



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

November 6, 2009

Mr. John D. Niemela, Director
County Road Association of Michigan
P.O. Box 12067
Lansing, Michigan 48901-2067

Mr. Christopher Hackbarth
Legislative Associate
Michigan Municipal League
208 North Capital Avenue, 1st Floor
Lansing, Michigan 48933

Dear Mr. Niemela and Mr. Hackbarth:

SAFETEA-LU Continuing Resolution

With the expiration of SAFETEA-LU on September 30, 2009, federal funding is being distributed to states by continuing resolution. This resolution passed by Congress will fund transportation through December 18, 2009. The proportionate funding available is 79/365ths of fiscal year 2009 funding levels, excluding the rescission of federal aid apportionments enacted on September 30, 2009.

The combination of the continuing resolution and the apportionment rescission reduced much of the flexibility that states had to obligate federal aid jobs. This lack of flexibility means that federal aid jobs might not be obligated in a timely manner. Based on the first-come/first-serve strategy, apportionment and obligation authority has been expended, leaving many projects to wait for the next batch of federal aid apportioned to the states. The Michigan Department of Transportation (MDOT) recognizes that this could delay the timely letting of your construction projects. However, until Congress passes a more extensive transportation bill this situation will continue.

This situation will not affect projects that are completely funded by the American Recovery and Reinvestment Act (ARRA) or High Priority Project (HPP) funds. However, if these projects have additional sources of federal funding, their obligations could be delayed. For this reason, ARRA projects with alternate funding sources will receive priority for obligation to ensure that the entire local apportionment of ARRA funding is utilized. Please note that this priority will only be given to ARRA projects that have supplemental federal funding identified as of today, November 6, 2009.

Thank you for providing this information to your constituency. If you have any questions or need further information, please contact Mr. Rudolph S. Cadena, Local Agency Programs Engineer, at (517) 335-2233.

Sincerely,

Bradley C. Wieferich, P.E.
Engineer of Design