467	140	$234,208,043	134	$230,739,117	59	$33,682,841	3,194	798	1,320,085	$36,127,118
Nebraska															
Clean Water State Revolving Fund	$20,045,025	$20,045,000	$16,056,410	16	$20,045,000	16	$20,045,000	16	$20,045,000	3	$3,400,000	306	66	87,379	$2,600,306
Highway Infrastructure Investment	$231,739,279	$227,980,276	$151,135,491	122	$227,185,904	121	$226,626,522	121	$226,626,522	30	$67,811,055	2,835	656	1,006,751	$19,020,576
Transit Capital Assistance	$23,488,593	$22,874,507	$13,870,806	31	$12,564,495	34	$5,869,621	54	$11,284,892	43	$10,619,601	43	7	28,135	$749,543
Total	$275,272,897	$270,899,785	$181,082,707	169	$259,795,455	171	$252,541,143	191	$257,956,414	76	$81,830,656	3,184	729	1,122,265	$22,370,425
Nevada															
Clean Water State Revolving Fund	$19,239,066	$19,222,555	$7,566,652	13	$19,222,555	13	$19,222,555	13	$19,222,555	2	$949,152	73	19	46,246	$2,594,696
Highway Infrastructure Investment	$201,352,460	$198,488,294	$72,340,099	69	$198,488,294	66	$196,500,234	64	$195,320,075	16	$21,263,533	1,235	348	570,893	$20,017,980
Transit Capital Assistance	$49,463,770	$49,463,770	$25,026,464	37	$48,510,555	37	$48,510,555	37	$48,510,555	19	$9,562,109	706	132	297,072	$13,198,305
Total	$270,055,296	$267,174,619	$104,933,215	119	$266,221,404	116	$264,233,344	114	$263,053,185	37	$31,774,794	2,014	699	914,211	$35,810,981

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New Hampshire															
Clean Water State Revolving Fund	$39,163,905	$37,597,344	$17,713,144	48	$37,597,344	48	$37,597,344	48	$37,597,344	7	$2,196,250	234	136	156,062	$5,085,335
Highway Infrastructure Investment	$129,440,556	$129,440,556	$86,795,502	34	$129,440,556	34	$129,440,556	34	$129,440,556	19	$38,000,642	1,667	251	549,147	$13,081,662
Transit Capital Assistance	$16,813,086	$16,813,086	$6,883,105	64	$13,799,644	61	$13,328,498	60	$14,328,850	46	$4,636,576	164	41	51,180	$1,521,590
Total	$185,417,547	$183,850,986	$111,391,751	146	$180,837,544	143	$180,366,398	142	$181,366,750	72	$44,833,468	2,065	437	756,389	$19,688,587
New Jersey															
Clean Water State Revolving Fund	$160,146,853	$160,146,900	$96,353,349	44	$160,146,900	44	$160,146,900	44	$160,146,900	0	$0	85	152	182,983	$8,488,573
Fixed Guideway	$71,580,362	$71,580,362	$61,138,427	2	$22,276,571	2	$22,276,571	3	$58,580,571	0	$0	3,695	97	731,014	$18,872,250
Highway Infrastructure Investment	$651,774,480	$643,563,056	$267,934,994	158	$638,398,512	144	$610,776,340	111	$556,038,059	22	$33,117,579	3,216	1,027	1,367,360	$38,402,836
Transit Capital Assistance	$361,789,801	$361,789,801	$185,319,986	13	$296,187,313	13	$294,187,313	15	$359,539,313	1	$5,661,000	4,570	449	1,629,370	$41,353,416
Total	$1,245,291,498	$1,237,080,119	$600,746,756	217	$1,117,209,296	203	$1,087,387,324	173	$1,134,304,843	23	$38,778,579	11,566	1,721	3,910,727	$127,117,075
New Mexico															
Clean Water State Revolving Fund	$23,789,100	$23,789,100	$10,338,174	17	$23,019,536	17	$23,019,536	17	$23,019,536	4	$6,801,776	0	77	93,267	$2,761,142
Highway Infrastructure Investment	$252,644,377	$244,582,077	$146,928,741	91	$244,582,077	91	$244,582,077	86	$240,467,632	1	$131,252	356	907	1,284,722	$23,964,279
Transit Capital Assistance	$27,518,452	$27,518,452	$10,720,501	34	$27,234,452	34	$19,645,279	34	$18,539,203	1	$1,189,418	46	0	11,283	$302,249
Total	$303,951,895	$295,889,629	$168,007,416	142	$294,836,065	142	$287,246,892	137	$282,026,371	6	$8,122,446	402	985	1,389,272	$27,027,670
New York															
Clean Water State Revolving Fund	$432,563,967	$432,564,200	$99,054,603	80	$420,668,684	80	$420,668,684	79	$420,326,714	7	$1,297,077	734	329	402,494	$16,472,721
Fixed Guideway	$254,817,807	$254,817,807	$39,798,046	16	$251,207,963	16	$251,207,963	16	$251,207,963	4	$409,946	409	137	351,695	$10,128,846
Highway Infrastructure Investment	$945,218,723	$1,120,664,723	$405,695,580	423	$919,605,376	411	$909,042,720	411	$909,042,720	153	$123,232,511	6,807	2,256	2,885,838	$104,598,690
Transit Capital Assistance	$1,204,763,387	$1,190,127,387	$225,245,420	113	$1,072,382,372	113	$1,074,219,330	109	$1,076,764,351	46	$57,064,816	1,850	720	1,334,843	$57,129,193
Total	$2,837,363,884	$2,998,194,117	$769,793,649	634	$2,663,864,395	620	$2,655,138,697	615	$2,657,341,748	210	$182,004,350	9,800	3,441	4,974,870	$188,329,450
North Carolina															
Clean Water State Revolving Fund	$70,729,163	$70,729,100	$38,585,316	56	$67,899,936	56	$67,899,936	56	$67,899,936	10	$3,897,248	957	0	405,416	$6,824,224
Highway Infrastructure Investment	$730,409,681	$730,409,681	$376,294,003	437	$680,575,800	423	$662,330,503	412	$658,456,298	61	$77,577,225	8,516	2,157	3,448,070	$57,313,947
Transit Capital Assistance	$97,063,199	$87,538,429	$15,956,228	92	$43,795,110	89	$42,621,544	89	$42,181,867	22	$10,920,003	809	24	166,635	$3,385,843
Total	$898,201,948	$888,697,213	$430,833,547	585	$792,270,846	568	$772,851,983	557	$768,538,091	93	$92,394,476	10,282	2,181	4,020,121	$67,524,014
North Dakota															
Clean Water State Revolving Fund	$16,639,166	$16,639,100	$10,990,413	18	$15,869,536	18	$15,869,536	18	$15,869,536	6	$2,954,620	263	6	60,778	$668,212
Highway Infrastructure Investment	$170,126,497	$170,126,497	$135,751,931	164	$167,024,999	164	$167,024,999	157	$161,732,607	82	$83,704,481	2,355	390	723,302	$17,481,646
Transit Capital Assistance	$10,997,069	$10,997,069	$4,095,919	13	$6,055,281	13	$6,055,281	15	$5,858,438	9	$3,506,167	2	0	336	$23,327
Total	$197,762,652	$197,762,686	$150,838,263	195	$188,949,816	195	$188,949,816	190	$183,460,581	97	$90,165,268	2,620	390	784,416	$18,173,185
Northern Marianas															
Clean Water State Revolving Fund	$3,280,700	$1,451,700	$322,000	2	$1,451,700	2	$1,451,700	2	$1,451,700	0	$0	7	80	19,116	$108,100
Highway Infrastructure Investment	$4,500,000	$4,500,000	$46,800	1	$4,500,000	1	$4,500,000	1	$4,500,000	0	$0	1	0	1,238	$22,478
Transit Capital Assistance	$1,114,292	$0	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Total	$8,894,992	$5,951,700	$368,800	3	$5,951,700	3	$5,951,700	3	$5,951,700	0	$0	6	80	20,354	$130,578
Ohio															
Clean Water State Revolving Fund	$220,623,381	$220,623,100	$91,457,600	274	$220,623,100	274	$220,623,100	274	$220,623,100	59	$9,557,465	992	6	779,473	$23,999,418
Fixed Guideway	$11,182,724	$11,182,724	$0	7	$10,104,648	7	$9,961,296	7	$9,961,296	1	$412,563	242	2	53,340	$1,431,459
Highway Infrastructure Investment	$935,677,030	$891,222,419	$320,043,281	411	$891,222,419	391	$794,180,507	391	$794,180,507	127	$96,469,918	4,702	1,969	2,420,521	$75,804,167
Transit Capital Assistance	$184,619,892	$170,462,551	$77,828,876	321	$164,319,497	332	$136,564,422	278	$134,602,296	246	$60,955,319	3,312	249	924,456	$28,186,522
Total	$1,352,103,027	$1,293,490,794	$489,329,757	1,013	$1,286,269,664	1,004	$1,161,329,325	950	$1,159,367,199	433	$167,395,265	9,248	2,220	4,177,792	$129,421,566
Oklahoma															
Clean Water State Revolving Fund	$31,662,081	$31,662,100	$23,564,888	33	$30,395,616	33	$30,395,616	33	$30,395,616	9	$3,832,246	380	76	265,310	$3,699,645
Highway Infrastructure Investment	$464,655,225	$464,655,225	$375,748,485	274	$464,655,225	274	$464,655,225	258	$450,146,387	157	$134,342,481	8,655	1,769	2,457,594	$42,783,157
Transit Capital Assistance	$35,798,236	$35,798,236	$12,195,417	36	$27,676,465	34	$19,298,465	34	$19,298,465	10	$5,185,173	251	4	62,264	$1,059,381
Total	$532,115,542	$532,115,561	$411,508,790	343	$522,727,306	341	$514,349,306	325	$499,840,668	176	$163,359,900	9,286	1,849	2,785,368	$47,542,183

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Oregon															
Clean Water State Revolving Fund	$44,271,018	$44,271,000	$17,727,007	13	$44,271,000	13	$44,271,000	13	$44,271,000	5	$11,565,340	442	128	222,432	$11,569,199
Fixed Guideway	$1,125,728	$1,125,728	$1,125,728	0	$0	0	$0	1	$1,125,728	1	$1,125,728	121	0	20,887	$1,125,728
Highway Infrastructure Investment	$280,088,100	$271,385,957	$184,794,937	317	$261,932,270	316	$261,398,270	315	$260,806,506	167	$46,350,653	4,826	520	1,413,753	$47,324,895
Transit Capital Assistance	$134,497,120	$134,497,060	$78,418,066	88	$105,155,514	88	$106,159,679	90	$128,340,767	59	$42,020,841	2,282	608	736,472	$33,494,589
Total	$459,981,966	$451,279,745	$282,065,738	418	$411,358,784	417	$411,828,949	419	$434,544,001	232	$101,062,564	7,673	1,256	2,393,544	$93,514,411
Pennsylvania															
Clean Water State Revolving Fund	$176,912,274	$176,912,530	$107,818,604	87	$176,912,530	87	$176,912,530	87	$176,912,530	29	$10,467,694	1,527	653	1,074,189	$34,341,025
Fixed Guideway	$84,144,467	$67,987,950	$49,922,003	12	$84,144,467	12	$84,144,467	12	$84,144,467	3	$14,086,147	665	163	298,249	$11,729,423
Highway Infrastructure Investment	$1,026,429,012	$1,026,429,012	$604,154,692	354	$1,026,429,012	350	$1,026,429,012	339	$1,026,429,012	165	$237,595,235	9,317	2,563	4,035,433	$119,062,742
Transit Capital Assistance	$262,229,964	$216,783,910	$109,359,078	101	$245,293,153	96	$246,378,263	95	$244,667,686	43	$38,930,360	1,675	361	718,086	$25,906,848
Total	$1,549,715,717	$1,488,113,402	$871,254,287	554	$1,532,779,162	545	$1,533,864,272	533	$1,532,153,695	242	$301,088,436	13,204	3,740	6,125,957	$191,040,038
Puerto Rico															
Clean Water State Revolving Fund	$51,114,195	$51,114,200	$5,226,738	5	$49,069,632	5	$49,069,632	5	$49,069,632	0	$0	0	124	118,828	$443,340
Highway Infrastructure Investment	$103,000,000	$104,999,999	$17,502,447	23	$104,999,999	22	$94,023,727	22	$94,023,727	3	$3,463,671	495	295	278,990	$3,900,944
Transit Capital Assistance	$56,891,449	$43,961,459	$23,177,558	16	$26,801,602	12	$26,051,486	12	$3,053,966	5	$318,635	41	31	24,944	$263,997
Total	$213,005,644	$200,075,658	$46,906,743	44	$180,871,233	39	$169,144,845	39	$146,147,325	8	$3,784,306	536	450	422,762	$4,608,281
Rhode Island															
Clean Water State Revolving Fund	$26,314,596	$26,314,600	$12,762,131	16	$26,314,600	16	$26,314,600	16	$26,314,600	4	$960,725	82	148	67,998	$3,387,148
Fixed Guideway	$713,273	$713,273	$0	0	$0	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$137,095,725	$137,095,725	$79,934,633	62	$137,095,725	60	$131,900,361	60	$131,900,361	26	$43,765,001	2,063	478	644,069	$17,869,748
Transit Capital Assistance	$38,001,658	$38,001,638	$1,379,592	42	$28,348,484	36	$26,227,836	23	$4,242,317	16	$1,386,374	0	0	1,812	$65,906
Total	$202,125,252	$202,125,236	$94,076,356	120	$191,758,809	112	$184,442,797	99	$162,757,278	46	$46,112,100	2,145	617	713,879	$21,322,802
South Carolina															
Clean Water State Revolving Fund	$40,148,163	$40,148,200	$24,225,965	22	$40,148,200	22	$40,148,200	22	$40,148,200	0	$0	98	263	179,511	$2,654,898
Highway Infrastructure Investment	$463,081,483	$462,757,244	$202,567,822	186	$378,241,365	179	$374,401,017	166	$372,977,973	82	$107,223,897	3,313	798	1,347,130	$27,672,867
Transit Capital Assistance	$29,004,261	$27,556,267	$12,640,666	25	$13,374,831	27	$19,068,246	27	$19,365,737	10	$4,885,075	68	21	48,981	$1,038,160
Total	$532,233,907	$530,461,711	$239,434,453	233	$433,764,396	228	$433,617,463	215	$432,491,910	92	$112,108,972	3,481	1,081	1,775,822	$31,365,925
South Dakota															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$10,673,831	27	$18,469,536	27	$18,469,536	26	$16,850,136	0	$0	55	unavailable	33,429	$922,829
Highway Infrastructure Investment	$186,877,359	$186,581,451	$134,089,192	52	$186,581,451	52	$186,581,451	52	$186,581,451	11	$35,068,582	2,042	499	747,293	$16,013,061
Transit Capital Assistance	$7,372,825	$7,372,825	$3,923,318	50	$7,372,825	50	$7,372,825	50	$7,372,825	39	$3,260,863	83	15	19,457	$375,600
Total	$213,489,250	$213,193,376	$148,686,341	129	$212,423,812	129	$212,423,812	128	$210,804,412	50	$38,329,445	2,180	514	800,169	$17,311,490
Tennessee															
Clean Water State Revolving Fund	$56,930,445	$54,653,184	$17,013,914	24	$54,653,184	24	$54,653,184	24	$54,653,184	0	$0	0	61	58,160	$1,467,018
Fixed Guideway	$28,040	$28,040	$28,040	1	$28,040	1	$28,040	1	$28,040	1	$28,040	1	0	214	$3,200
Highway Infrastructure Investment	$569,511,063	$565,181,297	$333,211,317	412	$565,047,747	380	$552,844,573	361	$539,335,871	200	$172,196,637	9,940	1,220	2,882,119	$55,292,587
Transit Capital Assistance	$73,716,802	$71,781,919	$32,470,978	158	$59,452,435	162	$59,952,394	162	$58,244,220	78	$18,779,592	147	unavailable	114,353	$4,835,256
Total	$700,186,350	$691,644,440	$381,724,249	595	$679,181,406	567	$667,478,191	548	$652,261,313	279	$191,004,269	10,088	1,281	3,054,848	$61,598,091
Texas															
Clean Water State Revolving Fund	$179,122,284	$179,121,900	$44,837,624	21	$171,957,024	21	$171,957,024	21	$171,957,024	0	$0	241	709	506,261	$10,627,812
Fixed Guideway	$2,669,397	$2,669,397	$1,488,363	6	$19,520,859	6	$2,222,859	6	$2,222,859	1	$300,940	43	2	11,272	$829,793
Highway Infrastructure Investment	$2,233,015,146	$2,227,227,497	$850,327,946	652	$2,203,314,301	648	$2,189,667,706	617	$2,056,966,183	273	$281,825,790	16,493	5,392	6,885,337	$140,601,187
Transit Capital Assistance	$365,938,078	$363,920,365	$199,810,039	370	$307,004,053	357	$315,207,307	394	$321,097,451	266	$148,000,528	10,276	357	2,096,289	$66,233,833
Total	$2,780,685,105	$2,772,879,359	$1,096,463,974	1,049	$2,703,996,237	1,032	$2,679,054,896	1,038	$2,552,243,517	540	$430,127,258	27,053	6,460	9,499,159	$218,292,625

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

	Recovery Act Funds Allocated	Recovery Act Funds Obligated	Recovery Act Funds Outlayed	Projects Put Out to Bid	Recovery Act Funds Associated with Projects Put Out to Bid	Projects Under Contract	Recovery Act Funds Associated with Projects Under Contract	Projects in Which Work Has Begun	Recovery Act Funds Associated with Projects in Which Work Has Begun	Completed Projects	Recovery Act Funds Associated with Completed Projects	Direct Jobs Created or Sustained during Year One of Implementation*	Direct Jobs Created or Sustained during August 2010	Total Job Hours Created or Sustained	Total Payroll of Job Hours Created or Sustained
Utah															
Clean Water State Revolving Fund	$20,650,014	$19,823,904	$10,449,666	12	$19,823,904	12	$19,823,904	12	$19,283,904	1	$500,000	10	0	90,756	$2,680,004
Highway Infrastructure Investment	$213,545,633	$213,545,633	$180,205,995	125	$213,545,633	116	$210,836,100	116	$210,836,100	95	$151,754,322	3,817	165	777,348	$18,915,069
Transit Capital Assistance	$55,586,841	$53,009,746	$41,164,745	16	$53,921,730	16	$53,921,730	16	$53,921,730	4	$15,293,446	1,588	364	371,531	$8,509,083
Total	$289,782,508	$288,379,303	$231,820,406	153	$287,291,287	144	$284,581,734	144	$284,041,734	100	$167,547,968	5,415	529	1,239,635	$30,104,156
Vermont															
Clean Water State Revolving Fund	$19,239,066	$19,239,100	$14,894,894	34	$18,469,536	34	$18,469,536	34	$18,469,536	11	$4,948,261	38	69	72,398	$2,033,148
Highway Infrastructure Investment	$125,791,291	$125,791,291	$96,739,701	71	$125,791,291	71	$123,155,280	71	$123,155,280	41	$1,533,636	2,031	224	563,295	$13,002,679
Transit Capital Assistance	$5,680,572	$5,680,572	$2,315,174	12	$3,848,111	12	$3,848,111	12	$3,848,111	10	$1,993,930	0	0	0	$0
Total	$150,710,929	$150,710,963	$113,969,769	117	$148,108,938	117	$145,472,927	117	$145,472,927	62	$8,475,817	2,069	292	635,693	$15,037,827
Virginia															
Clean Water State Revolving Fund	$80,203,266	$80,203,300	$40,303,597	35	$77,720,311	35	$77,720,311	35	$77,720,311	5	$1,675,615	59	0	177,044	$3,143,959
Fixed Guideway	$437,148	$437,148	$437,148	1	$437,148	1	$437,148	1	$437,148	1	$437,148	24	0	4,108	$193,894
Highway Infrastructure Investment	$678,670,823	$683,749,336	$101,495,935	116	$678,670,823	118	$652,922,722	77	$430,884,518	32	$47,227,856	1,521	350	661,199	$14,896,683
Transit Capital Assistance	$68,707,834	$65,653,000	$40,258,238	135	$53,701,833	123	$52,399,611	108	$57,471,506	34	$9,858,867	1,234	1	257,884	$6,285,845
Total	$828,019,071	$830,042,784	$182,494,918	287	$810,530,115	277	$783,479,792	221	$566,513,483	92	$59,199,486	2,838	351	1,100,236	$24,522,383
Virgin Islands															
Clean Water State Revolving Fund	$2,062,700	$2,062,700	$0	3	$196,270	0	$0	0	$0	0	$0	0	0	0	$0
Highway Infrastructure Investment	$16,000,000	$10,729,584	$450,561	3	$10,729,584	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Transit Capital Assistance	$1,284,112	$1,284,112	$3,399	3	$1,134,112	0	$0	0	$0	0	$0	0	0	0	$0
Total	$21,346,812	$14,076,396	$453,960	13	$12,059,966	3	$10,729,584	3	$10,729,584	0	$0	27	0	4,734	$67,419
Washington															
Clean Water State Revolving Fund	$68,152,093	$68,151,900	$32,218,202	17	$65,425,824	17	$65,425,824	17	$65,425,824	0	$0	204	247	290,612	$13,081,279
Fixed Guideway	$6,699,276	$6,699,276	$4,036,838	9	$4,083,850	9	$4,083,850	9	$4,083,850	8	$3,395,807	133	37	63,999	$8,997,164
Highway Infrastructure Investment	$490,542,853	$488,908,772	$379,651,402	210	$481,228,553	210	$481,228,553	201	$460,830,850	138	$179,534,206	9,459	1,039	3,130,966	$120,810,177
Transit Capital Assistance	$168,908,628	$168,908,536	$89,583,747	86	$127,583,772	84	$126,754,843	90	$129,624,542	50	$85,874,163	5,950	41	1,480,747	$23,370,922
Total	$734,302,852	$732,668,484	$455,590,189	322	$678,321,999	320	$677,493,070	317	$659,965,066	196	$268,804,170	15,746	1,385	4,967,324	$166,259,541
West Virginia															
Clean Water State Revolving Fund	$61,092,108	$61,092,100	$42,347,326	39	$61,092,100	39	$61,092,100	39	$61,092,100	4	$2,717,914	951	703	460,062	$26,784,878
Fixed Guideway	$309,339	$309,339	$309,339	1	$309,339	1	$309,339	1	$309,339	1	$309,339	60	0	10,424	$272,805
Highway Infrastructure Investment	$210,852,294	$208,890,806	$142,792,707	145	$208,690,606	145	$208,690,606	134	$199,508,821	77	$69,907,703	1,991	753	693,934	$19,710,052
Transit Capital Assistance	$18,366,136	$18,366,136	$11,928,818	94	$12,193,395	173	$14,789,028	135	$13,638,148	88	$9,295,167	92	14	67,713	$1,206,082
Total	$290,619,787	$288,658,381	$197,378,190	279	$282,285,440	358	$284,881,073	309	$274,548,408	170	$82,230,123	3,094	1,469	1,232,133	$47,973,817
Wisconsin															
Clean Water State Revolving Fund	$103,948,315	$103,948,300	$89,473,227	53	$103,748,300	53	$103,748,300	53	$103,748,300	1	$74,677	438	0	207,336	$6,383,342
Fixed Guideway	$243,232	$243,232	$243,232	1	$243,232	1	$243,232	1	$243,232	1	$243,232	0	0	1,040	$30,000
Highway Infrastructure Investment	$529,111,915	$515,067,985	$376,981,961	421	$515,067,985	421	$515,067,985	416	$510,832,473	276	$191,767,013	5,596	1,429	2,017,725	$55,429,823
Transit Capital Assistance	$79,249,652	$69,358,672	$28,114,213	87	$56,060,885	83	$53,497,842	74	$46,638,844	63	$15,643,123	121	0	27,280	$521,755
Total	$714,553,114	$690,618,189	$494,812,635	562	$675,120,402	558	$672,557,359	544	$661,462,849	341	$207,728,045	6,155	1,429	2,253,381	$62,384,920
Wyoming															
Clean Water State Revolving Fund	$19,239,066	$19,226,989	$13,386,668	26	$19,226,989	26	$19,226,989	26	$19,226,989	11	$8,714,362	220	35	121,295	$4,537,385
Highway Infrastructure Investment	$157,616,058	$157,616,058	$136,097,744	66	$157,616,058	66	$157,616,058	66	$157,616,058	28	$34,432,199	2,858	467	885,252	$19,940,474
Transit Capital Assistance	$9,300,399	$8,557,171	$3,263,596	30	$7,482,171	26	$5,927,171	26	$5,927,171	10	$1,180,940	80	4	16,450	$617,275
Total	$186,155,523	$185,400,218	$153,348,008	122	$184,325,218	118	$182,770,218	118	$182,770,218	49	$64,327,501	3,158	506	1,022,997	$25,115,134
Totals															
Clean Water State Revolving Fund	$3,923,570,921	$3,911,109,128	$1,929,040,363	1,962	$3,834,598,829	1,957	$3,834,402,559	1,946	$3,826,306,966	306	$170,493,200	26,075	7,130	14,576,689	$446,455,530
Fixed Guideway	$734,326,842	$713,744,200	$294,004,571	156	$672,271,905	148	$644,141,261	151	$681,371,418	42	$84,911,515	10,180	756	2,936,277	$127,105,808
Highway Infrastructure Investment	$26,384,069,581	$34,417,792,812	$12,908,952,049	12,739	$25,476,633,493	12,371	$24,706,233,190	11,978	$24,066,439,898	6,154	$5,408,237,088	216,513	57,957	88,579,990	$2,422,603,145
Transit Capital Assistance	$6,810,811,291	$6,581,331,397	$2,718,944,897	4,471	$5,258,066,959	4,400	$5,166,205,897	4,290	$5,352,861,268	2,463	$1,428,784,220	95,011	5,527	23,402,467	$819,172,206
Cumulative Totals	$37,852,778,638	$45,623,977,537	$17,850,941,880	19,328	$35,241,571,185	18,876	$34,350,983,907	18,365	$33,926,979,551	8,965	$7,092,425,823	347,779	71,370	131,495,423	$3,815,336,689

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

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

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of August 31, 2010)

Percentage of Allocated Funds Associated with Project Stages

Highways and Bridges

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Maine	100.0%	100.0%	100.0%	100.0%	1
New Hampshire	100.0%	100.0%	100.0%	100.0%	1
Pennsylvania	100.0%	100.0%	100.0%	100.0%	1
Wyoming	100.0%	100.0%	100.0%	100.0%	1
Iowa	100.0%	100.0%	100.0%	100.0%	1
South Dakota	99.8%	99.8%	99.8%	99.8%	6
Idaho	100.0%	98.8%	98.8%	99.1%	7
Utah	100.0%	98.7%	98.7%	99.0%	8
Kentucky	100.0%	99.4%	98.1%	98.9%	9
Kansas	99.0%	99.0%	98.2%	98.6%	10
Missouri	98.7%	98.6%	98.1%	98.4%	11
Vermont	100.0%	97.9%	97.9%	98.4%	12
Oklahoma	100.0%	100.0%	96.9%	98.4%	13
Michigan	99.0%	98.8%	97.7%	98.3%	14
Nebraska	98.0%	97.8%	97.8%	97.9%	15
Minnesota	98.4%	97.7%	97.5%	97.8%	16
Indiana	98.1%	98.1%	97.3%	97.7%	17
Louisiana	100.0%	97.4%	96.7%	97.7%	18
Mississippi	98.2%	98.2%	97.0%	97.6%	19
Nevada	98.6%	97.6%	97.0%	97.5%	20
Maryland	99.3%	98.7%	96.1%	97.5%	21
Rhode Island	100.0%	96.2%	96.2%	97.2%	22
Wisconsin	97.3%	97.3%	96.5%	96.9%	23
West Virginia	99.0%	99.0%	94.6%	96.8%	24
North Dakota	98.2%	98.2%	95.1%	96.6%	25
New York	97.3%	96.2%	96.2%	96.5%	26
Alaska	98.6%	95.7%	95.7%	96.4%	27
Tennessee	99.2%	97.1%	94.7%	96.4%	28
New Mexico	96.8%	96.8%	95.2%	96.0%	29
Washington	98.1%	98.1%	93.9%	96.0%	30
Montana	97.3%	95.3%	95.3%	95.8%	31
Colorado	97.6%	97.1%	93.9%	95.6%	32
Texas	98.8%	98.1%	92.1%	95.3%	33
Alabama	95.3%	94.9%	93.2%	94.1%	34
Illinois	96.3%	94.8%	92.6%	94.1%	35
Oregon	93.5%	93.3%	93.1%	93.3%	36
Delaware	97.2%	94.6%	90.7%	93.3%	37
Massachusetts	95.5%	92.2%	92.2%	93.1%	38
Connecticut	96.9%	94.1%	87.9%	91.7%	39
North Carolina	93.2%	90.7%	90.1%	91.0%	40
New Jersey	98.0%	93.7%	85.3%	90.6%	41
Arkansas	90.4%	90.4%	90.4%	90.4%	42
Georgia	94.0%	89.5%	88.8%	90.2%	43
Arizona	90.3%	90.2%	89.6%	89.9%	44
Florida	94.3%	87.3%	86.1%	88.5%	45
District of Columbia	91.1%	87.2%	87.2%	88.2%	46
Ohio	95.2%	84.9%	84.9%	87.5%	47
California	93.4%	81.3%	81.3%	84.4%	48
South Carolina	81.7%	80.8%	80.5%	80.9%	49
Virginia	100.0%	96.2%	63.5%	80.8%	50
Hawaii	76.2%	75.9%	66.5%	71.3%	51
National	96.6%	93.8%	91.3%	93.3%	

* 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 August 31, 2010)

Percentage of Allocated Funds Associated with Project Stages

Clean Water State Revolving Fund

	Out to Bid	Under Contract	Underway	Average*	Average Rank
Alabama	100.0%	100.0%	100.0%	100.0%	1
Alaska	100.0%	100.0%	100.0%	100.0%	1
Arizona	100.0%	100.0%	100.0%	100.0%	1
Arkansas	100.0%	100.0%	100.0%	100.0%	1
California	100.0%	100.0%	100.0%	100.0%	1
Colorado	100.0%	100.0%	100.0%	100.0%	1
Connecticut	100.0%	100.0%	100.0%	100.0%	1
Delaware	100.0%	100.0%	100.0%	100.0%	1
Florida	100.0%	100.0%	100.0%	100.0%	1
Georgia	100.0%	100.0%	100.0%	100.0%	1
Hawaii	100.0%	100.0%	100.0%	100.0%	1
Idaho	100.0%	100.0%	100.0%	100.0%	1
Illinois	100.0%	100.0%	100.0%	100.0%	1
Indiana	100.0%	100.0%	100.0%	100.0%	1
Iowa	100.0%	100.0%	100.0%	100.0%	1
Kentucky	100.0%	100.0%	100.0%	100.0%	1
Maine	100.0%	100.0%	100.0%	100.0%	1
Maryland	100.0%	100.0%	100.0%	100.0%	1
Massachusetts	100.0%	100.0%	100.0%	100.0%	1
Michigan	100.0%	100.0%	100.0%	100.0%	1
Minnesota	100.0%	100.0%	100.0%	100.0%	1
Mississippi	100.0%	100.0%	100.0%	100.0%	1
Missouri	100.0%	100.0%	100.0%	100.0%	1
Montana	100.0%	100.0%	100.0%	100.0%	1
Nebraska	100.0%	100.0%	100.0%	100.0%	1
Nevada	100.0%	100.0%	100.0%	100.0%	1
New Hampshire	100.0%	100.0%	100.0%	100.0%	1
New Jersey	100.0%	100.0%	100.0%	100.0%	1
New Mexico	100.0%	100.0%	100.0%	100.0%	1
North Dakota	100.0%	100.0%	100.0%	100.0%	1
Ohio	100.0%	100.0%	100.0%	100.0%	1
Oklahoma	100.0%	100.0%	100.0%	100.0%	1
Oregon	100.0%	100.0%	100.0%	100.0%	1
Pennsylvania	100.0%	100.0%	100.0%	100.0%	1
Rhode Island	100.0%	100.0%	100.0%	100.0%	1
South Carolina	100.0%	100.0%	100.0%	100.0%	1
Tennessee	100.0%	100.0%	100.0%	100.0%	1
Texas	100.0%	100.0%	100.0%	100.0%	1
Vermont	100.0%	100.0%	100.0%	100.0%	1
Virginia	100.0%	100.0%	100.0%	100.0%	1
Washington	100.0%	100.0%	100.0%	100.0%	1
West Virginia	100.0%	100.0%	100.0%	100.0%	1
Wisconsin	100.0%	100.0%	100.0%	100.0%	1
Wyoming	100.0%	100.0%	100.0%	100.0%	1
North Carolina	100.0%	100.0%	100.0%	100.0%	1
New York	100.0%	100.0%	99.9%	99.9%	46
Louisiana	100.0%	100.0%	99.2%	99.6%	47
Utah	100.0%	100.0%	97.3%	98.6%	48
Kansas	100.0%	100.0%	95.4%	97.7%	49
South Dakota	100.0%	100.0%	91.2%	95.6%	50
District of Columbia	100.0%	100.0%	81.1%	90.6%	51
National	100.0%	100.0%	99.8%	99.9%	

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

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

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

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

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

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

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Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
Buses, Vehicles and Rail Cars Purchased or Rehabilitated by Recovery Act Transit Funds

State	Bus/Vehicle Purchase and Rehabilitation	Rail Car Purchase and Rehabilitation	Total
Alabama	269		269
Alaska	70		70
Arizona	53	36	89
Arkansas	163		163
California	1,095	194	1,289
Colorado	84	38	122
Connecticut	216		216
Delaware	5	4	9
District of Columbia	121		121
Florida	507	15	522
Georgia	334		334
Hawaii	35		35
Idaho	118		118
Illinois	513	111	624
Indiana	273		273
Iowa	230		230
Kansas	88		88
Kentucky	278		278
Louisiana	149		149
Maine	45		45
Maryland	148	206	354
Massachusetts	331		331
Michigan	310		310
Minnesota	235		235
Mississippi	90		90
Missouri	352		352
Montana	74		74
Nebraska	94		94
Nevada	65		65
New Hampshire	56		56
New Jersey	290		290
New Mexico	83		83
New York	600		600
North Carolina	357		357
North Dakota	21		21
Ohio	426		426
Oklahoma	345		345
Oregon	140	36	176
Pennsylvania	191		191
Rhode Island	72		72
South Carolina	155		155
South Dakota	63		63
Tennessee	514	1	515
Texas	709	19	728
Utah	30		30
Vermont	38		38
Virginia	209	2	211
Washington	321	3	324
West Virginia	79		79
Wisconsin	302		302
Wyoming	25		25
American Samoa	1		1
Guam	4		4
Northern Marianas			-
Puerto Rico	193		193
Virgin Islands			-
National	11,569	665	12,234

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 August 2, 2010.

HEARING ON RECOVERY ACT TRANSPORTATION AND INFRASTRUCTURE PROJECTS: IMPACTS ON LOCAL COMMUNITIES

Wednesday, September 29, 2010

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

The Committee met, pursuant to call, at 10:00 a.m., in room 2167, Rayburn House Office Building, the Honorable James Oberstar [Chairman of the Full Committee] presiding.

Mr. OBERSTAR. The Committee on Transportation and Infrastructure will come to order.

We meet this morning again to review the progress on the stimulus program, the American Recovery and Reinvestment Act, and the effect on that stimulus program of the programs under the jurisdiction of the Committee on Transportation and Infrastructure.

This is the twenty-first in our series of hearings. I committed at the outset of the development in our Committee of stimulus initiatives to overseeing the progress, holding Federal agencies accountable, State and local government agencies accountable. I am requiring them to report periodically on the use of funds, and that process has been tremendously successful. I recall at one of our earliest hearings, when I had said I would hold up each month those States that had done well and those that had done poorly, and there were a few States in the initial going that, within six, eight weeks, had not obligated their funds. It didn't take very long before sunshine applied to the process and caused State DOTs to move those projects forward.

Overall, the stimulus program has had a very positive effect in turning the Country around from the worst recession the Nation has experienced since the Great Depression. We have stemmed the tide of job losses from 750,000 jobs lost in January of 2009, 650,000 jobs lost in February 2009, when the President signed the stimulus into law, to 290,000 jobs created in the subsequent month. Across the Nation since then, this past year and almost year and a half since the bill was signed into law, 18,365 highway transit and wastewater infrastructure projects have broken ground; $33.9 billion, 89 percent of the total available formula funds. Forty-five States have started construction on 100 percent of their Recovery Act wastewater projects; 40 States have begun work on 90 percent of their Recovery Act highway projects.

