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# Proposed 2009 Economic Stimulus Transportation Funding Act

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Senator Mary Margaret Haugen, Chair  
Senator Chris Marr, Vice Chair  
Senator Dan Swecker, Ranking Member  
Senator Fred Jarrett  
Senator Curtis King

Senate Transportation Committee

February 25, 2009

## **Senate Transportation Committee Chair**

### **Proposed 2009 Economic Stimulus Transportation Funding Act**

The Senate Chair's proposed economic stimulus funding proposal builds on the Governor's plan to invest in transportation infrastructure in all regions of the state, advancing regionally significant projects and making important investments in the preservation and safety of the highway system. These investments will benefit the movement of people and goods, and will create an estimated 4,920 jobs statewide.

Washington State is expected to receive \$492 million from the "American Recovery and Reinvestment Act of 2009" for state and local highway projects. Of that amount, \$341 million will be spent by the state on projects that improve and preserve state highways. The remaining \$151 million will be distributed to local governments via metropolitan planning organizations and counties. Our state is well positioned to deliver the projects in the timeframes required in the federal act, and expects to receive additional funds that other states are unable to use within the applicable timeframes.

The Legislature's priorities in allocating the state's share of the federal stimulus funds include: maintaining commitments made with the Nickel and Transportation Partnership Acts to keep projects on schedule, filling funding gaps in the state's highway preservation backlog, and addressing the lack of funding for statewide safety improvements.

The Chair's proposal also makes supplemental adjustments to the 2007-09 state transportation budget. Overall, this proposal reduces state appropriations, largely reflecting delays of transportation projects made to accommodate reduced state revenues as well as to reflect unavoidable developments in project delivery.

Additional investments made in the current biennium include:

- \$16.5 million for the record setting ice and snow removal costs in the winters of 2008 and 2009, above the original expectations of \$76 million.
- \$20 million in federal emergency funds for damage to highway infrastructure due to flooding.
- \$8.9 million for increased fuel costs incurred by DOT maintenance staff and the ferry system.
- \$6.1 million for the ferry system's increased costs of vessel maintenance, terminal agent contracts, and rate increases.

## Estimate\* of Federal Stimulus Highway Funds to WA



### Priorities for State Allocation:

- Advance eligible Nickel/TPA projects back to/near 2008 schedule
- Unfunded and underfunded preservation projects and backlog
- Statewide unfunded safety improvements (cable barriers, rumble strips, etc.)
- State-wide benefit
- Job retention/creation (10 jobs per \$1M)

### Urban areas with more than 200,000 population:

Puget Sound (PSRC)	\$78 M
Spokane (SRTC)	\$10 M
Vancouver (RTC)	\$ 9 M

**Places w/less than 200,000 population: \$54 M**

### What is "Ready to Go"?

50% of the state allocation (\$170.5M) must be obligated within 120 days. The remaining state, and entire local, allocation must be obligated within 1 year.

States which successfully obligate 50% of their initial share of stimulus funds by 120 days are eligible for additional monies redistributed from other states.

### Additional Funding Available through National Grant Programs

- \$8.0B – National Discretionary Grants for Rail Projects with Priority for Urban, High-Speed Rail
- \$6.9B – National Transit Grants (awarded at local level; TMA, MPO, County Leads, by formula)
- \$1.5B – National Discretionary Grants for a National Surface Transportation System
- \$1.3B – National, Capital Grants for Amtrak
- \$750M – National, Fixed Guideway Capital Infrastructure (awarded at local level by formula)
- \$60M – National Ferry Transportation Systems Grants

\*All dollars are rough estimates and subject to change based on final apportionments from USDOT. Transportation enhancements are included in the totals.