



State Transportation Commission Meeting

October 29, 2009

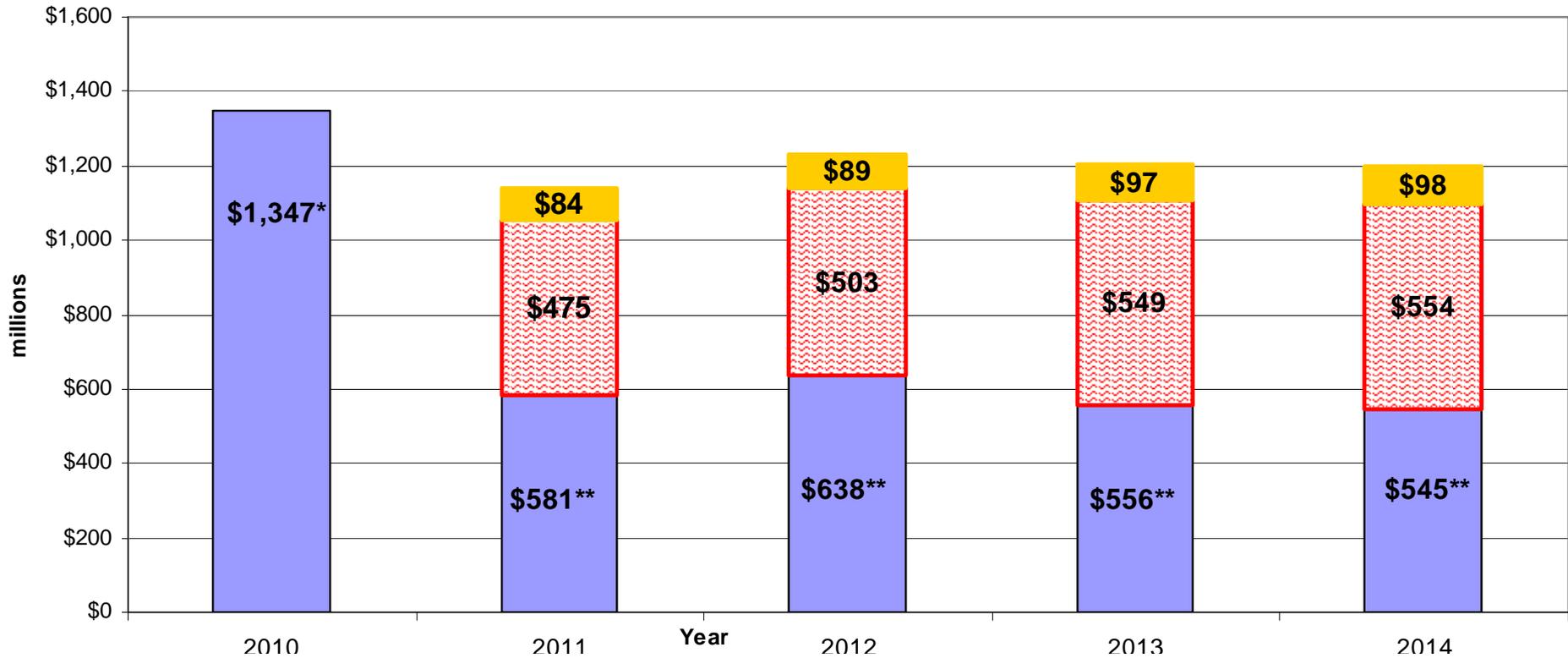
**Director Kirk T. Steudle, P.E.
Michigan Department of Transportation**



Federal Funding Status

Inability to Match Federal Aid Highway Program

MDOT Highway and Maintenance Program State Revenue Shortfall and Federal-Aid Lost



■ Program Total with Routine Maintenance
 ■ Federal Aid Lost
 ■ State Revenue Shortfall

* 2010 Proposed Highway and Maintenance Capital Program with anticipated ARRA

** Estimated Resulting Program Amount (with declining state revenues and inability to match available federal aid)

Rescission

- **\$263 million cut impacts transportation investment program**
 - **Limits flexibility**
 - **Limits Advance Construction ability**
 - **Jeopardizes ARRA Maintenance of Effort**
 - **Unevenly impacts Transportation Management Areas**
 - **Hinders MPO planning activities**

Current Extension

- **30-day Continuing Resolution**
 - Expires October 31
- **Left rescission in place**
- **Loss of apportionment balances**

Impacts on MDOT Program

- **The rescission combined with potential month-to-month continuing resolutions could create havoc on announced FY 2010 program**
 - **Letting delays**
 - **Need to define strategy**
 - **Production activities will need to be re-prioritized or delayed**
 - **Program reduction of \$221 M**
 - **“Maintenance of Effort” for ARRA will be negatively impacted due to production delays**



Proposed Extensions Senate

- **Not able to move 18-month extension**
- **Proposed 6-month extension instead**
 - **“Hotline” approach**
 - **Requires all 100 senators to agree & pass by unanimous consent**
 - **Funding level is intended to compensate for funding lost in rescission**
 - **Uncertain whether House will sign on**



Proposed Extensions House

- **Favors shorter 3-month extension**
- **Congressman Oberstar (Minnesota) continues to press for 6-year bill**

Reauthorization

- **Surface Transportation Authorization Act (STAA)**
 - \$500 billion over six years
 - \$337 billion investment in highway construction
 - \$100 billion for public transit
 - \$50 billion for a nationwide high-speed rail system.
 - \$13 billion is for a variety of smaller initiatives



Reauthorization

- **House T & I has not yet marked up STAA**
- **MDOT continues to work with:**
 - **AASHTO**
 - **Governor's Washington, D.C. office**
 - **Coalition for Donor State Equity**
 - **Other partner agencies**

To get the best bill for Michigan!



Questions?