

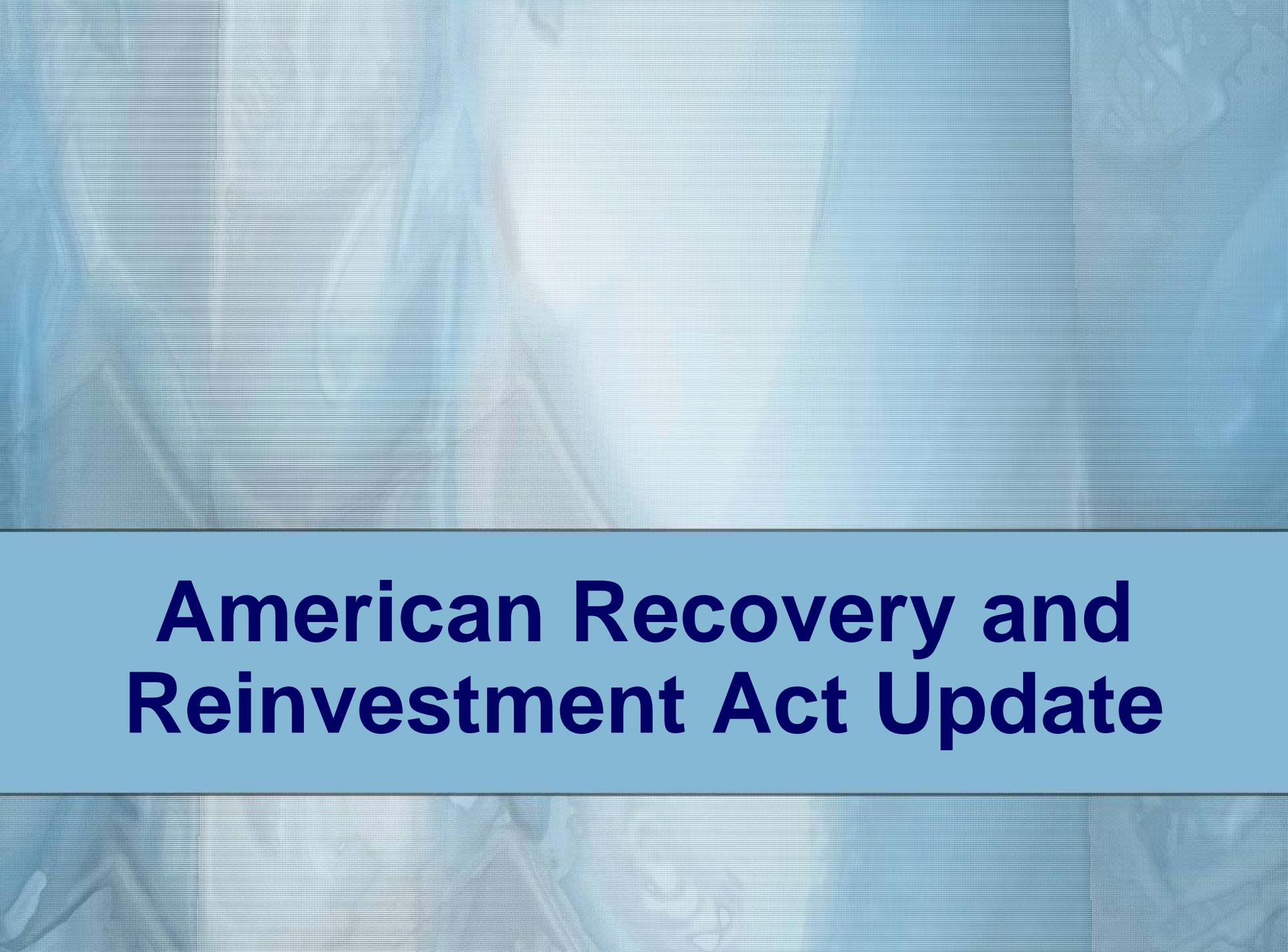
State Transportation Commission

January 28, 2010

Director Kirk T. Steudle, P.E.

