

**STATEMENT OF THE HONORABLE JAMES L. OBERSTAR**  
**THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
**H.R. 2847, THE “JOBS FOR MAIN STREET ACT, 2010”**  
*December 16, 2009*

Madam Speaker, I rise in strong support of H.R. 2847, the “Jobs for Main Street Act, 2010”.

This bill provides more than \$39 billion of additional transportation and infrastructure investment to help create and sustain family-wage construction jobs and rebuild our nation’s infrastructure. The bill also extends the highway, highway safety, and public transit programs for the current fiscal year, through September 30, 2010.

One-half of the \$75 billion provided by H.R. 2847 is dedicated to transportation infrastructure investment, including:

- \$27.5 billion for highways,
- \$8.4 billion for transit,
- \$800 million for Amtrak,
- \$500 million for airports, and
- \$100 million for ship construction.

In addition, H.R. 2847 provides \$11 billion for other infrastructure investment, including \$1 billion for Clean Water State Revolving Funds and \$715 million for Corps of Engineers infrastructure investments.

Each of these investments is paid for – we use the Wall Street bailout funds to rebuild Main Street.

These investments will build upon the investments already underway pursuant to the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act), and will create and sustain more than **one million good, family-wage jobs**.

The transportation and infrastructure investments of the Recovery Act have already played a key role in putting Americans back to work. Federal agencies, States, and their local partners have demonstrated they can deliver transportation and infrastructure projects and create urgently needed employment in the tight timeframes set forth in the Recovery Act. This Act has already resulted in almost 7,900 highway and transit projects breaking ground as well as hundreds of thousands of workers getting off the bench and back on the job all across the nation.

Specifically, as of October 31, 2009:

- 10,329 highway and transit projects in all 50 States, five Territories, and the District of Columbia have been put out to bid, totaling \$24.5 billion, representing 71 percent of the Recovery Act highway and transit formula funds;
- States have signed contracts for 8,871 highway and transit projects totaling \$20.2 billion, representing 59 percent of the total available formula funds; and
- Work has begun on 7,886 projects, totaling \$18.6 billion, representing 54 percent of the total available formula funds.

These 7,886 highway and transit projects that are underway have created or sustained more than 210,000 direct, on-project jobs. Direct job creation from highway and transit projects has resulted in payroll expenditures exceeding \$1.1 billion. Based on this payroll data, an estimated \$179 million in unemployment checks have been avoided as a result of this direct job creation. Furthermore, these direct jobs have caused nearly \$230 million to be paid in Federal taxes.

In addition, these Recovery Act investments have created hundreds of thousands of supply chain jobs, including jobs at companies that produce construction materials such as steel, sand, gravel, cement, and asphalt, or manufacture equipment such as new transit buses. Total employment from these 7,886 highway and transit projects, including direct, indirect, and induced jobs, reaches nearly 630,000.

However, we have only begun to stem the tide of unemployment caused by the worst recession since the Great Depression. More than 1.7 million construction workers are out of work and the unemployment rate in construction is 19.4 percent – the highest unemployment rate of any industrial sector. In addition, the private sector construction market has collapsed. At a recent hearing of the Committee on Transportation and Infrastructure, the President of an asphalt supply company testified that, although historically his company has received one-half of its work from the private sector and one-half of its work from the public sector, 98.5 percent of his current business is public sector work.

To make matters worse, State budget crises are severely limiting States' ability to move forward with their own infrastructure programs or find matching funds for Federal transportation programs.

Although the critical investments made by the Recovery Act have stemmed the tide of unemployment in the construction industry, they have not been sufficient to completely counteract the loss of private sector and State investments.

Congress must act now to pass the “Jobs for Main Street Act, 2010”, and build upon the successes of the Recovery Act.

The Jobs Act “doubles down” on the highway and transit investments of the Recovery Act and will immediately create and sustain jobs. The Jobs Act provides almost \$36 billion for highway and transit investment and much of it can be, and will be, put to use within 90 days for ready-to-go projects.

According to a December 2009 American Association of State Highway and Transportation Officials (AASHTO) survey of State Departments of Transportation, there are 7,497 ready-to-go highway and bridge projects, totaling \$47.3 billion. Furthermore, according to a December 2009 American Public Transportation Association (APTA) survey, there are thousands of ready-to-go transit projects, totaling \$15 billion.

In addition, Congress must also act now to extend the core Federal highway, highway safety, and transit programs. The long-term authorization for these programs, SAFETEA-LU, expired on September 30, 2009. Since then, these programs have been extended on a short-term basis at a funding level that is about \$12 billion below the fiscal year 2009 authorized level. H.R. 3326, the fiscal year 2010 Defense appropriations bill, will provide an additional short-term extension of these programs, to February 28, 2010, but still at the reduced funding level.

H.R. 2847 includes the Surface Transportation Extension Act (STEA) of 2009, which extends the highway, highway safety, and transit programs through September 30, 2010, at the levels assumed in the FY 2010 budget resolution. This one-year extension will provide greater certainty for States in their transportation planning, and increase funding to nearly the FY 2009 authorized level.

STEA also includes provisions that will stabilize the Highway Trust Fund. Specifically, STEA restores to the Highway Trust Fund interest payments foregone on the Trust Fund's previous cash balances. Since 1998, the Trust Fund has been the only major Federal trust fund that does not accrue interest. The restoration of interest for this period (1998-2009) results in transferring \$14.7 billion to the Highway Account of the Highway Trust Fund, and \$4.8 billion to the Mass Transit Account of the Highway Trust Fund.

In addition, STEA allows the Highway Trust Fund to accrue interest on all balances going forward, which will increase Trust Fund receipts by an estimated \$500 million to \$1 billion annually, in the near-term.

Finally, under STEA, the General Fund, rather than the Highway Trust Fund, will support longstanding fuel tax exemptions, such as those provided to state and local governments. Full refund payments will continue to be made from the General

Fund, but the Highway Trust Fund will no longer bear the cost of these refunds. The end user will see no change in their process for obtaining a refund. This provision will increase Trust Fund revenues by about \$1.7 billion annually, for a total of \$9.8 billion over six years.

I regret that the Other Body was unable to complete action on a multi-year surface transportation bill this year. I urge the Senate to focus on the needs of the millions of Americans who are without jobs or who are in danger of losing their jobs, Americans who are struggling to provide for their families, and desperately need the jobs that would be created not only by the bill before us today, but also by a long-term authorization of surface transportation programs.

I urge my colleagues to join me in supporting H.R. 2847, the “Jobs for Main Street Act, 2010”.