During the first year, these formula projects created 350,000 direct onsite, on-project jobs. Total employment from direct jobs, those in the supply chain, including sand and gravel operations, ce-

ment producers, Ready Mix operators, asphalt, rebar, fencing, I-beams, guardrail, all have reached the total of 1.2 million obs. In August these projects created and sustained 71,000 direct jobs and total employment, that is, direct, indirect, and induced jobs, was 225,000 jobs for the month of August.

A payroll of $3.8 billion. Workers on those construction projects have paid Federal taxes totaling $780 million. We have avoided $644 million in unemployment compensation checks because you have people being paid to work and not being paid for not working.

Earlier this month, the President, in fact on Labor Day, unveiled a plan to build on the achievements of the Recovery Act by furthering the National Transportation Infrastructure Investments. The principles he outlined are consistent with those that the Committee, we have set forth in our blueprint for investment and reform, and in our Surface Transportation Authorization Act. We go at it differently than does the President, but I welcome his initiative and we will build on it.

During the entire process of allocating these funds and obligating and getting projects underway, the Congressional Budget Office has been reviewing the process and concluded that, as a whole, the Stimulus Act has had far-reaching effect. CBO estimated that in its entirety the Recovery Act has lowered unemployment by between 0.7 of a point and 1.8 percentage points. It increased the number of people employed, according to CBO, by between 1.4 and 3.3 million. Nearly half of those jobs, though, come from our Committee's 8 percent portion of the overall stimulus funding.

Against this backdrop of these positive reports from the Congressional Budget Office, which also said that the Recovery Act has raised inflation-adjusted gross domestic product by between 1.7 percent and 4.5 percent. Those are very significant numbers.

So today we bring together witnesses that include workers, community leaders, business persons, all who can talk to us about projects on the ground that have had a positive impact on the livelihood of people and communities.

Work has begun on 18,365 projects in 50 States, 5 territories, and the District of Columbia. A total of $33.9 billion, that is 89 percent of the highway, transit, and wastewater funding. There are 8,965 projects, totaling $7.1 billion, in 50 States on which work has been completed. Now, highway and bridge investments total 35,399 miles of highway improvement, that is equal to three-fourths of the entire mileage of the U.S. interstate highway system; 1264 bridge improvements; and that has, in turn, led to production of 10 million metric tons of cement, cement and ready mix, $950 million for the cement industry.

I cite that because I spent at least two summers of my college years working on ready mix projects, pouring concrete for streets, for the wastewater treatment plant in my hometown of Chisholm, and building concrete blocks in a ready mix concrete block factory in our hometown. I know what it means to carry a 42 pound block and a 48 pound corner block, and to hold a 94 pound sack of cement and pour it into a mixer, and to pour out sand and gravel and run it through the mixer, pour it down the chute, and then go down and make the blocks and put them on the racks and haul them into the kilns. I have done that. It is good formative work.

The transit investments have resulted in 12,234 buses, vehicles, and railcars purchased or rehabilitated; 4,870 passenger facilities built or rehabilitated; 324 maintenance facilities built or rebuilt; and Amtrak is in the process of replacing 1.3 million wood ties with prestressed concrete ties, 326,000 already completed; 60 Amfleet cars, 21 Superliners, 15 locomotives restored to service; and 270 station improvements. Work is underway on 185 Amtrak projects, totaling $1.3 billion, that is 100 percent of their Stimulus Act funds.

Aviation, 155 runway improvements at 139 airports, those airports accommodate 11 million annual takeoffs and landings; 83 taxiway improvements at 78 airports that have 8.1 million annual takeoffs and landings; and 25 projects to modernize air route traffic control centers. Work is underway or completed on 757 aviation projects, totaling $1.3 billion, and that is 100 percent of the funding allocated to aviation.

All 50 States have met the requirement that 100 percent of their Clean Water State Revolving Fund be under contract within one year of enactment, February 17, 2010. So the result is 1,946 projects are under construction, 100 percent of available funds, $3.8 billion.

Work is underway or is completed on 59 Superfund projects. We had a huge backlog of Superfund projects because that fund was allowed to expire, and work is underway to clean up those 165 of 185 planned Brownfields projects.

The Corps of Engineers has improved or repaired 155 lock chambers, 1,132 flood risk management projects to improve dam safety and levy safety, 1,034 projects to maintain and upgrade their recreation areas and maintain or improve harbors and waterways that serve 2400 commercial ports.

The General Services Administration is underway on 536 projects totaling $4.6 billion; 78 roofs installed, 68 photovoltaic rays on roofs. That is 33 years after I introduced the first legislation to retrofit Federal office buildings with photovoltaic systems and save cost, save electricity costs, which we are doing right in this Committee room. One hundred forty lighting systems have been put in place, 78 roofs installed, and 68 photovoltaic systems.

The Economic Development Administration has broken ground on 57 of 68 projects, 88 percent of its allocation, that is $130 million.

The Coast Guard Bridge Alteration Program has started work on all four of its planned bridge repair and replacement projects.

And the Maritime Administration has work underway on small shipyard projects. A hundred percent of their $123 million committed for that program is underway.

All in all it is a very commendable record. I just wish we had had $100 billion instead of the $64 billion our Committee was allocated. We have made it work, we have held States and local agencies accountable, and, as far as I can see, my view is that our Committee's stewardship of the program has been successful.

I yield to the distinguished gentleman from Florida, Mr. Mica.

Mr. MICA. Well, thank you, Mr. Oberstar. Thank you for your efforts in trying to get folks back to work and also highlight our in-

volvement from this Committee in trying to move dollars for improving our Nation's infrastructure forward.

Let me start where you left off. Let me say that this has been a bipartisan effort. We came back early. We were asked to put a package together. We held hearings long before the February passage of the stimulus legislation. We advocated a package which was I think in the range of $120 billion, which would have been about half of a $250 billion stimulus bill. Some had talked $250 to $300 billion, but history provided a different course; it ended up being $787 billion, of which we got 7 percent, $63 billion.

I also argued at that time, and we had heard at that time from the Congressional Budget Office and others who looked at our proposal, one of the reasons we got our legs cut out from underneath us is they said there was so much red tape, paperwork, requirements to get transportation money out there that it would be impossible in the time that you set forth and the goals you established in the legislation to in fact get that money out. So we were axed down to $63 billion of that total, less than 7 percent.

I had argued that we needed to speed things up. Some of you have heard my 437-day plan. I have given speeches. I stood on the bridge that collapsed in Mr. Oberstar's backyard. We were on the Floor together the day that it collapsed, a tragic event. Lives were lost, but an older bridge, not properly designed, did collapse, and we pledged together on the Floor to get that bridge rebuilt that connects an important leg of our interstate.

And I stood, two weeks before the bridge opened, with some of my colleagues and I held up three numbers, 4–3-7, and I said this is the number of days it took to replace this bridge. It normally would have taken seven or eight years. And that was an emergency situation, and there is no reason why, in an emergency national economic situation, we couldn't do many projects across the Country putting people to work.

So I have advocated, and if we get to do transportation long-term authorization, that would be one of the cornerstones, because we can get people to work. We can do projects quicker. That bridge was brought in seven to eight years ahead of schedule. That is the time the paperwork would have taken, and under budget. So it is a shining example of what we can do and what we should be doing.

So I am disappointed in the fact that we didn't allow in that legislation, and it wasn't our side; I went over to the Senate and begged, pleaded, asked, requested that they look at measures to speed things up. And they have done it in the past, and some of those who were opposed were from California and said we were going to do this and that, which we weren't going to do.

But even in California, when they have had earthquakes and emergencies, they move projects forward on an expedited basis. So we have plenty of examples. When we can and want to do things, we can get them done. So I am very disappointed that wasn't adopted.

I am disappointed that the President came out a week or two ago and offered another $50 billion in spending and, unfortunately, also in taxing, and then talked about a six-year plan infrastructure bank, some of the things that we have also advocated. But one of the chief reasons we haven't been able to get people working in

construction is that we can't get the money, again, out there, and also unbeknownst to Mr. Oberstar or myself, we had worked hard, he came up with a proposal for a six-year long-term and robust investment, and we got deep-sixed the day before we were planning to make our announcement to opt for 18-month.

I thought back. Again, you guys know I come from a family that has a bipartisan history, but your side of the aisle would be in much better shape right now if they had first focused on getting the stimulus money out.

Over 60 percent of the stimulus money is still sitting in the Treasury. That is the report I got, 61 percent still sitting in the Treasury. And then some of the decisions that were made on TIGER grants, they spent $3.3 million, which is .22 percent of $1.5 billion. States like my State, in the first round, got no TIGER grant. We have over the national unemployment, and some that had under the national unemployment got some of those grants. But the bad news is even that money isn't spent yet.

So if you go across the board—and we can submit that for the record—you can see that the money, while some has gotten out and we may hear some very nice stories today and some people have retained their jobs, the overall picture is not to my satisfaction and, obviously, if you ask any American, they want to know where are the jobs and how can you spend—now it is scored at what, over $800 billion, the stimulus package, and everybody thought that was infrastructure. They really thought we would be building bridges.

And heaven knows we have a $2.2 trillion need in the next six years, which the American Society of Civil Engineers has not only stated, but documented very well. So the need is out there to address our crumbling infrastructure; our antiquated bridges, our highways, our ports, our airports.

I would say, in closing, that I am prepared—I don't know what the outcome of the election will be; none of us do, but I am prepared to sit down November 3rd, whatever it takes, and work with the Administration, work with Mr. Oberstar. We have only had, what, one vote in three years in this Committee, but when we sit down we can move things forward. But look at how we can move the rest of this forward, because there are people who are hurting, people who have lost their jobs, their homes, their businesses; and it shouldn't be that way.

And if you stop and think, if we had taken like Mr. Oberstar just ended on if we had done 120, $150 billion, how many jobs that would be. It would probably be about 8 or 9 million jobs, simple calculation. And if we had sped the process up and if we had done a six-year bill rather than doing sidewalks and paving and short-term jobs, many of which jobs are already done.

I just met with a transportation secretary from one of the Dakotas, and he told me what is really bad now, he says, we are going to be in our free season, which we in Florida don't even think of. He said even if I got the money now, it is hard for me to spend on some of these projects that we could go ahead with because of their construction season.

So we can and we must do better. Heaven knows Mr. Oberstar tried and I tried, but we have to, and I pledge to roll up my sleeves.

We will sit down with the folks and move this puppy forward, and I know we can do it.

I yield back. Thank you.

Mr. OBERSTAR. Thank you very much for those comments. Again, I want to emphasize it was a bipartisan initiative in this Committee to address the impending and growing recession in 2008, actually in December 2007, and this Committee reported, we brought to the Floor a bill that was largely this Committee's infrastructure jurisdiction, and that would have been a great start there. We couldn't get the other body to act on it.

The gentleman is so right about the I-35W bridge. They didn't have to go through an environmental impact statement; they didn't have to do right-of-way acquisition; they didn't have to go through preliminary design and engineering. They did a design build project and it was completed in less than a year, as the gentleman said. Similarly, these stimulus projects are 100 percent federally funded, and we set out those same criteria that the projects had to have EIS completed, right-of-way available, completed, final design and engineering, ready to go but for the financing; and that is what made all these projects so successful, is that they were ready to go.

In the surface transportation assistance bill for the future, Mr. Mica and I, and Mr. Young in the previous Congresses, worked on a project expediting process, and we have a robust project expediting provision in the draft bill reported from Subcommittee. We can improve upon it and will do because there have been lessons learned in the stimulus about how to push these projects further ahead. We are going to take those lessons, we are going to apply them.

I spent August of 2009, one day a week with all the interested groups looking at various transportation financing plans. Mr. Mica unfortunately couldn't participate, but by conference call in the meeting we spent an hour plus in that particular session. We will do more of those. We have to find a way to finance the future of transportation. That is really the only thing holding this up. So after election, to quote Lyndon Johnson, John F. Kennedy said, let us begin. I say let us continue. And we will continue with the hand of bipartisanship going across this Committee, as we have historically done.

Just before I called the Committee to order, I met with Mr. Horsley, John Horsley, Executive Director of AASHTO. More projects and paychecks. A copy of this report is available for all persons I think outside the Committee room or it is available online. It is very nicely done using data developed by our Committee, and the report, with more details than I cited at the outset, including our spreadsheet on each State has 15 categories of program accountability. AASHTO has used that data plus information they independently gathered, and it is a very exciting read and very valuable contribution to this process.

Now, in the interest of proceeding, I will ask Members to limit their opening comments to two minutes and begin with Ms. Norton.

Ms. NORTON. Mr. Chairman, I just want to emphasize that all of the projects that have been undertaken are projects that the State and local governments or the Federal Government would have had

to do anyway. What we have done is to make sure they are done at a time when they also provide jobs when they are most needed.

I also, Mr. Chairman, want to commend you for your shovel-ready jobs, jobs-ready approach because it has worked. Your hearings in full Committee held people accountable. We tried to follow your lead in my own Subcommittee; had five tracking hearings. In the case of GSA, which does not work through the States, we were particularly focused on making sure that they had no excuses, and I am pleased that 82 percent of GSA money has been allocated. I don't think any more could have been allocated given the nature of some of these massive projects, so they have done well. EDA is under our jurisdiction; 88 percent of the money has been allocated. FEMA is under our jurisdiction; 95 percent of the money has been allocated.

Mr. Chairman, that translates into jobs, and at some point we will know how many jobs have come out, those jobs, and the money is still flowing because people get paid on a weekly or biweekly, sometimes monthly, basis. So obviously the money has been allocated; the people are earning the money, and I think this Committee has done precisely what you announced we would do, and not only held people accountable, held the States accountable, in the case of the Federal Government, held the Federal Government accountable. And when you hold entities accountable, they produce.

Thank you very much, Mr. Chairman.

Mr. OBERSTAR. Thank you very much for that positive statement.

Mr. Cummings, I want to compliment Mr. Cummings, who was not able to be on the Floor last night when we passed the Coast Guard bill. Mr. Mica acknowledged Mr. Cummings' leadership, along with Mr. LoBiondo. We have had a great team working together to get this first Coast Guard authorization passed in six years with remarkable changes in the safety procedures and upgrading the whole safety process of the Coast Guard.

I know, Chairman Cummings, you worked diligently, put in enormous hours of hearings and meetings and discussions. It was a great moment of success and a bipartisan success. We all started out with ideas about the future of the Coast Guard, we reshaped our ideas as we went along, and at the end we had to overcome mystical holds and objections from the other body that were obscure and obscurantist, but at least I think that bill is going to sail through the Senate now.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. I was sorry I wasn't able to be on the Floor at the passing of the bill, but I was in my district in a debate that I needed to be at because I knew Mr. Mica would want me to be there.

[Laughter.]

Mr. OBERSTAR. I am sure your opponent didn't.

Mr. CUMMINGS. Mr. Chairman, I want to thank you for holding this hearing today. You have been truly diligent in leading our oversight of the Recovery Act, and I think that is so important. The American people deserve accountability.

The Recovery Act, as we have highlighted so many times, provided $64.1 billion to fund infrastructure programs under this Committee's jurisdiction. My State of Maryland received more than $677 million in formula funds under the Recovery Act, including

highway funding, transit assistance, and funding under the Clean Water State Revolving Fund. The State has $340 projects under contract, and the projects that have received Recovery Act funding in my State have paid out nearly $35 million in total payroll. The Recovery Act has been essential to the State of Maryland. And today we have the opportunity to hear how critical the Recovery Act has been to my hometown of Baltimore, Maryland.

Mr. Chairman, I reserve the balance of my time because later I will be introducing Mr. Foxx of the DPW in Baltimore.

Mr. OBERSTAR. Mrs. Napolitano?

Mrs. NAPOLITANO. Thank you, Mr. Chairman.

I echo the sentiments of our colleagues in the fact that this hearing is important to listen to where the money is being spent, the amount of jobs that are being created, the benefit to our different districts. It is important for us to understand and I would implore the transit agencies and others to let their people know that it is the recovery funds that have helped not only keep the jobs, but provide some of the assistance to keep moving people and doing all the different things. I just wish, as Mr. Mica and you pointed out, that we would have been able to pass the TEA–LU bill, because that would have really put people back to work and really invested in our U.S. economy.

I look forward to the testimony and I certainly want to thank Mr. Mica for joining us in California; and we will touch on that when I introduce our witness. Thank you again so very much for this hearing.

Mr. OBERSTAR. Ms. Hirono.

Ms. HIRONO. Thank you, Mr. Chairman.

As this may be the last time before our break that we will be able to meet, I would like to thank you, Mr. Mica, and all the Members of this Committee for really being a model for accountability of Recovery Act money. All of us have been in our districts, I, myself, have been to the bridges that have been renewed or repaired because of Recovery Act money, and even on the little island of Molokai, where there was road work being done, hiring people from that island who otherwise would not have had jobs, it is truly, truly important for us to have these hearings to focus on what the reality is of the Recovery Act.

Also, Mr. Chairman, Hawaii, for the first time, had, as you know, an infrastructure summit. There is so much attention being paid to the infrastructure needs throughout our Country, and you participated in that summit, and as I continue to talk with people in my district, they are very thankful and mindful of your continual focus on the need for Congress to do more to support infrastructure renewal in this Country. So mahalo to the Committee.

Mr. OBERSTAR. Thank you very much. Appreciate that. It was a pleasure to join in that teleconference.

Mr. Walz.

Mr. WALZ. Thank you, Mr. Chairman and Ranking Member.

Again, I will echo what my colleagues said. Your due diligence on watching taxpayer dollars, watching how the Recovery Act was put out, providing hard data on the number of jobs and the number of projects is exactly what my constituents in Southern Minnesota

want to see. They are not against putting their taxpayer dollars into infrastructure projects; they want to know where they go.

And I have to tell you, since we passed this and we were hemorrhaging 700,000 jobs a week, I see one project in my district, Lewis and Clark Rural Water Project, diverting water from the Missouri River in South Dakota over into Minnesota and Iowa, serving 300,000 rural residents, that residents in my district, some of them, have to collect drinking water from cisterns when it rains. That is how short it is.

This project is out there. Fifty-six million dollars went to this, creating hundreds of jobs, and it was a bipartisan effort between South Dakota, Iowa, and Minnesota, where the local communities paid their tax dollars forward by 10 years to fund their part of it; the Federal Government came in with this creating those construction jobs. I have communities that can't add a single business because of the lack of water. We have had to turn away ethanol plants. Swift, one of the largest meat packers in the Country, is not able to expand simply on that region, in the heart of an agricultural area.

So I appreciate this hearing because when I hear the disconnect between what happens here and what I see on the ground, when I hear Mr. Boehner say not a single job has been created by the Recovery Act, I am baffled, because I have walked in the trenches, I have talked to the construction workers, I have talked to the city manager and the mayor, who talks about the expansion of jobs created by this.

So everyone wants us to be accountable for the dollars, but there has to be some reality in our conversations here, and I am proud of the work this Committee has done, and I thank you and look for the day when my folks can turn on a drinking fountain instead of a cistern to get water; and the Recovery Act is making that happen.

I yield back.

Mr. OBERSTAR. That is a great success story. Thank you for sharing that with us.

Mr. Hare.

Mr. HARE. Thank you, Mr. Chairman. I am going to be very brief here.

For those folks who say that the Recovery Act really hasn't done anything, let me just say that for my State it has directed over $2.8 billion to my State's transportation and infrastructure system. And as of July 2010, nearly $1.1 billion has been awarded and over 4,000 direct jobs have been created or retained.

So I, with my colleague, Mr. Walz, am a little bit miffed when I hear it hasn't created a single job. You might want to talk to those 4,000 people that are working had we not done this. This is expected to increase by many more as we approach our next quarterly reporting period at the end of September.

In my district, the stories are plentiful. As we all know from the July 27th hearing that was held by this Committee, Railway Company of Burlington in Northern Santa Fe has been working on the Burlington Bridge, a major project which crosses the Mississippi River, and it was made possible with the help of the Recovery Act.

Every dollar that we invest in transportation, the Federal Government gets five dollars back.

My hope is, Mr. Chairman, I know you have been working on this incredibly hard, as has the Ranking Member, we have to do more. We have bridges and roads and schools and sewer and water projects all across this great Nation that need to be completely redone. We have locks that are failing. We have a number of things to do, and the passage of a bill would have put 6 million Americans to work, and we will get it done.

Mr. Chairman, I just want to say, as this may be our last Committee hearing before the break, I thank you for your leadership on this project and all of these, and I am honored to be a freshman on this Committee, but I have learned a great deal and this Committee is very, very lucky to have Jim Oberstar as its Chairman, and I yield back.

Mr. OBERSTAR. You are very kind. Thank you for those good words, but also for your steadfast participation in all of our hearings. You have never missed a hearing or a markup, and I am grateful for that.

Mr. Schauer. You did a great job on the House Floor, managing that pipeline legislation last night. Thank you.

Mr. SCHAUER. Thank you, Mr. Chairman. It was an honor to do that and I am proud to serve on this Committee with you and with Mr. Mica.

Mr. OBERSTAR. I might also say, Mr. Mica, that Mr. LoBiondo was the journeyman last night; he handled more areas of jurisdiction one evening than I have seen a Member do in a very long time. Thank you for designating him.

Mr. MICA. Thank you. I complimented him. He does a great job. I am very proud of all of our guys and the teams that we have had. Mr. Cummings wasn't there; I did recognize him, though, for his effort.

Mr. OBERSTAR. Yes, you did indeed. I appreciate that. Just want to be sure Mr. LoBiondo gets a little overtime.

Mr. MICA. We will put a little extra in his salary.

Mr. OBERSTAR. A little more Starbucks, maybe.

Excuse me, Mr. Schauer.

[Laughter.]

Mr. SCHAUER. Thank you for that. I enjoyed managing a number of bills on the Floor and appreciate the chance to have H.R. 6008, the Clean Act, dealing with hazardous liquid spill reporting requirements.

This is an important hearing. We have spoken about accountability of the expenditure of Recovery Act dollars for infrastructure projects, and when we look at how far our economy has to go, I think we have to acknowledge the fact that infrastructure projects have helped pull our economy out of a recession, and we have seen eight consecutive months of private sector job growth. We have to continue to move the economy forward. I am from Michigan. Need I say more?

I do want to recognize one of our panelists. I haven't met him before, Gregory Mobley, of Construction Laborer of the LIUNA union. I work very closely with his counterparts in my State and I have to say, Mr. Chairman, we talked about this at our hearing

the week before last, with this pipeline spill cleanup in my district, his counterparts in my district were trying to get work on this project and it was very frustrating to me and quite offensive to have illegal, undocumented workers bused from Texas to clean up the oil in the Kalamazoo River in my district, and we need to address that in every way possible. But I appreciate a hardworking individual here who is one of the examples of jobs created with ARRA expenditures.

Thank you, Mr. Chairman. I will yield back.

Mr. OBERSTAR. I thank the gentleman.

Ms. Titus.

Ms. TITUS. Thank you, Mr. Chairman. Thank you for your leadership as well. This has been a very important part of recovery in Nevada, which has the highest unemployment in the Country, 14.8 percent. It is probably really higher than that. If you look at the construction trades, it is probably double that. So the Recovery Act has been very important.

I also want to thank your staff, who has just done a great job of putting together all the statistics and the charts that we are using in this accountability process. These numbers have helped me to help Nevada push ahead. We were at the bottom of the list. Having these numbers in front of us gave me ammunition to go to State agencies and say let's get this money out.

In addition, I want to bring up the point that not only are these Recovery Act dollars creating jobs, but they are helping communities invest in innovative projects. Some of these were already going on in Nevada under the Regional Transportation Committee, but these dollars have certainly sped that up.

And I hope we will hear from our witnesses about what other communities are doing planning on sustainable transportation projects. Are people getting more excited about it? Are you changing your way of looking at things to push towards this sustainability with more bus rapid transit and that sort of thing? Because not only are we creating jobs, we are improving communities through these dollars, and I very much appreciate it.

Mr. OBERSTAR. Thank you for that report. Good to have that information and your Nevada perspective.

Now we begin with our first panel, with Mr. Mobley, Gregory Mobley, Colombus, Indiana constructor laborer; Dave Rock, electrician at New Flyer, a bus manufacturer located in Minnesota and elsewhere; Alfred H. Foxx, Director of the Baltimore Department of Public Works; Doran Barnes, Executive Director, Foothill Transit; Joyce Eleanor, Chief Executive Officer, Community Transit; Jeff Theerman, Executive Director of Metropolitan St. Louis Sewer District; and Kelly Johnson, Airport Director for Northwest Arkansas Regional Airport Authority, representing AAAE.

Mr. Mobley, welcome.

TESTIMONY OF GREGORY MOBLEY, COLUMBUS, INDIANA CONSTRUCTION LABORER, LABORERS INTERNATIONAL UNION OF NORTH AMERICA LOCAL 741; DAVE ROCK, ELECTRICIAN, NEW FLYER OF AMERICA, INC.; ALFRED H. FOXX, DIRECTOR, BALTIMORE DEPARTMENT OF PUBLIC WORKS; DORAN BARNES, EXECUTIVE DIRECTOR, FOOTHILL TRANSIT; JOYCE ELEANOR, CHIEF EXECUTIVE OFFICER, COMMUNITY TRANSIT; JEFF THEERMAN, EXECUTIVE DIRECTOR, METROPOLITAN ST. LOUIS SEWER DISTRICT, REPRESENTING THE NATIONAL ASSOCIATION OF CLEAN WATER AGENCIES; AND KELLY JOHNSON, A.A.E., AIRPORT DIRECTOR, NORTHWEST ARKANSAS REGIONAL AIRPORT AUTHORITY, REPRESENTING THE AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

Mr. MOBLEY. Thank you.

Mr. OBERSTAR. With those arms and shoulders, I think you could just clean this place up pretty fast.

Mr. MOBLEY. Thank you, sir.

My name is Greg Mobley. I am a construction laborer from Columbus, Indiana, and I want to tell the Committee today how the stimulus bill helped put me back to work and also tell the Committee how much more work is badly needed.

But first I want to thank Chairman Oberstar, Congressman Mica, and other Members of this Committee for inviting me here. It is my understanding that this Committee is one of the most important when it comes to making the kinds of investments that create jobs, put men and women like myself to work and helps build our Country. I thank you for that.

In the construction industry, it has been like the Great Depression. At my union, LIUNA Local 741 in Bloomington, the out-of-work list grew and grew last year to the point that one in five were unemployed. Personally, I was out of work for six months, from December of 2008 to June of 2009. My wife and I saw our life savings dwindle.

Every day without work was a day of sitting at home, being nervous, unsure, and worried about what would happen in the next week, the next month, the next year ahead. We didn't spend a dime that we absolutely didn't have to. We skipped the movie at the local theater. We skipped the drink or dinner with friends. We skipped the treat or gifts for our nieces or nephews, who we care for like our own.

Friends of mine had it worse. One told me, after rounding up enough cash to make his house payment, he was still unable to afford his property taxes. A lot of us suffered in silence, but the effects of being without a job showed. I and millions of workers like me want to get up every day and go to work building roads and bridges and other basics in our Country. That is what we are ready, willing, and able to do. Without work, you don't just enjoy life a lot less and worry a lot more. You don't just fear losing a car or losing your home; you can lose your purpose.

Investments in projects under the American Recovery and Reinvestment Act helped many of us. I have worked on two such projects this year, Lafayette Road in Indianapolis and US-27 in Union County. My crew and I removed and replaced deteriorated

and unsafe concrete, sculpted sidewalks, and built curbs. It is good, honest work and it put money in our pockets and allowed us to support our families. It also improved local transportation, making life better for the people who live in Indiana.

This work did more than give us a paycheck and fix roads. It is impossible to overstate how good it feels to have a good job to go to every day, to catch up on your bills after months of falling behind. The work we do also helps the mom and pop shops stays in business because we can enjoy some of the simple things in life like dinner and a movie at the local restaurant and theater, or a drink with our friends after a hard day's work.

I am proud of the work I have done because of the Recovery Act. We help build America and make it better. I can point to the real things I build and tell my wife, my nieces, and my nephews I built that.

In my opinion, the Recovery Act was the right medicine, but the truth is it was not nearly enough medicine to be a cure. Without the stimulus work, there is a possibility I would be out of work longer this year than last year. It put me back on the right track, but there are 1.5 million men and women in the construction industry today who are still looking for work. Even though there is no shortage of potholes or old bridges or highways that need work, there aren't a lot of projects coming down the pipeline. I can see trouble ahead for me and others like me.

I think it is time we invest in America for a change. The investment in roads, bridges, and transportation under the American Recovery and Reinvestment Act was a great start. Mr. Chairman and Members of this Committee, I want to thank you for the work you do to invest in the United States. We need to invest more in our Country to again be the Country that does what it takes to lead the world with the best highways and the most modern transportation systems. I and millions like me are ready to work and we are ready to build America.

Once again, I would like to thank the Committee for the opportunity to be here. Thank you.

Mr. OBERSTAR. I want to thank you for putting a personal face as a witness to the stimulus program. You are the visible testimony to the success of this program, and that is what we intended to have happen, have people like you, American workers, who, through no fault of their own, were out of work and now called back and given an opportunity.

We heard similar testimony some weeks ago from Joyce Fisk, a truck driver on a construction project on Interstate 35 in the southern end of my district. When I went out to the job site, the foreman had pulled the truck over and asked her to come out and say hello, and she jumped down, threw her arms around me. I had never met her before.

She said, thank you for my job. Two months ago my husband and I were sitting at our dinner table, we had finished dinner, sent our 10-year-old, Austin, to bed and we just looked at each other. Where do we go from here? Our health insurance ran out in December. This was August of 2009. We have lost our unemployment compensation, that ran out three months ago. We have enough savings to pay the next two months on our mortgage, and are we going to

be able to send Austin to summer camp. Then we just cried and hugged each other and went to bed, and the next morning Knife River called and said we won'the bid on I-35, report for work on Monday. And if I get my 600 hours in, I will get my health insurance restored, Gene will get his health insurance restored. They both work for the same company. We are paying the mortgage and Austin is going to summer camp.

You said it well. When you lose your job and you are out of work for that long, you lose your purpose. Powerful testimony. Thank you.

Mr. Rock.

Mr. ROCK. Hello. My name is David Rock and I am from Mentor, Minnesota. I am a CWA Local 734 President and employee of New Flyer of America, located in Crookston, Minnesota.

Welcome, Chairman Oberstar, Minority Representative Mica, policymakers, Committeemen. It is a great honor to be speaking before you today.

A little history on where I work. New Flyer is a company based out of Canada, a transit supplier established in 1930 as Western Auto and Truck Body Limited.

In 1941 the company introduced the Western Flyer. The company was renamed New Flyer Industries Limited in 1986 and then renamed to New Flyer.

Over the next 15 years, New Flyer established a solid reputation for innovation for design through development of new products.

In 1996, New Flyer of America opened a plant in Crookston, Minnesota. This allowed them to be a Buy America company. Growth was fast and in 1999 opened another assembly plant in St. Cloud, Minnesota. This created over 850 direct labor jobs in these two communities.

In 1990, the CNG, which is compressed natural gas, and LNG liquid natural gas, propelled buses were built at the Crookston plant. Natural gas, being a clean burning fuel technology, to this day is still a big part of New Flyer.

Later in 2002 New Flyer secured an order to build North America's first fleet of 218 articulated diesel hybrid buses for King County Metro in Seattle, Washington, establishing New Flyer as a leader in the hybrid bus production. These buses were delivered in 2004. During this time, New Flyer partnered with San Bernardino County in California to build the first gasoline electric hybrids.

In 2004, electric trolley buses were built for Vancouver in British Columbia. BC Transit, in 2007, awarded New Flyer the contract to build the world's first fleet of hydrogen fuel cell buses. The first of these buses were delivered in 2008 and the remainder were built in 2009. This fleet was highlighted in the 2010 Winter Olympics at Whistler, British Columbia. Ballard fuel cells made in Canada and Siemens electric drives were used in these buses.

Well, enough about New Flyer history. Let's talk about me. I was born a third generation farmer in the French-speaking community of Terrebonne, Minnesota.

I graduated in 1971 and attended technical college for electrical. In 1974 I purchased 320 acres of land and 11,000 laying hens, got married that same year. I guess I needed help with the chickens. Well, in 1978 I expanded to 400 acres and increased the flock to

20,000 laying hens. Having my first of four children that year, at 25 years of age, I thought I was on top of the world.

Well, guess what? My bad experience with a bad economy began in the 1980's with bad commodity prices, and I rented everything out in 1992. I found a job at a combustible waste and recycling waste center, where I received training for boiler operator and EPA licensing for waste combustor operator. In 1998 I accepted a New Flyer position in maintenance. Less than a year had passed and I applied for an electrical position and I got it. New Flyer technology was changing fast and I had to learn to keep up.

As I stated earlier, in 2002, diesel hybrid buses were introduced and I became the first of two electricians ever in the United States to build diesel hybrid buses in a production line environment. I represent over 800 union employees of these two plants, all which have experienced and technology and training needed to move from being a farmer, store clerk, waitress, common laborer, etcetera, with the ability to have health insurance and the many benefits that come with a great company like this in our community.

In 2009 I met with Vice President Biden and several other cabinet members when they kicked off the Strong Middle Class Initiative at the St. Cloud, Minnesota plant in March. What a difference it has made for these two plants with ARRA funding is the fact that New Flyer has received orders from over 17 different transit agencies, totaling 638 equivalent units that are tied directly to ARRA funding. These include Chicago, Philadelphia, Seattle, Washington, Rochester, Milwaukee, Charleston, Detroit, Boston, Honolulu, Cincinnati, Miami, New Orleans, Fargo, Moorhead, Grand Forks, North Dakota, and Gardena, California. Many of these buses would not have been purchased without the availability of ARRA funding, and we appreciate that.

Just a note. I just found out we are going back into full production the first quarter of 2011, so thank you.

It has become apparent to me the crisis of financing for city governments have become burdensome and almost crippling, and I believe that maintaining and operating these vehicles all these cities can handle. I would encourage that the Committee on Transportation and Infrastructure would continue to support financing that would alleviate the pressure of the local governments' limited purchasing abilities. That would in turn create necessary jobs and the hope and future of the industry that we as laborers deem so important for our families in rural America.

Remember, each unit that is added to the production line creates nine more jobs, and these are the big time jobs in small town America that we have always wished for, so keep the dream alive and help us supply everybody with a good means of public transportation.

I would like to thank Monsieur Oberstar and Mr. Mica for inviting and letting us tell our story. Merci beaucoup.

Mr. OBERSTAR. Thank you very much for that splendid testimony. Your own personal history is very similar to that of many of our fellow citizens in central, western, and southern Minnesota, who started out on the farm and migrated to the city. It is a great personal story and I feel very pleased and honored to have played a role in bringing New Flyer to St. Cloud and authorizing the fund-

ing of the access road into the place and preventing those who wanted to squeeze it out of the market from doing so. It has been a great success story. New Flyer is a resounding success.

Now I am going to ask Mr. Cummings, the Chair of our Coast Guard Subcommittee, to introduce our next witness.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. I welcome to this hearing a very good friend of mine, Mr. Alfred Foxx, currently the Director of the Department of Public Works for the City of Baltimore, and previously the Director of the Department of Transportation for the City of Baltimore. Mr. Foxx has a long list of accomplishments in developing and overseeing transportation and infrastructure projects at the local, State, national, and international levels.

Mr. Foxx retired as a colonel from the United States Army Corps of Engineers and his last post with the Corps was Executive Director of Civil Works. During his tenure with the Corps, he coordinated the construction of locks, dams, hydropower facilities, recreational sites, and flood control works, and he oversaw regulatory permitting, environmental compliance, and administrative responsibilities. He has also guided the Corps' responses to natural disasters across the Country.

Most recently, as Director of the Department of Transportation for the City of Baltimore, Mr. Foxx managed 1500 employees and presided over highway and road design, construction, and maintenance projects, including those made possible by a $35.1 million investment from the American Recovery and Reinvestment Act. Mr. Foxx was confirmed in his new position as Director of the Department of Public Works for the City on September 20th, 2010, and I am pleased to say he is, Mr. Chairman, an outstanding public servant who uses the people's tax dollars in an effective and efficient manner, and we are very, very pleased to have him with us.

With that, I yield back.

Mr. OBERSTAR. Well, thank you for bringing this splendid witness to our Committee. The Corps of Engineers is always welcome at this witness table. In whatever shape or title you have, you are always a Corps of Engineers person.

Mr. FOXX. Thank you very much, sir.

Good morning, Mr. Chairman and honorable Members of the Transportation and Infrastructure Committee. And I would like to specifically acknowledge my Congressman over my district, Congressman Cummings, and all of the hard work that he has done for the great State of Maryland.