Today's Topics

- American Recovery and Reinvestment Act Update
- Jobs for Main Street
- Federal Reauthorization Update

The background of the slide features a blurred image of a person wearing a white lab coat, likely a healthcare professional, standing in a clinical or laboratory setting. The image is centered and occupies most of the frame, with a light blue gradient overlaying it.

American Recovery and Reinvestment Act Update

American Recovery & Reinvestment Act

- President Obama signed a one-time economic recovery package totaling \$48 billion for transportation
- Package = roughly 1 year's worth of typical federal monies
- Monies would not support maintenance and other services

ARRA Status

- Funding allocated so far - \$1.05 Billion
- Projects let to date:
 - 365 Highway Projects under contract
 - Engineers Estimates - \$762.6 Million
 - Low Bid - \$658.8 Million

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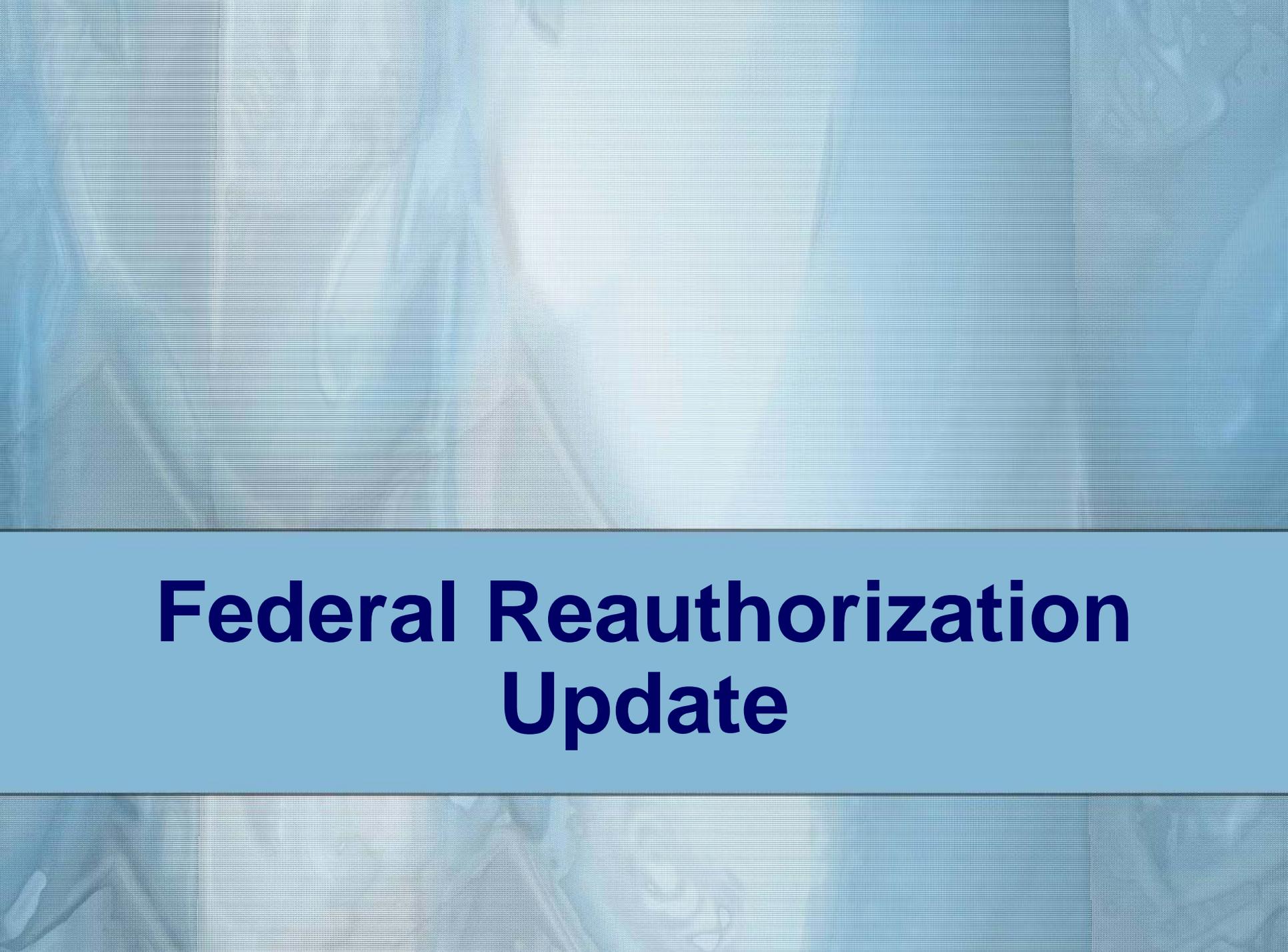
Jobs for Main Street

