

12. TRANSPORTATION

General Provision for ARRA Funding Distributed by the Department of Transportation [A.XII]

- For each state or state agency that receives transportation funds under the ARRA, the governor of that state must certify to the Secretary of Transportation “that the State will maintain its effort with regard to State funding for the types of projects that are funded by the appropriation.” The state must report the amount of state funds it plans to expend from the date of enactment through September 30, 2010. The certification is due within 30 days of the date of enactment (by March 19, 2009).
- Grant recipients are subject to periodic reporting requirements to the relevant offices within the Department of Transportation, due 90 days (by May 18, 2009), 180 days (by August 16, 2009), one year (by February 17, 2010), two years (by February 17, 2011) and three years (by February 17, 2012) after the date of enactment.

Highway Infrastructure Investment - \$27.5 billion [A.XII]

- The ARRA provides an additional \$27.5 billion in funding for restoration, repair, construction, rail transportation and port infrastructure projects eligible under 23 U.S.C. §§ 601(a)(8), 133(b).
- The Secretary of Transportation will distribute **\$60 million** to states as competitive grants for capital expenditures related to ferry boats and ferry boat terminals. See 23 U.S.C. § 147. Priority for these competitive grants will be given to projects that can be completed in less than two years. Additional set-asides include **\$310 million** for the Indian Reservation Roads Program; **\$105 million** for Puerto Rico and **\$45 million** for the Territories.
- After the required set-asides, the remainder will be apportioned to the states by statutory formula. See 23 U.S.C. § 104(b)(3); Public Law 110-161, div. K, § 120(a)(6). The Secretary of Transportation will automatically distribute the funds within 21 days after the date of enactment (by March 10, 2009). The ARRA also requires sub-allocation of funds apportioned to each state including a 3 percent set-aside for Transportation Enhancements Activities (23 U.S.C. § 133(d)(2)) and 30 percent of funds must be divided between urbanized and other areas pursuant to 23 U.S.C. § 133(d)(3)(A), (B), and (D).
- The Secretary of Transportation will redistribute 50 percent of all unobligated funds 120 days after apportionment and any remaining unobligated funds after one year. However, the state can request an extension of the second deadline. Priority should be given to projects that will be completed within three years and are located in economically distressed areas.

Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service - \$8 billion
[A.XII]

- The ARRA provides additional funding for grants to the states under the High Speed Passenger Rail Corridor program and the Intercity Passenger Rail Service program. See 49 U.S.C. §§ 26101, 24401(2)(A), (B). Priority will be given to projects for intercity high speed rail service. The ARRA waives state and local cost-sharing requirements for these additional funds.
- The Secretary of Transportation will decide how to allocate the funding between the two programs within 60 days of the date of enactment (by April 18, 2009). The Secretary will provide guidance for applicants on grant terms, conditions, and procedures within 120 days of the date of enactment (by June 17, 2009).

Transit Capital Assistance - \$6.9 billion
[A.XII]

- The ARRA provides additional funding for transit capital assistance authorized under 49 U.S.C. § 5302(a)(1). The Secretary of Transportation will automatically distribute funds within 21 days after the date of enactment (by March 10, 2009), pursuant to statutory formulae, with 80 percent of grants going to urbanized areas, 10 percent going to rural areas (with 2.5 percent thereof for tribes), and 10 percent going to growing and high density states. See 49 U.S.C. §§ 5307, 5311, 5311(c)(1) & 5340.
- Of the funds provided under this section, the ARRA sets aside **\$100 million** for discretionary grants to public transit agencies for capital investments designed to reduce energy consumption and greenhouse gas emissions. The Secretary will prioritize grant awards based upon projected total energy savings.
- The ARRA waives state and local cost-sharing requirements for these additional funds and specifies that funds may not be commingled with prior year funds. The Secretary of Transportation will recapture and redistribute 50 percent of all unobligated funds 180 days after apportionment and any remaining unobligated funds after one year. However, a state receiving funds may request an extension of the second deadline.

Supplemental Discretionary Grants for a National Surface Transportation System - \$1.5 billion
[A.XII]

- The ARRA provides for competitive grants to states, local governments and transit agencies for projects involving all modes of surface transportation that have a "significant impact" on the nation, a metropolitan area, or a region. Eligible activities include, for example, projects relating to highways, bridges, public transportation, passenger and freight rail transportation, and port infrastructure investments.
- The Secretary of Transportation will award individual grants of at least \$20 million, up to a maximum of \$300 million. The Secretary of Transportation may waive the minimum grant requirement in order to fund "significant" projects in small cities, regions, or states. Grants must be geographically diverse and should balance rural and urban needs. The ARRA waives state and local cost-sharing requirements for these additional funds.