As Congressman Cummings pointed out, I am the former Director of Transportation and had the honor to lead that organization for about nine years. I have a working career of 35 years and am very proud of my service in the United States Army Corps of Engineers. I want to thank you for the opportunity to speak to you today about the American Reinvestment and Recovery Act and its positive impact on Baltimore, the transportation infrastructure, the lives of our working people, and the improved quality of life of our neighborhoods.

Baltimore is one of 24 jurisdictions in the State of Maryland, but it is the only jurisdiction in the State of Maryland where we are responsible for the entire transportation infrastructure. As an older

city, Baltimore is transitioning from an industrialized to a service-oriented economy, working to become a more technologically savvy city, but an aging infrastructure built to support a much older way of life.

The American Reinvestment and Recovery Act came at a time when I, as Director of Transportation, was looking at a capital program of zero dollars and non-Federal funds. Even though I had Federal dollars, I didn't have enough money to put up the match. So we welcomed the $35.1 million that we received from the Reinvestment and Recovery Act.

We were able to put together a diverse package of projects to reach across as much of our local economy as possible. The great thing about it, the competitive bids that we received for these projects was indicative of the economic times we were in, particularly in the construction, professional trades, and supply businesses. Our bids came in well below the engineer estimate, and in some cases 30 to 40 percent below the engineer estimate. As a result, we were able to stretch those dollars a little farther and put more projects out on the street for our contractors and their businesses.

The Recovery Act gave us the opportunity to address some of our bridges with low safety ratings. Argonne Dry Bridge, for instance, over the Herring Run, effectively uses these funds to employ a range of craftsmen and purchasing of materials from local suppliers. The project also builds on future long-term investments by the Department of Transportation, Recreation and Parks, and Public Works in the rehabilitation of the Herring Run Watershed, and the first phase of a greenway in the northeast section of Baltimore.

We were able to add $3 million to an existing project to repair the structural elements of our Pennington Avenue Bridge, a major corridor over Curtis Creek, located just a few hundred yards north of a critical Coast Guard maintenance yard. We invested in resurfacing of some of our major corridors that were in poor shape, with plans that had been sitting on the shelf for lack of funds.

We are resurfacing Northern Parkway, a major east-west arterial that interconnects with our I-83 and is heavily used by commuters, residents, neighborhoods, major hospitals, and our horse racing fans that come to attend the Preakness every year. This project, along with resurfacing of the intersection of Park Heights Avenue project, is another example of a Recovery Act project that also supports a major neighborhood revitalization project in the Park Heights area, creating an attractive gateway into this once neglected community.

Through the Ferry Boat Discretionary Program, Baltimore is enhancing its water taxi services to residents and commuters attempting to get to jobs and locations along the eastern side of the harbor in Downtown Baltimore. Good east-west transit service is lacking for these residents, and the water taxi provides an alternative mode of transportation, as well as avoiding the congestion on the city streets. Approximately 80,000 passenger trips are provided annually by two water taxis, and with the creation of this third route we will add an additional 25,000 to 30,000 trips every year.

For Baltimore, the timing of the American Reinvestment and Recovery Act, as I can say, could not have been more critical. We know that when we do not consistently invest in our infrastructure, it grows worse. Not better, it grows worse, and it costs more to fix. These investments we are making will compliment our future investment, improve the quality of life of our communities, provide meaningful employment, and encourage investment by others in our city.

While we are here today discussing the importance of investing in our transportation infrastructure, let me put on my public works hat. Let us not forget that unless we make the same type of commitment to and invest in our sewers and storm drains, our underground utilities, our working dollars will be for naught. Let me paint this picture for you, sir. I am sure you have seen it over and over again. Millions of dollars spent to pave a road, and 30 days later you find a backhoe and people out there digging it up to repair a 50-to 60-year-old storm drain or sewer line underneath. When they cover that back up, you have just reduced the life of that road.

So as we look at transportation, the transportation infrastructure, let us not forget about the investment in the utilities underneath the road, particularly in the urban areas.

I thank you, Mr. Chairman and the Committee, for your kind attention, and would be happy to answer any questions you have.

Mr. OBERSTAR. Thank you for that very, very important engineering lesson at the tail end of your testimony. It is something that has often occurred to me and a matter that I think we need to bring city engineers together with those who devise the AASHTO manual and ensure that somewhere in the manual there is a directive to attend to the underground utility needs before you put in new pavement. You are so right. We see this happening all too often.

For our next witness, Mrs. Napolitano has an introduction.

Mrs. NAPOLITANO. Thank you, Mr. Chairman. I couldn't agree with you more on your statement, because I see, as a former city elected official, where utilities come in and dig, the road is not the same, and, unfortunately, they don't coordinate, whether it is the electricity, the water, or the whatever digging they do, to coordinate it so they can do it all at once, and be able to do it prior to any renovations to the roadways. Somewhere along the line we need to kind of encourage that.

But I certainly want to welcome Doran Barnes, Executive Director at Foothill Transit, who is joined today by Roger Chandler, sitting behind him, Councilman from Arcadia, one of the member cities, and who also happens to be Chairman of the Board of Foothill Transit. It is a regional transit agency in my district that serves the San Gabriel and Pomona Counties of Los Angeles County. You heard me say about 12 million people? Well, they serve over 14 million residents annually.

I am proud to have worked with Foothill Transit continuously for over a decade and a half. They make their service more environmentally friendly and efficient for the customers, and are always looking for new ways to be able to serve their constituency, which

happens to be mine. And they, for the past decade, have been replacing their old diesel buses with clean CNG buses.

Mr. Mica, you were there. I thank you for joining us. He was with us last month to kick off Ecoliner. He wrote on it; I wrote on it. It is the newest green project, which is the world's first a fast charging electrical bus; 10 minute charge. And it will be replacing a lot of the buses that are spewing out a lot of the contaminants into the air. We were also joined by Congressman David Dreier.

I do congratulate Mr. Chandler, Mr. Barnes, the transit board, and their staff for their dedication to implementing these new innovative projects and for continuing to make the best use of the taxpayer dollar to present those services.

I thank the Committee for recognizing Foothill Transit leadership by having them as witnesses testifying today, especially in dealing with this new transforming technology, world technology.

So, Mr. Barnes, thank you for being here, and I yield back.

Mr. BARNES. Good morning. Thank you. It is very exciting to be here with you today to talk about how we are successfully putting Recovery Act dollars to work in Los Angeles County to create jobs, to reduce our carbon footprint and improve the environment, and to make our communities more livable.

As Representative Napolitano had mentioned, we are the fixed route transit operator for the San Gabriel and Pomona Valleys in Eastern Los Angeles County. We are a Joint Powers Authority made up of 22 cities plus the County of Los Angeles.

And one of the things that is very unique about Foothill Transit is that, unlike most public agencies, Foothill Transit has absolutely no employees; all employee activities are contracted out to the private sector. And Congress has designated Foothill Transit as a national public-private model for transit authorities. What that allows us to do is blend the best of the public sector, in terms of setting policy, with the best of the private sector.

Part of our mission has always focused on innovation and being an innovative transit operator, and our public-private partnership was one of the early efforts at innovation. While we were able to move forward a number of Recovery Act projects with the funding that was provided, the project that we are absolutely the most excited about is our Ecoliner project, which is the first fast charge, heavy duty, en route charging transit bus that has been available in the marketplace. And we have a short video that will tell you a little bit more about the Ecoliner, if we can do that at this point.

[Video shown.]

Mr. BARNES. That is part of a slightly longer video that we have produced; it is available out on You Tube, if you would like to take a look at the entire video. But it gives you a little bit of an idea about the bus.

In addition to being an innovative project, the Ecoliner demonstrated one of the major goals from the ARRA program, which is the creation of jobs; and our partner in this project, our vendor partner, is Proterra, which is a Golden, Colorado-based company. Mark Gottschalk, the Chief Development Officer, is here with Proterra, and through this project 40 jobs were created. In addition, over 100 vendors were involved in providing the parts for the

vehicles. These vendors are located in 33 States, and the multiplier effect ultimately created 120 jobs as part of this program.

But, to me, one of the things that is even more exciting is not the 120 jobs that were created immediately, but the jobs that will be created as Proterra continues to grow as a company. They are establishing a major manufacturing facility in Greenville, South Carolina, and they expect to generate over 1300 jobs during the next five years. When you combine that with the supplier partners that will be involved with the creation of their product, over 4,000 jobs will be created. So not only is the technology advancing immediate job creation, but long-term job creation with this exciting environmental product.

On September 3rd we introduced the Ecoliner to the communities that we serve, and we were very pleased that Representative Napolitano was there to address the hometown crowd. Congressman Dreier, Congressman Mica also joined us in that great celebration; and Deputy Administrator for the Federal Transit Administration, Therese McMillan, was with us.

What that event created was the introduction of the product to the community, but also generated significant press coverage at the local level, at the national level, and internationally. And that is not only good for the development of this project, but it is good for the transit industry on balance. So we are very exciting about the buzz that has been created related to the introduction of the Ecoliner.

So the real question is what is next. And for Foothill Transit we have three buses that are currently in service providing daily transit operating programs for our customers. The Foothill Transit board has in place funding to purchase an additional nine buses and has identified over a dozen additional lines where the Ecoliner can be deployed. So we believe this is the beginning and that the ARRA program provided the catalyst to be able to move this project forward.

I very much appreciate the opportunity to share with you the story of the Ecoliner and would certainly be happy to answer any questions that you might have.

Mr. OBERSTAR. Thank you for your enthusiastic testimony and the video. I got so fired up last night reading your testimony, I wanted to fly right out there and try one of those buses. I did in Santa Barbara, where they had an all-electric bus project, and that was quite successful in that hilly country of theirs. They also had a hydrogen-fueled bus that was operative for a few years. I don't know the story of its disappearance but, at any rate, these are the technologies of the future that we need to stimulate, and I appreciate your testimony.

Now Mr. Larsen has an introduction for our next witness.

Mr. LARSEN. Thank you, Mr. Chairman and Members of the Committee. I am pleased to introduce Joyce Eleanor, CEO of Community Transit. CT is the largest transit agency in my district, in Northwest Washington State. And as a former member of CT's board of directors and a former regular rider on the commuter service, I know Joyce and Community Transit very well.

The agency is known locally and in the State as forward-thinking and community focused, and that is in large part because of Joyce's

leadership. From being the first transit agency in the State to build its own Park and Ride lot in 1981 to being the first in the State to offer bus rapid transit in 2009, CT is always looking for innovative ways to serve their customers. They are also respected for their collaborative approach to meeting community needs and solving problems.

They have a great story to tell when it comes to the Recovery Act. As early as 2008 CT was pushing for economic stimulus funding for transit and highlighting projects that were ready to receive funding. And after the Recovery Act passed, the agency immediately went to work identifying those capital projects to fund and how much to spend on operating costs. They applied for a TIGGER grant and were successful. I don't want to steal too much of Joyce's thunder, but as a result of the Recovery Act CT has saved or created almost 80 jobs in my district alone.

It is still struggling in this economy, and I think we have heard that from our transit agencies, but thanks to the Recovery Act they are better off and, as a result, CT's customers and employees are better off as well.

This story is repeated across Washington State. Estimates show that in my State 67,000 jobs have been saved or created due to the Recovery Act, including over 15,000 jobs building transportation infrastructure in the first year of the Act and over 13,000 so far in the second year. Recovery Act funds have helped construct a new road on Second Avenue and Ferndale that will allow a commercial area to develop. This project employed 84 people in a local community and will allow for numerous permanent jobs in the future.

Bellingham International Airport received over $3 million from the Recovery Act for repaving ramps and taxiways, which have created 100 family-waged jobs.

The Recovery Act is putting money in the pockets of 291,000 families in Washington State to help them pay for mortgages and put food on the table, and it continues to do so. More jobs will be created by the Recovery Act; it will continue to improve our Nation's transportation infrastructure and it will certainly continue to help our transit agencies like Community Transit.

I want to thank you, Mr. Chairman, for inviting Joyce to testify and I look forward to hearing her testimony. Unfortunately, Joyce and Todd and Larry, I have to go meet with the Canadian ambassador to talk about Amtrak's second train, which is another transportation issue that we are all dealing with.

[Remarks made off microphone.]

Mr. LARSEN. Well, you might be more successful than us. Thanks a lot.

Mr. OBERSTAR. All right. Thank you.

Ms. Eleanor, please begin.

Ms. ELEANOR. Good morning, Mr. Chairman, Congressman Mica, and honored Members. My name is Joyce Eleanor, and I represent Community Transit as its CEO. We are a mid-sized transit agency providing local and commuter service in Snohomish County, Washington, which is just north of Seattle.

Since Community Transit was created 34 years ago, our agency has grown to serve nearly 12 million passengers annually, includ-

ing 50 percent of all Snohomish County residents traveling into Downtown Seattle each weekday.

The recession has hit our agency hard. Our agency is primarily funded by local sales tax revenues. In 2010, we will receive the same level of sales tax revenue as we did in 2005. However, since 2005, all of our expenses have grown. We estimate the loss of sales tax revenue due to this recession will total about $180 million by 2013. This is money that would have been used for bus service, bus replacement, and other needs. We will never see this money.

For the past three years we have sustained ourselves through bridge budgets, moving money around where we could, borrowing from our reserves, and, of course, cutting costs. We have cut more than $30 million in programs and administration over a three-year period, and that is about a third of our annual budget.

As bad as things are financially, they could have been far, far worse. If it were not for the American Recovery and Reinvestment Act, things would have been much worse. Thanks to Congress, your Committee, the efforts of our local representatives, Rick Larsen and Jay Inslee, as well as Senators Patty Murray and Maria Cantwell, Community Transit secured $17.5 million in ARRA Federal stimulus funds last year; and this kept us from having to cut service in 2009.

Specifically, we were able to use about $3.3 million of the FTA 5307 funds for operating costs, split between our direct operations and preventive maintenance. This flexible funding saved 74 jobs at our agency that would have potentially been eliminated if we had had to cut service last year. On behalf of our employees, I thank you.

But the benefits don't stop there. We are also using $10.7 million of transit capital assistance funding to purchase 23 replacement buses. These funds allowed us to move forward with replacing buses that are now 16 years old, four years older than the Federal life cycle. The buses we are purchasing are double-decker buses to be used in our commuter service to Seattle. Thanks to the ARRA funds, we will be launching a fleet of 23 Double Talls, which is what we call them, later this year.

I want to tell you one more thing about our double-deck buses. When we first leased this bus in 2007, we leased from Alexander Dennis, the world leader in double-deck buses. The company is based in Great Britain, and that first bus was entirely built in the U.K. As we went out to bid, Alexander Dennis changed its manufacturing process to be Buy America compliant. They have contracted with the El Dorado Bus Building Company in California to create a plant here. They have two assembly lines in California with about 30 people working to create our 23 buses.

The Recovery Act also included funds dedicated to clean energy, the TIGGER grants. We received $3 million in TIGGER funds for hybrid replacement buses. Thanks to the $3 million TIGGER grant, 15 of 24 buses that we are buying will have hybrid diesel electric propulsion engines. Because hybrid buses cost more up front than standard clean buses, we would not have purchased these otherwise.

The buses are being built by New Flyer of America based in St. Cloud, and other testimony before this Committee has indicated

that stimulus funds used for bus purchases have maintained and created jobs, and also at many sub-vendors. We also received $425,000 in ARRA funds through the Federal Highway Administration for redevelopment of a 30-year parking lot at the Mountlake Terrace Transit Center. The parking lot redevelopment was completed this summer, and it created five full-time equivalent construction jobs for the six-month life of the project.

The route ahead for our agency is uncertain. Retail sales tax makes up the majority of our agency's funding, and sales tax levels are 20 percent below what they were when the recession began. As I mentioned earlier, we held off service cuts for three years. In 2009, it was the ARRA funds that saved our service. However, in June of this year we had to cut 15 percent of our service to customers. Community Transit is now in the midst of creating our 2011 budget. We are proposing more staff and program reductions.

Chairman Oberstar, Representative Mica, you and your Committee have greatly helped our agency and our customers with the package of stimulus funds you created last year. Any future action along the same lines could have the same positive effect. And, of course, we applaud you for working on the surface transportation authorization. We need the certainty that such legislation will provide.

I thank you for your wonderful work and for the opportunity to share our experiences about public transit in Snohomish County. Thank you.

Mr. OBERSTAR. Thank you for that excellent testimony. I will come back to your observations on flexibility for transfer of capital funds to operating account later, but it is a splendid example of what we heard and what we intended well over a year and a half ago.

Mr. Theerman, welcome and thank you for your presentation.

Mr. THEERMAN. Chairman Oberstar, Ranking Member Mica and Members of the Committee, thank you for the opportunity to appear before you today and for your leadership in providing funding for water and wastewater infrastructure in the American Recovery and Reinvestment Act. My name is Jeff Theerman. I am the Executive Director of the Metropolitan St. Louis Sewer District. In addition to my duties at MSD, I also serve as the President of the National Association of Clean Water Agencies, or NACWA, and it is my pleasure to testify on behalf of NACWA as well.

This past recession had a significant impact on budgets of wastewater utilities across the Country, impacts we are still feeling today. Harmful closures continue, along with cutbacks in manufacturing and construction and significant unemployment. These conditions have led to significant decreases in revenue for utilities.

The funding provided by ARRA helped fill the funding gap left by these revenue shortfalls and specifically allowed MSD to move forward with capital projects we may have otherwise been unable to undertake. MSD received a combination of loans and grants for many projects within our service area. Direct funding was provided for the Argonne and Upper Maline Creek projects in central and northeast portions of our service area. These projects were constructed to address antiquated sanitary sewers whose capacity problems resulted in basement backups and sewage overflows.

Funding provided a total of $10,980,000 and generated 250 new construction jobs to build or rehabilitate 8800 feet of sewers, resolving both health and environmental concerns.

ARRA loans and grants were used extensively throughout Missouri. This, coupled with low construction bids, freed up $88 million of SRF funding for the district's Missouri River Treatment Plan expansion. All told, these funds will save MSD $70 million over a 20-year period and create an additional 564 jobs during the three-year period of construction of this project. It is important to note the savings MSD will accrue over this time frame will be used to accelerate additional projects for treatment plan disinfection improvements on the Mississippi and Missouri Rivers.

ARRA also authorized the Build America bonds program. These funds allowed the district to take advantage of lower-cost financing and allowed MSD to issue $137 million in bonds, with an estimated savings of $20.5 million in interest that can then be used to fund other projects.

Infrastructure improvements and the jobs required to construct them are essential to St. Louis. With unemployment in our region at 9.5 percent, and with construction hours worked dropping to 50 percent of 2008 levels, ARRA funds allowed our construction industry to remain afloat.

MSD will be spending billions of dollars constructing sewer infrastructure improvements over the coming decades, relying heavily on private contractors to provide high-quality construction services. If our economic situation leads to a serious decline of private companies in the construction community, our infrastructure investment programs will suffer from increased cost and a lack of qualified contractors.

For these reasons, in Missouri we welcome stimulus funding for the need it addresses, the employment it continues to bring, and the relief it provided for many workers who faced the stark reality of sudden and extended unemployment.

Many communities have similar stories, and for these reasons, to the extent additional stimulus efforts are necessary, we urge you to include a robust investment for clean water infrastructure. Investing in water and wastewater infrastructure provides significant economic and environmental returns to the communities in which those investments are made, as well as to the Nation's economy as a whole.

I thank this Committee for its leadership in seeing to it that our critical water infrastructure is a key component to Federal economic recovery efforts, and I look forward to any questions Members of the Committee may have regarding my comments.

Mr. OBERSTAR. Thank you very much for your personal, that is, your St. Louis perspective, but also that from NACWA. We are grateful for the support that your national organization has given to our efforts to reauthorize the SRF, the State Revolving Loan Fund program, which has stalled in the other body, as we quaintly say, for the last four years. Actually more than that, for the last six or eight years. We are going to continue pressing the case for the $15 billion four-year authorization bill. By the time we get to that, I think we will need more like $20 billion.

I will now yield to Mr. Boozman for an introduction for our next witness.

Mr. BOOZMAN. Thank you, Mr. Chairman. It is a real pleasure to have Kelly Johnson with us today. Kelly is the Airport Director of the Northwest Arkansas Regional Airport, and I have had the opportunity, being here five terms, to work with a number of different individuals, administrators throughout Arkansas and throughout the County, and I would rank Ms. Johnson at the very, very top of that list as far as being capable and just doing a tremendous job administrating our airport. Our airport is a very young airport, it has been one of the fastest growing airports in the Country, and nobody does a better job of stretching their dollars and taking care of taxpayers' money.

So, again, it is a real pleasure to have you here today, and I certainly enjoyed working with you in the past and look forward to working with you in the future. Thank you.

Ms. JOHNSON. Thank you, Congressman Boozman, and thank you, Mr. Chairman, for the opportunity to be here today. It is my distinct privilege to be the Director of the Northwest Arkansas Regional Airport and also serve as First Vice Chair for the American Association of Airport Executives. The Northwest Arkansas Regional Airport, or XNA, as we lovingly call it, is a small hub airport that serves five cities and two counties in Northwest Arkansas.

I would like to begin by thanking Congress for including infrastructure provisions in the American Recovery and Reinvestment Act. I would also like to thank the Members of the Committee for your tireless efforts to pass an FAA reauthorization bill that would also stimulate the economy and create jobs.

The Recovery Act included $1.1 billion for ready-to-go airport construction projects. The FAA has already issued 331 grants for 367 airport construction projects at airports around the Country. According to the FAA, 268 of these projects have already been completed.

Last year, XNA received $9.5 million in Recovery Act grants to construct an alternate landing surface. This funding will help us complete a critical safety project at our facility, as well as saving and creating jobs in our community. Our one and only runway is rapidly deteriorating due to a condition known as alkali-silica Reaction. This is a chemical reaction that often causes concrete in runways, highways, and bridges to crack and expand. The deterioration has been so bad that we have spent approximately three-quarters of a million dollars in the last two years alone repairing the pavement to prevent foreign object debris which could damage aircraft and jeopardize safety.

We are constructing the alternate landing surface so that we can close our crumbling runway and begin a major reconstruction project, instead of continuing to throw money at dramatically increasing repair costs. If this project hadn't taken place, we could have been forced into the position to close our airport and repair our deteriorating runway. A shutdown would have impacted Fortune 100 companies, including Wal-Mart, Tyson Foods, which are headquartered in Northwest Arkansas, as well as smaller businesses that rely on air service into and out of our airport. Without

the Recovery Funds Act, we simply would not have been able to proceed with this critical safety project as quickly as we did.

We estimate the construction of the alternate landing surface has created approximately 100 direct jobs, as reported on a quarterly cumulative basis, or 25 full-time equivalent job years. However, it is important to note that that estimate does not include the indirect or induced jobs that have been retained or created as a result of the project.

The Recovery Act also included bond-related provisions that are helping airports move forward with critical infrastructure projects that have been delayed because of the collapse of the bond market. For instance, the bill excluded private activity bonds from the Alternative Minimum Tax for bonds at airports issued in 2009 and 2010. The AMT provisions have been enormously successful. The FAA estimates that approximately 40 airports have issued more than $10 billion in bonds that benefitted from the temporary AMT provision. The AMT relief is expected to save airports approximately $1 billion in reduced financing costs.

Our airport refinanced more than $30 million in bonds this year, taking advantage of the non-AMT opportunity. This has resulted in making our bonds, which we market weekly, much more attractive to investors.

The Recovery Act also created the Build America Bonds program to help State and local governments reduce their financing costs and build infrastructure projects. Several airports have successfully issued approximately $2 billion in Build America Bonds to refinance projects at their facilities.

Mr. Chairman, I would like to discuss a few other steps that Congress could take to help airports create jobs and stimulate the economy. First, we urge Congress to pass an FAA reauthorization bill that raises the cap on passenger facility charges and increases airport improvement program funding. It has been three years since the FAA bill expired. We hope that you and your Senate colleagues will work together to send a multi-year bill to the President's desk before the end of the current extension, which expires at the end of this year.

Airports are grateful for the House-passed version of the bill, which includes provisions to raise the PFC cap from $4.50 to $7.00 and increase AIP funding by $100 million per year. The higher PFC level alone will generate more than $1 billion per year for critical safety, security, and capacity projects, without relying on Federal funding. Raising the PFC cap and increasing AIP funding will also stimulate the economy by creating tens of thousands of good paying jobs every year.

Third, airports recommend that Congress extend the Build America Bonds program, which also expires at the end of this year. This would provide airports with another tool to lower borrowing costs and invest in additional infrastructure projects to help stimulate the economy. Congress could also help by extending the AMT provisions that are slated to expire at the end of this year. A permanent AMT fix would help save airports even more money, allow them to invest in more infrastructure projects, and create even more jobs.

Chairman Oberstar, Ranking Member Mica, and Members of the Transportation and Infrastructure Committee, thank you again for

inviting me to appear before you today, and I look forward to answering your questions.

Mr. OBERSTAR. Well, thank you. You really raced through your statement. You hit all the points, and I especially appreciate your appeal for passage of the reauthorization bill for aviation. I am going to send your testimony over to the other body and ask them to get going with it. This is an appeal from the heartland here, right from the very heartland of America.

We passed that legislation in the 110th Congress. In 2007 we moved that bill. And it bogged down over a number of items that were in our bill, not in the Senate, and that the previous Administration couldn't agree with and couldn't resolve, one of them being air traffic controller pay issue. This Administration came into office; they settled that within the first five months, the new contract done, ratified by the controller's union; and then the issue of the passenger facility charge, which is grossly misunderstood by others or, if understood, then grossly misrepresented as a tax. It is not a tax, it is a fee. And it is not required. No airport has to impose the passenger facility charge; if you choose to do so, you are allowed to do so. That was initiated as an initiative of the Bush 1 administration under then Secretary of Transportation Sam Skinner.

I was Chair of the Aviation Subcommittee at the time we passed the authority for the first PFC. It took quite a combined bipartisan effort to get that passed and we did it, and it has resulted in billions of dollars of investment on the hard side of airports, supplementing the AIP program, building runways and taxiways and expanding airport capacity, and also dealing with those airport needs that are beyond AIP authority and which you, your brother and sister airport authorities across the Country, have used wisely to enhance capacity and deal with the needs of travelers.

The airlines don't really care what happens to the traveler; they just set a time, you come and we will leave when you are onboard, and if you not onboard, we will leave anyway. But it is the Airport Authority that worries about the traveler, to make sure that their passageway to the gate is smooth and efficient, and you have done those things with those passenger facility charges.

So there is just one person over there in the other body that is holding it up; has set himself up as the authority, as the fiscal conscience of the Congress, which is a lot of baloney, frankly. I say it and I have said it many times publicly, privately, and it is in violation of the bipartisan accord we have had for going on 20 years for the PFC.

Then there is one other little issue that has to do with National Airport. Not so little, it is a big conflict of interest of legislating a majority, monopoly, almost, a stranglehold on National Airport for one airline, U.S. Airways; and it is something the other body has to deal with, it is beyond our ability to resolve. They have it all tangled up in holds and hot holds and secret holds and filibuster threats.

Let's begin with Mr. Cummings. Do you have any questions of witnesses?

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

Mr. Foxx, just one question. You were talking about bids coming in at sometimes 30 to 40 percent less than the engineering study

or whatever. Is that because people were out of jobs and out of work, and they were more anxious to get opportunities? I just wonder what that says about the regular bidding process. You follow what I am saying? That is quite a difference, and I was just curious.

Mr. FOXX. I understand exactly what you mean, sir. Based on our engineering estimates, I think it was more indicative of the climate which they were facing. All of the contractors were looking to get projects so they could put people back to work, so they were willing to take some risk and put in lower bids than what they would normally put in just to get those projects and get people back out there. I am not saying that they would take a loss; it is just that they were trying to bid, I would say, more realistically on some of the projects that we had.

Mr. CUMMINGS. So I guess they may have taken less of a profit?

Mr. FOXX. Right, less of a profit.

Mr. CUMMINGS. And keeping their people working?

Mr. FOXX. Yes, sir.

Mr. CUMMINGS. They prefer that. That makes sense. What about minority participation? I mean, what kind of minority participation were you able to achieve, do you know, with regard t those dollars?

Mr. FOXX. In regards to the dollars, across the board, around 36 percent minority participation in all of the projects that we have, women-owned businesses and minority-owned businesses throughout the city. In many cases we try to encourage the prime contractors to increase that amount so that we can get more of the smaller businesses on the construction sites to help those out. But on average it is around 36 percent minority participation in all contracts.

Mr. OBERSTAR. Would the gentleman yield?

Mr. CUMMINGS. Certainly.

Mr. OBERSTAR. That is an extraordinary achievement. We would like to have more about you achieve that goal. From my experience, I would say that is probably the highest minority participation of any system in the Country.

Mr. FOXX. Well, the City of Baltimore promotes minority and women-owned business participation in all of its contracts, and all of the prime contractors that we deal with pretty much agree with that process and try to pull in as many women-owned and minority businesses as possible to participate in the contracts.

Mr. OBERSTAR. You know, it was Mr. Cummings who had a very significant hand, as we shaped the stimulus bill, in providing the $20 million authority for bonding for minority-owned enterprises. It was his suggestion and initiative from the Maryland experience, and I thank him for that.

I thank the gentleman for yielding.

Mr. FOXX. I talk regularly with the Congressman about minority-owned businesses and their participation in all contracts in the City of Baltimore.

Mr. CUMMINGS. Thank you very much. Just one other question. You said you had projects that were shovel-ready. How did you make a determination as to which projects you take on?

Mr. FOXX. Well, when we evaluate, we look at the criticality of the project and how it would support neighborhood revitalization. Some of the projects we looked at how it supported the traffic flow,

the priority as far as traffic flow within the City of Baltimore. For example, Northern Parkway, a critical east-west arterial, and we just didn't have enough money to repair that, so we invested a lot of the stimulus dollars into that.

Plus, after the disaster in Minneapolis with the bridge, we focus a lot on our old bridges, and Argonne Bridge is one of them; and that was priority because it has such a low rating to get that bridge fixed as quickly as possible, and the stimulus funds allowed us to do that. We had the project design; we just had to get the money to get it out there and get it fixed.

Mr. CUMMINGS. Thank you very much.

I will yield back, Mr. Chairman.

Mr. OBERSTAR. Thank you.

Mr. Boozman?

Mr. BOOZMAN. Something I would like to know from whoever would like to volunteer the answer or just really a comment, one of the things that we have really had tremendous problems with is just getting projects going. I think the average road project takes what now, Jim, nine or ten years, or something?

Mr. OBERSTAR. It depends on the nature of the project. A simple mill and overlap often takes three years, and transit projects average 14 years.

Mr. BOOZMAN. Exactly. And we saw the bridge, your bridge, that was completed in a very short time. That probably would have taken many years, years and years, through the normal cycle of things.

So tell me a little bit about some of the problems that you have had in getting your projects going and if you have any suggestions on how we can cut through some of the time delays. Not only is it a time factor, but it is also a money factor with inflation and every other reason. So whoever would like to comment just for a minute or so.

Mr. FOXX. One of the things we were asked when we were addressing the stimulus funding was to have shovel-ready, and in my mind, when it says shovel-ready, that means the design had to be near completion so that we could go out on the street and award the project. In many cases, if you are running an engineering, like in the private sector, as the Director of Transportation, I have always had projects in the design phase; and you are right, if you started off from concept, it normally takes about a year, a year and a half to get an individual project designed before you can get it out on the street.

So we had several projects that were around 60 percent, 90 percent complete in design, but we just didn't have the construction money. And we completed those projects, put them out on the street, and that is what we considered; if it was around 60 to 90 percent complete in design, we considered that as being shovel-ready because it was close to being completed as far as the design, and we could put it out, advertise it, get a bid on it, and go into construction within a relatively short time, six to nine months. So that is the technique we used.

Mr. BOOZMAN. Thank you, Mr. Chairman.

Mr. OBERSTAR. Further answer to the gentleman's question is that it helps to have a bridge collapse and people die, and quickly

your public attention is focused on doing things right and cutting through. Secondly, we didn't relocate that bridge in Minneapolis; it is the same bridge piers, the same location. There was no environmental impact statement required; there was no right-of-way acquisition necessary; there was no design and engineering; they did a design build project.

And, third, in the management of the project, the contractor and the State of Minnesota and the Federal Highway Administration all were in the same building, on the same Floor, and, instead of sending emails to each other, they walked down the hallway to share information and overcome and resolve differences or issues or questions. And the permitting that was necessary was very minimal, but it was all done ahead of the project.

I yield to the gentleman.

Mr. BOOZMAN. Well, I think a big part of that is, as you say, the agencies, rather than being in a confrontational style, it was more of a cooperative style of working together; not a gotcha attitude, but this is what we need to go forward and ensure that this is done in a timely process. And I know you agree with this; we have talked at length.

These are things that we truly do need to work on, and perhaps at some point, once the stimulus funding is done, it might be a good time to get some people who have gone through the process again just to sit down and say what were your obstacles, because I know the big study that we had done, that was one of their major things, was getting it such that we could get things done in a timely fashion.

Mr. OBERSTAR. Exactly. In the course of these hearings, I have repeatedly asked State DOTs and wastewater treatment agencies and transit agencies to give us their suggestions on project expediting. And in the future transportation bill that was reported from Subcommittee, we do have, in the Federal Highway and the Federal Transit Administration, an office of project expediting, which we have taken these lessons, we are going to apply them. Of course, it is always subject to further refinements and further improvements.

But we started this with Mr. Young in the current SAFETEA legislation, and I crafted that provision; it took 44 pages. But delivering projects faster and more efficiently is a cornerstone of the future of transportation. We are going to work hard on that.

We are going to also have to speed up our getting to the Floor to vote; we have zero time left. Two hundred seventy members have not yet voted. We will resume the hearing within 10 minutes after the last vote.

The Committee stands in recess.

[Recess.]

Mr. OBERSTAR. The Committee will resume its sitting. Apologies to the panel and to the subsequent witnesses for the interceding votes. It took longer than anticipated.

Mr. Foxx, you referenced at some length the water taxi service in Baltimore, 80,000 passenger trips you wrote down, I wrote down?

Mr. FOXX. Yes, sir.

Mr. OBERSTAR. And you had 35,000 more passenger trips with the funding received from the stimulus?

Mr. FOXX. What I said, sir, is when we add that third route from the purchase of a water taxi, we expect another 25 to 30,000 trips on an annual basis.

Mr. OBERSTAR. And describe for me where—I know the Baltimore Harbor reasonably well, although I haven't been there I would say three years, at least. But describe where that service originates and terminates.

Mr. FOXX. Since you have been to Baltimore, you know that the Inner Harbor area is sort of an inverted U.

Mr. OBERSTAR. Correct.

Mr. FOXX. And we have residents on the east side, west side. So the service connects basically at, I think General Ship is one of the companies there, and it goes across to the Canton area on the east side of the Inner Harbor. Overall, it is about a 10 to 15 minute trip, but what it does is it saves the residents who work over on the east side and commuters who are trying to get to the east side, they can park their cars in garages or at their home and take the water taxi to get to work on the east side; it saves them from hitting the congestion in Downtown Baltimore.

Mr. OBERSTAR. Is it all passenger, or do you accommodate vehicles as well?

Mr. FOXX. It is all passenger, sir.

Mr. OBERSTAR. And where are those passenger vessels produced?

Mr. FOXX. I don't have that with me, sir, but I can give you that information.

Mr. OBERSTAR. Made in America? They have to be under our Stimulus Act.

Mr. FOXX. Yes, sir, they are. That, I do know.

Mr. OBERSTAR. All right. And what plans do you have for expanding your water taxi service for the future?

Mr. FOXX. Right now, we have increased it just recently, and as far as future plans, we think that right now the addition of the third line will be more than adequate for our needs. What we are trying to do is build up an interconnected transit system around that Inner Harbor area within Baltimore by connecting the bus transit and the water taxi transit together and making a complete circuit or transit system. And as far as future needs, we will evaluate what we are doing right now and then take a look at it.

Mr. OBERSTAR. Well, that is exciting for me to hear. That is a very important initiative, as you just described it, intermodalism, to bring public transit together with the ferry service, instead of just depending on the car to get you to one point, if you can take your bus, light rail, streetcar, or subway and come to a waterfront destination, take the ferry boat, save more time, more impact on the environment by using the ferry boat, low cost, low emissions, and serve vast numbers of people, then we are serving the best interest of transportation.

Mr. FOXX. Yes, sir.

Mr. OBERSTAR. We plan to increase substantially, nearly double, the funding for ferry boat service in the future transportation bill reported from our Subcommittee last year.

Mr. FOXX. Great news.