Jobs for Main Street

- House passed bill provides \$37.3 B for transportation investment to create jobs
 - \$27.5 B for highways nationwide
 - \$8.4 B for transit nationwide
- For Michigan this could mean
 - \$850 million for highways
 - \$117 million for transit
- But there are significant challenges...

Challenges

- 90 days from enactment to award funds for 50% of projects
 - ARRA required 120 days to obligate funds
- No exemption to this requirement for urbanized areas
 - ARRA exempted MPOs from the 50% obligation requirement
- Senate will consider the bill or pass their own, but not until February at the earliest



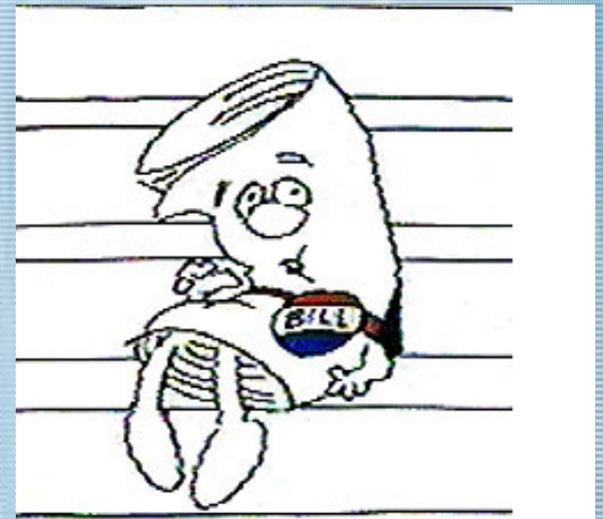
Federal Reauthorization Update

Current Status - Authorization Debate Still in First Gear

- SAFETEA-LU expired September 30, 2009
 - Extended through 10/31
 - Extended through 12/18
 - Extended through 2/28
- Reauthorization legislation only moved in one chamber
- Obama Administration endorsed 18-month extension – may now be thinking sooner

House Authorization Proposal

- House T & I Committee released half of a bill
 - Includes sweeping policy changes
 - Performance management
 - New Metro Mobility and Access Program
 - New Freight Improvement Program
 - Expanded federal role
 - Likely to include earmarks
 - Program consolidation



House Authorization Proposal

- Legislation does not yet include
 - Specific funding amounts
 - New apportionments formulas or changes to existing formulas
 - Provisions to address donor equity



House Authorization Proposal

	House Proposal	SAFETEA-LU	% ↑ over SAFETEA-LU
Highways	\$337 B	\$228 B	48%
Transit	\$100 B	\$53 B	90%
Safety	\$13 B	\$7 B	94%
Total	\$450	\$286	57%

Sponsors are also proposing \$50 billion for high speed rail

House Authorization Proposal

- Major Concerns
 - Expanded role for federal government
 - Performance measurement process
 - Tolling
 - National transportation strategic plan
 - Focused heavily on urban areas
 - Increase sub-allocation
 - Metro mobility
 - Core programs left behind again

