

# The American Recovery and Reinvestment Act – Conference Report

Transportation Summary  
February 20, 2009



# Arizona Estimates



- Arizona total for highways and bridges: approximately \$522 million
- Arizona total for transit: approximately \$115 million
- 30% suballocated to TMAs
- 50% of funds must be obligated within 120 days and the remainder within one year
- Projects must be complete within three years



# Competitive Grant Process



# What Does Shovel Ready Mean?

- Environmental Clearances
- Utility Clearances
- Rail Clearances
- Right of Way Purchased
- Design Completed
- Does not require new conformity analysis



# Reporting Requirements



# Maintenance of Effort



- Cannot supplant or replace funds that the state planned to expend from state sources from date of enactment through September 2010
- Governor must certify maintenance of effort



# Disclaimer

States will not have exact amounts until FHWA and FTA calculates local share for highway and transit dollars. This could take a few weeks.



# Estimated Transportation Funding for Arizona (millions)

Estimated Highways	\$522
Enhancements	<u>\$ 16</u>
Balance	\$506
Suballocations	<u>\$156</u>
Balance to State	\$350
Transit	\$ 115
Aeronautics	\$ 1



# Impacts to Consider

- Geographic Mix
  - ✓ Spread around the state
  - ✓ Regional impact
- Distribution and Variety of Jobs
  - ✓ Variety of jobs concentrated on a few big projects
  - ✓ Spread jobs around the state
- Long Term Impact
  - ✓ Add capacity
  - ✓ Address most critical maintenance



# Approaches to Distribution

## Approach 1: RAAC

Distribution by RAAC: \$350 Million

- \$130 M = MAG
- \$175 M = TOC
- \$ 45 M = PAG



# Approaches to Distribution

## Approach 2: Population

Distribution by population (STAN): \$350 M

- \$210 M = MAG
- \$ 84 M = TOC
- \$ 56 M = PAG



# Approaches to Distribution

## Approach 3: Combination

Provide a portion of STAN funding back to  
MAG: \$74 M

Distribute remainder according to RAAC:  
 $\$350 \text{ M} - \$74 \text{ M} = \$276 \text{ M}$

- \$102 M = MAG
- \$138 M = TOC
- \$ 36 M = PAG