Mr. OBERSTAR. Mr. Theerman, you referenced in your testimony, I wrote it down, but I think it is also in your presentation; I will just work from my notes, the increased issues that wastewater treatment agencies must deal with; nutrient control, sewer overflow, stormwater, water quality standards, emerging contaminants. I think by implication you also include CSO combined storm and sanitary sewer overflows. You talk about emerging contaminants. What are the emerging technologies to deal with CSO and with, particularly, stormwater runoff?

Mr. THEERMAN. Nationwide, clean water agencies are working with best management practices to deal with stormwater runoff. Green infrastructure is becoming another tool in the toolbox, with that being employed in lieu of gray infrastructure improvements, all in an effort to resolve water quality concerns at the lowest cost. And that list you just read is representative of all the competing issues on the water side for the ratepayers' dollars. So the prioritization of those, the working to solve the most important water quality issues in a priority fashion is something NACWA is very intently interested in.

Mr. OBERSTAR. Holding basins for stormwater runoff were tested in the Anacostia River here in the Washington area in 1968, 1969, 1970. They used huge polyurethane bladders that could hold up to 300,000 gallons as a test to channel the runoff, hold the runoff, and then pump it back through the system when the storm had subsided. Now the District of Columbia, the blue plains treatment system are moving into a much larger holding tank facility to deal with that runoff problem.

In my district, in Duluth, Minnesota, Kurt Soderberg, now recently retired as the Director of the Western Lake Superior Center, I guess that smile on your face suggests you knew or know Kurt, has three such holding tank projects under construction now. Two of those are stimulus grant funded. I think that makes an awful lot of sense, rather than tearing up streets and putting in new capacity; build these storage facilities until after the storm has passed, and then you can, at a more leisurely paced, pump that material back through the treatment system. What do you think about that?

Mr. THEERMAN. I can give you an example from St. Louis. We have a large combined sewer area in St. Louis, covers about 75 square miles. There is about 1800 miles of combined sewers. The estimate MSD has developed for separation of those systems into two, wastewater and stormwater system, is about $10 billion on the public side, with another $10 billion of cost on the private side, because literally you are getting into the plumbing of most buildings in the combined sewer area. Alternatively, we have proposed a long-term control plan with a cost of $1.8 billion, but involves storage tunnels and the use of green infrastructure, similar to what you are seeing in Duluth.

Mr. OBERSTAR. Thank you for that. We will be calling on you in the future. We passed, in the 110th Congress, and then again in this 111th Congress, through this Committee, through the House, reauthorization of the State Revolving Loan Fund program, which is the replacement for the wastewater treatment grant program that the Reagan Administration abolished and converted to loans.

Difficult as those are for smaller systems, they have to pay back the capital, they have to pay back the interest, but still it has been a lifelong. For 15 years that program has not been reauthorized, it has been continued through the appropriation process.

So I urge you and all your brother and sister agencies to appeal to the Senate, release their hold, bring their bill to the Floor, have a vote on it. If they don't want to vote for it, that is one thing; but to hold it hostage to some ideology that we don't even know about, to say that the Senate can't even take a stand on an issue is offensive to us in the House, and that is on both sides of the aisle. Passage of that bill would help immensely to move projects ahead.

Mr. THEERMAN. You can have NACWA's commitment to continue to work on that with the Committee, sir.

Mr. OBERSTAR. I appreciate that. Thank you.

Ms. Eleanor, you said very well that your revenue income has remained relatively constant over a period of years, but expenses have grown, particularly on the operating side, and the Section 5307 operating funds was very important for your system and for others throughout the Country. You should know that when the Committee acted on our portion of stimulus, we had $12 billion for transit. That was reduced when we went into negotiation on the overall package within the House, but when we came to the Floor, an amendment by Mr. Nadler of our Committee, from New York, restored the $12 billion.

That, unfortunately, was cut back when we got to conference with the Senate on the stimulus. It was testimony right at that table from Bev Davis of Atlanta, who said it doesn't make sense on the one hand to give us funding to buy new transit vehicles and on the other hand to lay people off because we can't afford to operate them. Give us the flexibility to shift capital funds to our operating account. And we did that, and we are going to do that in the future of transportation in which we double the funding to $99 billion in the authorization language in our bill for transit over six years.

Now, it is urgently needed. Over the past 15 years our Nation's population has increased 14 percent. Automobile use has increased 22 percent, but transit ridership has increased 43 percent. And more people are riding on bus transit systems than on rail, but rail travels more miles. But both are essential to the future of relieving congestion in our metropolitan areas and to connecting the suburbs to the center city and the exurbs to the suburbs in the center city, and connecting rural America with commuter rail to urban centers.

That is why we are going to have this significant increase in investment in transit for the future to address all of our transportation needs equitably, and providing some flexibility for operating expense is an issue we are dealing with. We have provided five percent flexibility for the major populations, those a million population and above, and larger amounts for the smaller systems.

In some of the major metropolitan areas we have heard transit agencies say, some agencies, not all, but two or three have said don't give us this authority because our State legislature will tell us use your capital account for your operating expense, and then they don't provide the State matching funds, so they are escaping their responsibility for transit.

Now, do you have some insights for us on that issue?

Ms. ELEANOR. First of all, I want to say thank you for everything that you have done for transit. It is wonderful to see that there are those who understand how important it is. Flexibility is important in a transit system. For my particular system, before the recession, I would have been overjoyed to have flexibility.

But since the recession we have a problem on both sides of our budget. We used to be able to put away money, save money for buses out of our annual revenue. We no longer can do that. In fact, we are borrowing from our bus replacement fund just to keep operating. So by 2013 we are going to be broke in our capital program unless we turn it around, and the only way we can do that is to downsize our agency.

That being said, that is only Community Transit. There are other systems who desperately need flexibility, and I would urge you to continue that fight; I think it is something that we do need.

And as far as the State legislature or others not taking responsibility, my personal opinion is if we are going to get out of the transportation fix we are in, it is going to take everybody funding transit; the State, the feds, the local.

So, again, I hope I have answered your question, and I want to thank you again for everything you do.

Mr. OBERSTAR. Thank you for that response. And you are right, this is a partnership; we are all in this together and each jurisdiction of government has its role and its responsibilities to carry forward.

Mr. Barnes, your testimony was exciting, was very illuminating. This Foothill Transit project with Proterra is very enticing. How many of these buses do you think you can incorporate into your system and how many are likely to be requested by other systems across the Country?

Mr. BARNES. Well, we think that the technology could be applicable to as much as 60 to 70 percent of our system. The technology is particularly well suited for the traditional local style service that has lots of stops and starts, travels an average of 12 miles per hour. Where the technology in its current form doesn't apply is to our longer haul commuter express routes. These would be folks traveling from the suburbs into Downtown Los Angeles, where the average trip length is 45 to 60 miles.

The technology could evolve to get there, but there is additional work that needs to be done in terms of battery technology and range extension to accommodate those longer trips. But we think there is great applicability. We already have one line targeted for full electrification. Our board has directed us to start working on a second and we have done demonstrations where we have seen the product can work on other lines.

In terms of the applicability to other systems, there are over 30 systems in the U.S. that are interested in this particular type of technology and we think that as it continues to demonstrate its viability there will be even more beyond that. So it has great promise for the future.

Mr. OBERSTAR. And I take it the technology is not company-specific; that New Flyer could build these. Mr. Rock, you are an electrician. I imagine you would like to get your hands on one of these

electric buses and see how it works and what to do with it when you need maintenance.

Mr. ROCK. That is correct. We would like to be involved in that type of technology, and probably are in the R&D environment. I don't know that at this time.

Mr. OBERSTAR. Ms. Johnson, I have been very impressed with the way airports have moved aggressively, efficiently in using their stimulus funding. We had $5.25 billion in our Committee bill reported from this Committee. By the time we got through with the Senate, they had fleeced us. That funding went elsewhere and we were left with $1.3 billion. I was invited by Bemidji Airport Authority, just outside my district, right on the borderline. Congressman Peterson and I share that territory, so they invited us for the groundbreaking.

Well, by the time I got there it was a ribbon cutting. They had already built the project. They had already poured the concrete for the parking apron. Mr. Mobley, they would have had all of your brothers at work on that project and was done. And Mr. Van Leeuwen, the Airport Director, said we have the ability to advertise for bids, receive bids, and hold those bids for up to a year so that when the funding is right, then we can move on the project. That is not the case with the Federal highway program; they don't have that authority.

Have you used that in your operations? Have other airport authorities done the same?

Ms. JOHNSON. We can't hold bids for a year in our particular circumstance, but we have a 120-day window. What we have found which worked well for us with this particular project that I referenced during my testimony, we did a base bid and did eight additive alternates. So we added as much work as we could allow based on the funding that was received and were able to really push the project along that way.

In addition to that, I just have to commend the FAA for really pushing that money out the door. We have a particular problem at our airport; our board is very pragmatic in their thinking, and when we have money they allow us to go out and get engineering done and have projects waiting on the shelf. FAA is good at picking those projects that are really needed for a particular community or for the basic connectivity of the national airspace system. So we do try and do that as much as we can, but we do have a limitation. Different States have different regulations, so it really does make a difference.

But a big project with no increase in PFC, with no long-term bill, trying to build a multimillion dollar project on 15 CRs is really difficult for a small community to pull off.

Mr. OBERSTAR. The aviation investments, I cited these at the outset of this hearing, but 155 runway improvements, 139 airports, 11 million operations, and taxiways at another 78 airports, 8.1 million operations, and 25 projects for modernization of en-route centers. Those are significant benefits to a huge segment of the traveling public, underscoring the need for the passage of the four-year authorization bill. It just exasperates me that we have had to do another short-term extension.

Ms. ELEANOR. Well, we certainly appreciate the work of this Committee. We know that you understand our needs and that you are out there working for you every day, and we want to thank you for that.

Mr. OBERSTAR. Did you have any obstacle of any kind dealing with FAA and the stimulus funding?

Ms. ELEANOR. No, no real obstacle in dealing with the stimulus funding, just getting the program ready to go. We have a really sort of bizarre situation with a runway that is not very old, and trying to get everybody onboard with the fact that there really was a problem at XNA did take some time and they did require us to do some initial studies. We understood that initial let's make sure what we have here we go out here, because we are spending $30 million to do this particular piece of pavement, then we are going to turn right around and spend another $30 million to rehab the existing runway. The nexus of that was they got it, they understood that we have one runway. Wal-Mart corporate headquarters is nine miles from us; Tyson Foods is 12 miles away. Very large economic impact to the United States if we can't do business in Northwest Arkansas.

Mr. OBERSTAR. Thank you for that testimony, that is excellent.

Mr. Mobley, how long have you been a laborer, member of the Laborers Union?

Mr. MOBLEY. Fifteen, 16 years.

Mr. OBERSTAR. My son, while going through college, worked a few summers as a laborer, a card carrying member of the Laborers Union, kept his card active from freshman year, sophomore year, to junior year so that he could earn decent pay and help pay his way through college. During high school he worked mowing lawns and he did odd jobs and carefully put his funding away.

By the time he graduated from high school, he had $8,000 in the bank. That was enough to pay room and board for maybe a semester and a half. But what he earned working on a Nordstrom's project out here in Tysons Corner got him through that freshman year, and other similar projects.

What we heard as we were shaping this stimulus bill in December of 2007 and through 2008 were the snides and critics on the outside saying these are just temporary jobs, these aren't permanent jobs. I take exception to that because that is your career.

Mr. Rock, you are an electrician. That is your career. A carpenter trains to do carpentry work. That is your career. You go from one job to another. What do you say to people who say, well, those are just temporary jobs?

Mr. MOBLEY. To me, I say it might be a temporary job for me that I am there, but it is the impact on everybody else that uses those roads; it is jobs for everybody else and it is on down the line. I mean, for a few people it might be temporary that they are in that position, but at the same time it creates long-term use of travel for the trucking industry and anybody else. I mean, yes, my job in construction on a particular project is short-term, but the benefits for the communities are far beyond that.

Mr. OBERSTAR. Yes, a factory worker stays in that factory. An iron ore miner works in the mines until it is shut down for some reason for until the ore is played out. They are in a fixed location.

But building tradesmen and women move where the jobs are. That is your career. That is not temporary for you. That particular project is temporary until it is done.

Mr. MOBLEY. Exactly. Yes, sir.

Mr. OBERSTAR. How many members of your local are without employment right now?

Mr. MOBLEY. I don't have those figures.

Mr. OBERSTAR. That is not really fair. I didn't ask you to come with that information, but just give me a horseback estimate.

Mr. MOBLEY. Members of my union, of the active members, not including the retirement, I would say 100 people on the list out of 1,500 from my local. I would say that would be a fair number.

Mr. OBERSTAR. Now, in 1998, the gentleman's portrait there on the wall behind you, Bud Shuster, and I worked on the Transportation Equity Act of the 21st Century, TEA-21. We engineered a 40 percent increase in funding. We also had to take on the House Budget and Appropriations Committees, and Jim, you will remember that, and the Clinton Administration that put fire walls around the Highway Trust Fund, but we prevailed.

And the result of that increase was 3 million construction jobs over the next six years. There was no one sitting on the benches. We also included $10 million in TEA-21 for training for apprentices and other new entrants into the building trades because the trades told us we are not going to have enough people to do all the work. You are going to have to have new hires.

Well, that was $218 billion in 1998. The bill for the future of transportation is $450 billion, more than double that amount. And we are going to need training, but we will create 6 million new construction jobs in the course of that bill. That is what we need. That is the long-term future of transportation.

And with the stimulus, and I cited the figures, 35,400-some miles of highway improved or rebuilt, reconstructed. That is nearly three-fourths of the mileage of the Interstate Highway System, or equal to it. That represents 4 percent of the needs, 4 percent of the state of good repair requirements to rebuild our Federal-aid highway system.

There is a huge job yet to be done. So tell your brothers help is on the way. We are trying to overcome all the obstacles and objections. Maybe after the elections, things will settle down and people will get over the collywobbles and decide to do something good for America.

I want to thank this panel for your testimony and your responses and your patience throughout this long morning and early afternoon.

Mrs. NAPOLITANO. Mr. Chair?

Mr. OBERSTAR. I am sorry. I didn't see Mrs. Napolitano.

Mrs. NAPOLITANO. I snuck in.

Mr. OBERSTAR. Thank you.

Mrs. NAPOLITANO. Just a very quick question.

Mr. OBERSTAR. I yield to the gentlewoman.

Mrs. NAPOLITANO. Of Mr. Barnes, because I know that we have had numerous increases in regard to the cost of the buses, the life span of the buses, and the savings not only in long-term life of the bus, but also the environment in savings emissions.

Would you address that please?

Mr. BARNES. Absolutely. The vehicle is unique in that it is projected to be an 18-year life vehicle as opposed to a 12-year life vehicle. So that in and of itself allows the vehicle to operate longer, and that is primarily because it is a composite body construction which is much stronger, much more durable than a traditional steel construction on a vehicle.

From an energy efficiency standpoint, the early tests are showing that this vehicle is five times more energy efficient than a traditional diesel coach. So it is a very efficient vehicle that has a longer life. It has a higher up-front cost, but when you look at that on a life cycle basis, we believe that it can actually demonstrate a lower cost.

Further, because it is an electric-powered bus, there are very few parts that have to be maintained. You don t have to change the oil. Because it uses regenerative braking, you don t change the brakes as often. So again, cost savings can be generated along those lines.

From an environmental standpoint, coming from the Eastern San Gabriel Valley, which is very challenged in terms of air quality, this is truly a zero emission vehicle. We are purchasing renewable energy credits so we know that the energy that goes into that bus comes from some sort of renewable energy, whether it is solar, geothermal, wind power. It is a true zero emission vehicle.

Mrs. NAPOLITANO. How many buses do you currently have?

Mr. BARNES. We currently have three and provided that the bus meets our performance expectations, we have funding in place to order nine more.

Mrs. NAPOLITANO. Thank you, Mr. Chair.

Mr. OBERSTAR. I want to thank the panel and we will call on you in the future as we continue our work on transportation initiatives.

I will now up bring our second panel. I will start with Mr. Cox, President of Corman Construction Company, representing ARTBA, one of my favorite organizations in Washington.

TESTIMONY OF BILL COX, PRESIDENT, CORMAN CONSTRUCTION, INC., REPRESENTING THE AMERICAN ROAD & TRANSPORTATION BUILDERS ASSOCIATION; JAMES E. MCCULLOUGH, PRESIDENT, CASE CONSTRUCTION EQUIPMENT/CNH, REPRESENTING THE ASSOCIATION OF EQUIPMENT MANUFACTURERS; YANCY WRIGHT, SUSTAINABILITY DIRECTOR, SELLEN CONSTRUCTION CO., INC., REPRESENTING THE U.S. GREEN BUILDING COUNCIL; AND LAUREN COHEN, ASSISTANT PROFESSOR OF BUSINESS ADMINISTRATION, HARVARD BUSINESS SCHOOL

Mr. COX. Good afternoon, Chairman Oberstar. My name is Bill Cox, as you said. I am the president of Corman Construction and we are headquartered in Annapolis Junction, Maryland.

I am also the incoming Chairman of the American Road and Transportation Builders Association.

Corman Construction is one of the mid-Atlantic region's larger heavy civil contractors. We specialize in the construction of bridges, highways, underground utilities, tunnels and marine facilities. My grandfather founded the firm in 1920 and we are now in our fourth generation as a family-owned and operated company.

Mr. Chairman, I am somewhat unique as a witness extolling the virtue of the Recovery Act as our firm has received no direct ARRA transportation work to date. We have been awarded two ARRA projects through the National Park Service, one in the District of Columbia and one in Western Maryland. The one in Western Maryland is under construction. The one in the District of Columbia will start in the next month or so.

I can guarantee you, however, that despite that fact that have not won any transportation work, the markets in which we operate would have been devastated without this infusion of revenues. In the search for jobs created or saved and other metrics, too many people have overlooked the interconnectedness of Federal, State, local and private sector investments in transportation improvements.

The Recovery Act's transportation resources strengthened the entire transportation construction industry, not just those firms that received specific contracts. The Recovery Act's transportation investments have kept many of our suppliers and subcontractors, without whom we could not operate, in business. It has also helped prop up State programs and as a result we are now starting to see more diverse projects being bid.

Mr. Chairman, the effectiveness of the Recovery Act cannot be analyzed in a vacuum. I will tell you, however, as a contractor operating in multiple States, that many transportation construction firms would likely have closed their doors without the Recovery Act's transportation investments over the past two years.

There are several key points I would like to make about the Recovery Act. First and foremost, the Recovery Act is indisputably supporting construction activity and jobs in the transportation sector. And this is virtually the only construction activity that did not suffer a significant downturn during the recent recession, and almost solely because of the transportation investments made by the Recovery Act.

In my home State, Maryland, the Recovery Act has supported more than 172 highway and bridge construction projects, pumping more than $430 million into our highway construction market. As a result, our contractors have been able to preserve hundreds of jobs.

As critical as the Recovery Act was in boosting the U.S. transportation sector, it is also clear that our equipment purchases and employment levels are nowhere near where we would like them to be. This situation is by no means the fault of the Recovery Act. To justify investing hundreds of thousands or millions of dollars in new equipment, or hiring new employees, contractors must be able to make an informed judgment about the long-term outlook for the transportation industry.

Over the past few years, we have seen a collapse of private sector construction activity and severe cuts in State and local transportation construction investments. In fact, 22 States reduced their highway contract awards in their States last fiscal year.

The other clear fact about the Recovery Act is that its benefits are coming to a close. The value of new contracts awarded for all modes of transportation significantly increased in the first year of the Recovery Act. New airport and transit contracts awarded in

2010, however, have declined to the 2008 level. Highway awards are still rising, but at a slower pace than in 2009.

Mr. Chairman, this would not be a surprise to anyone as the Recovery Act's transportation investments were never intended to be a long-term solution. A long-term transportation solution, however, is exactly what our industry and the U.S. economy needs now more than ever. We were very pleased to see President Obama's announcement on Labor Day of his commitment to enacting a six-year reauthorization of the Federal Surface Transportation Program. We also appreciate the leadership demonstrated by this Committee in continuing to push for a multi-year bill.

As welcome as it is to have the Administration join your push, the fact remains that an authorization bill will be one year overdue tomorrow. A multi-year transportation bill will help generate jobs in the hard-hit construction industry and much more. Transportation infrastructure investments provide long-term productive assets that improve the competitiveness of U.S. firms and enhance the quality of life for all America.

Mr. Chairman, I know you and this Committee do not need any prodding from me to advance a robust, multi-year transportation bill. I only hope that the other Members of Congress will recognize and embrace this urgent situation.

Thank you for the opportunity to testify.

Mr. OBERSTAR. Thank you for your presentation. And we thank ARTBA and particularly Pete Ruane, your man on the ground in Washington, for steadfast advocacy that you have demonstrated for the future of transportation and for the previous legislation from TEA-21 and SAFETEA, even back to ISTEA. Pete Ruane has been there and been a steadfast advocate.

Mr. McCullough, President of Case Construction Equipment.

Mr. MCCULLOUGH. Good afternoon, Mr. Chairman and Committee Members. As stated, my name is Jim McCullough and I am the CEO and President of CNH Construction Equipment headquartered in Racine, Wisconsin.

I am also the Vice Chair of the Association of Equipment Manufacturers, and I am here today representing the Construction Equipment Manufacturers Sector.

From my travels and analysis of the global construction and equipment markets, I can personally attest that this Nation's competitiveness is being seriously challenged. The countries that we are competing against understand that to sell more product, to access global markets, and to reach more customers, they have to get to the market faster, and for that they are investing in modern infrastructure, and they are doing it at rates that far exceed America. In fact, it is absolutely putting the U.S. to shame.

Despite the competitive threat, and despite dramatic warning signs of collapsing interstate bridges and bursting natural gas pipelines, the Nation has not come to grips with the fact that this Country's very foundation is crumbling right under our feet.

The manufacturers of the U.S. construction equipment industry can play a significant role once policy and funding is established to turn the situation around. The heavy construction equipment industry is a major contributor to the U.S. economy and substantially

impacts the economy of every State and every Congressional District.

In 2008, the equipment manufacturers, distributors and independent maintenance people had a $365 billion impact on the U.S. economy, supported more than 2 million American jobs, and paid $111 billion in wages, salaries and benefits. However, a 2009 study by Global Insights showed that during the recession, our sector has lost approximately 50 percent of our pre-recession activities.

While the numbers in my written testimony show that indicators in a recent sector survey are beginning to trend up, one must ask the question: Up from where? That trend is still not strong and our numbers are nowhere near where they were before the economy imploded.

A year after we completed the Global Insights study, we, as manufacturers, are still about 40 percent to 50 percent of the volume in revenue our industry produced in 2007. As a result, layoffs have occurred significantly inside the production facilities and obviously cutbacks have been made across the companies of all the manufacturers in the industry.

So the big news earlier this week that the recession has ended, well, Mr. Chairman and the Members of the Committee, let me respectfully tell you it doesn't feel that way in our business.

I am pleased to have been offered the opportunity to come here today to give the Committee a glimpse of the current economic state of the construction equipment industry, and to provide some observations of the impact of the stimulus.

Most importantly, I am here today to urge this Committee to continue to push for infrastructure vision, long-term commitment, as well as a long-term surface transportation funding authorization bill.

In the survey summarized in my written statement, AEM asked our members about the impact of the stimulus funding on their business. Just about 20 percent said they are seeing some impact from the highway and other stimulus spending, but the funding was, a the Committee is well aware, far below our transportation system required investment, and the emphasis on shovel-ready projects focused the majority of the work on road resurfacing, reconstruction and rehabilitation of existing bridges and roadways.

A large number of equipment product lines manufactured by our members, such as earth-moving and lift equipment, are typically not utilized in these types of projects.

A long-term infrastructure and transportation bill will provide critical funding for bulldozer-ready projects, with long-term value to ease congestion and more effectively move people and goods.

As of the end of July, 2010, the State highway departments reported that over 15,000 highway and transit stimulus projects were underway in some form or fashion. That means that our customers were utilizing their existing fleets of equipment to undertake this work, but they were not adding labor nor were they purchasing new equipment.

The infusion of additional capital from the stimulus has thus kept many of our customers in business and may have provided a lifeline to the anticipated increased economic activity that a long-term reauthorization plan will provide. But it is critical that Con-

gress and the Administration move quickly before the end of the current extension to avoid a dramatic reduction in funding.

Mr. Chairman, it was almost a year ago when you joined the Equipment Manufacturers Association and our dealers on the National Mall for a rally to urge enactment of a long-term surface transportation bill. Since then, the construction industry has continued to be challenged by uncertainty in the North America construction market. This uncertainty is not being fueled by the lack of a long-term transportation plan, but also by instability in housing, nonresidential construction, and other related markets, and generally, a trying business environment invaded by the Chinese.

Without stimulus funding targeted to surface transportation projects, our sector and the entire highway construction industry would be in dramatically worse economic condition. But that stimulus funding is not enough to bring about the dramatic improvement we are looking for.

Thank you, Mr. Chairman.

Mr. OBERSTAR. Thank you for your strong statement and for your support last year out there on the Mall. I remember that event very well, and for the strong support that ARTBA has provided this Committee over a generation for advancing the cause of transportation investments.

Mr. Wright, Sustainability Director.

Mr. WRIGHT. Thank you. I have a little bit of a presentation to walk through for you guys, to mix it up a little.

Mr. OBERSTAR. OK.

Mr. WRIGHT. I am here on behalf of the U.S. Green Building Council. I work for Sellen Construction, one of the largest general contractors in the State of Washington. It has been in business for 66 years. We have over 600 employees and we mostly do projects for folks like Children's Hospital. We are building part of the Amazon headquarters, the Bill and Melinda Gates Foundation, a lot of large general commercial construction work.

Primarily negotiated. We don t do a whole lot of federally-funded work, mostly because of the delivery process. And most recently, we created a separate entity, and this is where my current role is, as director of Sellen Sustainability. We created this really to help support our clients around sustainability and to continue to evolve the industry across the United States.

I am here today to talk about GSA projects, General Services Administration projects. It is called the Fed Center South. It is a design-build-delivery process, so very unique to the GSA. And I am going to talk about that in a few minutes, but it started off with us partnering with a local architect, and in a very short time frame we had to be prepared with a very strong design and make sure that we had all the numbers in place so we can meet the budget.

The project itself is on the Duwamish River, for the client, which is the Army Corps of Engineers. And as you can see here in the yellow triangle, that is a portion of the building that exists that we are removing, and we are building a new structure there. The budget is about $66 million and we just started construction on it a few months ago. And so I am going to tell you a little bit more about that.

The design itself, we talked a little bit earlier, you mentioned yourself, Chairman Oberstar, about how long some of these projects can take. This particular project could have taken anywhere from a year and a half to two years to get the design process and the bid process in place to get a low bid contractor. Instead, by partnering up and doing design-build, we were able to come to the table, give this presentation as you will see here, these images, finished images, strong design, and get all that done in seven months, to the point where we just started construction.

These are a few more images of the design. We are actually really focused on making it a restorative project. The site itself is a giant parking lot, so there is also contaminated soil. We are doing a lot to reclaimate that site.

The facility itself for the Army Corps of Engineers has focused a lot on energy reduction strategies and a number of sustainability strategies, as you can see here in this slide, a lot of daylight and great amenities to enhance the indoor environmental quality.

The estimated taxpayer savings on an annual energy savings basis is about $180,000 a year if you compare that to an average office building of similar size. This project is about 175,000 square feet. And because of the GSA requirements, there are a number of sustainability features in place that we are pursuing, along with the LEED Gold certification. Right now, we are pushing that further into LEED Platinum. We are doing our best to do that, even though we are set with a target of LEED Gold.

I was just on site the day before yesterday, before I flew out. I took some photos to share with you the process that we are going through. This is also a job creation effort, but as well a natural resource conservation effort by deconstructing the building. If this was a low bid project, it would typically just be crushed up with the big heavy equipment and sent away to a landfill. But because we have approached this as part of our design-build effort, the point was to deconstruct it. We have a bunch of laborers out there taking the nails out and we are going to reuse all the car decking and all of the beams in the new facility.

So there are about 200,000 board feet of structural timbers that are being cleaned up and set aside for reuse. And as far as job creation goes, for peak employment over the 2.4 years, it is roughly two years and four months of construction duration, we see peak employment of about 205, and then our average monthly employment is about 74, with an average worker hours per month of 11,248.

Really, what we are here to share is that the delivery process makes a lot of sense. Having the right team makes a lot of sense. And the effort that your Committee has put in place in pushing this money forward on projects like this makes a big difference, not only in the private market by setting precedents, but also in the market for the Federal Government and how we can best reduce waste, and what we can do to help share those lessons learned so we can do this on other projects.

Thank you for your time.

Mr. OBERSTAR. Thank you for that very engaging presentation and the slides that were very vivid in their projection.

Mr. Cohen, Harvard Business School. Thank you for being with us today.

Mr. COHEN. That is right. Thanks.

My name is Lauren Cohen. I am a Professor at Harvard Business School.

First, I would like to thank the Members of the Committee for inviting me to appear and for holding these important hearings regarding progress on the ARRA. So I am actually happy to be speaking last, as I am going to take a bit more of a mega view on the Act.

How Government spending impacts the private economy is a question that both economists and policymakers have struggled with for decades. And I think the ARRA provides an excellent example of exactly why.

At the time it was enacted, unemployment stood at around 8 percent, and now with unemployment over 9.5 percent some have argued that this is proof that the stimulus just didn't work, but others might argue that in the absence of the spending, unemployment would have been a lot higher, maybe 13 percent.

And the truth is we just don t know what would have happened without the spending, and clearly some of the reasons why we decided to spend were because we anticipated future unemployment.

So the point is because anticipated changes in the economy caused spending, we can t just look at what happens to the economy after the spending and conclude that we are seeing the effects of the spending.

So the way the researchers like to tackle this problem and to distinguish cause and effect is to run experiments. So the good news is we have actually been running these kinds of experiments with spending for many years at the State level. So as I am sure you know, when Senators or Representatives ascend to the Chairmanship of powerful Congressional Committees, Federal money seems to flow to their State.

The precise timing of this ascension to these Chairmanships is actually quite random in the following sense. You only become Chairman if you are the next in line and the current Chairman retires or is defeated or there is a party change. And because we think that these events depend almost entirely on political circumstances in other States, ascension to the Chairmanship is essentially unrelated to events or conditions in the new Chairman's home State. So for example, a Senator is often not even up for reelection during the year of his or her ascension to this Chairmanship.

So we studied these randomly timed increases in Federal funding to States at different times over the past 40 years. And the results were quite surprising, at least to us. So first, I want to lay out that during the years following the appointment, the State where the Chairman ascends experiences about a 40 percent to 50 percent increase in earmark spending to the State and about a 9 percent to 10 percent increase in total State level government transfers.

What we focused on in the study is looking at what effect that has on the private sector economy. And what we see is that focusing on investment, so capital expenditures, employment, research and development, and payout to these firms, we find strong evi-

dence that corporations retrench in response to Government spending shocks.

So to give you one example, in the year that follows this Congressman's ascendancy, and we get this Government spending shock, we find that the average firm in the State cuts back capital expenditures by roughly 15 percent. These firms also significantly reduce research and development expenditures and they increase payouts to their investors. The idea is that with less investment opportunities, they reduce employees and have lower sales.

And I just want to talk a little bit about this. This shows up in both large and small firms that we look at. It shows up in large and small States for ascendancies to Chairmanship in the Senate and the House. And to give is some more evidence that it is spending causing the corporate downsizing, we see this corporate downsizing lining up exactly with these Government spending shocks.

So things are going along in a State. When we see these Government spending shocks because of these ascendancies, corporations start to retrench and they continue until the Government spending stops coming in, so the Chairman steps out, and then we see corporations start to spend and hire employees again.

What I do want to mention about this is that consistent with this Keynesian viewpoint, we find that there are less severe corporate responses and retrenchments when unemployment is high or when capacity utilization is low. OK? So this is the idea that if you have lots of people that are sitting on their hands it doesn't have as big of an effect through these factors of production market if the Government comes in and starts to spend.

And last, and one of the most convincing pieces of evidence to me is that we actually went through 92,000 earmarks and we coded them to exactly what industry they applied to. And what we found is that it was exactly those industries where corporations seemed to be pulling back. So if all the earmark spending was going to health care, we saw this concentrated exactly in the health care industry.

So just to conclude, our findings suggest that new considerations or new channels through this competition for factors of production like labor, land, capital, and these are quite apart from standard interest rate or tax channels that we usually talk about with Government crowding out, may limit the stimulative capabilities of Government spending by deterring corporate spending.

Whether these additional forces are sufficient to materially lower the multiplier in fiscal stimulus in a large economy like the U.S. remains an open question, but we think at a minimum our research suggests that the retrenchment of corporations should be taken into account when considering the merits of future Government spending.

So again, thanks for the opportunity to address the Committee and I would be honored to take any questions.

Mr. OBERSTAR. Thank you for your presentation. I appreciate your being with us today.

Let me begin with Mr. Cox and Mr. McCullough. The question I have for both of you, you can answer from a different perspective.

How much of your production, Mr. McCullough, is exported?

And Mr. Cox, how much of your equipment buying is used equipment versus new equipment in this current recession that we are experiencing, compared to what it would be during, let's say, 2002, 2003, 2004, 2005?

Mr. COX. Maybe I will start. Generally, we buy new equipment. In the past, we have bought used. With the ever-changing requirements for emissions from diesel engines, we are buying the newest equipment that has the highest tier in terms of lowering emissions. So in fact the work we are doing up on the Intercounty Connector, we have requirements that we have to be above certain tier levels with 80 percent or 90 percent of our equipment fleet. So that predicates the fact that most of it needs to be new or relatively new.

Over the past couple of years, we have really not purchased any new equipment either used or new.

Mr. OBERSTAR. Mr. McCullough?

Mr. MCCULLOUGH. Thank you, Mr. Chairman.

The answer on Case specifically is that we are a global company and in many cases to give you an export number would be probably a little bit different. We have production facilities in Europe and South America, et cetera.

So I would say on an export basis, coming out of the U.S., probably about 15 percent, but if you looked around the world on a pie chart, essentially about 35 percent of the volume comes from America; 35 percent from Europe; and then the balance are Asia-Pacific and Latin America. So we are a global company, and in reality the company's survival has really been Asia-Pacific and Latin America for the last couple of years on the construction equipment side of the house.

Mr. OBERSTAR. Well, what I hear anecdotally as I travel around the Country meeting with manufacturers and with operators of equipment, construction companies, is that they are shipping used equipment. One of our big exports in 2009 was used construction equipment to China, India and other Pacific Rim countries because they didn't have use for it here in the United States.

Mr. MCCULLOUGH. Yes, probably more strongly starting in about 2007 and 2008, particularly as the European markets began to slide and the Asia-Pacific and Latin American markets held, there was a lot of equipment that left the Country on a used basis at not so pretty prices for those that were overloaded.

The reason is happened was essentially both North America and Europe had collapsed about the same time. So what was three months of inventory all of a sudden became a year, a year and a half supply, and obviously the retailers scrambled to get it off their balance sheets. And then after we got to about 2009, not so much.

It is also interesting to note that in the future, these outlets aren t going to exist because two regions will be tier four and two regions will be tier three. So all of a sudden where this opportunity was global to dispose of used equipment, you are back to basically the U.S. and Europe can share the equipment, but the other two regions are staying on tier three. So you won't be able to sell tier four equipment at significant price increases over tier three.

Mr. OBERSTAR. That is a very interesting analysis, very down to earth analysis of the real world.

What period of time, Mr. Cox, do you and your associates on the construction side need? What window of amortization do you look at when buying a piece of equipment, with regard to a $100,000, a million or two million dollar piece of equipment?

And Mr. McCullough, what do you and your associate producers look at for that window of amortization?

I ask that because we are trying to pass this six-year authorization bill, which would create a period of stability in funding and the level of funding.

Mr. COX. Maybe I will start. Most of our work is with public agencies, State DOTs, Federal Highway Administration, National Park Service. We work a little bit in the private sector, but most of it is public. And I think the public agencies look towards the six-year bill with more interest because then they can ramp up their programs. They can start to hire designers to design the programs.

The State of Maryland and the State of Virginia in the last five years have gone more to a design-build delivery method, not for the majority of their work, but for their major projects. And that has shortened the time frame in getting a project from a conception stage into, once they get their FEIS and their main permit, then they can let the thing as a design-build and shrink the time for completion as long as they have the money.

So we really look to the States to have a long-term program that we can see out ahead and that allows us to then make our strategic planning decisions on equipment investment and manpower investment as we go forward.

Mr. OBERSTAR. Mr. McCullough?