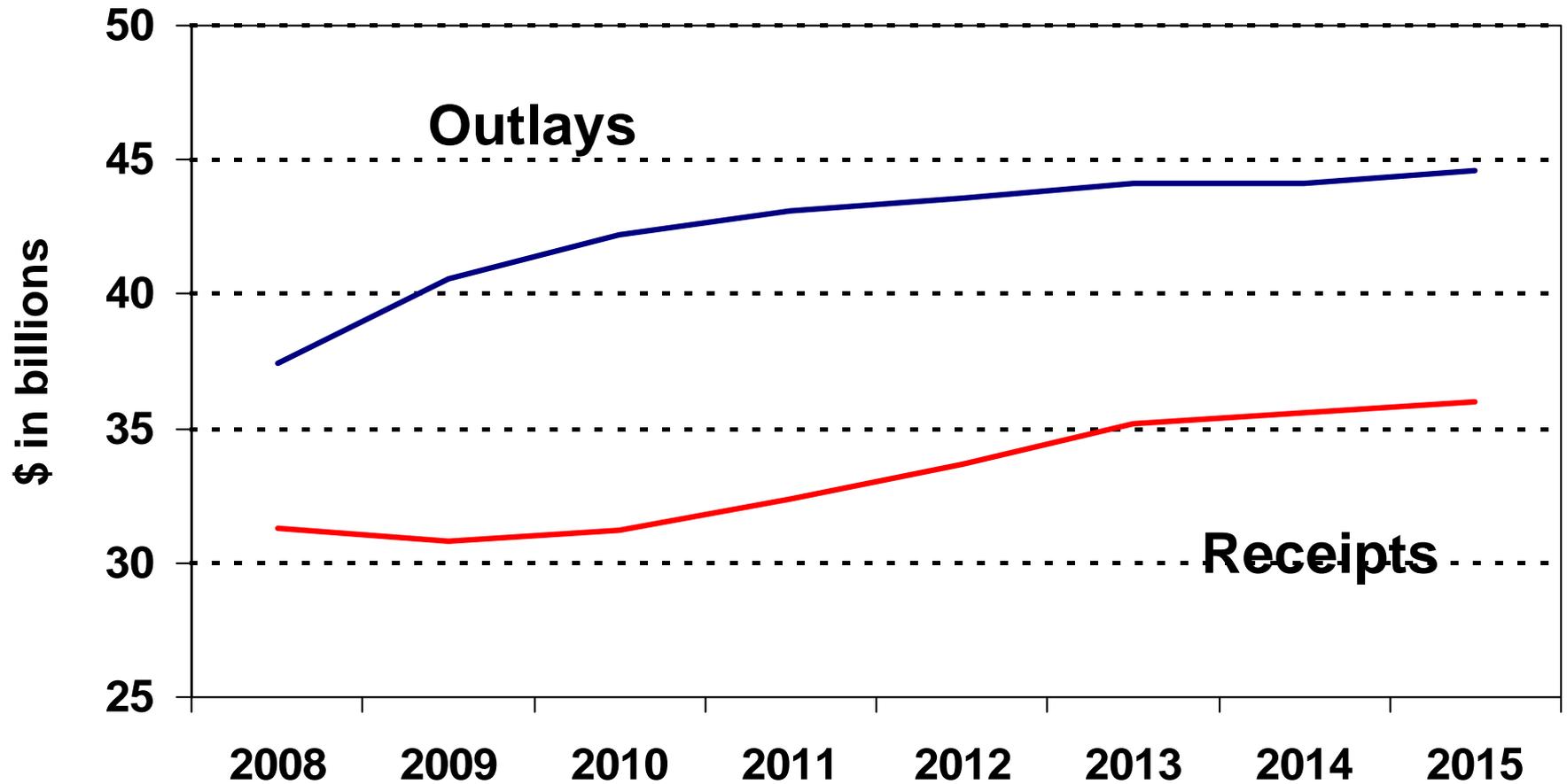
Little Action Outside of House Bill

- Administration has spoken only in generalities
 - Sustainability
 - Livability
 - Accountability
- Senate has been silent on their priorities