- The Secretary of Transportation is required to publish selection criteria for the grant competition within 90 days of the date of enactment (by May 18, 2009); applications for grants must be submitted within 180 days of the Secretary's publication of the selection criteria; and the Secretary must announce awards within one year of the date of enactment (by February 17, 2010). The Secretary of Transportation will give priority to projects that depend on federal funds to complete a financing package, and to projected expected to be completed within three years of the date of enactment (by February 17, 2012).

Grants-in-Aid to Airports - \$1.1 billion
[A.XII]

- The ARRA provides for additional discretionary grants to airports to improve critical infrastructure, airport improvement and noise abatement, and runway safety systems. Information on existing airport improvement grant programs can be found at 49 U.S.C. § 7105 and information on noise compatibility planning grants can be found at 49 U.S.C. § 47505. The Secretary of Transportation will give priority to projects that will be completed within two years of the date of enactment (by February 17, 2011), and that supplement rather than replace planned expenditures from other sources. The ARRA waives state and local cost-sharing requirements for these additional funds.
- The Secretary of Transportation must grant half of the funds within 120 days of the date of enactment (by June 17, 2009), and the rest within a year of the date of enactment (by February 17, 2010).

Fixed Guideway Infrastructure Investment - \$750 million
[A.XII]

- The ARRA provides an additional \$750 million in funding for capital projects to modernize fixed guideway systems, transit systems under 49 U.S.C. § 5309(b)(2) and 49 C.F.R., Part 611. Fixed guideway systems are transit systems using controlled rights-of-way or rails. The ARRA waives state and local cost-sharing requirements for these additional funds and requires that they may not be commingled with prior year funds.
- The Secretary of Transportation will automatically distribute funds within 21 days after the date of enactment (by March 10, 2009), under a pre-existing formula. The Secretary will take away and redistribute 50 percent of all unobligated funds 180 days after apportionment and any remaining unobligated funds one year after apportionment. However, an urbanized area can request an extension of the second deadline.

Capital Investment Grants - \$750 million
[A.XII]

- The ARRA provides an additional \$750 million for discretionary grants for transit capital investment under the New Starts and Small Starts provisions. State and local government authorities should apply according to 49 U.S.C. § 5309 and 49 C.F.R. Part 611. Priority will be given to projects currently under construction or that are able to obligate funds within 150 days of the date of enactment (by July 17, 2009). Additional funds awarded under this section may not be commingled with prior year funds.

Supplemental Funding for Facilities and Equipment - \$200 million
[A.XII]

- The ARRA provides an additional \$200 million in funding for Federal Aviation Administration (FAA) infrastructure to improve power systems, air route traffic control centers, air traffic control towers, terminal radar approach control facilities, and navigation and landing equipment. Funding may be in the form of grants, contracts, leases, cooperative agreements, or other transactions with airports. See 49 U.S.C. § 106(l)(6). The ARRA waives state and local cost-sharing requirements for these additional funds.
- The FAA Administrator must establish a process for the grant program within 60 days of the date of enactment (by April 18, 2009). The FAA Administrator will give priority to projects that will be completed within two years of the date of enactment (by February 17, 2011).

Public Transportation and Railroad Security Assistance - \$150 million
[A.VI]

- See Emergency Management.

Port Security Grants - \$150 million
[A.VI]

- See Emergency Management.

Funding for Bridge Alteration: Coast Guard - \$142 million
[A.VI]

- See Military.

Supplemental Grants for Assistance to Small Shipyards - \$100 million
[A.XII]

- The ARRA provides an additional \$100 million in funding for grants to small shipyards under the Assistance to Small Shipyards Grant Program authorized by 46 U.S.C. § 54101. Guidance from the 2008 application process for the Assistance to Small Shipyards program specified that small shipyards can either apply directly for the grants or have state or local governments apply on their behalf. See Assistance to Small Shipyards Grant Program, 73 Fed. Reg. 1912 (Jan. 10, 2008). The Secretary of Transportation must ensure that the funds are obligated within 180 days of their distribution.