Mr. MCCULLOUGH. Yes, Mr. Chairman. I would like to answer the question a couple of different ways. Number one, as far your proposal for six years, I think that would begin to provide some stability to the contractors that specialize in transportation itself. But I think relative to the macro economy, the biggest issue is that we really don t have a long-term vision in these other sectors.

As the economy is recovering, if you really get into residential construction, nonresidential construction, which probably adds incredible amounts of after-stream value to the various people that touch it: first, the water and sewer, then the road that goes in, then the curbing that goes in, then the housing that goes in, and then all the landscaping and on up to furnishing, et cetera.

The value chain is unbelievable that comes through that side of the business.

Transportation by itself, there are a lot of contractors that certainly aren t able to participate in that. So from actually the overall health and welfare of the economy and how many jobs get added across about 12 different sectors of construction is very, very important.

But on your specific question, most contractors run machinery for about 5,000 hours before it goes to the secondary market. The life of the machine is usually about 10,000 hours. So if you had a crawler hydraulic excavator, which is what you will primarily see on these major roads, they basically run maybe 65 percent utilization to deem whether they need to expand. A lot of customers today will rent until they see that they have an order book of jobs that continue on for quite a while.

But at six years, I think you would at least begin to say, OK, we have a stable plan here and there would be much more effective planning by the contractors than what they are able to do today. Plus, you would probably stabilize the labor equation much more significantly.

Mr. OBERSTAR. That is the best summary I have had of how the construction sector and how the manufacturing sector look at the life cycle for equipment. I appreciate that very much.

A further question. I have heard from contractor after contractor that, although it doesn't apply, Mr. Cox, in your case exactly, but that in 2005, 2006, 2007 they were doing 80 percent of their business in the private sector and the balance in the public sector. And that has just reversed now. Because of the stimulus, those who are still operating are doing most of their work in the public sector, heavy on highway construction.

Why isn't that private sector coming back? And which portions of that private sector construction are not returning?

Mr. COX. Well, of course, we know the residential isn't returning yet. And you find it difficult for people who consider themselves public works transportation contractors like ourselves to be competitive in the residential field. We have more overhead. We have larger groups. We may pay our craftsmen at a higher scale and they have more benefits than they have in the residential arena that comes and goes.

We do compete in the commercial sector when that gets going. But of course, I think the difficulty there is that the commercial sector, at least in the Washington-Baltimore area, was overbuilt going into the recession and it is going to take a number of years for it to come back before the banks get to a position where they can be lending on these large projects.

So most contractors now are forced into the public sector, and that is one of the reasons why Mr. Foxx earlier was getting such low bids on the contracts that he had was that there are so many people who are forced to go into maybe a kind of work that they didn't do before, but that is the only work there is to bid. And in order to keep the doors open and to keep their key people, they have to lower their pricing.

It is a windfall for the State DOTs and the public service agencies right now. It will be a problem in the future because a number of these contractors won't be able to financially survive what they are doing to keep working right now.

Mr. OBERSTAR. Thank you. Thank you for those responses.

Mr. Wright, in your presentation you cited $180,000 dollar a year savings. Was that savings on electricity cost on the Federal Center in Seattle? And is that an annual recurring cost savings?

Mr. WRIGHT. That is correct. Part of our focus not only from the LEED certification perspective, but on the overall sustainability goals for the GSA is to focus on energy efficiency. So that is on power consumption. That dollar amount is based on the first year of operations. It is not necessarily taking into account the increases in energy costs over the next however long we want to do that.

Mr. OBERSTAR. It is of great interest to this Committee because we have jurisdiction over 367 million square feet of Federal civilian office space. The annual electricity cost is $500 million. If we can

cut that by 10 percent, 20 percent, 30 percent, some estimates are 40 percent by installing photovoltaic systems and compact fluorescents and other lighting systems that save money, we can save the taxpayers a huge amount of money just in the Federal buildings system.

You also cited design-build in your testimony. How much time savings did that result in? And how much acceleration did it provide for projects?

Mr. WRIGHT. It definitely helped us get people back to work and to keep people working much quicker. I think that in the end, for the Federal Government, it resulted in a much better product. When you focus on low bid, you end up typically with contractors that are trying to find the cheapest ways to get things done, versus when you have a set dollar amount and you are going to win that project based on the best design in that set dollar amount, you end up with a better project, hopefully a project that will last 100 years instead of maybe only 30 years.

So in that instance, I think it is a better situation.

Mr. OBERSTAR. You had wanted to respond earlier. Did you have a comment?

Mr. WRIGHT. On the private side, the majority of our work is done on the private side, and the main reason is because we have focused on negotiated work, mostly because we could be an advocate for the owner and build a better project.

The area that I am still seeing growth on the private side is mostly with health care, and that is mostly because their funding is able to come from other resources, and then a little bit on the institutional side. I would have to agree with Mr. Cox in that the biggest reason we are not seeing it happen on the private side with our office developers and other folks is because their investments are challenged. As soon as we can give them some leverage to get going on a lot of their projects that they have teed up, but don t have the funding, don t have the bank support, the sooner we will be able to get additional people back to work.

Mr. OBERSTAR. Thank you.

One last comment. Mr. Cohen, I listened with great interest to your comparison of Committee Chairmanships to funds designated for States. And that might apply for the appropriation process. I don t think it does in other areas. But in the stimulus bill, we specifically designated two criteria: one, that preference be given for allocation of funding to areas of highest unemployment as measured by the U.S. Department of Commerce and the Economic Development Administration, which does a monthly evaluation of county by county unemployment rates; and secondly, that the projects be equitably distributed in each State, although that specific language didn't make it through conference, so that not all the dollars would be absorbed in the metro area.

The wastewater treatment organization in Minnesota; the Public Utilities Commission said that they would be able to spend all their $93 million in Minneapolis. That wouldn't be right, and they had a rating system. They evaluate every project and rate them from one through 128 of the projects they had in that category.

So those funds were distributed I think very equitably by formula without designation, without earmarks, without intervention.

The only area that we left open for discretion was that of the TIGER grants, $1.5 billion for the Department to decide where they are going to go.

And we can have a discussion about whether those were well thought out or not, but I think on the whole they were.

Mr. COHEN. Just quickly on that. I think that that is exactly right. Look, we looked at Government spending over the past 40 years and State level government funding. So we have a lot of observations and a lot of power to really try to tease out what these effects are.

And so all of our data suggests that at least the first criteria that you put on, which is that it goes to areas that have especially high unemployment, our findings are that those are the areas where it has the least effect on the private sector, distortionary effect on the private sector. So I think in that sense that that is quite good.

It doesn't erase the need, I think, to continue to look and say, look, if we drop $10 billion on a State, then it may not be $10 billion of good because we have to look at what the private sector does. And if the private sector pulls back by $4 billion, then we should think of that as only $6 billion of good.

So I think the general idea of our paper is just that. It is just that we need to keep this in mind and to that point, it seems to be less. It seems to maybe be the private sector will hold back by $2 billion if unemployment is high if these factors of production aren t being used by the private sector.

Mr. OBERSTAR. Thank you. The crowding-out issue has been one that we have dealt with for many years. I don t think there was much private sector investment to crowd out in the last year with the stimulus. It just wasn't there.

Ms. Napolitano, thank you for your patience.

Mrs. NAPOLITANO. No, thank you, sir. I am listening with great interest to some of the panel's focus.

Mr. Cox, we couldn t agree with you more on the short-term fix not being enough. We have argued that in Committee. We have argued it with the leadership. We knew that had to happen, and yet we weren t able to get that through.

But any of you comment on what has been said by some individuals in Congress that there were no jobs created by the funding that was in the ARRA for transportation projects?

Mr. COX. I don t really spend my time looking into the statistics. I will say that whether you call them saved or created, to me they are the same word. Clearly, when you put money on the street in terms of highway construction bill, our typical job that we get is somewhere around 30 percent to 35 percent direct labor. That is our field overhead and our craftsmen on the job.

There is another 20 percent in materials. There is probably 25 percent in subcontractors, and the balance is equipment.

I don t know what the labor factors are in the materials and the subcontractors, but they are probably reasonably similar to what we spend in the general contract itself.

So there is clearly if you, I don t know that you call it job creation or job saving, to me it is the same at this point in time. It would have been a job lost had the work not been there.

Mr. MCCULLOUGH. I believe that you are into one of those scenarios that there are pluses and minuses when it was all said and one. The Global Insight people will show basically about 5.6 million in construction employment, and I would consider it to be flat over the last three years.

So on the transportation side, perhaps people were added. On the other sectors, as you go backwards and look, certainly there were declines. But did it do any good? I think most of the contractors I have talked to that have been able to participate would say it has had some value for them. But you have probably got 75 percent of the American contractors are not really in the highway, roads or bridges business and so they are more the small to medium entrepreneurs who are literally just going bankrupt left and right.

Mrs. NAPOLITANO. Thank you.

Mr. Wright, any comment?

Mr. WRIGHT. We primarily build buildings so we are not building infrastructure like they are. Is there a specific question related to buildings?

Mrs. NAPOLITANO. Well, I am glad you said that because you hit upon one of my major focuses, and that is energy. And I was asking staff whether or not the building was photovoltaic ready. And the reason I ask is because not in my area, but in my adjacent area, the International Brotherhood of Electrical Workers has partnered with NECA, National Electrical Contractors, to green buildings. The IBEW training facility of over 1,500 trainees has put photovoltaic, and is now producing 85 percent of their electrical needs, and the rest goes into the grid and they get credit for it.

So why can t we begin to look at what is already happening out in communities right now, and be able to apply that to new buildings? I am certainly going to talk to the Chairman about our millions of space that we have as Federal buildings, to be able to look at how we reduce the amount of energy that we use by looking at technology that is there, of training that is there, to be able to do that and save the taxpayer and the Government money.

Mr. WRIGHT. It makes a lot of sense. There are two facets to answering your question. One is the project does have a photovoltaic-ready package. It is part of a betterments package we have recently submitted to the General Services Administration for approval.

Mrs. NAPOLITANO. Do you have the infrastructure set?

Mr. WRIGHT. Well, we are just starting demolition, so there is plenty of time still to integrate that package.

The second answer to your question is we focused, as far as the design of this project, we focused on energy efficiency in the sense that if we could use the sunlight for light, if we can use natural ventilation in some areas, if we can use really smart building skins very well insulated, if we can use a number of those components to reduce the energy, we reduce the energy by 30 percent.

So back to your number of $180,000 a year, that is 30 percent over an average building. That is where we focused our money because we saw the greatest return on investment with that. And now the additive piece would be to add the photovoltaics.

Mrs. NAPOLITANO. I am glad you said that because in IBEW and NECA they are also looking at technology that is going to be able

to hold electricity for later use during the day. And there is that technology now being looked at in some areas.

Yes?

Mr. WRIGHT. One quick comment related to the training. There has been quite a bit of funding sent towards training, and so I would like to make a comment in that if we can link those to specific projects as much as possible, the benefit is that much greater. In other words, if we can make sure that if there is a whole bunch of photovoltaic training being incurred, that we can get that into a link to specific projects that are being funded to be built with photovoltaics.

Because in our experiences, we have been seeing a lot of training take place, but people don t get to go out and readily apply it. So we have to have the link to a project for them to go apply it on.

Mrs. NAPOLITANO. We hope to be able to increase the amount of manufacturing of photovoltaic panels in the U.S., solar panels. Right now, even IBEW is working with Native American tribes to establish funds for not only manufacturing, but job training for Native Americans. And that is ongoing right now with IBEW.

Mr. Cox, may I have a moment, sir? Thank you.

Mr. Cohen, I was listening with great interest about the report that you have given this Committee in regard to, I call it academia's view of what we do and how it is being done. And you look at how it impacts, how we don t look at the other side of what we are doing. In other words, job creation, and whether it is in the public sector, private sector and who is benefitting or who is not.

Did you in your research connect with cities and nonprofits to get their view of how they are using the money? How they have created or been able to save jobs that we talk about? Because I do that all the time. This is part of the job that we have.

But it is really critical for us to be able to have beyond academia the input from those that are at the frontline. And I would like to have you maybe give some light on that.

Mr. COHEN. I couldn t agree more. We actually did have the chance to talk to some private firms about what happened when these Government shocks come in. So we didn't get to talk to the Government side, and we absolutely should and we will. But we talked to the private sector side and in many of the cases that we talked to, they saw some articles that have been written about the work that we have done in some papers.

And so they contacted us, so it is a bit of a selected sample, but they did tell us that, look, when this Government spending came in, we were planning to do this project, and we had hired all the staff, and we were going to build X, and then this Government funding came in and built X, and so we were kind of out on our hands because we had already planned to do this. We had already hired the labor. We had already gotten some capital.

And so in that sense, it was wasted because then they had to figure out another way to deploy that capital, which was certainly not in the first way that they had hoped, not in the best way.

Mrs. NAPOLITANO. Well, I am glad you clarified that because I have been dealing with academia on water since I Chaired the Subcommittee on Water and Power, and they have great research papers and only academia knows where to find them. So that out-

reach has to go into the policymakers and to those that are at the frontline, and to me those are the cities that have to deal with the unemployment, with the empty homes, with the homelessness. And they are cutting the budgets something like 33 percent in some cities of mine.

Mr. COHEN. The cities, the also the private sector. You wouldn t disagree that the private sector is important as well?

Mrs. NAPOLITANO. They are the ones who are going to spend the money, generally, if it goes to their cities. For every dollar spent in one city, once that goes into their general fund. So you know they have a great interest in that.

Mr. COHEN. Absolutely.

Mrs. NAPOLITANO. So I just marvel sometimes that we make statements of things without going further and checking that information with those that are really at the frontline. And while I am glad that Harvard is doing this analysis, I wish they would go a little further and really get to all the participants so that there is a clearer picture of this.

Mr. COHEN. We obviously can t contact every city in the United States.

Mrs. NAPOLITANO. Not necessarily, but there are organizations that are ready to give you that information that represent the cities, like National League of Cities, Conference of Mayors. All those folks are ready. They already had that information because the cities go to them to be able to be the voice for us.

Mr. COHEN. Well, much of our data comes from the U.S. Census Bureau who collects it.

Mrs. NAPOLITANO. Yes, well that is the Census, a separate agency then from the Conference of Mayors.

I lost the Chair, so does anybody else have any input on this? Nothing?

See, you have people who are willing to give you information that is maybe critical to be able to make that analysis a little more concrete.

Mr. COHEN. But we have contacted private firms. Are you discounting the private firms that we have contacted? Are you saying they don t count?

Mrs. NAPOLITANO. That is private. I am talking about cities, those that are actually involved, labor organizations for instance, because they have those numbers of the people that are unemployed. Some of the organizations in my area have 65 percent unemployment rate. And these are labor organizations that are in the construction industry.

Mr. COHEN. But the Census also collects data on unemployment, unless you think they are not doing their jobs, then we have that data from them as well.

Mrs. NAPOLITANO. Well, thank you.

Mr. Chair, thank you, Mr. Chair.

Mr. OBERSTAR. Thank you for, as ever, for your very thoughtful pursuit of issues in the Committee, always provoke good thinking and I appreciate your contribution to our Committee work.

And to all of the witnesses on this panel, thank you very much for your contributions, for your thoughts, your ideas about where we are and where we are headed.

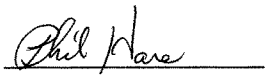
I think there are many lessons for us to learn from the stimulus projects under the jurisdiction of this Committee as we shape the future transportation bills, as we also work on the future of public buildings investments, and the EPA and all the other programs under our Committee jurisdiction.

We have learned a good many insights into advancing the cause of public investment and its contribution to the overall productivity of the national economy, and we are grateful for your contributions.

Thank you very much.

The Committee is adjourned.

[Whereupon, at 2:36 p.m., the Committee was adjourned.]



STATEMENT OF REPRESENTATIVE HARE OF ILLINOIS
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HEARING ON "RECOVERY ACT TRANSPORTATION AND INFRASTRUCTURE PROJECTS: IMPACTS ON LOCAL COMMUNITIES AND BUSINESS"

SEPTEMBER 29, 2010

I'D LIKE TO THANK CHAIRMAN OBERSTAR FOR HOLDING THIS AND OTHER REGULAR OVERSIGHT HEARINGS TO GET FEEDBACK ON HOW THE HISTORIC AMERICAN RECOVERY AND REINVESTMENT ACT IS BEING IMPLEMENTED. THIS IS THE TWENTY-FIRST IN A SERIES OF RECOVERY ACT OVERSIGHT AND ACCOUNTABILITY HEARINGS, AND I AM PLEASED TO BE ABLE TO PARTICIPATE TODAY.

MR. CHAIRMAN, I AM PLEASED TO INFORM THE COMMITTEE THAT THE RECOVERY ACT'S TRANSPORTATION COMPONENT CONTINUES TO BE A SUCCESS IN ILLINOIS. INCLUDED AMONG THE MANY HIGHWAY, RAIL AND AVIATION PROJECTS IN ILLINOIS IS THE PURCHASE OF SEVERAL VANS AND HYBRID BUSES TO IMPROVE MASS TRANSIT, MUCH OF THIS HAPPENING RIGHT NOW IN RURAL AREAS LIKE MY DISTRICT.

THE RECOVERY ACT HAS DIRECTED OVER $2.8 BILLION TO MY HOME STATE'S TRANSPORTATION AND INFRASTRUCTURE SYSTEM, AND AS OF JULY 2010, NEARLY $1.1 BILLION HAS BEEN AWARDED AND OVER 4,000 DIRECT JOBS HAVE BEEN CREATED OR RETAINED. THIS NUMBER IS EXPECTED TO INCREASE BY MANY MORE AS WE APPROACH OUR NEXT QUARTERLY REPORTING AT THE END OF SEPTEMBER.

ADDITIONALLY, I WOULD LIKE TO SHARE WITH THE COMMITTEE A BRIEF COMMENT NOTATED IN A RECENT REPORT PUBLISHED BY THE GOVERNMENT ACCOUNTABILITY OFFICE. THE G-A-O MENTIONED THAT "NATIONALLY, 44 PERCENT OF FUNDS OBLIGATED FOR HIGHWAY PROJECTS HAD BEEN REIMBURSED AS OF AUGUST 2, 2010. REIMBURSEMENT RATES VARIED WIDELY AMONG THE 16 STATES AND THE DISTRCT – BETWEEN 23 PERCENT AND 77 PERCENT. ILLINOIS, IOWA AND MISSISSIPPI HAD THE HIGHEST REIMBURSEMENT RATES – EACH AT 65 PERCENT OR MORE."

THIS IS IMPORTANT BECAUSE G-A-O RECOGNIZES THAT ILLINOIS' HIGH RATE OF FEDERAL REIMBURSEMENT FOR RECOVERY ACT HIGHWAY PROJECTS VERIFIES THE FACT THAT TRANSPORTATION PROJECTS HAVE SUCCEEDED AT STIMULATING THE ECONOMY AND THAT JOBS HAVE INDEED BEEN CREATED AND/OR RETAINED.

TODAY'S HEARING WILL GIVE US CONTINUED INSIGHT INTO HOW TAXPAYER DOLLARS ARE PUTTING AMERICANS BACK TO WORK AFTER A TOUGH ECONOMIC RECESSION, AND HOW OUR INVESTMENTS ARE IMPROVING THE INFRASTRUCTURE OF THIS GREAT NATION.

IN MY DISTRICT, THE SUCCESS STORIES ARE PLENTIFUL. AS WE ALL KNOW FROM THE JULY 27TH HEARING HELD BY THIS COMMITTEE, RAILWAY COMPANY BNSF HAS BEEN WORKING ON THE BURLINGTON BRIDGE, A MAJOR PROJECT WHICH CROSSES THE

MISSISSIPPI RIVER AND MADE POSSIBLE WITH HELP FROM THE RECOVERY ACT.

I AM OPTIMISTIC THAT TODAY'S HEARING WILL SHED EVEN MORE LIGHT ON THE IMPACT OF THE RECOVERY ACT ON LOCALITIES AND BUSINESSES AROUND THE COUNTRY.

ALTHOUGH THE RECOVERY ACT HAS BEEN UNDISPUTEDLY BENEFICIAL TO MY HOME STATE, I WOULD LIKE TO MAKE A NOTE OF A PARTICULAR CONCERN THAT WAS RECENTLY BROUGHT TO MY ATTENTION.

AS OF SEPTEMBER 15, 2010, 575 DAYS AFTER THE ENACTMENT OF THE RECOVERY ACT, THE FEDERAL HIGHWAY ADMINISTRATION WAS STILL ISSUING GUIDANCE ON THE PRIORITIZATION OF PROJECTS IN ECONOMICALLY DISTRESSED AREAS. THIS DELAY HURTS MY HOME STATE AND DISREGARDS THE FACT THAT THE ILLINOIS DEPARTMENT OF TRANSPORTATION HAD ALREADY OBLIGATED 98 PERCENT OF ITS FUNDING FROM THE RECOVERY ACT TO PROJECTS BY AUGUST 24, 2009 WHEN IT COMPLIED WITH THE "SHOVEL READY" DIRECTIVE AS INTENDED BY THIS COMMITTEE AND CONGRESS.

MR. CHAIRMAN, I BELIEVE THAT THE ILLINOIS DEPARTMENT OF TRANSPORTATION HAS BEEN WORKING IN GOOD FAITH IN TRYING TO COMPLY WITH THE RECOVERY ACT AND PUTTING ILLINOISANS BACK TO WORK. IT IS MY HOPE THAT THE FEDERAL HIGHWAY ADMINISTRATION WILL WORK WITH THIS COMMITTEE AND STATE D-

O-T-S TO CERTIFY PROJECTS FOR FEDERAL FUNDING IN A MORE EXPEDITED FASHION.

THANK YOU TO THE WITNESSES WHO HAVE COME BEFORE US TODAY TO SHARE THEIR PERSPECTIVES ON THE RECOVERY ACT'S IMPACT ON LOCAL COMMUNITIES AND BUSINESS. WITH YOUR INPUT, THIS COMMITTEE CAN CONTINUE TO WORK TOWARD ENSURING THAT TRANSPORTATION LEGISLATION TRANSLATES INTO INFRASTRUCTURE IMPROVEMENTS AND GOOD-PAYING JOBS.

Statement of Rep. Harry Mitchell
House Transportation and Infrastructure Committee
7/27/2010

Thank you, Mr. Chairman.

The American Recovery and Reinvestment Act, H.R. 1, is making important investments in transportation and infrastructure, and today we will review its progress.

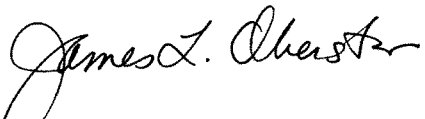
As of August 31, 2010, $35.2 billion has been put out to bid on 19,328 projects. 18,002 of these projects are under contract, for a total of $33.4 billion. Furthermore, across the nation, work has commenced on 10,999 highway and transit projects, totaling $23.1 billion, which represents 87 percent of available highway and transit funds. 4,571 of these projects have been completed.

Arizona is continuing to receive Recovery Funds, many of which are being invested in planned highway, bridge, transit, and other shovel ready infrastructure projects. As of August 31, 2010, approximately $550 million in Recovery funds had been invested in projects that are already underway. Approximately $577 million had been invested in projects that were already under contract. In addition, another $579 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.



STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HEARING ON "RECOVERY ACT TRANSPORTATION AND INFRASTRUCTURE PROJECTS: IMPACTS ON LOCAL COMMUNITIES AND BUSINESS"
SEPTEMBER 29, 2010

The transportation and infrastructure investments provided by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have been a tremendous success. They have helped stem the tide of job losses from the worst economic crisis facing the nation since the Great Depression. Across the nation, 18,365 highway, transit, and wastewater infrastructure projects have broken ground, totaling $33.9 billion -- that is 89 percent of the total available formula funds. Within this total, work has been completed on 8,965 projects, totaling $7.1 billion. Forty-five States have started construction on 100 percent of their Recovery Act wastewater projects, and 40 States have begun work on at least 90 percent of their Recovery Act highway projects.

During the first year of implementation, these formula projects created or sustained 350,000 direct, on-project jobs. Total employment from these projects (direct, indirect, and induced jobs) reached almost 1.2 million. In August 2010, these projects created or sustained 71,000 direct jobs, and total employment in August reached nearly 225,000 jobs.

In total, direct job creation has resulted in:

- Payroll expenditures of $3.8 billion;
- Federal taxes paid totaling $780 million; and
- Unemployment checks avoided worth $644 million.

The successful implementation of the transportation and infrastructure provisions of the Recovery Act underscore the immediate need to provide additional funding for infrastructure. Earlier this month, the President unveiled a plan to build on the achievements of the Recovery Act by further investing in our national transportation infrastructure. The principles outlined by the President are consistent with those put forward by the Committee in the Blueprint for Investment and Reform and by our Committee in the Surface Transportation Authorization Act. I applaud the goals of this initiative and look forward to working with the Administration in further developing our proposal and moving it through Congress.

Beyond these infrastructure investments of the Recovery Act, the nonpartisan Congressional Budget Office (CBO) estimates that the Recovery Act as a whole had even more far-reaching effects. During the second quarter of calendar year 2010, the most recent quarter for which data are available, CBO estimates that the Recovery Act in its entirety lowered the unemployment rate by between 0.7 percentage points and 1.8 percentage points. CBO further explains that the Recovery Act increased the

number of people employed by between 1.4 million and 3.3 million, and increased the number of full-time-equivalent jobs by 2 million to 4.8 million compared with what would have occurred had Congress not passed the Recovery Act. CBO also makes clear that the Recovery Act raised real (inflation-adjusted) gross domestic product (GDP) by 1.7 percent to 4.5 percent.

Against this backdrop, I scheduled this oversight hearing, the 21st Recovery Act oversight hearing conducted by this Committee, to hear from Americans who have directly benefited from the transportation and infrastructure provisions of the Recovery Act. Our witnesses today include workers, community leaders, and businesspeople, all of whom can point to projects on the ground that have positively impacted the livelihood of people and their communities.

The transparency and accountability information released by the Committee on Recovery Act highway, transit, and wastewater formula investments adds force to the calls for additional infrastructure funding. As of August 31, 2010:

- 19,328 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $35.2 billion (93 percent of the total available formula funds for highway, transit, and wastewater infrastructure projects);
- Fifty States, five Territories, and the District of Columbia have signed contracts for 18,876 projects totaling $34.4 billion (91 percent);

- Work has begun on 18,365 projects in 50 States, five Territories, and the District of Columbia totaling $33.9 billion (89 percent); and

- Work has been completed on 8,965 projects totaling $7.1 billion in 50 States, one Territory, and the District of Columbia (19 percent).

The Recovery Act investments are also improving our nation's transportation infrastructure:

- Highway and bridge investments will result in:
  - 35,399 miles of road improvement;
  - 1,264 bridge improvements; and
  - demand for approximately 10 million metric tons of cement, resulting in revenues of $950 million for the cement industry;

- Transit investments will result in:
  - 12,234 buses, vehicles, and rail cars purchased or rehabilitated ($2.4 billion);
  - 4,870 passenger facilities constructed or rehabilitated ($1.5 billion); and
  - 324 maintenance facilities constructed or rehabilitated ($925 million);

- Amtrak investments will result in:
  - 1.3 million concrete ties replaced (of which 326,649 are completed);
  - 60 Amfleet cars, 21 Superliners, and 15 locomotives restored to service; and
  - 270 stations improvements;

- Work is underway on 185 Amtrak projects totaling $1.3 billion (100 percent of their available funds), and Amtrak has made 47 percent of the total number of contract awards to small businesses;

- Aviation investments will result in:
  - 155 runway improvements at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million);
  - 83 taxiway improvements at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million); and
  - 25 projects to modernize air route traffic control centers ($50 million);

- Work is underway or completed on 757 aviation projects totaling $1.3 billion (100 percent).

In addition to these transportation programs, the Recovery Act also provided funding for other infrastructure programs under the Committee's jurisdiction.

- All 50 States met the requirement that 100 percent of their Clean Water State Revolving Fund (SRF) projects be under contract within one year of enactment (February 17, 2010). As of August 31, 2010, 1,946 projects are under construction totaling $3.8 billion (100 percent of the available funds);

- Clean water investments will construct, upgrade, or maintain publicly owned treatment works, mitigate nonpoint source pollution, and promote estuary management, serving an estimated 64 million people, approximately one-third of the U.S. population currently served by sewers – 629 projects ($1.5 billion);

- Work has begun or is completed on 59 Superfund projects totaling $584 million (100 percent);

- Work has begun or is completed on 165 of 185 planned Brownfield projects;

- The Corps has committed $4.3 billion for 796 projects (93 percent);

- Corps investments will result in:
  - 155 lock chambers repaired or improved;
  - 1,132 flood risk management projects to improve dam or levee safety;
  - 1,034 projects to maintain or upgrade recreation areas; and
  - maintain or improve harbors and waterways that serve over 2,400 commercial ports;

- The General Service Administration (GSA) has awarded contracts and begun work on 536 projects worth $4.6 billion (82 percent);

- GSA investments will result in:
  - 78 roofs installed, including 68 photovoltaic arrays on roofs;
  - 140 lighting systems put in place;

- 52 water systems installed; and
- 222 system tune-ups and recommissionings completed.

- The Economic Development Administration (EDA) has broken ground on 57 of the 68 planned projects totaling $130 million (88 percent);

- Under the Coast Guard's Alteration of Bridges program, work has begun on all four planned bridge projects totaling $142 million (100 percent); and

- Work is underway or completed on 70 of the 73 planned small shipyard projects totaling $123 million (100 percent).

I am pleased with the progress that has been made since enactment of the Recovery Act. I look forward to hearing the testimony of today's witnesses and discussing what is being done to ensure that Recovery Act funds will continue to create good, family-wage jobs as quickly as possible, and learning how we can build upon these efforts to ensure that we continue to put Americans back to work.

Testimony of

Doran J. Barnes

Executive Director

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SUBMITTED TO

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

HONORABLE JAMES L. OBERSTAR, CHAIRMAN
HONORABLE JOHN L. MICA, RANKING MEMBER

Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Business

2167 Rayburn House Office Building

September 29, 2010

Testimony of Doran J. Barnes

Mr. Chairman and members of the Committee, my name is Doran Barnes, and I serve as the Executive Director of Foothill Transit in West Covina, California. I am joined by Foothill Transit's Board Chair Roger Chandler, who is also a Councilmember from Arcadia, one of the communities in our service area. Thank you very much for the opportunity to share with you today how we are successfully putting Recovery Act dollars to work in the Los Angeles area creating jobs, reducing our carbon footprint and making our communities more livable.

Mr. Chairman, Foothill Transit provides public transit services over a 327 square-mile service area in the San Gabriel and Pomona Valleys of Los Angeles County. Foothill Transit is a Joint Powers Authority governed by local elected officials representing 22 communities and the County of L.A., and all services – from administration to bus operations and maintenance -- are contracted out to the private sector. Congress has designated Foothill Transit as a national public-private model for transit authorities.

We pride ourselves on being on the cutting edge of technology and doing what is necessary to provide the best service to over 14 million customers annually. One of the key components of Foothill Transit's mission statement is innovation. Our new Ecoliner project is at the very heart of this concept.

When Recovery Act funding was made available, we first used as much funding as possible to support our ongoing operations in light of diminished local funding due to the economic slowdown. Our primary focus is always the delivery of high quality service to our transit riders. Next, we advanced a number of state-of-good-repair and environmental projects that created and sustained local jobs and helped us reduce our ongoing operating expenses. Targeted at energy efficiency, these projects included installation of solar panels and window replacements, as well as elevator rehabilitation in our various facilities.

In addition to these projects, our Board saw this program as an opportunity to truly embrace the "innovative" aspect of our mission statement. This led to the concept of the "Ecoliner," the first in the world zero emissions electric bus which recharges in less than 10 minutes. I would like to pause briefly here to share a video about this new cutting edge technology.

(Pause for Ecoliner video.)

The Vehicle

The Ecoliner is the first heavy-duty electric bus of its kind in the world, and it is made in America. What makes the vehicle unique is that it can fully recharge in less than 10 minutes at a drive-in docking station located on its designated route.

The Ecoliner is different than most battery drive vehicles where range is dictated by the number of batteries. The Ecoliner can operate on its route 24 hours a day, seven days a week on routes equipped with fast-charge stations. The key to this project is the utilization of the fast-charge battery; so that it will retain its energy reserve and charging profile from 8,000 to 25,000 charge-discharge cycles and can be quick-charged from a 10 percent to a 95 percent charge in ten minutes or less while the bus is at a layover.

The Ecoliner has demonstrated unrivaled fuel economy and life-cycle costing as calculated by testing. With a 30-mile range of the bus on battery power alone, fuel economy testing was conducted for the bus on simulated central business district, arterial, and commuter courses. The results were (diesel equivalent) of 21.35 mpg, 17.55 mpg, and 29.23 mpg, respectively. Considering that a conventional 40' diesel bus averages 3.8 mpg and current hybrid electric buses average 4.8 mpg, these findings indicate that the Ecoliner will result in a minimum of a 400 percent increase in fuel economy.

Some key highlights of the Ecoliner include:

- A completely zero-emission and all "green" electric, battery powered public transit bus.
- A made-in-America green technology innovation which will help increase our country's competitiveness in the world.
- A decrease in our reliance on foreign fuels.
- 100% zero emissions - from both the motor and its recharge sources.
- 10 minutes to a full recharge – not even a cell phone can match that.
- Potential for 90% reduction in fuel costs, yielding the financial flexibility to put more service on the street.
- A yield of more than 30 miles on a single charge.

Jobs

In addition to helping us tap into the latest innovations in renewable energy, the Foothill Transit Ecoliner project accomplished a major goal behind ARRA funding. That being job creation. At Colorado-based Proterra, the principal manufacturers of the Ecoliner, there will have been over 40 jobs created and sustained by the end of year in meeting the demands of Foothill Transit's project.. Proterra also subcontracts with more than 100 vendors for parts, located across 33 states, so utilizing the standard 3 to 1 multiplier, that becomes about 120 jobs by the end of the year, including suppliers. In looking at longer term job creation, it should be noted that the manufacturer is also building a new plant in Greenville, South

Carolina, and expects to ramp up to about 1,300 jobs over a five-year period in serving additional transit agencies in the wake of the Foothill Transit product launch. Again, applying the standard multiplier, that becomes about 4,000 jobs including suppliers.

And I would be remiss if I did not note here that we also have a representative of Proterra with us today, Mr. Marc Gottschalk, Chief Business Development Officer and General Counsel.

The Foothill Transit Ecoliner could change everything we know and assume about public transportation and renewable energy. This is exactly the type of forward thinking we need, not just at Foothill Transit, and not just in Los Angeles, but in our country and the world at large. It's starting at Foothill Transit because we all pushed for a solution – the agency, the company, and our government.

But it won't end there. Foothill Transit has been receiving calls about its Ecoliner from transit operators throughout the United State and transit systems in Europe and the Pacific Rim who are eager to see how this cutting edge technology plays out in a real world environment. For example, a delegation from Paraguay will be visiting Foothill Transit to take a first-hand look at the vehicle in early November and the Imagineers from Disney have already been out to see the Ecoliner.

The Introduction

The Ecoliner's introduction on September 3, 2010 was held at Foothill Transit's Pomona operations and maintenance division and drew guests from around the nation and the globe. Notable attendees included:

- Congressman John Mica, Ranking Member on the Transportation and Infrastructure Committee
- Congresswoman Grace Napolitano, Member of the Transportation and Infrastructure Committee
- Congressman David Dreier
- Therese McMillan, Deputy Administrator of the Federal Transit Administration (FTA)

In addition to industry peers, several local and state elected officials also came out to celebrate this potential "game changer" in public transportation.

The Ecoliner began revenue service, carrying its first paying Foothill Transit customer on September 8, 2010. The Ecoliner will run service on Line 291 between the cities of Pomona and La Verne and will charge at the Pomona operating division

until the charging station at the Pomona Transit Center (PTC) is complete later this fall.

The debut of the Foothill Transit Ecoliner has been buzzing through the newswires resulting in stories published nationwide in green tech news publications, mainstream media, and even internationally in Swedish and French news outlets. The press coverage is important in that it focuses on this new technology. It is equally important because it highlights the importance of transit to the communities that we serve.

The Future

Where do we go from here? Later this year, Foothill Transit will retire the last of its diesel fueled buses and we are excited about that. Over three-fourths of our fleet now consists of cleaner burning compressed natural gas (CNG) coaches. As we have been doing the past eight years in replacing our diesels with CNG, we hope to move forward with replacing CNG with all electric.

Provided that the vehicle meets our performance expectations, the Foothill Transit Board has funding in place now to purchase an additional nine electric buses for line 291 and has instructed staff to seek funding for additional vehicles on a second line. Further, the performance characteristics of the vehicle would allow us to operate this vehicle on more than half of Foothill Transit's lines.