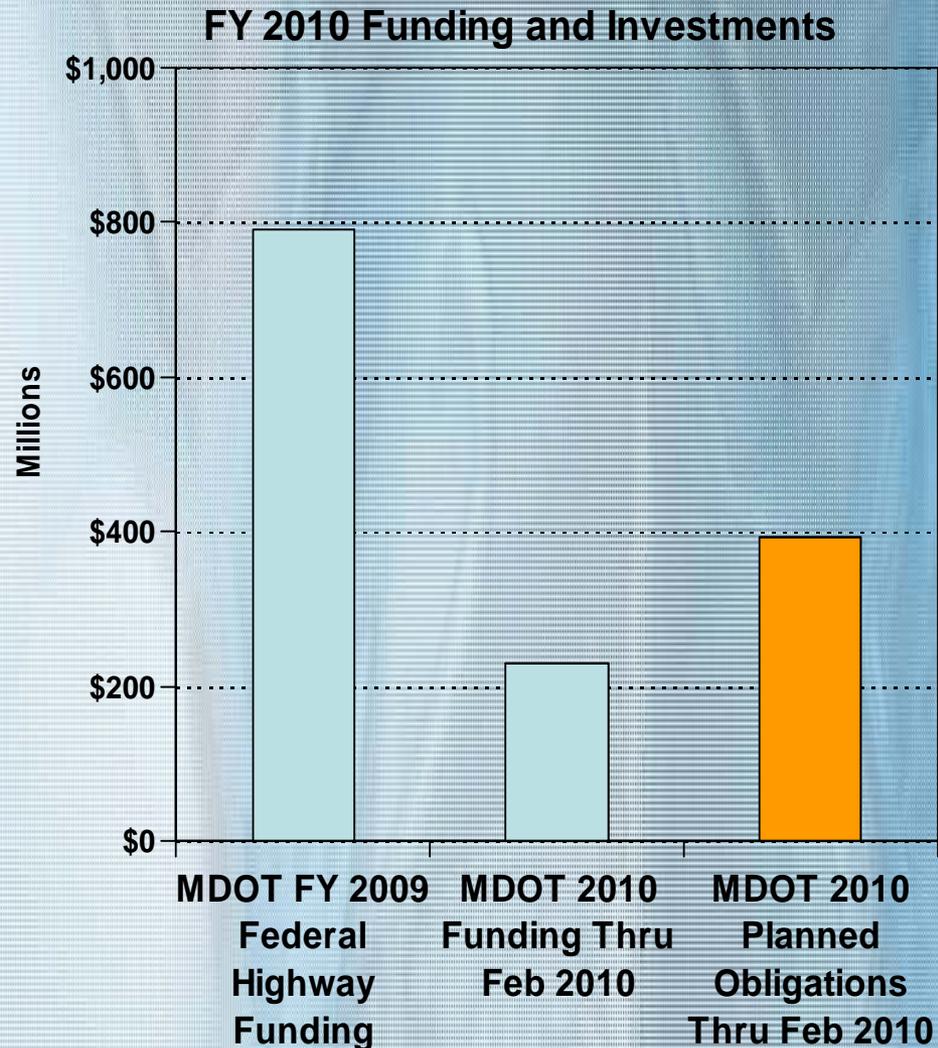
Authorization Roadblock

HTF Structural Problems



SAFETEA-LU Extensions

- Extensions created unique challenges
 - Apportionments ravaged by 2009 rescissions
 - \$348.7 m from MI
 - Left \$0 balance in most programs
 - FY 2010 funding baseline include impacts of rescission
 - Reduces funding by one-third



Thank you!