



**STATUS REPORT ON DOT'S
IMPLEMENTATION OF THE
AMERICAN RECOVERY AND
REINVESTMENT ACT OF 2009**

March 18, 2009



PURPOSE OF THE LEGISLATION

- Preserve and create jobs
- Promote economic recovery
- Assist those most impacted by the recession
- Provide investments needed to increase economic efficiency
- Invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits
- Stabilize State and local government budgets to minimize and avoid reductions in essential services, as well as increases in state and local taxes



DOT FUNDING

The legislation provided a total of **\$48.1 billion** administered by DOT:

- **Highways -- \$27.5 billion** with the following rules:
 - Funds apportioned to the States within 21 days (**Accomplished on time**)
 - \$26.6 B released by Vice President and Secretary March 3rd (an additional \$145 million released on March 9th)
 - 50% of the unobligated funds must be redistributed within 120 days after apportionment
 - After one year, remaining unobligated funds will be redistributed using the standard August redistribution process

- **Transit -- \$8.4 billion** with the following rules:
 - Transit Capital Assistance formula funds and Fixed Guideway Infrastructure Investment funds apportioned to the States within 21 days (**Accomplished on time**)
 - (\$7.5 B released by Vice President and Secretary on 5 March)
 - 50% of the unobligated funds must be redistributed within 180 days after apportionment
 - After one year, unobligated funds will be redistributed using a new process
 - For the \$750 million of Capital Investment grants, priority will be given to projects that can be “ready-to-go” within 150 days



FUNDING PROVIDED (Continued)

- **High Speed Passenger Rail -- \$8 billion** provided with the following rules:
 - A Strategic Plan detailing how these funds will improve high-speed passenger rail systems is due to the Congress within 60 days
 - DOT Secretary must provide interim guidance on grant procedures to applicants within 120 days

- **Amtrak -- \$1.3 billion** provided with the following rules:
 - \$450 million for Capital Security Grants
 - Cannot be used to subsidize any Amtrak operating losses
 - Must be awarded within 30 days
 - Projects must be completed within two years
 - No more than 60% of the funds can be used on the Northeast Corridor
 - \$5 million to be used for the Amtrak OIG for oversight



FUNDING PROVIDED (Continued)

- **Airports -- \$1.1 billion** provided with the following rules:
 - 50% of funds must be available within 120 days; the remaining 50% within one year of enactment
 - Priority given to projects that can be completed within 2 years of enactment

- **FAA Facilities and Equipment -- \$200 million** provided with the following rules:
 - \$50 million to upgrade power systems
 - \$50 million to modernize en route air traffic control centers
 - \$80 million to replace air traffic control towers and TRACONS
 - \$20 million to install airport lighting, navigation, and landing equipment
 - FAA to establish a process for reviewing and awarding grants within 60 days of enactment
 - Priority given to projects that can be completed within 2 years of enactment

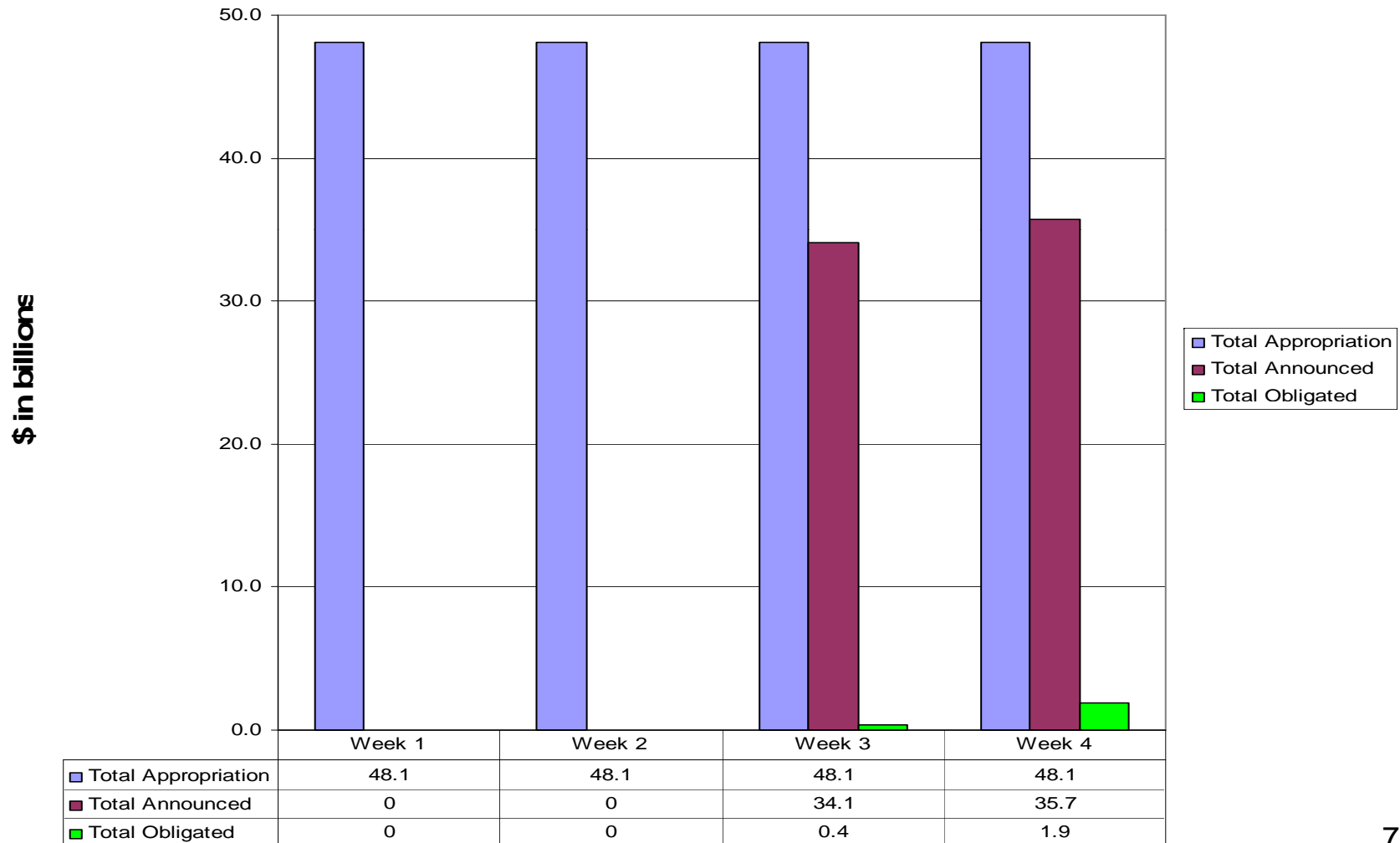
- **Shipyards -- \$100 million** provided with the following rules:
 - MARAD must distribute funds so they can be obligated within 180 days