This has been an exciting year in Foothill Transit's history. We believe that ours is truly a success story in facilitating the creation of jobs and, perhaps more importantly, a "green" made-in-America industry that can provide jobs for many years into the future!

Mr. Chairman, thank you for this opportunity to provide testimony today. I would be happy to answer any questions you or the other members may have.

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Testimony[1]

Lauren Cohen
Assistant Professor of Business Administration
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Committee on Transportation and Infrastructure
United States House of Representatives
September 29, 2010

Chairman Oberstar, Ranking Member Mica, and Members of the Committee, thank you for inviting me to appear and for holding important hearings regarding progress on implementing the American Recovery and Reinvestment Act of 2009.

How government spending impacts the private economy is question economists and policymakers have struggled with for decades. The American Recovery and Reinvestment Act of 2009 provides an excellent example. At the time it was enacted, unemployment stood at around 8 percent. And now, with unemployment over 9.5%, many have argued that this is proof that the stimulus just didn't work. But proponents might argue that, in the absence of the spending, unemployment would be even higher. We just don't know what would have happened without the spending. And clearly some of the reason the spending occurred was precisely because a rise in unemployment was anticipated. The point is that because anticipated changes in the economy cause spending, we cannot just look at what happens to the economy and conclude that we are seeing the effect of the spending.

The way that researchers like to distinguish cause and effect is to run experiments. The good news is that we've actually been running these kinds of experiments with spending for many years at the state level. As I am sure you know, when senators and representatives ascend to the chairmanship of a powerful congressional committee, lots

[1] This testimony is based on a joint project with Professors Joshua Coval and Christopher Malloy of the Harvard Business School. A more extensive report on our findings, including tables and figures, can be found at http://www.people.hbs.edu/lcohen/.

of federal money is dropped on their state. And the precise timing of this is quite random -- you only become chairman if you are next in line and the current chairman retires or is defeated. And because both of these events depend almost entirely on political circumstances in *other* states, ascension to chairmanship is essentially unrelated to events or conditions in the new chairman's home state (e.g., a senator will often not even be up for election during the year of his or her ascension).[2] So we studied these randomly timed increases federal funds flowing to different states at different times over the past 42 years. And the results were quite surprising -- at least to us.

Our study focused specifically on the 232 instances where the senator or representative of a particular state ascends to the chairmanship of a powerful congressional committee. During the year that follows the appointment, the state experiences an increase of 40-50 percent in their share of federal earmark spending, and a 9-10 percent increase in total state-level government transfers. The funding increase persists throughout the chair's tenure and is gradually reversed upon his departure. Because these spending shocks are sufficiently numerous, are spread out across time and different locations, and are economically meaningful, they provide us with significant power to examine the impact of fiscal policy on the private sector in a way that properly distinguishes cause and effect.[3]

Our main findings examine the behavior of the public corporations headquartered in the congressman's state. Focusing on the investment (capital expenditure), employment, R&D, and payout decisions of these firms, we find strong and widespread evidence of corporate retrenchment in response to government spending shocks. In the year that follows a congressman's ascendency, the average firm in his state cuts back capital expenditures by roughly 15%. These firms also significantly reduce R&D expenditures and increase payouts to their investors. The magnitude of this private sector response is nontrivial: in the median state (which receives roughly $200 million per year in

[2] In addition, over 10% of our cases of ascension to chairmanship result from the sitting chairman passing away. These cases are (obviously) exogenous to economic conditions in the ascending chairman's state.
[3] In describing the impact of his Senate seniority on his home state of Pennsylvania, Arlen Specter recently remarked: "My senior position on appropriations has enabled me to bring a lot of jobs and a lot of federal funding to this state. Pennsylvania has a big interest in my seniority, a big interest."

increased earmarks and federal transfers as a result of a seniority shock), capex and R&D reductions total $39 million and $34 million per year, respectively, while payout increases total $21 million per year. These changes in firm behavior persist throughout the chairmanship and begin to reverse after the congressman relinquishes the chairmanship. We also uncover some evidence suggesting that firms scale back their employment, and experience a decline in sales growth.

To explore the robustness of these findings, we verify that the patterns hold up under a wide variety of conditions and specifications. We employ panel regressions using state and time fixed effects and a range of controls. We also conduct state-level regressions, averaging coefficients across states, and other non-parametric tests, verifying that a powerful committee chair has a statistically and economically large impact on the decisions of firms in their state.

We also examine a variety of other predictions of how spending is likely to impact private sector firms. In particular, we find that our results are mainly found in firms with geographically concentrated operations – e.g., firms that operate in a single state, as well as firms with high capacity utilization (i.e., those with little slack in their capital stock). Also, consistent with Keynes' view that crowding out should only occur under conditions of full employment, we find a less severe firm response to spending shocks when state-level employment is at or below its long-term historical average.

A unique feature of our approach is that we can rule out the standard interest rate channel as an explanation for how government spending crowds out private sector investment. Since our mechanism entails simply shifting the same government spending from the former chairman's state to the new chairman's state, no new government funds are implied; as a result, no increased taxation or increased borrowing costs are required. In addition, we conduct cross-state comparisons, thus abstracting from all national level effects. Thus, our approach identifies a distinct and alternative mechanism by which government spending deters corporate investment in physical capital, human capital, and intellectual capital. In particular, we provide evidence that crowding out occurs

through factors of production including the labor market and fixed industrial assets. These findings argue that tax and interest rate channels, while obviously important, may not account for all or even most of the costs imposed by government spending. Even in a setting in which government spending is "free" – that is, does not need to be financed with additional taxes or borrowing – its distortionary consequences may be nontrivial.

To summarize our findings:

- Committee chairs bring:
  - Significant increase in their state's share of federal spending.
  - Economically significant changes to the corporations in their state (lower capex, lower R&D, higher payouts, lower employment, lower sales).
- Results show up robustly:
  - Across several committee and shock definitions
  - In large and small firms
  - In large and small states
  - In the Senate and the House
  - When we equally-weight firms or states
- The evidence suggests spending is *causing* corporate downsizing. Specifically, these effects are:
  - Stronger on more powerful committees
  - Reversed upon departure
  - Stronger when unemployment (cap utilization) is low (high)
  - Stronger in firms with geographically concentrated operations
  - Absent in the states in the years preceding shock (but the strong effect starts precisely following the shock)
  - Stronger in the industries actually receiving the earmarks

Overall, we provide a new empirical approach for identifying the impact of government spending on the private sector. Using changes in congressional committee chairmanship as a source of exogenous variation in state-level federal expenditures, we find that fiscal spending shocks appear to significantly dampen corporate sector investment activity. Specifically, we find statistically and economically significant evidence that firms respond to government spending shocks by: i.) reducing investments in new capital, ii.) reducing investments in intellectual capital (R&D), iii.) reducing investment in human capital (employees), and iv.) paying out more to shareholders in the face of reduced investment opportunities. Further, we find that when the spending shocks reverse (through a relinquishing of chairmanship), most of these patterns reverse.

To conclude, our findings demonstrate that new considerations – quite apart from the standard interest rate and tax channels – may limit the stimulative capabilities of government spending. Whether these additional forces are sufficient to materially lower the multiplier on fiscal stimulus in a large economy such as the US remains an open question. At a minimum, our research suggests that the retrenchment of corporations should be taken into account when considering the merits of future government spending.

Again, thank you for the opportunity to address this Committee and share our views. I would be pleased to take your questions.

Testimony of

William G. Cox
President
Corman Construction, Inc.

Submitted to:
Committee on Transportation and Infrastructure
U.S. House of Representatives

Hearing:
Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Businesses

September 29, 2010

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Testimony of William G. Cox
President, Corman Construction, Inc.

On behalf of the American Road and Transportation Builders Association

Hearing:
Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Businesses

House Committee on Transportation and Infrastructure
September 29, 2010

Chairman Oberstar, Ranking Member Mica, members of the Committee—My name is Bill Cox and I appreciate the opportunity to testify on the impact of the American Recovery and Reinvestment Act (ARRA) transportation projects on local communities and businesses. I am the president of Corman Construction, Inc., a heavy civil construction firm based in Annapolis Junction, Maryland. I am also the incoming chairman of the American Road and Transportation Builders Association.

Corman Construction is one of the Mid-Atlantic's largest contractors. We specialize in highway construction, bridge construction and repair, underground utility work, tunnel construction, marine construction and more. Some of our more prominent projects in this area include the Woodrow Wilson Bridge, rehabilitation of the Frederick Douglas Bridge over the Anacostia, and the Intercounty Connector in Maryland. We also worked on the Capitol Visitor Center.

There are three points I want to make today.

First, the Recovery Act was critical in supporting construction activity and jobs in the transportation and infrastructure sector. This is virtually the only construction activity that did not suffer a downturn during the recent recession, almost solely because of the transportation investments made by the Recovery Act. This Committee can be proud of its foresight to focus Recovery Act funding on transportation construction and the nation's transportation infrastructure, and we thank you for what you accomplished in that law.

But now it is time to follow up. The Recovery Act provided a critical one-time injection of federal investment into transportation improvements. In so doing, it preserved thousands of jobs that would otherwise have disappeared and the improvements resulting from the 14,000 Recovery Act construction projects will benefit communities and businesses for years to come. But the full potential of the Act was undermined by the collapse of private sector construction activity and cuts in state and local transportation construction investment over the last two years. In fact, states are still facing extremely challenging economic conditions and 22 states reduced their highway contract awards in the last state fiscal year.

Specifically, these other problems blunted the ability of the Recovery Act to create an incentive for contractors to purchase new equipment or hire new staff. Furthermore, a one-time injection of funds through the Recovery Act provided little incentive for state and local transportation agencies to plan, design or get permits for the improvements needed in the years ahead. When the 2010 construction season winds down and most Recovery Act funds have been spent, there is currently nothing in the wings to fill the gap next year or into the future, which means many current highway construction jobs saved by the Recovery Act are once again in jeopardy.

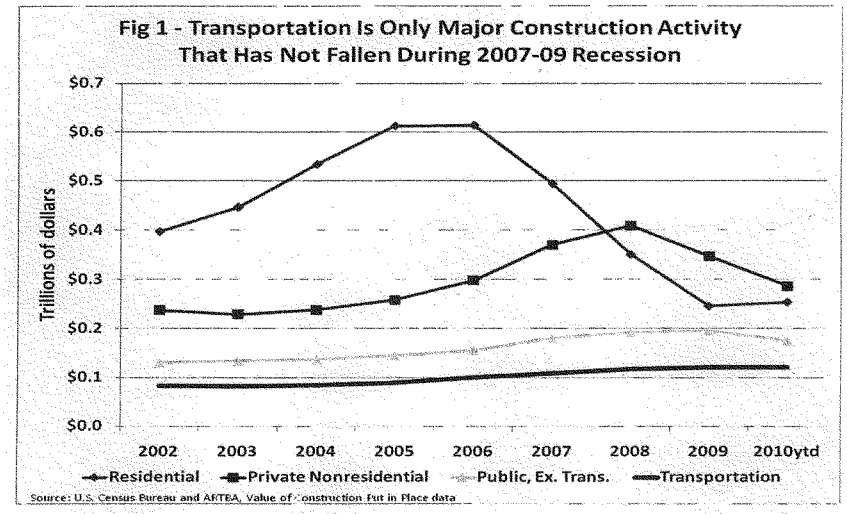
It is thus critical that Congress enact a multi-year, well-funded surface transportation authorization act as soon as possible. Enactment of that bill, which will provide state and local transportation agencies and highway contractors a six-year window on federal highway and transit investment intentions, will touch off a spate of design activity, equipment purchases and new hires that will boost the industry and the economy even more powerfully than the Recovery Act. This Committee has demonstrated its commitment to moving the reauthorization process along by releasing its draft legislation. We hope the administration and the Senate will follow suit in short order.

Success of the Recovery Act

The Recovery Act provided $48 billion for investment in shovel-ready improvements to the nation's highways, bridges, airports and transit systems. This included $27.5 billion for highway and bridge improvements, $1.1 billion for airport improvements, $8.4 billion for public transportation, $8 billion for high speed rail and $1.5 billion of discretionary funds for large transportation projects or TIGER Grants.

These funds supported 363 grants by the Federal Aviation Administration for airport improvements and almost 13,200 grants by the Federal Highway Administration for highway and bridge construction projects, including almost 4,300 that have been completed and are benefiting highway users. Currently, there are almost 7,400 highway and bridge projects under construction and another 1,500 that should begin construction in the near future. The Federal Transit Administration made almost 1,000 grants to local transit agencies, including 11 New Start grants worth $742 million and 51 grants for fixed guideway improvements also worth $742 million.

As a result, transportation construction is the only major construction activity that did not decline during the 2007-09 recession. As Figure 1 shows, the value of construction work put in place on new homes in the U.S. declined more than 60 percent from its 2006 pre-recession peak. Private non-residential construction—that is, construction on shopping centers, office buildings, factories, hospitals and similar projects—declined in 2009 and continues downward this year. And public construction other than transportation began declining this year and is now down 10 percent from last year's pace.



The only major construction activity that showed no decline at any time during the recession is transportation, the purple line in the chart. This year, more than $121 billion of construction work will be put in place on transportation and transportation-related construction projects, accounting for more than 15 percent of all construction work performed in the United States. Transportation's share of construction activity will be almost twice as large as in 2005.

Although we perform work throughout the Mid-Atlantic, our home state of Maryland is experiencing a severe budget crisis; the Recovery Act has supported more than 172 highway and bridge construction projects, pumping more than $430 million into our highway construction market. Our contractors have been able to preserve hundreds of jobs that would otherwise have disappeared without these projects.

Mr. Chairman, I am a somewhat atypical witness extolling the virtue of the Recovery Act in that my firm received no ARRA-supported transportation work. We are pleased, however, to have received two National Park Service Recovery Act projects to replace and renovate the Reflecting Pool on the National Mall, and rehabilitate the Catoctin Aqueduct in the Chesapeake and Ohio Canal National Historic Park. While we may not have received any direct ARRA work, I can guarantee the markets in which we operate would have been devastated without this infusion of revenues.

In the search for quantifiable jobs created or saved and, people seem to have overlooked that interconnectedness of the entire U.S. transportation construction market. There are certainly different types of contractors, and the ARRA opportunities available to my firm in our markets were not as prevalent as for firms that focus on pavements. It would, however, be a gross misunderstanding of our sector if one were to assume that just because we have not been awarded ARRA transportation work that we

have not benefited. First of all, Recovery Act work kept many of our suppliers, without whom we could not operate, in business. Secondly, the Recovery Act kept the state project pipeline flowing and, as a result, we are now starting to see a more diverse projects being bid that represent opportunities for my firm.

As such, the effectiveness of the Recovery Act cannot be analyzed in a vacuum. I can tell you, however, as a contractor operating in multiple states, that many transportation construction firms would likely have closed their doors without the Recovery Act's transportation investments.

Economic Impact of the Recovery Act

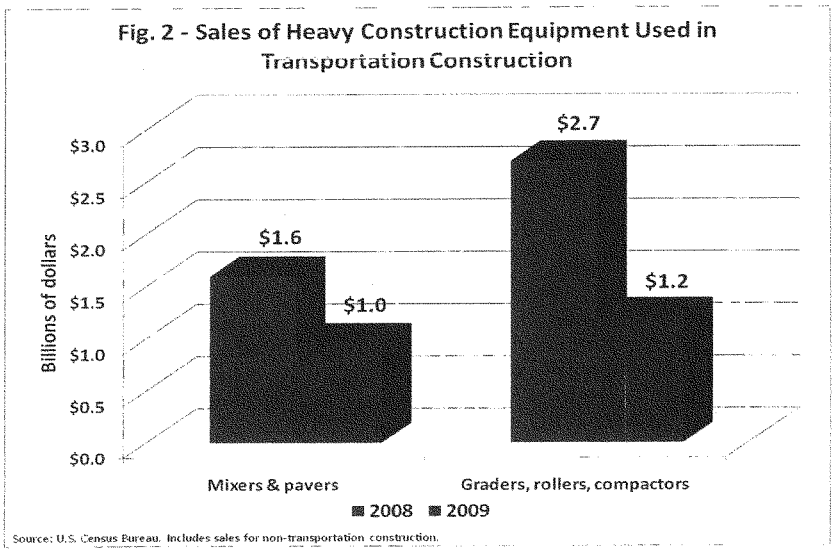
The Recovery Act succeeded in supporting the level of construction activity in the transportation sector but it has not had the strong spillover effects we had hoped. In particular, the fact that it was a one-time injection gave highway and bridge construction contractors little incentive to make major investments in construction machinery or to invest in the hiring and training of new employees.

Construction machinery. Last year, despite the $48 billion of Recovery Act support for transportation construction, the market for construction equipment weakened significantly. Throughout 2009, the Association of Equipment Manufacturers (AEM) was reporting in its Quarterly Market Conditions Survey that as many as 75 percent of manufacturers were experiencing declining demand for construction equipment. The downturn was the worst since the AEM began surveying its members in 1997. AEM is reporting a slight upturn in demand for equipment so far this year but demand is still well below its pre-recession level.

According to the U.S. Census Bureau, which tracks manufacturing output and sales, sales of mixers and pavers (which are heavily used in highway construction) fell from 77,800 units worth $1.6 billion in 2008 to 46,000 units worth $960 million in 2009[1], as shown in Figure 2. Sales of motor graders, rollers, compactors and similar machinery fell from 33,000 units worth $2.7 billion in 2008 to 12,500 units worth $1.2 billion in 2009.

Employment. Between 2007 and 2009, the number of employees on the payrolls of highway and bridge construction contractors fell by almost 60,000 or 15 percent, as state and local governments cut back on highway construction and maintenance to help balance their budgets. But without the Recovery Act, the layoffs would have been much more severe. The 14,000 airport, highway, bridge and transit construction projects financed by the Recovery Act supported tens of thousands of jobs in construction and supplier industries that would have been lost if Congress had not acted. But the industry is not yet adding new jobs. This construction season, we continued to see a decline in employment by highway and bridge contractors but the cuts were much smaller than last year.

[1] U.S. Bureau of the Census. *Current Industrial Reports: MA333D – Construction Equipment*. 2009 Annual.



What put a brake on the willingness of highway construction contractors to purchase new equipment or hire new workers was the fact that the Recovery Act was a one-time injection of funds for construction projects with no evidence that Congress would follow any time soon with a multi-year surface transportation authorization bill.

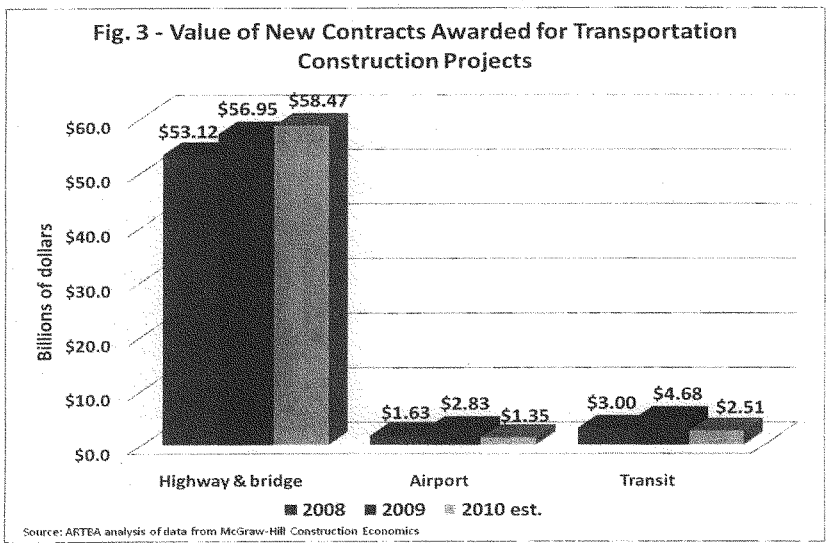
Transportation construction is the most capital-intensive type of construction. Many types of equipment used by highway, bridge, airport and transit construction contractors come with price tags of hundreds of thousands of dollars. In a typical year, the average transportation construction contractor will spend more than half a million dollars to purchase or lease equipment. By contrast the typical homebuilder spends less than $15,000. Furthermore, most contractors must finance purchases of heavy construction equipment with bank loans.

To justify investing hundreds of thousands of dollars in new equipment or financing the purchase of new equipment, contractors and their bankers must be able to make an informed judgment about the long-term outlook for transportation construction. While the one-time injection of Recovery Act funds helped utilize existing equipment, it could not alone provide the long term support for transportation construction that would lead to investment in new equipment. Similarly, contractors are not going to hire and train new employees if they are just going to be laid off when the Recovery Act funds run out.

While the Recovery Act provided critical funding for transportation construction in 2009 and 2010, the support will drop off significantly next year and be virtually gone by 2012.

The winding-down process has already begun. Each month, ARTBA receives data under contract from McGraw-Hill Construction Economics on new contracts awarded for transportation construction projects. Figure 3 shows the value of new contracts awarded by all levels of government for transportation projects during 2008, 2009 and an estimate for 2010 based on the data we have so far. As the chart shows, there was a significant increase in new contracts awarded for all three modes—highways & bridge, airports, and mass transit—in 2009 as construction projects financed by the Recovery Act got underway.

But this year is much different. As you can see in the chart, the value of new contracts awarded in 2010 for airport and mass transit projects has declined to the 2008 level; the impact of the Recovery Act in these two modes is clearly winding down. For highways and bridges, the value of new contracts awarded is still rising but at a slower pace than in 2009.



State Transportation Construction Programs

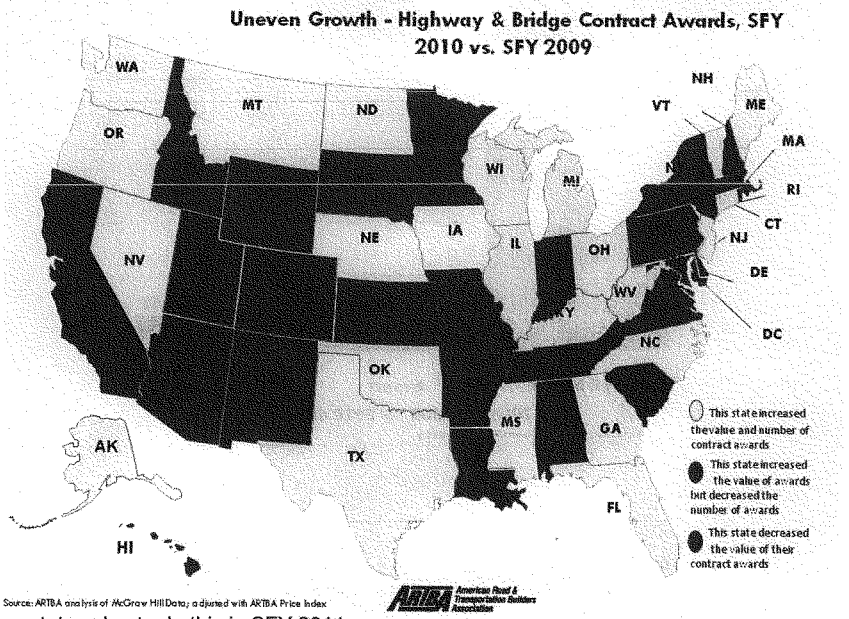
The recent recession has impacted state transportation construction programs in various ways. The Recovery Act funds have been extremely helpful in supporting state programs, but it has not prevented a downturn in nearly half the country. As the

economic crisis has deepened, some states have cut back their spending and either delayed or canceled projects. We have also seen states reduce their General Fund transportation expenditures, use transportation fees to help address budget gaps and cut local transportation programs.

The map below highlights the uneven growth in construction programs over the last year. There were 22 states in State Fiscal Year (SFY) 2010, which ended for most states on June 30, that decreased the value of their contract awards compared to SFY 2009. The value of awards was up in 28 states and the District of Columbia.

There is anecdotal evidence from at least 14 states that have delayed or cut projects in the last year because of budget issues. We also know from the Fiscal Survey of States, published by the National Association of State Budget Officers, that 20 states cut their

General Fund transportation expenditures in SFY 2010, and 11 states plan to do so in SFY 2011. Although General Fund expenditures are a small part of overall transportation spending, it is an indicator of state fiscal challenges. Eleven states used transportation or motor vehicle related fees to reduce their SFY 2010 budget gaps. Ten



states plan to do this in SFY 2011.

Another area of cutbacks is state funding for local highway programs. One such example is in the state of Maryland, where my business is based. In SFY 2010, the Maryland legislature reduced local highway grants by $244.5 million. Additional action transferred nearly $400 million from the state's Highway User Revenue account over SFY 2010 and 2011 to the General Fund. The transportation capital budget for Maryland is expected to decrease by 7.3 percent to $1.5 billion in SFY2011, according to the SFY 2011 Budget, a decrease attributable "to a decline in federal stimulus funds."

Surface Transportation Reauthorization

We were greatly pleased to see President Obama's announcement on Labor Day of his administration's commitment to addressing the nation's serious infrastructure backlog. Unfortunately, the media reports and political jockeying eschewed the President's call for enactment of a six-year reauthorization of the federal highway and public transportation programs to focus on a perceived second stimulus bill. I obviously disagree with these characterizations of the $50 billion component of the President's plan, but I can guarantee you that enactment of a multi-year surface transportation bill would be a true economic stimulus.

While the Recovery Act is having a significant short-term impact on transportation construction, we believe the momentum generated by the ARRA will be lost if Congress fails to act on a well-funded, multi-year surface transportation authorization bill. Passage of a multi-year bill is the best thing Congress can do to alleviate the uncertainty that keeps companies from hiring new employees and purchasing new equipment, prevents state DOTs from undertaking long-term projects and ultimately threatens America's economic recovery and growth. Congress needs to make the long-term health of our nation's transportation infrastructure a priority and we must work together to build the transportation network of the 21st Century.

The construction industry workforce today is faced with its worst economic crisis since the Great Depression. This past winter, 23 percent of construction workers were unemployed. In August, the peak of the construction season, the unemployment rate was still 17 percent. Before the recession, the unemployment rate for construction workers was less than 6 percent. According to the Bureau of Labor Statistics, there were 7.7 million workers employed in construction in August 2006. This August, there were only 5.6 million employed, a loss of more than 2.1 million construction jobs. To put this in perspective, almost one-third of all the jobs lost in the United States during the 2007-09 recession were construction jobs.

One factor affecting construction employment is that there is little private work available. During the delay reauthorizing the last surface transportation legislation, from 2003 to 2005, there was an abundance of private work to keep contractors and construction workers employed during the stagnant period. Today, we are facing another prolonged delay in reauthorization with little other work available. This is putting a tremendous amount of pressure on construction employment. Job loss, industry contraction, and

delayed transportation projects are much more significant than during the 2003-2005 period.

Contractors have substantial excess capacity to take on more work and employ more people. According to the latest quarterly construction market survey conducted by the American Road and Transportation Builders Association, only three percent of transportation construction firms are currently operating at full capacity, compared to a normal rate of 15 percent. At the other end of the scale, 45 percent of contractors are operating at less than three-quarters of capacity, compared to a normal rate of 10 percent. Even with $20 billion of Recovery Act highway projects underway, the industry could undertake far more construction work than is currently available.

But the most important reason for enacting a fully-funded six-year authorization as soon as possible is that physical conditions and performance on our nation's highway and transit systems are badly deteriorating because of inadequate investment.

Our outdated transportation system is a major impediment to U.S. competitiveness in the global marketplace. Congestion impairs freight movements within the United States and raises the cost of American-made products. Deficient roadways contribute to 22,000 highway fatalities, costing the nation more than $217 billion each year. And, according to the 2009 Urban Mobility Report issued by the Texas Transportation Institute, traffic congestion costs the nation's highway users $87 billion each year in wasted time and fuel.

Every two years, the U.S. Department of Transportation issues a report on the *Conditions and Performance of the Nation's Highways, Bridges and Transit*, in which it calculates the annual investment needed by all levels of government to maintain current conditions and performance on U.S. highways and transit systems as well as to improve conditions.

The latest report, which was issued in January 2009, provides data on the investment needed between 2006 and 2026 to maintain and improve conditions. When combined with information on recent increases in highway construction costs and the traditional federal share of highway investment, the report shows that funding for the federal highway program in the next surface transportation authorization bill should be in the range of $71 to $78 billion per year to maintain conditions. The annual federal investment needed to improve conditions would be even higher.

By contrast, federal highway investment in fiscal year 2010 is $41.1 billion, a shortfall of more than $30 billion from just keeping the status quo.

The massive gap between federal highway investment and needs is shown on a state by state basis in Table 1. For example, the table shows that Minnesota would need an annual federal investment of just under $1.7 billion as the federal share of the cost to

Table 1 - Federal Highway Program Funding versus Federal Share of Highway Investment Needs
(Millions of dollars)

	Highway Program Apportionment	Federal Share of Annual State Highway Investment Needs, FY 2010 /1		ARRA Highway Stimulus Funds /2
State	FY 2010	Maintain Conditions	Improve Conditions	FY 2009-10
Alabama	$700.3	$840.7	$1,222.5	$513.7
Alaska	$374.6	$166.8	$236.6	$175.5
Arizona	$685.2	$734.4	$1,126.3	$522.0
Arkansas	$453.8	$1,294.0	$1,824.0	$351.5
California	$3,265.8	$8,217.3	$12,141.4	$2,569.6
Colorado	$487.0	$836.3	$1,266.7	$403.9
Connecticut	$452.1	$627.6	$952.2	$302.1
Delaware	$146.8	$140.8	$214.3	$121.8
Dist. of Col.	$142.8	$165.4	$240.6	$123.5
Florida	$1,750.4	$1,955.8	$3,133.1	$1,346.7
Georgia	$1,191.4	$1,266.9	$1,957.4	$931.6
Hawaii	$151.8	$176.5	$251.0	$125.7
Idaho	$260.7	$697.2	$968.5	$181.9
Illinois	$1,259.8	$2,208.5	$3,240.0	$935.6
Indiana	$881.9	$1,152.7	$1,725.1	$658.0
Iowa	$431.4	$875.1	$1,196.3	$358.2
Kansas	$349.0	$1,672.7	$2,297.2	$347.8
Kentucky	$606.7	$609.8	$940.3	$421.1
Louisiana	$611.0	$1,408.8	$2,005.2	$429.9
Maine	$163.5	$270.8	$365.8	$130.8
Maryland	$551.7	$973.5	$1,437.5	$431.0
Massachusetts	$563.0	$1,047.7	$1,598.8	$437.9
Michigan	$973.7	$2,010.1	$2,899.6	$847.2
Minnesota	$569.9	$1,656.5	$2,449.1	$502.3
Mississippi	$427.0	$966.9	$1,366.6	$356.3
Missouri	$828.0	$2,039.9	$2,906.2	$637.5
Montana	$340.7	$176.1	$238.1	$211.8
Nebraska	$264.0	$406.4	$568.5	$235.6
Nevada	$309.4	$385.7	$603.9	$201.4
New Hampshire	$153.3	$280.3	$421.5	$129.4
New jersey	$911.5	$2,127.0	$3,193.0	$651.8
New Mexico	$328.9	$778.8	$1,103.8	$252.6
New York	$1,539.8	$3,282.3	$4,887.6	$1,120.7
North Carolina	$966.9	$2,062.3	$3,262.1	$735.5
North Dakota	$224.7	$247.0	$338.3	$170.1
Ohio	$1,210.0	$1,254.0	$1,876.3	$935.7
Oklahoma	$565.0	$1,849.5	$2,493.4	$464.7
Oregon	$430.6	$647.9	$974.6	$333.9
Pennsylvania	$1,519.7	$2,722.6	$3,958.7	$1,026.4
Rhode Island	$189.5	$187.7	$269.4	$137.1
South Carolina	$575.8	$589.6	$780.9	$465.1
South Dakota	$244.1	$407.4	$543.1	$183.0
Tennessee	$753.6	$1,087.8	$1,688.8	$572.7
Texas	$2,941.3	$4,664.0	$6,986.8	$2,250.0
Utah	$288.0	$460.0	$730.7	$215.5
Vermont	$168.3	$216.8	$300.0	$125.8
Virginia	$913.4	$850.1	$1,258.7	$694.5
Washington	$599.6	$1,092.3	$1,604.9	$492.2
West Virginia	$384.5	$871.3	$1,260.2	$210.9
Wisconsin	$678.8	$874.9	$1,164.7	$529.1
Wyoming	$226.0	$166.3	$235.8	$157.6
Total	$35,006.9	$61,701.0	$90,706.2	$26,666.1

1/ The "Needs" column shows investment required in FY 2010. The amounts would grow each year with inflation.
2/ ARRA is one-time funding only during FY 2009-10 and thus not available to meet needs in future years.

maintain conditions and performance on the state's highways and bridges[2]. In FY 2010, it received about one-third that amount. Florida also received fewer federal highway funds than needed just to maintain current highway and bridge conditions, as did almost every other state. The table also shows that the one-time highway stimulus funds in the American Recovery and Reconstruction Act, while helpful in the short run, come nowhere near filling the long-term federal highway investment shortfall.

Mr. Chairman, we have known for years that state and local transportation agencies need long-term funding certainty to plan and implement highway and bridge construction projects. That is why Congress moved from annual authorizations during the 1950s and 1960s to the current practice of enacting six-year authorizations. Short-term authorizations are simply too disruptive. It is virtually impossible for a state or local transportation agency to develop an effective highway investment program without a long-term funding horizon. The most important action Congress could take now to strengthen the support provided by the Recovery Act to transportation construction would be to enact a multi-year well-funded surface transportation bill as soon as possible.

Again, thank you Mr. Chairman for this opportunity to testify today. I will be happy to respond to any questions.

[2] State investment needs are based on Federal Highway Administration data on the number of highway miles in poor or mediocre condition in each state, the total deck area of deficient bridges in each state, and a measure of highway congestion.

Testimony Before:

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE

Subject:

IMPLEMENTATION OF THE

AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

Sept. 29, 2010

By: JOYCE ELEANOR

CHIEF EXECUTIVE OFFICER

COMMUNITY TRANSIT

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TESTIMONY OF JOYCE ELEANOR, CHIEF EXECUTIVE OFFICER

COMMUNITY TRANSIT, SNOHOMISH COUNTY, WASHINGTON

Good morning Mr. Chairman, Congressman Mica, Honorable Members, Counselors, Committee Staff and special guests.

BACKGROUND

My name is Joyce Eleanor and I represent Community Transit, a mid-sized rural-suburban transit agency in Snohomish County, Washington, just north of Seattle.

Community Transit was created by a vote of the people in 1976 to fill a void in the transportation needs of Snohomish County. Over the past 34 years, our agency has grown to serve nearly 12 million passengers annually, including 50 percent of all Snohomish County residents traveling into downtown Seattle each weekday. Community Transit was the first transit agency in Washington State to establish an all-low-floor bus fleet, providing easier boarding for our customers and standardization for our maintenance staff, we were the first agency in the state to provide free WI-FI wireless Internet access onboard our buses, and last year we launched *Swift,* the state's first bus rapid transit line, which has quickly become the highest ridership route in our system.

Community Transit consistently rates above all other local transit agencies in our region for customer service, and our 979 direct and contract employees are fiercely proud of that fact.

Our customers love our friendly and professional drivers, our clean and well maintained buses, and our commitment to safety, service and schedule.

Community Transit operates 29 local bus routes within Snohomish County and 25 routes to downtown Seattle and the University of Washington. We also have 54 Dial-a-ride Transportation paratransit buses that provide trips for more than 200,000 disabled riders a year. In addition, our fleet of 396 vanpool vans is one of the largest vanpool programs in the nation.

ECONOMIC IMPACTS

The economy has hit our agency hard. This year, 2010, we will receive the same level of sales tax revenue as we did in 2005. We estimate that between 2008 and 2013 we will have lost about $180 million in anticipated revenue that would have been used for bus service, bus replacement, facility maintenance and jobs. For an agency our size that is truly devastating.

But things could have been worse, and if it were not for the American Recovery and Reinvestment Act, things would have been worse!

The past three years, Community Transit has sustained itself through "bridge" budgets. We have moved money around where we could, borrowing from our reserves and, of course, cutting costs as much as possible. We cut more than $30 million in programs and administration over a three-year period before we finally had to cut service this past June.

Last year, 2009, we were faced with no other choice but to cut service and raise fares to balance our budget. But thanks to Congress, and the efforts of our local Representatives Rick Larsen and Jay Inslee, as well as Senators Patty Murray and Maria Cantwell, we secured $17.5 million in ARRA federal stimulus funds.

OPERATIONS

As you are aware, there is some flexibility built into all federal transit funding, and we were able to use that flexibility to direct about $3.3 million of the FTA 5307 funds to operating costs, split between our direct operations and preventative maintenance. This specific funding and flexibility saved our service last year. Without it we would have cut service to our customers in 2009. On behalf of our riders, I thank you for that!

Even more importantly for our employees, this flexible funding through ARRA saved 74 jobs at our agency that would potentially have been eliminated if we had to cut service last year. On behalf of our employee, I thank you for this funding!

BUS REPLACEMENTS

Double Decker buses

The benefits of ARRA did not stop there. We are using $10.7 million of Transit Capital Assistance funding to purchase 23 replacement buses for our fleet.

We had delayed this bus purchase for two years because of our financial situation, but these funds allowed us to move forward with replacing buses that are now 16 years old – four years older than the federal life-cycle requirement for buses. As you know, older vehicles require more maintenance and are less fuel efficient, so they actually cost more to operate.

The buses we purchased with these ARRA funds are double decker buses to be used in our commuter service to Seattle. This is very exciting for our agency and our customers. We leased a double decker bus for two years to test on our commuter service and it was phenomenal!

The double decker bus, which we call The Double Tall – given our use of these buses in coffee-centric Seattle – allows us to seat twice the number of passengers as on a standard bus, while paying for one driver and roughly the same amount of fuel. The 42-foot long Double Tall buses also have a smaller footprint than the 60-foot articulated buses they are replacing, therefore needing less space on our congested roadways and at our operating base. These triple-axle buses also handle well in snowy and icy conditions, whereas the articulated buses they are replacing are hazardous to drive in those conditions.

Our customers love these buses! The view is tremendous, the experience is amazing. Community Transit was the second transit agency in the U.S. to put a modern double decker into regular service when we introduced ours in 2007 and, thanks to these ARRA funds, we'll be launching a fleet of 23 Double Talls later this year.

At Community Transit, we believe that whatever we can do to make public transit exciting helps to attract new riders and contribute to the many positive environmental and economic goals of our mass transit system.

I want to tell you one more thing about our double decker buses. When we first leased a bus in 2007, we leased from Alexander Dennis, the world leader in double decker buses. That company is based in Great Britain – what you'd expect from the leading double decker bus manufacturer. That first bus was entirely built in the U.K.

As we went out to bid for our 23 double deckers, Alexander Dennis needed to change its manufacturing process to meet Buy America compliance. They have contracted with the El Dorado Bus Building Company in California to create a plant here in the U.S. They now build an incomplete chassis in the U.K. then ship it to California for installation of axles, engines, transmissions, steering – everything needed to make it a drivable bus. All that work is now done in the U.S. They have two assembly lines in California with about 30 people working to complete our order of 23 buses.

Hybrid Replacement Buses

As part of ARRA, there were funds dedicated to clean energy; they were called TIGGER grants. We were lucky enough to receive $3 million in TIGGER funds for hybrid replacement buses.

Again, after delaying bus purchases for two years, we had a need to replace 24 of our local service 40-foot buses. Thanks to the $3 million, 15 of those buses will have hybrid diesel-electric propulsion engines.

Because hybrid buses cost more up front than standard diesel buses, Community Transit would not have purchased these clean-energy vehicles without this ARRA funding. By getting 15 hybrid buses and 9 standard diesel buses at the same time, we will have a direct comparision in terms of maintenance, fuel efficiency and emissions between the two types of buses to help us make decisions for future bus purchases. Thank you for that opportunity!

We do not have a specific job calculation for this bus purchase, as the reporting system for jobs occurs after the buses have been manufactured. The buses we have ordered are being built by New Flyer of America, based in St. Cloud, Minnesota. I have read previous testimony given to your Committee from bus manufacturers that the stimulus funds transit agencies have used for bus purchases has helped them to maintain and create many jobs throughout the country. These jobs are not only at the manufacturing plants, but at the many sub-vendors that are needed to outfit buses with everything from seats to heating systems to new technological components.

TRANSIT CENTER REDEVELOPMENT

Finally, we received $425,000 in ARRA funds through the Federal Highway Administration for redevelopment of our parking lot at the Mountlake Terrace Transit Center.

That facility is 30 years old. Tree roots had warped and broken through the blacktop, paint stripes were worn and the parking lot presented a challenge to both drivers and pedestrians. Plus the facility needed new lighting as it is near a wooded area and safety was a concern for our nighttime customers.

The parking lot redevelopment project was completed this summer. It looks beautiful and our customers are so thankful. We are revamping our service at this transit center in February 2011 and we expect many more people to use this facility, so we are especially thankful for the funding to complete this project.

The parking lot redevelopment created 5 full-time equivalent construction jobs for the six-month life of this project. In our community, construction jobs are sorely needed, so this project was a blessing to those workers.

THE ROUTE AHEAD

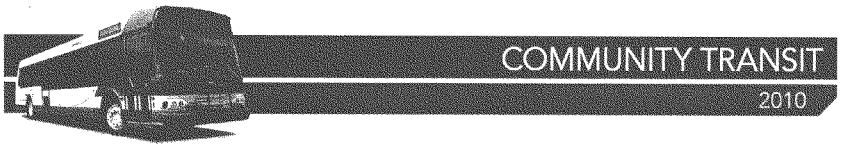
The route ahead for Community Transit is uncertain. Current economic indicators for our corner of Washington State are not positive. By state law, retail sales tax makes up the majority of our agency's funding, and sales tax levels are 20 percent below where they were when the recession began in 2007.

As I mentioned earlier, In June 2010 we cut 15 percent of our service to customers, including the elimination of all transit service on Sundays and major holidays. That was a tough decision, but it was made knowing that any other service cut scenario would have impacted many more people who rely on our services to get where they need to go.

Community Transit is now in the midst of creating our 2011 budget. We are proposing more staff and program reductions.

Chairman Oberstar, Representative Mica, you and your committee have greatly helped our agency and our customers with the package of stimulus funds you created last year. Any future action along the same lines could have the same positive effect – of saving and creating jobs, preserving transit service and helping to move the economy forward.

I thank you for your wonderful work, and for the opportunity to share our experiences about public transit in Snohomish County.



Community Transit Key Facts

Community Transit has been Snohomish County's public transportation provider for 34 years. We connect 19 cities and numerous communities within the county as well as commuter connections to downtown Seattle and the University of Washington campus.

Agency

- Community Transit is governed by a Board of Directors composed of nine elected officials representing county government and cities, and one non-voting labor representative.
- 979 employees, including contracted services.
- Service area: 1,305 square miles.
- Service area population: 498,815 (September 2009).
- 25 commuter routes, 29 local routes, including one bus rapid transit line.

Fleet

- 290 fixed route buses.
- 396 vanpool vans.
- 54 DART paratransit vehicles.
- 255 buses on the road during peak weekday hours.

Ridership

- We carry about 38,000 passengers each weekday.
- About 8,300 riders travel to and from downtown Seattle on our buses each weekday.
- An additional 2,700 passengers travel to and from the University District on our buses each weekday.
- Our vanpools carry about 3,400 riders each weekday.
- Community Transit DART paratransit service transports about 700 passengers each day who otherwise might not be able to get around.
- 21 Park & Ride lots with 6,736 parking spaces.
- 27 Park & Pool lots with 893 parking spaces.
- The Alderwood mall area is served by six routes providing up to 22 trips per hour each weekday.

Return on Investment

- Every dollar invested in public transportation projects generates $6 in local economic activity.
- Every $10 million invested in operating public transportation yields $32 million in increased local business sales.

Spring 2010

What's white and blue
and drives the economy?
Mountlake Terrace Transit Center

STATEMENT OF

ALFRED H. FOXX, DIRECTOR
BALTIMORE CITY DEPARTMENT OF PUBLIC WORKS

ON
THE AMERICAN REINVESTMENT AND RECOVERY ACT

BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION AND
INFRASTRUCTURE

SEPTEMBER 29, 2010
WASHINGTON, D.C.

Good morning Mr. Chairman and Members of the Transportation & Infrastructure Committee.

My name is Alfred H. Foxx and I am the Director of the Baltimore City Department of Public Works and, until about three months ago, was the Director of the City's Department of Transportation. I have a working career that spans more than 35 years, the majority in public service, and am proud to have served my Country in the U.S. Army Corps of Engineers. I thank you for the opportunity to speak to you today about the positive impact that the American Recovery and Reinvestment Act has had on my City of Baltimore, particularly the opportunities for investing in our transportation infrastructure, investing in the lives of the working people, and the resulting improvement in the quality of life for our neighborhoods.

Baltimore is one of 24 jurisdictions in the State of Maryland. We are unique in that, with the exception of small portions of I-95/395, we are responsible for every street, alley, road, bridge, street light and traffic signal within our borders. While other jurisdictions have State highways, roadways and attendant bridges and overpasses under the care and maintenance of the Maryland Department of Transportation, we in Baltimore build, widen, pave, reconstruct and repair our entire transportation infrastructure.

City of Baltimore – Transportation Infrastructure

2,000 miles of roadways	72,000 Street lights
7 miles of Interstate highways	1,300 Signalized intersections
298 Bridges & culverts	250,000 Traffic & informational signs
3,600 miles of sidewalks, curbs & gutters	10,770 Parking meters
456 miles of alleys	

Baltimore is an old city that was established and grew because of the beneficial location of a Harbor. Second only to New York as a point of immigration, we embraced waves of immigrants who helped build and create the communities that exist today. We are home to approximately 651,000 people of many races, backgrounds and incomes; have institutions of learning making great advances in the health and biotechnological fields; are enriched with a vibrant cultural and arts heritage; gaining a reputation for our growing sustainable and green movement; and sit at the confluence of a vital port, highway and rail transport system that supports our national commerce. But we are also an older urban center facing many of the challenges of other East Coast cities; transitioning from an industrialized to a more service-oriented economy, working to become a more technologically savvy city, while finding ways to support these changes with an aging infrastructure built to support a much different way of life.

The American Reinvestment and Recovery Act came as a shot in the arm at a time when, as Director of Transportation, I was looking at a capital program of zero non-federal dollars. We couldn't even provide the match to our regular federal-aid highway program for any new projects. Baltimore received $35.1 million in Recovery Act dollars through the federal Surface Transportation Program and $1.59 million in discretionary funds. We were able to take plans sitting on the shelf for lack of funding and get them out on the street. While the Recovery Act required communities to react quickly to the opportunities it offered, we were able to put together a diverse package of projects to reach across much of our local economy through street resurfacing, street reconstruction and streetscaping, traffic signal reconstruction, fiber optic communications to better manage signalization, and bridge reconstruction. In doing so, we were able to get our infrastructure investment back on track, creating a ripple effect in our local and State economy.

One would need no better gauge of the economic climate at that time for the construction, trades, professional and support services, and equipment and material suppliers, than the competitive bids we received for these projects. Bids came in well below the estimated costs, in some cases as much as 40% lower than estimated. As a result, we were able to stretch these funds to do even more by advertising a second phase of projects.

Project	Amount	Completion
Orleans Street Streetscape – Central Avenue to Wolfe St	$7,082,521	Fall 2010
Resurfacing Frankford Avenue – Sinclair Lane to Druid Park Drive	$1,051,680	Completed
Resurfacing of Hilton Street – Frederick Road to Gwynns Falls Parkway	$843,766	Completed
Resurfacing of Northern Parkway – Falls Road to Park Heights Avenue	$7,572,092	Fall 2010
Park Heights Avenue Streetscape – Garrison Blvd to Northern Parkway	$1,619,916	Completed
Argonne Drive Bridge over Herring Run - Reconstruction	$6,528,294	Summer 2011
Pennington Avenue Bridge – Additional Structural Elements	$3,013,859	Fall 2011
Edmondson Village Street Lighting	$794,985	Spring 2011
City-wide Traffic Signal Reconstruction & Wiring	$3,878,542	Fall 2012
City-wide Street Resurfacing	$2,465,407	Spring 2011
New water taxi vessels & dock improvements	$1,590,000	Spring 2011

One opportunity we took advantage of was to address bridges with low safety ratings. The Argonne Bridge reconstruction over Herring Run is one example of effective use of Recovery Act funding. The project was awarded to a local firm that employs a variety of skilled craftsmen from carpenters to steel workers, using a variety of materials from local suppliers. The project is expected to sustain 90 direct jobs over its 15 month construction. In addition, rehabilitating this bridge now allows the City to build on longer-term investments to be made by the Departments of Transportation, Public Works, and Recreation and Parks in rehabilitating the Herring Run watershed and creating the first phase of a new greenway in Northeast Baltimore.

The Recovery Act allowed us to add $3 million to an existing project to fix structural elements of the Pennington Avenue drawbridge at Curtis Creek. This bridge, just a few hundred yards north of a critical Coast Guard maintenance yard, has suffered from significant mechanical problems over the past few years, which were being fixed. Recovery dollars are allowing us to complete the work with structural improvements which should keep the bridge in good stead for the next 25 years.

The resurfacing of Northern Parkway, a major east-west arterial that was in poor condition, was a project the City had wanted to do for years. This roadway is heavily used by commuters, by residents living in the adjacent neighborhoods, and by a major hospital. Northern Parkway interconnects with I-83 and is the route racing fans use during the running of the Preakness, a nationally covered sports event. Thanks to the Recovery Act, the project will soon be completed. In addition to the resurfacing, the project required reworking underground utilities and revamping of street lighting and signalization to bring this important roadway up to par. This project, along with the resurfacing of the intersecting Park Heights Avenue, is also critical in the context of supporting a major neighborhood revitalization project in the Park Heights community and is creating an attractive gateway into this once-neglected community.

Funds provided under the Ferry Boat Discretionary Program will enable Baltimore to enhance its water taxi service to residents and commuters while drawing upon the skills of marine-oriented jobs. The Inner Harbor creates a unique problem for residents attempting to get to jobs and locations within the Downtown area along the eastern side of the Harbor. Water taxis provide an alternative mode of transportation for communities lacking good east-west transit service as well as a unique way to avoid congestion on surface streets. With these funds we have purchased two new watercraft, purchased the necessary land for and construction of a new pier in South Baltimore, and made safety and passenger waiting area improvements at all of the water taxi stops.

On October 29, 2008, the National Association of Counties (NACo) testified before this Committee urging support for a national economic recovery package by investing in the nation's infrastructure. NACo noted that counties have a major role to play,

representing 44 percent of the nation's road miles, 45 percent of the nation's bridges, and one third of the nation's transit systems. They pointed to the impact the economic conditions were having on counties' budgets at that time. For Baltimore, the timing of the American Reinvestment and Recovery Act could not have been more critical. We believe the investments we have been able to make through the Recovery Act will complement our future investments, improve the quality of life for our communities, provide meaningful employment, and encourage investment by others in our city.

I thank the Committee for their kind attention and will be happy to answer any questions the members may have.

Testimony of
Ms. Kelly L. Johnson, A.A.E.
Airport Director,
Northwest Arkansas Regional Airport Authority
and First Vice Chair,
American Association of Airport Executives

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Statement of

Kelly L. Johnson, A.A.E.

Airport Director,

Northwest Arkansas Regional Airport Authority

and First Vice Chair,

American Association of Airport Executives

Before the

Committee on Transportation and Infrastructure

U.S. House of Representatives

September 29, 2010

Chairman Oberstar, Ranking Member Mica and members of the Transportation and Infrastructure Committee, thank you for inviting me to participate in this hearing on the American Recovery and Reinvestment Act. My name is Kelly Johnson, A.A.E. I am the Airport Director of the Northwest Arkansas Regional Airport and the First Vice Chair of the American Association of Airport Executives (AAAE). AAAE is the world's largest professional organization representing the men and women who manage primary, commercial service, reliever and general aviation airports.

The Northwest Arkansas Regional Airport is a small hub airport that serves five cities and two counties in northwest Arkansas. Last year we had more than 530,000 enplanements, and we are the 112th busiest airport in the country. With the corporate headquarters of Walmart, Tyson Foods and other companies in northwest Arkansas we provide a vital link to their global ability to conduct business and positively impact the economy.

Mr. Chairman, I would like to begin by thanking Congress for including infrastructure provisions in the American Recovery and Reinvestment Act. The legislation, which Congress passed last year, included funding and bond-related provisions that have helped the Northwest Arkansas Regional Airport and airports around the country construct critical infrastructure projects and stimulate the economy by creating jobs.

I would also like to thank members of the Transportation and Infrastructure Committee for your tireless efforts to pass a multi-year Federal Aviation Administration (FAA) reauthorization bill. As a result of your leadership, the House-passed bill includes a

critically needed increase in the Passenger Facility Charge (PFC) cap and additional Airport Improvement Program (AIP) funds. Both programs provide airports with critical funding to increase safety and stimulate the economy. I realize the bill is currently stalled on the other side of the Capitol. I hope you and your colleagues will continue to work together and pass a multi-year bill before the current extension expires at the end of the year.

American Recovery and Reinvestment Act

Airport Improvement Projects: The Recovery Act included $1.1 billion for ready-to-go airport construction projects. Large and small airports around the country have been using the additional funding to improve their facilities, enhance aviation safety and stimulate the economy by creating and retaining good-paying jobs.

The FAA indicates that it has already issued 331 grants for 367 airport construction projects at airports around the country for a total of $1.098 billion. I would like to commend the FAA and the Airports Office for getting grants out the door expeditiously. The agency's prompt actions have allowed the Northwest Arkansas Regional Airport and other airports to build critical infrastructure projects and create jobs in their local communities.

It is my understanding that 268 airport projects are already completed and that construction is currently underway on another 94 projects. Earlier this month, the FAA announced that it had selected an additional five airports to receive a total of $9 million in Recovery Act funds after more money became made available because of low bids at other airport projects.

Last year, the Northwest Arkansas Regional Airport received two Recovery Act grants totaling approximately $9.5 million to construct an Alternate Landing Surface – one grant in June and the other in November. We also received approximately $20 million in AIP discretionary funds for this project. I would like to thank Rep. John Boozman for his help in obtaining the AIP portion of this project. He has been a strong advocate for our airport, and I deeply appreciate all of his assistance.

Our one and only runway (16/34) is rapidly deteriorating due to a condition known as Alkali-Silica Reaction (ASR), a chemical reaction that often causes concrete in runways, highways and bridges to crack and expand. The deterioration has been so bad at our airport that we spent approximately $750,000 in the past two years repairing the pavement to prevent Foreign Object Debris, which can damage aircraft and – if left unchecked – jeopardize safety.

Sometimes it is more cost effective to buy a new car than to continue fixing up an unsafe one with a faulty transmission. That's what we're doing at the Northwest Arkansas Regional Airport. We're constructing an Alternate Landing Surface so that we can close our crumbling runway and begin a major reconstruction project instead of continuing to throw money at dramatically increasing repair costs. By completing the Alternate

Landing Surface first, we can avoid shutting down the entire airport, which would have a significant economic impact on the communities and businesses surrounding the Northwest Arkansas Regional Airport.

I am proud to say that the paving portion of the project is already complete, and we are in the process of finishing the electrical work, asphalt shoulders and installation of navigational aids. We expect to finish the project later this year. Once construction on the Alternate Landing Surface is completed, we plan to use approximately $30 million in AIP funds to reconstruct our runway.

Without the $9.5 million in Recovery Act funds we simply would not have been able to proceed with this critical safety project as quickly as we did. We did not have enough AIP funds to pay for all of the Alternate Landing Surface and the runway reconstruction project. Our PFC revenue is already dedicated toward existing projects, and we were unable to issue bonds to finance this particular project. The Recovery Act was our only viable solution.

We estimate that construction on the Alternate Landing Surface has already created approximately 100 direct jobs at the Northwest Arkansas Regional Airport. However, it is important to note that this estimate does not include the number of indirect or induced jobs that have been retained or created as a result of this project. This may be an exaggeration, but after watching all the trucks arriving and leaving the airport in the past year it seemed as though every truck driver in northwest Arkansas was working on our project.

Although it is hard to calculate, we estimate that the economic impact on the local community has been approximately $8 million. This includes items that you might not normally associate with an airport construction project such as the amount of money spent to house workers in apartments and hotel rooms.

What we haven't calculated is the enormous economic loss that would have occurred if this project hadn't take place and we would have been forced to close our airport to repair our crumbling runway. A shut-down would have impacted Fortune 100 companies including Walmart and Tyson Foods as well as smaller businesses in northwest Arkansas that rely on air service to and from our airport.

Facilities and Equipment Funds: The Recovery Act also included $200 million for FAA facilities and equipment (F&E) to help modernize and improve our air traffic control system. Of those funds, $50 million was designated to upgrade FAA power systems; $50 million for modernizing air traffic control centers; $80 million to replace air traffic control towers and Terminal Radar Approach Control facilities; and $20 million to install airport lighting, navigation and landing equipment. According to the FAA, those funds will be used on more than 300 projects at airports around the country.

Alternative Minimum Tax Relief: In addition to the airport grants and F&E funding, two bond-related provisions in the Recovery Act are helping airports stimulate the economy and create jobs. The vast majority of airport bonds are classified as private

activity even though they are used to finance runways, taxiways and other facilities that benefit the public. Since private activity bonds are subject to the Alternative Minimum Tax (AMT), airport bond issuers traditionally have been charged higher interest rates on their borrowing.

The Recovery Act excluded private activity bonds from the AMT for bonds that airports and other state and local government entities issue in 2009 and 2010. The bill also allows airports to current refund bonds issued after 2003 that are refunded in 2009 and 2010. The AMT provisions are helping airports throughout the country create jobs by moving forward with critical infrastructure projects that had been delayed because of the financial crisis and the collapse of the bond market.

The AMT provisions in the Recovery Act have been enormously successful. The FAA estimates that 55 airports have sold almost $16 billion in bonds since the Recovery Act was enacted into law last year. Approximately 40 of those airports issued more than $10 billion in bonds that benefited from the temporary AMT provisions. Temporarily providing AMT relief is expected to save airports approximately $1 billion in reduced financing costs and allows airports to invest those savings in additional infrastructure projects and create even more jobs.

The Northwest Arkansas Regional Airport refinanced more than $30 million in bonds this year taking advantage of the non-AMT opportunity. The AMT relief has reduced our finance costs and resulted in making our bonds, which remarket weekly, much more attractive to investors.

On behalf of the airports around the country, I would like to thank Rep. Boozman again along with Ranking Member Mica and Rep. Duncan for urging their colleagues on the Ways and Means Committee to include AMT relief for private activity bonds in the economic stimulus package. We truly appreciate their help on this issue.

Build America Bonds: The Recovery Act also created the Build America Bonds program to help state and local governments reduce their financing costs and build infrastructure projects. Instead of being fully tax-exempt like governmental bonds, these new bonds allow state and local governments to receive a direct payment from the Federal government in an amount equal to 35% of the interest payment on the bonds.

The House Ways and Means Committee recently reported that "the Build America Bonds program has helped finance more than $106 billion in domestic infrastructure projects and supported more than 1.9 million jobs nationwide." Several airports have also utilized the Build America Bonds program to finance infrastructure projects at their facilities. Airports in Chicago, Denver, Los Angeles, Long Beach, Las Vegas and San Diego have issued a total of approximately $2 billion in Build America Bonds.

For example, the Denver International Airport issued slightly more than $65 million in Build America Bonds late last year to fund new capital projects. Issuing Build America Bonds instead of tax-exempt bonds will save the airport approximately $19.4 million in net debt service costs. Earlier this year, Chicago's O'Hare International Airport issued

$578 million in Build America Bonds to help finance its Modernization Plan. Last week, the San Diego County Regional Airport Authority issued more than $200 million in Build America Bonds for its Green Build Terminal 2 expansion program.

Aviation Security Funding: The Recovery Act also included $1 billion for aviation security projects. The Transportation Security Administration is designating $734 million of that for the procurement and installation of in-line explosive detection systems (EDS) and $266 million for checkpoint explosives detection equipment. A number of airports around the country are using these funds to enhance aviation security at their facilities.

Last week, Department of Homeland Security Secretary Janet Napolitano announced that the agency would be awarding $98 million in Recovery Act funds for the purchase and installation of advanced technology x-ray machines and in-line EDS systems. Last month, the Secretary also announced that the Orlando International Airport would be receiving $23 million in Recovery Act funding for an in-line EDS system.

Improve Aviation Safety and Stimulate the Economy

Mr. Chairman, the Recovery Act has helped airports around the country move forward with key infrastructure projects, reduce their financing costs and enhance aviation safety and security. I would like to take a moment to discuss some other steps that Congress can take to help airports create jobs and stimulate the economy.

Pass a Multi-Year FAA Reauthorization Bill and Raising the PFC Cap: Congress can help airports and stimulate the economy by sending a multi-year FAA reauthorization bill to the President's desk that raises the PFC cap and increases AIP funding. It has been three years since Vision 100 – the last FAA reauthorization bill – expired. Since Congress has been unable to pass a multi-year FAA reauthorization bill, lawmakers have approved a series of short-term extensions instead.

Airports appreciate the successful efforts to extend FAA programs and prevent lapses in aviation excise taxes. However, extensions and uncertain funding levels can be very disruptive to airports as they try to plan their construction projects. Moreover, every month that goes by without the PFC increase proposed in the House-passed versions of the bill cost airports approximately $100 million – funds that could be used to improve airports and create jobs around the country

As members of this Committee know, airports have been urging Congress to raise the PFC cap from $4.50 to $7.50 and index it for construction cost inflation. We are grateful that the House-passed version of the bill proposes to raise the PFC cap to $7.00. We hope that you will continue to push for this increase as debate on the multi-year bill continues. If enacted into law, the additional $2.50 would generate more than $1 billion per year for critical safety, security and capacity projects at airports around the country.

Airport executives are also pleased that the House- and Senate-passed versions of the bill proposed to increase AIP funding by $100 million per year. AIP funding is key source of revenue for airports of all sizes, and it is particularly critical to smaller airports around the country. Raising the PFC cap and increasing AIP funding would help stimulate the economy by creating tens of thousands of good-paying jobs every year.

Permanently Eliminate AMT Penalty on Airport Private Activity Bonds: I know that this isn't under the jurisdiction of the Transportation and Infrastructure Committee, but I urge you to work with your colleagues on the Ways and Means Committee to permanently eliminate the AMT penalty on airport private activity bonds. Doing so would reduce airport financing costs and allow airports to invest more funds into other critical infrastructure projects.

The Recovery Act took a step in the right direction by temporarily eliminating the AMT penalty on airport private activity bonds. But those provisions are set to expire at the end of the year. A permanent AMT fix would help airports save more money, allow them to invest in more infrastructure projects and create even more jobs. Moreover, it would reflect the fact that airports use private activity bonds on projects that benefit the traveling public and should not be subject to the AMT in the first place.

The San Francisco International Airport estimates that the temporary AMT provisions in the Recovery Act will save the airport approximately $175 million over the life of their bonds. A permanent AMT fix would lower the airport's debt service costs by more than $650 million over the life of the bonds. Considering the potential savings at just one airport, it is not unreasonable to expect that a permanent AMT fix could save airports billions of dollars in lower financing costs, allowing for more investment activities that create significant job levels.

Extend Build America Bonds: Like the AMT provisions, the Build America Bonds program expires at the end of next year. The AMT provisions have had a much larger financial impact on many more airports than the Build America Bonds. Permanently eliminating the AMT penalty on airport private activity bonds continues to be our top tax-related priory. However, Build America Bonds are another tool that some airports can use to reduce their financing costs. Consequently, we encourage Congress to extend Build America Bonds beyond FY10.

Provide Additional Funding for Airport Infrastructure Projects: As members of this Committee are well aware, President Obama recently unveiled a "comprehensive infrastructure plan to expand and renew our nation's roads, railways and runways." The plan calls for the rehabilitation or reconstruction of 150 miles of runway while putting in place a Next Generation Air Transportation System that will reduce travel time and delays.

I realize that many have raised questions about the President's proposal and that the details still need to be worked out. However, as an Airport Director in northwest Arkansas, I can attest to the continuing need to invest in infrastructure projects and the

positive impact that it can have on our economy. In response to the President's plan, AAAE President Charles Barclay emphasized the difference between federal spending on consumption and investment.

Barclay pointed out that "it is wrong for one generation to pass along debt to future generations just because they find it convenient to consume more than they produce." However, he also argued that "it would be equally irresponsible to pass along no debt and a crumbled infrastructure of roads, bridges, airports and air traffic control systems that would take decades for future generations to rebuild no matter their resources."

I completely agree with his assessment. We need to continue to invest in worthy infrastructure projects that improve safety, stimulate the economy and lay the groundwork for future generations.

Conclusion

Chairman Oberstar, Ranking Member Mica and members of the House Transportation and Infrastructure Subcommittee, thank you again for inviting me to appear before your committee to discuss the American Recovery and Reinvestment Act. I look forward to continuing to work with you as examine the Recovery Act, consider other infrastructure proposals and continue debate on the FAA reauthorization bill.

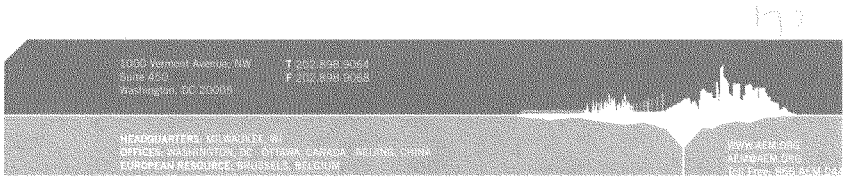
AGRICULTURE
CONSTRUCTION
FORESTRY
MINING
UTILITY

House Committee on Transportation and Infrastructure Testimony

James McCullough, CEO & President of CNH Construction

and First Vice Chair of the Association of Equipment Manufacturers (AEM)

September 29, 2010



Introduction

Good morning. My name is Jim McCullough. I am CEO and President of CNH Construction headquartered in Racine, Wisconsin. As Vice Chair of the Association of Equipment Manufacturers (AEM), I am here today representing the construction equipment manufacturing sector.

AEM is the North American-based international trade group providing business development resources for manufacturers of equipment, products and services used worldwide in the construction, agriculture, forestry, mining and utility fields. The association owns or co-owns and produces several tradeshows which are the industry leaders for their market segments, providing a cost-effective way for buyers and sellers to connect and conduct business.

Earlier today, I participated in the launch of "I Make America", AEM's new public affairs campaign – a national grassroots effort to broaden awareness about how vital equipment manufacturing is to the U.S. economy and our global competitiveness, and show widespread support for policies that create and protect U.S. manufacturing jobs. Our members don't just make equipment, they make prosperity. Each individual who works in our industry plays a part in making America a better place – safer, cleaner, more prosperous, more efficient, more competitive – and they each have a story to tell about how they help "make America".

Mr. Chairman, I am pleased to be here today to give you a glimpse of the current economic status of the construction equipment sector and to provide some observations on the impact of stimulus funding on the construction equipment sector. Most importantly, I am here today to urge this Committee to continue the push for a long term surface transportation funding authorization bill. We applaud your leadership in developing a reauthorization proposal and ensuring that transportation funding was included in the American Recovery and Reinvestment Act (ARRA). However, for the construction equipment sector, short term extensions and short term funding solutions may keep some engines running, but a long term transportation funding bill is critical to jumpstart the construction industry and generate widespread economic activity.

Background

The heavy construction equipment industry is a major contributor to the U.S. economy and substantially impacts the economy of every state and congressional district. In 2008, equipment manufacturers, distributors, and independent maintenance providers had a $364.9 billion impact on the U.S. economy, supported more than 2 million American jobs, and paid $111.3 billion in wages, salaries, and benefits. According to the Federal Highway Administration, every $1 billion invested in highway construction would support approximately 27,800 jobs, including approximately 9,500 in the construction sector, approximately 4,300 jobs in industries supporting the construction sector, and approximately 14,000 other jobs induced in non-construction related sectors of the economy. Traffic congestion costs the U.S. economy $87 billion in wasted time and fuel, and half of all traffic deaths are attributable in part to poor road conditions. Despite these stark facts, Congress has allowed SAFETEA-LU (the most recent federal highway authorization law) to expire and enacted a series of short-term extensions.

Because spending on surface transportation, water infrastructure, airport, commercial and residential construction has an enormous impact on the equipment industry, our members are keenly aware of the crisis our nation faces.

Mr. Chairman, it was almost a year ago when you joined equipment manufacturers and dealers on the National Mall for a Start Us Up USA rally to urge enactment of a long term surface transportation bill. The rally included 10 flatbed trucks loaded with idle equipment that circled the Mall. While most indicators from AEM's Second Quarter Industry Conditions Survey are trending up, I am here to tell you that our economic improvement is relative; we are still at 50% of 2007 activity.

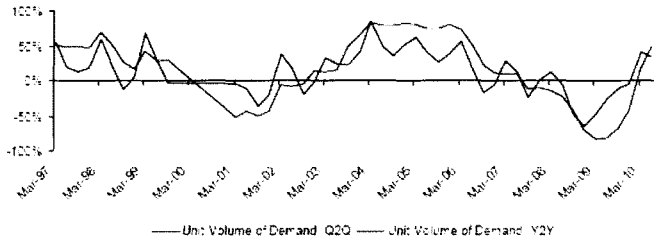
Current State of the Construction Equipment Industry

Below is AEM's Second Quarter 2010 summary of some of the key industry indicators from a survey of over a 100 construction equipment manufacturers.

Unit Volume of Demand

At the mid-point of 2010, it appears the construction equipment industry is in the midst of a recovery from the 2007-09 economic recession. More than 60 percent of respondents said unit volume of demand was higher in the 2nd quarter of 2010 than during the 2nd quarter of 2009, while just under 12 percent said demand was still falling, for a net rising index of 49.5. As the chart shows, this was the best survey result in more than 3 years. One respondent wrote "Business levels YTD over 2009 have improved significantly and the increase in sales has been consistent each month over the same period in 2009." While the industry is still well below its 2006 peak, demand is nonetheless moving in the right direction. The real question now—with home ownership incentives expiring and Recovery Act spending starting to wind down—is whether the upward momentum can be maintained. The next couple of quarters will be critical. As one respondent wrote, "2nd half of 2010 will be the test to see if rising demand will continue." By industry segment, the strongest report in the 2nd quarter came from light equipment, with a net rising index of +69.6, followed by components/attachments at +57.9, with heavy equipment bringing up the rear at a still-respectable +35.6. All were the best results in a long time.

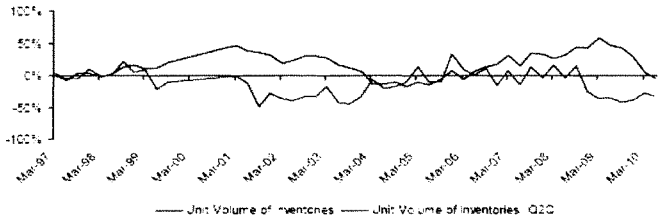
Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Unit Volume of Inventories

The rising demand has absorbed much of the industry's excess inventories and shortages are starting to be reported. While just over half of all respondents reported a satisfactory level of inventories in the 2nd quarter, more of the rest said inventories were too low (27.0 percent) than too high (20.7 percent), for a net rising index of -6.3. This is the first time in four years that the industry has not reported a large inventory overhang. Furthermore, a large number of respondents (42.3 percent) reported that inventories declined in the 2nd quarter. This is good news for the industry since it supports higher price points for construction equipment and it is good news for the economy since it will likely stimulate firms in the industry to rev up assembly lines and increase production. Again, the light equipment segment is leading the rest of the industry. Virtually all the low inventory reports came from this segment, yielding a net rising index of -34.8. For components/attachments, the index was a neutral 0.0, while for heavy equipment it was +2.2, indicating a balanced inventory situation. All three segments, however, reported that inventories fell in the 2nd quarter.

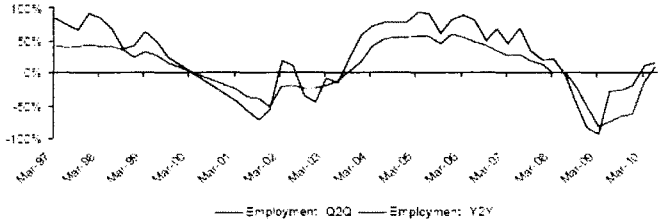
Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Employment

The construction equipment industry is starting to hire again. During the 2nd quarter, 31.5 percent of respondents said employment was higher than a year ago while only 21.6 percent said employment was down, for a net rising index of 9.9. While relatively low, this was the first positive reading for this indicator since the end of 2007. Economists consider employment a lagging indicator, so it is nice to see some firms in the industry with enough confidence in the outlook to start adding jobs and recalling laid-off workers. All three industry segments reported a similar hiring atmosphere, weak but positive—the net rising index for light equipment was +13, components/attachments +10.5 and heavy equipment +8.9.