FUNDING PROVIDED (Continued)

- **Office of the Secretary -- \$1.5 billion** in discretionary infrastructure grants provided with the following rules:
 - Competition criteria to be published within 90 days of enactment
 - Applications must be submitted within 180 days of publication of the criteria. Grant recipients can be States, local governments or transit agencies.
 - A minimum of \$20 million and maximum of \$300 million per grant
 - (minimum grant award may be waived to address significant projects in smaller regions, cities or States)
 - Funds must represent an equitable geographic distribution and a balance across urban and rural communities
 - Projects to be awarded within one year of enactment
 - The Secretary may transfer portions of the \$1.5 million in administrative funds to FHWA, FTA, FRA, and MARAD for administrative support

DOT OVERALL PROGRESS AS OF MARCH 16th





WHAT STEPS HAS DOT TAKEN TO IMPLEMENT ARRA ?

- Established a **senior-level TIGER (Transportation Investment Generating Economic Recovery) Team** with representatives from across DOT to oversee implementation.
- Created a **web site** to track implementation of the legislation throughout DOT: www.dot.gov/recovery. DOT site is linked to and can be accessed via Recovery.gov.
- FHWA, FTA, FAA, FRA providing updated information through “**Frequently Asked Questions**” **area on their websites** so applicants can get immediate information on the terms and conditions in the Act, as well as program implementation guidance. Modal Recovery sites can be accessed from www.dot.gov/recovery.
- Developed a help-desk e-mail for procurement and financial assistance questions that can be accessed on the DOT recovery web-site.
- DOT issued Certification Guidance on Friday, February 27th to all 50 Governors. All Governors are required to submit certifications to DOT prior to obligating ARRA funds. As of March 16th we had the following certifications: (section 1511 – 37 States, section 1201 6 States, and section 1607 – 10 States).



STEPS TAKEN (Continued)

- As of March 16th, the Federal Highway Administration (FHWA) authorized over **500 projects** in 27 states totaling **\$1.9 billion** in obligations (**7% of ARRA funds**).
- To help local governments better understand the rules for ARRA funding, deadlines and reporting requirements, the Federal Highway Administration has offered webinars geared specifically for local governments and associations.
- Transit authorities are now able to obligate funds for the Urbanized Area, Non-Urban Areas and Fixed Guideway Infrastructure Investment programs.



ACCOUNTABILITY STRATEGY

- OMB issued **final guidance** on data to be collected and reported in “*Recovery.gov*” and on Agency websites. OMB guidance includes information collection **beyond** what is required in the Act. ARRA implementation will involve unprecedented transparency.
- DOT intends to **implement all** required data collections and reporting by the stated deadlines.
- DOT developing and will implement risk management plans for all ARRA funding the Department administers.



ACTIONS FOR THE WEEK OF MARCH 16th

- FHWA will issue **reporting guidance** to states, and will conduct a presentation of ARRA requirements at the National League of Cities conference.
- FTA will issue the **\$742.5M allocation of New Starts/Small Starts** funds, pending concurrence from the Executive Office of the President
- FTA will publish announcements for **two ARRA competitive programs (Energy and Tribal Transit)** during the week of March 16th.



ACCOUNTABILITY (Continued)

- Key Elements of DOT Risk Management plans will include:
 - Visible monitoring (scheduled and unscheduled checking of processes and documentation);
 - Enhanced Financial Oversight;
 - Communications and Outreach (Best practices).



Points of Contact

Office of the Secretary

Lana Hurdle
Acting Assistant Secretary for Budget and Programs
lana.hurdle@dot.gov

Joel Szabat
Acting Assistant Secretary for Transportation Policy
joel.szabat@dot.gov

Jill Zuckman
Assistant to the Secretary and Director for Public Affairs
jill.zuckman@dot.gov

Heideh Shahmoradi
Acting Deputy Assistant Secretary for Governmental Affairs
heideh.shahmoradi@dot.gov

Federal Aviation Administration

Catherine Lang
Acting Associate Administrator for Airports
catherine.m.lang@faa.gov

Federal Highway Administration

Jeffrey Paniati
Acting Deputy Administrator/Executive Director
jeff.paniati@dot.gov

Federal Rail Administration

Jo Strang
Acting Deputy Administrator
jo.strang@dot.gov

Federal Transit Administration

Matthew J. Welbes
Acting Deputy Administrator
matt.welbes@dot.gov

Maritime Administration

James Caponiti
Acting Deputy Administrator
james.caponiti@dot.gov