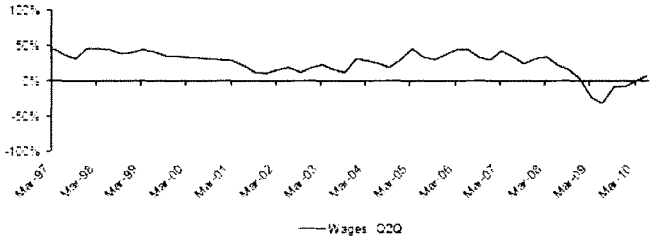
Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Wages

The construction equipment industry is beginning to report some upward pressure on wages and salaries, ending an unprecedented year of falling wages and salaries. In the 2nd quarter, most respondents (78.4 percent) reported that wages and salaries stayed about the same. But more of the rest reported rising wages and salaries (14.4 percent) than falling wages and salaries (7.2 percent), yielding a net rising index of +7.2 for the quarter. This doesn't mean big wage increases are on the horizon but it does suggest the unusually weak labor market conditions of the past year are coming to an end. The strongest upward pressures were reported by the heavy equipment segment, with a net rising index of +15.6, followed by light equipment at +8.7 and component/attachments at a neutral 0.0 (meaning an equal balance between those reporting rising and falling wages).

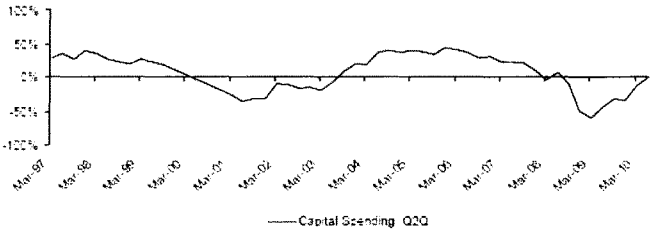
Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Capital Spending

The net rising index for capital spending by the construction equipment industry has been strengthening for the past year but was just shy of moving into positive territory in the 2nd quarter of 2010. More than two-thirds of the industry said capital spending stayed about the same in the 2nd quarter, but of the rest, slightly more said capital spending was falling (16.2 percent) than rising (15.3 percent), giving a net rising index of -0.9 for the quarter. Capital spending, like employment, is a lagging indicator and thus not surprisingly a bit weaker than other indicators, given that the recovery began just a couple of quarters ago. For all three industry segments, the net rising index for capital spending was slightly negative.

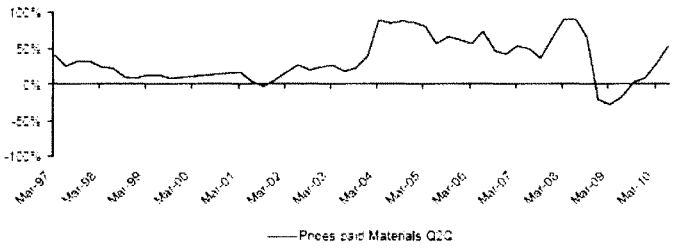
Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Prices Paid

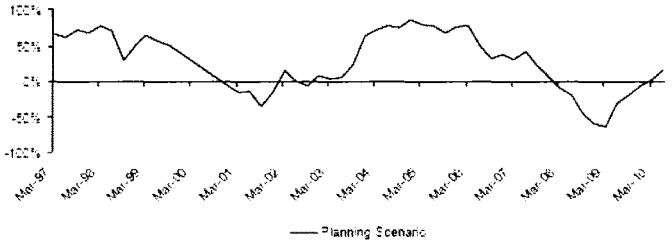
The fact that the overall economy is starting to recover from the 2007-09 recession is having an unfortunate spillover effect on prices paid by the construction equipment industry for materials and inputs. More than half of all respondents (55.9 percent) reported paying higher prices for inputs in the 2nd quarter while only 1.8 percent reported paying lower prices, for a net rising index of +54.1. As the chart shows, this is comparable to what the industry was reporting during the peak years of 2005 and 2006. There was some short-lived price relief during the first half of 2009, but that has come to an end. All three segments experienced significant cost increases, led by light equipment with a net rising index of +65.2, followed by components/attachments at +57.9 and heavy equipment at +46.7.

Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Planning Scenario

Net Rising Index (% Rising minus % Falling): Above Zero = Rising, Below Zero = Falling



Observations on Stimulus

AEM also asked in the Second Quarter Industry Conditions survey what the impact of the stimulus funding has been on our members' business. About one fifth of respondents said they are seeing some impact from the highway and other stimulus spending. But that funding was, as the Committee is well aware, far below the our transportation system's required investment needs, and the focus on "shovel ready" projects focused the majority of the work on road resurfacing, reconstruction, and rehabilitation of existing bridges and roadways. A large number of equipment product lines such as earthmoving and lift equipment are typically not utilized in these types of projects. We believe a long term transportation bill will provide critical funding for "bulldozer ready" projects with long term value to ease congestion and more efficiently move people and goods.

As of the end of July, 2010, the American Association of State Highway and Transportation Officials (AASHTO) reported that almost 15,734 highway and transit projects were underway. That means that our customers were utilizing their fleets of equipment to undertake this work. We have seen some increase in parts and maintenance work that has benefitted medium and small suppliers and service providers.

This infusion of additional capital has kept many of our customers in business and may have provided a lifeline to the anticipated increased economic activity a long term reauthorization plan will provide. It is critical that Congress and the Administration move quickly before the end of the current extension to avoid a dramatic reduction in funding.

Summary

Mr. Chairman, there is little question that the construction equipment sector is still challenged by uncertainty in the North American construction market. This uncertainty is not only being fueled by the lack of a long term transportation plan, but also by instability in housing and other non-road construction markets and a generally trying business environment. The fact of the matter is that, without the ARRA, our sector and the entire highway construction sector would be in dramatically worse economic condition.

We thank this Committee for its leadership to develop a long range reauthorization proposal and pledge our support for timely enactment. Thank you for the opportunity to appear before the Committee.

Testimony of Greg Mobley,
Columbus, Indiana Construction Laborer
Before the U.S. House Committee on Transportation and Infrastructure
Wednesday, September 29, 2010

My name is Greg Mobley. I am a construction laborer from Columbus, Indiana.

I want to tell the committee today how the stimulus bill helped put me back to work and to also tell the committee how much more work is badly needed.

But first I want to thank Chairman Oberstar, Congressman Mica and the other members of the committee for inviting me. It is my understanding that this committee is one of the most important when it comes to making the kinds of investments that create jobs, put men and women like myself to work and helps build our country. I thank you for that.

In the construction industry, it has been like the Great Depression. At my union, LIUNA Local 741 in Bloomington, the out-of-work list grew and grew last year to the point that one in five were unemployed. Personally I was thrown out of work. My wife and I saw our life savings dwindle. Every day without work was a day of sitting at home, being nervous and unsure and worried about what would happen in the next week, the next month and the year ahead. We circled the wagons and didn't spend a dime that we absolutely didn't have to. We skipped the movie at the local theater. We skipped the drink or dinner with friends. We skipped the treat or gift for nieces or nephews who we care for like our own.

Friends of mine had it worse – one told me that after rounding up enough cash to make his house payment, he was still unable to afford his property taxes. A lot of us suffered in silence, but the effects of being without a job showed. I and millions of workers like me want to get up every day and go to work building roads and bridges and other basics in our country. That is what we are ready, willing and able to do. Without work, you don't just enjoy life a lot less and worry a lot more. You don't just fear losing a car or losing your home. You can lose your purpose.

Investment in projects under the American Recovery and Reinvestment Act rescued many of us. I've worked on two such projects this year: Lafayette Road in Indianapolis and US-27 in Union County. My crew and I removed and replaced deteriorated and unsafe concrete, sculpted sidewalks and built curbs. It's good, honest work that put money in our pockets and allowed us to support our families. And it improved local transportation, making life better for people who live in Indiana.

This work did more than give us a paycheck and fix roads. It's impossible to overstate how good it feels to have a job to go to every day, to catch up on your bills after months of falling behind. The work we do also helps the "mom and pop" shops to stay in business because we can enjoy some of the simple things in life like that dinner and a movie at a local restaurant and theater, or a drink with friends after a hard day's work.

I'm proud of the work I've done because of the Recovery Act. I can point to the real things I build and tell my wife, my nieces or my nephews: I built that.

In my opinion, the Recovery Act was the right medicine, but the truth is it was not nearly enough medicine to be a cure. It rescued me for now, but there are 1.5 million men and women in the construction industry today who are still looking for work. Even though there's no shortage of potholes or old bridges and highways that need work, there aren't a lot of projects coming down the pipeline. I can see trouble ahead for me and others like me.

I think it's time invest in America for a change. The investment in roads, bridges and transportation under American Recovery and Reinvestment Act was a great start. Mr. Chairman and members of the Committee, I want to thank you for the work you do to invest in the United States. We need to invest more in our country, to again be the country that does what it takes to lead the world with the best highways and most modern transportation systems. I and millions like me are ready to work. We're ready to build America.

Once again, I'd like to thank the Committee for the opportunity to be here today.

INTRODUCTION: MY NAME IS DAVE ROCK FROM MENTOR, MINNESOTA. I AM THE CWA LOCAL 7304 PRESIDENT AND AN EMPLOYEE OF NEW FLYER OF AMERICA LOCATED IN CROOKSTON MN.

WELCOME CHAIRMAN OBERSTAR, AND MINORITY REPRESENTITIVE JOHN MICA, POLICY MAKERS AND COMMITTEE MEN, IT IS A GREAT HONOR TO BE IN WASHINGTON AND TO SPEAK WITH YOU TODAY.

NEW FLYER IS A COMPANY BASED OUT OF CANADA, A TRANSIT BUS SUPPLIER ESTABLISHED IN 1930 AS WESTERN AUTO AND TRUCK BODY LIMITED.

IN 1941 THE COMPANY INTRODUCED THE "WESTERN FLYER". THE COMPANY WAS RENAMED FLYER INDUSTRIES LIMITED IN 1986 AND THEN RENAMED TO NEW FLYER.

OVER THE NEXT 15 YEARS, NEW FLYER ESTABLISHED A SOLID REPUTATION FOR INNOVATION IN DESIGN THROUGH THE DEVELOPMENT OF NEW PRODUCTS.

IN 1996 NEW FLYER OF AMERICA OPENED A PLANT IN CROOKSTON, MN. THIS ALLOWED THEM TO BE A BUY AMERICA COMPANY. GROWTH WAS FAST, AND IN 1999 NEW FLYER OPENED AN ASSEMBLY PLANT IN ST CLOUD, MN. THIS CREATED OVER 850 DIRECT LABOR JOBS IN THESE TWO COMMUNITIES.

IN THE 1990'S THE CNG AND LNG NATURAL GAS PROPELLED BUSES WERE BUILT AT THE CROOKSTON, MN PLANT. NATURAL GAS BEING A CLEAN BURNING FUEL TECHNOLOGY TO THIS DAY IS STILL A BIG PART OF NEW FLYER OPERATION.

LATER IN 2002, NEW FLYER SECURED AN ORDER TO BUILD NORTH AMERICA'S FIRST FLEET OF 218 ARTICULATED DIESLEL/HYBRID BUSES FOR KING COUNTY METRO IN SEATTLE, WA. ESTABLISHING NEW FLYER AS THE LEADER IN HYBRID BUS PRODUCTION, THE BUSES WERE DELIVERED IN 2004. DURING THIS TIME, NEW FLYER PARTNERED WITH SAN BERNARDINO COUNTY, CA TO BUILD THE FIRST GASOLINE-ELECTRIC HYBRID BUSES.

IN 2004 ELECTRIC TROLLEY BUSES WERE BUILT FOR VANCOUVER IN BRITISH COLUMBIA.BC TRANSIT IN 2007 AWARDED NEW FLYER THE CONTRACT TO BUILD THE WORLD'S FIRST FLEET OF HYDROGEN FUEL CELL BUSES. THE FIRST OF THESE BUSES WERE DELIVERED IN 2008 AND THE REMAINDER WAS BUILT IN 2009. THE FLEET WAS HIGHLIGHTED AT THE 2010 WINTER OLYMPICS IN WHISTLER, BC. (A BALLARD FUEL CELL AND A SIEMAN ELECTRIC DRIVE WERE USED).

ENOUGH NEW FLYER HISTORY, LETS TALK ABOUT ME. I WAS BORN TO A THIRD GENERATION FARMER IN THE FRENCH SPEAKING COMMUNITY OF TERREBONNE, MINNESOTA.

I GRADUATED IN 1971 AND ATTENDED TECHNICAL COLLEGE FOR ELECTRICAL. IN 1974 I PURCHASED 320 ACRES OF LAND AND 11,000 LAYING HENS, GOT MARRIED THAT SAME YEAR, I GUESS I NEEDED HELP WITH THOSE CHICKENS. IN 1978 I EXPANDED TO 400 ACRES AND INCREASING THE FLOCK TO 20,000. HAVING MY FIRST OF FOUR CHILDREN THAT YEAR, AT TWENTY FIVE YEARS OF AGE I THOUGHT I WAS SITTING ON TOP OF THE WORLD. MY EXPERIENCE WITH A BAD ECONOMY BEGAN IN THE 1980'S WITH BAD COMMODITY PRICES. I RENTED EVERTHING OUT IN 1992. I FOUND A JOB AT A COMBUSTABLE WASTE AND RECYCLING CENTER WHERE I RECEIVED TRAINING FOR BOILER OPERATOR AND EPA COMBUSTOR LICENSING. IN 1998 I WAS ACCEPTED AT NEW FLYER FOR A MAINTENANCE POSITION. LESS THAN A YEAR HAD PASSED AND I APPLIED FOR AN ELECTRICAL POSITION AND GOT IT. NEW FLYER TECHNOLOGY WAS CHANGING FAST AND I HAD TO LEARN TO KEEP UP.

AS I STATED EARLIER, IN 2002 DEISEL/HYBRID BUSES WERE INTRODUCED AND I BECAME ONE OF TWO ELECTRICIANS EVER IN THE UNITED STATES TO BUILD DIESEL/HYBRID BUSES IN A PRODUCTION LINE ENVIROMENT. I REPRESENT OVER 800 UNION EMPLOYEES AT THESE TWO PLANTS. ALL WHICH HAVE EXPERIENCED THE TECHNOLOGY AND TRAINING NEEDED TO MOVE FROM FARMER, STORE CLERK, WAITRESS, COMMON LABORER, AND ETC WITH THE ABILITY TO HAVE HEALTH INSURANCE AND THE MANY BENEFITS THAT COME WITH A GREAT COMPANY LIKE THIS IN OUR COMMUNITY.

IN 2009 I MET WITH VICE PRESIDENT JOE BIDEN AND SEVERAL OTHER CABINET MEMBERS WHEN THEY KICKED OFF THE STRONG MIDDLES CLASS INITIATIVE AT THE ST. CLOUD MINNESTOA PLANT IN MARCH.

NEW FLYER HAS RECEIVED ORDERS FROM 17 DIFFERENT TRANSIT AGENCIES TOTALING 638 EQUIVALENT UNITS THAT ARE TIED DIRECTLY TO ARRA FUNDING. THESE INCLUDE CHICAGO; PHILADELPHIA; SEATTLE; WASHINGTON, DC; DAVIS, CA; ROCHESTER, NY; MILWAUKEE; CHARLESTON, SC; DETROIT; BOSTON; HONOLULU; CINCINNATI; MIAMI; NEW ORLEANS; FARGO, ND; MOORHEAD, MN; AND GARDENA, CA. MANY OF THESE BUSES WOULD NOT HAVE BEEN PURCHASED WITHOUT THE AVAILABILITY OF ARRA FUNDING.

IT HAS BECOME APPARENT TO ME, THE CRISIS OF FINANCING FOR CITY GOVERNMENTS HAS BECOME BURDENSOME AND ALMOST CRIPPLING. WE BELIEVE THAT MAINTAINING AND OPERATING THESE VEHICLES IS ALL THESE CITIES CAN HANDLE.

I ENCOURAGE THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE TO SUPPORT FINANCING THAT WOULD ALLEVIATE THE PRESSURE OF THE LOCAL GOVERNMENTS LIMITED PURCHASING ABILITIES. THIS WOULD IN TURN CREATE THE NECESSARY JOBS, AND THE HOPE AND FUTURE OF THE INDUSTRY THAT WE AS LABORERS DEEM SO IMPORTANT FOR OUR FAMILIES IN RURAL AMERICA.

REMEMBER EACH UNIT THAT IS ADDED TO THE DAILY PRODUCTION CREATES NINE MORE JOBS. ONCE AGAIN THESE ARE THE BIG TIME JOBS IN SMALL TOWN AMERICA THAT WE HAVE ALWAYS WISHED FOR. SO KEEP THE DREAM ALIVE AND HELP US SUPPLY EVERYBODY WITH A GOOD MEANS OF PUBLIC TRANSPORTATION.

I WOULD LIKE THANK CHAIRMAN OBERSTAR AND REPRESENTIVE MICA FOR THIS INVITATION TO TELL OUR STORY.

DAVE ROCK
NEW FLYER ELECTRICIAN

NACWA
A Clear Commitment to America's Waters

Testimony of:

Jeff Theerman

Executive Director, Metropolitan St. Louis Sewer District

President, National Association of Clean Water Agencies (NACWA)
1816 Jefferson Place, NW
Washington, DC 20036
202.833.2672

House Committee on Transportation and Infrastructure
September 29, 2010

Recovery Act Transportation and Infrastructure Projects: Impacts on Local Communities and Business

Chairman Oberstar, Ranking Member Mica and Members of the Committee, thank you for the opportunity to appear before you today and for your leadership and commitment to providing increased water infrastructure funding through the *American Recovery and Reinvestment Act (ARRA)*. My name is Jeff Theerman, I am the Executive Director for the Metropolitan St. Louis Sewer District. It is a great privilege to be here to testify on the benefits to my utility and our community of the funding that Congress and the Administration provided by passing the *ARRA*. This funding has been critical to many wastewater infrastructure utilities, especially in the face of the trend toward previous declining federal funding support for public clean water utilities as well as the ongoing economic downturn that has impacted the revenue base of our agency and so many others across the country.

I also serve as the President of the National Association of Clean Water Agencies (NACWA) and it is my pleasure to be testifying on behalf of NACWA. NACWA is the only organization whose primary mission is to advocate on behalf of the nation's publicly owned wastewater treatment works (POTWs) and the communities they serve. NACWA public agency members are true environmentalists who are tasked with ensuring the Nation's waters are clean and safe and who work around the clock to fulfill the strict requirements of the Clean Water Act. NACWA's members collectively treat approximately 80% of the nation's residential, business and industrial wastewater flow. In this capacity, NACWA has provided a trusted voice, helping to inform and guide Congressional action on numerous water quality issues, including the need for a stronger federal role in funding our nation's aging water infrastructure.

I would like to begin my remarks by thanking Chairman Oberstar and the Committee for their efforts and leadership in ensuring that the stimulus bill contained $6 billion for the state revolving loan funds (SRFs) – $4 billion for the Clean Water State Revolving Loan Fund (CWSRF) and $2 billion for the Drinking Water State Revolving Loan Fund (DWSRF).

As this Committee well knows, according to the U.S. Environmental Protection Agency (EPA), the Congressional Budget Office (CBO), and the Government Accountability Office (GAO) the nation's wastewater and water infrastructure faces a daunting funding gap of approximately $500 billion over the next 20 years. EPA's most recent Clean Watersheds Needs Survey estimated $300 billion in costs for municipalities to comply with Clean Water Act requirements alone. Though this is a staggering figure, it still does not reflect the full magnitude of the funding gap to meet water quality challenges such as stormwater mitigation and future treatment needs relating to nutrient controls.

When discussions regarding a stimulus package started, NACWA was asked by this Committee to provide information regarding the shovel-readiness of clean water projects. In line with this request, NACWA surveyed its members and found that our members had over $17 billion in shovel-ready projects that would stimulate the economy and improve the nation's environment and water quality. The needs clearly were enormous and NACWA, along with other key stakeholders in the water sector, worked vigorously to support this Committee's efforts to include clean water funding as a major component of the *ARRA*.

The funding challenges are further underscored by the impacts to utilities from the most severe economic downturn since the Great Depression – impacts that are still being felt at my utility and utilities across the country. The ongoing drop in residential and commercial construction spending continues to translate into decreased revenues from water and sewer hookups, while cutbacks in production and an increase in unemployment continues to result in decreased water use and effluent discharged from factories, office parks and homes – a primary source of income for wastewater utilities. The combination of these factors and others created – and continues to create – a difficult budget scenario for wastewater utilities, delaying investment in capital projects and sometimes making these investments impossible.

Given these challenges, the funding from the *ARRA* that the Metropolitan St. Louis Sewer District received has been very helpful.

A combination of ARRA loans and grants supported a number of construction projects within our service area. Direct ARRA funding was provided for the Argonne and Upper Maline Creek projects. These projects were constructed to address antiquated sanitary sewers whose capacity problems resulted in wet weather basement backups and overflows. The ARRA funds totaled $10,980,000 and generated 250 new construction jobs to build or rehabilitate 8,800 feet of sewers, resolving both health and environmental concerns. In addition to the projects directly constructed by the District, ARRA funds allowed certain combined sewer work totaling approximately $35 million to be constructed by the Corps of Engineers on the St. Louis sewer system. The Corps of Engineers construction on these sewers created an additional 200 jobs per year over a three year period.

The District also received a considerable benefit because ARRA loans and grants were used extensively throughout the State of Missouri. This utilization coupled with historically low construction bids freed up $88 million of SRF funds for the District's Missouri River Plant expansion. These funds would have gone to other communities or been left unused. This had the impact of saving MSD $70 million over a 20 year period and creating an additional 564 jobs during the three year construction. It's important to note that these savings will then be used to accelerate additional construction projects for treatment plant disinfection improvements on the Mississippi and Missouri Rivers.

The ARRA legislation also authorized the Build America bonds. These bonds allowed the District to take advantage of lower cost financing and allowed MSD to issue $137 million of bonds with an estimated savings of $20.5 million of interest cost that can be used to fund other environmentally friendly projects. These bonds along with the general passage of the ARRA legislation helped stabilize and revitalize the mechanism for funding municipal capital projects. The provisions in the ARRA legislation were well thought out with additional incentives for economic development.

Infrastructure improvements and the jobs required to construct them are essential to the St. Louis Community. With unemployment in our region standing at 9.5% and with construction hours worked dropping to 50% of 2008 levels, ARRA funds have allowed the District to let work that is beneficial to the environment, renews our aging infrastructure and keeps our construction industry afloat. MSD will be spending billions constructing sewer infrastructure improvements over the

coming decades relying heavily on private contractors to provide high quality construction services. If our economic situation leads to a serious decline of private companies in the construction community, our infrastructure investment programs will suffer from increased costs and a lack of qualified contractors.

In Missouri, we welcomed stimulus funding for the needs it addressed, the employment it continues to bring and the relief it provided for many workers who faced the stark reality of sudden and extended unemployment. To assist with the understanding the distribution of ARRA funds, NACWA recently released a report detailing state distribution trends. This report is available on the Infrastructure Funding page of NACWA's website (http://www.nacwa.org/index.php?option=com_mediadownload&filename=2010-07-14arra.pdf). And we encourage the Committee and any other interested stakeholders to review this report which provides a detailed breakdown of ARRA SRF distribution in all 50 states.

Overall, there is little doubt that the clean water investments provided by *ARRA* were a good first step in reversing years of declining federal investment in our nation's municipal clean water needs. As Congress, and this Committee, continue to discuss efforts to revive our national economy we urge you to consider additional investment in our clean water infrastructure. To the extent additional stimulus efforts become necessary, NACWA further recommends that a greater portion of such legislation's funding be directed toward our wastewater infrastructure given the clear benefit it provides to our communities, environment, and economy.

As NACWA has testified before this Committee previously, a sustainable mechanism to provide federal funding for our ailing water infrastructure is critically needed. To accomplish this, NACWA believes that a clean water trust fund is the best means of providing stable, dedicated and deficit-neutral revenue sources and would further help leverage local and state dollars for wastewater and water infrastructure projects. *The Water Protection and Reinvestment Act* (H.R. 3202) is a good starting point for this Committee's consideration of such a trust fund mechanism— and we look forward to working with this Committee on such an approach to address our critical water infrastructure needs in a responsible and sustainable way.

Additionally, it is clear that public clean water agencies like mine are looking at enormous and growing costs from a variety of requirements, including nutrient control, sewer overflow control, stormwater regulations, stricter requirements for water quality standards, and emerging contaminants, not to mention the impacts of climate change on water resources management. In short, municipalities throughout the country face a regulatory landscape where everything is a priority and economics — and to some extent even water quality benefits — are an afterthought. NACWA urges this committee to help us prioritize activity in order to maximize water quality benefits — we can start this by recommending that EPA develop a new, more integrated approach to affordability and move in the direction of true watershed planning and implementation that holds all sources of pollution — point and nonpoint — accountable for their share of the problem.

I thank this Committee for its leadership in seeking to ensure that our critical water infrastructure is a key component to federal economic recovery efforts and for the opportunity to testify today. I look forward to any questions Members of the Committee may have regarding my comments.

STATEMENT OF YANCY WRIGHT OF SELLEN SUSTAINABILITY
(ON BEHALF OF THE U.S. GREEN BUILDING COUNCIL)

BEFORE
THE HOUSE COMMITTEE ON TRANSPORTATION AND
INFRASTRUCTURE

ON
RECOVERY ACT TRANSPORTATION AND INFRASTRUCTURE PROJECTS:
IMPACTS ON LOCAL COMMUNITIES AND BUSINESS

September 29, 2010

On behalf of the U.S. Green Building Council's (USGBC) nearly 17,000 organizational members and nearly 80 local chapters, I would like to thank Chairman Oberstar and Ranking Member Mica for the opportunity to testify about the business and community impact of infrastructure investments as part of the American Recovery and Reinvestment Act (ARRA). My name is Yancy Wright and I am the Director of Sellen Sustainability, a training and consulting group within Sellen Construction created recently to help share lessons learned across the US and evolve the industry.

Introduction

The U.S. Green Building Council is a national nonprofit organization working to address resource limitations and climate change by advancing more environmentally responsible, healthy and profitable buildings.

Sellen Sustainability is a wholly-owned division of Sellen Construction Company, a 66 year old Seattle based company that currently employs over 600 people (464 union trades people) in the Puget Sound Region. As an early practitioner of sustainable construction methods, in the mid-1990s Sellen developed Erosion Control protocols that later became adopted practice by the Environmental Protection Agency (EPA). In 1997 Sellen became one of the first general contractors to join USGBC, and contributed to the development and implementation of the LEED Rating System. Sellen continues to evolve environmentally-responsible design and construction practices, and has been recognized in the Pacific Northwest region as the top green building contractor with nearly 90% of our project volume pursuing a LEED certification.

As a longstanding partner with the USGBC, we are proud to have been invited to testify on their behalf.

The American Recovery and Reinvestment Act ARRA and GSA

Over a year ago, ARRA provided GSA with $5.5 billion, which included $4.5 billion to convert existing GSA facilities into high-performance green buildings $1.0 billion for the construction of new high-performance green Federal buildings, U.S. courthouses, and land ports of entry. These ARRA funds have had a tremendous impact on the economy while unemployment in the construction sector remains significant.[1]

One of the projects to receive funding is the 12021 Federal Center South (FCS) Building in Seattle Washington. The new FCS Building involves the redevelopment of an existing early 1940s warehouse to provide a modern, high-performance work environment and consolidated headquarters facility for the US Army Corp of Engineers (USACE) on the FCS Campus in Seattle, WA.

[1] Bureau of Labor Statistics, "Employment Situation Summary." United States Department of Labor, 2 April 2010 <http://www.bls.gov/news.release/empsit.nr0.htm>

Within an 18 week window to develop the competition submittal—and more importantly to advance the design to a level that allowed the contractor to guarantee a maximum price for delivery—ZGF architects, Sellen Construction and the other design team members developed the concept design for the large-scale, complex project through a tightly controlled, highly-collaborative and integrated design process.

As a result of an integrated, design-build process, the team was able to quickly and efficiently meet the clear expectations set by the GSA for building performance, energy use and LEED Gold certification while keeping it within budget. To address these, the building design incorporates extensive sustainable features including natural light provided to over 90% of the building's floorplate; conversion of the site's existing impervious parking lot to a 64% pervious landscaped site; reuse of 200,000 Board Feet of structural timbers from the decommissioned 1202 warehouse facility; a high-performance envelope with orientation specific sunscreens; water saving fixtures that are 30% more efficient; and design of a high-performance HVAC system utilizing 100% outdoor air. As a result, the building is projected to beat the 2007 ASHRAE energy code by more than 30% with an overall Energy use Intensity (EUI) of 26.5 Kbtu/SF/yr and demonstrates that GSA's aggressive objectives for building performance, energy use and LEED Gold certification are not only obtainable, but can be accomplished within a cost-effective, value-driven framework.

As one of the first design-build projects to be undertaken by GSA within Washington State, the FCS project offers a test case for this delivery method. The heightened level of integration and collaboration inherent in the design process is now reflected in the current design of the USACE workplace; in turn we believe these attributes can be applied to the design and delivery of future large-scale infrastructure and natural restoration projects that the USACE and GSA are responsible for. Further, Sellen believes this will serve as a replicable model for other public and private projects across the US.

When completed, the new 175,000 SF Federal Center South office building, which is aiming to meet or exceed LEED Gold certification, will provide a cost-effective, resource-efficient, high-performance, healthy and functional work environment for USACE employees. The new facility will incorporate a large amount of materials from the existing building, and will significantly improve the current parking lot run-off into the Duwamish River located adjacent to the site.

This project is one of many other projects utilizing GSA recovery funds. As of March 31, 2010, GSA obligated over $4.3 billion in ARRA funds, including $4 billion for Federal buildings. GSA has awarded construction contracts to more than 500 companies in 50 States, 2 U.S. territories, and the District of Columbia.[2]

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[2] Johnson, Martha. Statement to the House Appropriations Committee, Subcommittee on Financial Services and General Government. *GSA FY2011 Budget*, Hearing, April 28, 2010 <http://appropriations.house.gov/images/stories/pdf/fsdc/Martha_Johnson.4.28.10.pdf>.

On behalf of USGBC and Sellen I would like to commend this committee and the Administration for your leadership in including these provisions in ARRA. These programs are putting Americans back to work and sending a clear signal that building sustainably is an essential element in reducing the federal government's environmental and operational footprint – and an essential strategy for this country's recovery. This project also provides a strong example for how green buildings can be delivered at a lower cost by developers in the private sector

Government and Green Building

Governments at all levels have been highly influential in the growth of green building, both by requiring LEED for their own buildings and by creating incentives for LEED for the private sector. Currently, 14 federal agencies or departments, 35 states, 400+ local governments, numerous public school jurisdictions and institutions of higher education across the United States have made various policy commitments to use or encourage LEED. Indeed, Government-owned or occupied LEED buildings make up 29% of all LEED projects. The federal government has 282 certified projects and another 3527 pursuing certification. State governments have 469 certified projects and 2009 pursuing certification. Local governments have 695 certified projects and 3201 pursuing certification.

In 2006, the U.S. General Services Administration (GSA)—the nation's largest civilian landlord—submitted a report to Congress evaluating the applicability, stability, objectivity, and availability of five different sustainable building rating systems.[3] Based on this study, GSA concluded that LEED "continues to be the most appropriate and credible sustainable building rating system available for evaluation of GSA projects."[4] In particular, GSA noted that LEED "[i]s applicable to all GSA project types; [t]racks the quantifiable aspects of sustainable design and building performance; [i]s verified by trained professionals; [h]as a well-defined system for incorporating updates; and [i]s the most widely used rating system in the U.S. market."[5] GSA currently requires its new construction projects and substantial renovations to achieve LEED certification.[6] All new construction and major building

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[3] Pacific Northwest National Laboratory (operated for the U.S. Department of Energy by Battelle), *Sustainable Building Rating Systems Summary* (July 2006), completed for General Services Administration under Contract DE-AC05-76RL061830, *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1915.*

[4] Letter dated Sept. 15, 2006 from GSA Administrator Lurita Doan to Sen. Christopher Bond, Chairman, Subcommittee on Transportation, Treasury, the Judiciary, HUD, and Related Agencies, Committee on Appropriations (accompanying report), *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1916; see also* Pacific Northwest National Laboratory (operated for the U.S. Department of Energy by Battelle), *Sustainable Building Rating Systems Summary* (July 2006), completed for General Services Administration under Contract DE-AC05-76RL061830, *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1915.*

[5] Letter dated Sept. 15, 2006 from GSA Administrator Lurita Doan to Sen. Christopher Bond, Chairman, Subcommittee on Transportation, Treasury, the Judiciary, HUD, and Related Agencies, Committee on Appropriations (accompanying report), *available at https://www.usgbc.org/ShowFile.aspx?DocumentID=1916.*

[6] U.S. General Services Administration, Sustainable Design Program, *available at* http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8195&channelPage=%252Fep%252Fchannel%252FgsaOverview.jsp&channelId=-12894.

modernization projects utilizing ARRA funds will achieve at least a LEED Silver certification.[7]

Recommendations for Further Action

While not the subject of this hearing USGBC encourages Congress to take action in the following areas to help GSA operate more effectively.

Power Purchasing Agreements

Under current authority, GSA may enter into contracts for public utility services for a period of ten years. Without changes to the length of contracts, however, cannot enter into energy agreements with renewable power developers, who often require longer contract periods to deliver increased capacity. Allowing GSA to enter into contracts for renewable energy utility services for longer periods would enable GSA to benefit from continuous, local power and would help to insulate the agency from fluctuations in energy costs. Such a change would assist GSA's compliance with the Energy Policy Act of 2005, which requires at least 7.5% of federal agency energy consumption to be from renewable sources in 2013, the 2030 net-zero building goals of the Energy Independence and Security of Act of 2007 and Executive Order 13514, and the government-wide greenhouse gas emission reduction target of 28% by 2020.

Legislation introduced in the House of Representatives, H.R.175, and the Senate, S.3251, would allow GSA to extend the length of renewable energy contracts beyond 10 years. Similar language is contained in H.R. 2454, the "American Clean Energy and Security Act." USGBC recommends the adoption of such policies as a powerful means of jumpstarting the renewable energy sector and leveraging the significant purchasing power of the federal government.

Expanded Education and Training

The investments being made as a part of ARRA are significant. To leverage effectiveness there must be a continuous effort to ensure these assets are operated and maintained after construction.

USGBC commends the recent passage of H.R. 5112, the "Federal Buildings Personnel Training Act of 2010" the House Transportation and Infrastructure Committee. This bipartisan legislation introduced by Rep. Russ Carnahan (D-MO) and Rep. Judy Biggert (R-IL) will ensure that GSA, identifies competencies that federal buildings personnel should possess and ensure that they demonstrate them. The Senate has approved companion legislation. USGBC encourages the House to follow action from the Senate.

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[7] Johnson, Martha. Statement to the House Appropriations Committee, Subcommittee on Financial Services and General Government. *GSA FY2011 Budget*, Hearing, April 28, 2010 <http://appropriations.house.gov/images/stories/pdf/fsdc/Martha_Johnson.4.28.10.pdf>.

About the U.S. Green Building Council and LEED

USGBC is a 501(c)(3) nonprofit membership organization working to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life. Our nearly 17,000 member organizations and 91,000 active volunteers include leading corporations and real estate developers, architects, engineers, builders, schools and universities, nonprofits, trade associations and government agencies at the federal, state and local levels.

The organization is governed by a diverse Board of Directors that is elected by the USGBC membership. Volunteer committees representing users, service providers, manufacturers, and other stakeholders steward and develop all USGBC programs, including the LEED (Leadership in Energy and Environmental Design) rating system, through well-documented consensus processes. A staff of more than 200 professionals administers an extensive roster of educational and informational programs that support the LEED Rating System in addition to broad-based support of green building.

USGBC's LEED Professional Accreditation program, workshops, green building publications, and the annual Greenbuild conference provide green building education for professionals and consumers worldwide. USGBC has trained more than 150,000 professionals through its green building workshops, and attracted nearly 30,000 attendees from around the globe to its most recent Greenbuild conference.

Educational programs are delivered locally through USGBC's Chapters and Affiliates, through the Web, and at conferences and events all over the world.

Biography:

Yancy Wright has a decade of experience in the building industry. He has helped identify strategies to achieve sustainability goals on over 30 LEED projects for world-class clients including The Bill & Melinda Gates Foundation, Microsoft, Vulcan, Inc. for Amazon.com, University of Washington, and Children's Hospital.

His passion and talent for teaching has helped shape Community College curriculum on green collar workforce training, and increased interest in and commitment to building green.

He serves as a Board Member of the Cascadia Region Green Building Council, and an advisor to the Seattle Vocational Institute and the local building and construction trades council.

Yancy holds an M.A. in Architecture from the University of Idaho, & Pennsylvania State University in Rome, Italy and a B.A. in Architecture from the University of Idaho.

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