



U.S. House of Representatives
Committee on Transportation and Infrastructure

James L. Oberstar
Chairman

Washington, DC 20515

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

July 20, 2009

James W. Coon II, Republican Chief of Staff

Dear Transit Agency:

The Committee on Transportation and Infrastructure continues to closely oversee the implementation of transportation and infrastructure provisions of the American Recovery and Reinvestment Act of 2009 (“Recovery Act”) (P.L. 111-5),¹ to ensure that the funds provided are invested quickly, efficiently, and in harmony with the job-creating purposes of the Recovery Act. To this end, we request that you provide the Committee with updated specific transparency and accountability information by **September 20, 2009**, and **November 20, 2009**.

In the nearly five months since enactment of the Recovery Act, many States, Metropolitan Planning Organizations (MPOs), and public transit agencies have demonstrated the ability of transportation and infrastructure programs to create and sustain family-wage jobs, contribute to our nation’s long-term economic growth, and help the United States recover from the worst recession since the Great Depression. These five months have also provided ample time and opportunity for underperforming States, MPOs, and public transit agencies to step up their efforts, sign contracts, and put shovels into the ground. ***Accordingly, beginning in September, the Committee will highlight the best and worst performers in implementing Recovery Act transportation and infrastructure programs.***

¹ The Recovery Act provides \$64.1 billion of infrastructure investment authorized by the Committee on Transportation and Infrastructure to enhance the safety, security, and efficiency of our highway, transit, rail, aviation, environmental, inland waterways, public buildings, and maritime transportation infrastructure. This investment includes almost \$40 billion of Federal-aid highway, public transit, and Clean Water environmental infrastructure funding under the jurisdiction of this Committee that is distributed directly to States, metropolitan areas, and public transit agencies by existing statutory formulas.

COMMITTEE OVERSIGHT

Throughout the development of the Recovery Act, I emphasized the importance of transparency and accountability and ensured that the transportation and infrastructure programs would be subject to rigorous oversight. On February 27, 2009, and May 1, 2009, the Committee sent letters to States, the District of Columbia, Territories, MPOs, and public transit agencies to request information on recipients' use of Recovery Act formula funds for highways, bridges, public transit, clean water, and other infrastructure projects under the Committee's jurisdiction.

According to the most recent submissions, as of May 31, 2009, 4,098 highway and transit projects in all 50 States, three Territories, and the District of Columbia have been put out to bid, totaling nearly \$16 billion. This represents 46 percent of the total available formula funds for highway and transit projects. Forty-seven States and the District of Columbia have signed contracts for 2,294 highway and transit projects totaling \$6.5 billion, an increase of over 200 percent in the 30 days since the previous reporting deadline (April 30, 2009). Work has begun on 1,243 projects in 47 States and the District of Columbia totaling \$4.4 billion, an increase of more than 225 percent in the past 30 days.

The Committee compiled these submissions and released a State-by-State breakdown on this use of Recovery Act formula funds. To download this table, please visit the Committee's website: <http://transportation.house.gov/>, and click on the blue box entitled "Transparency and Accountability Information". The Committee will continue to release updated data that reflects the regular reporting to the Committee.

On June 25, 2009, the Committee also held its second in a series of oversight hearings on implementation of the Recovery Act. Administrators of Federal transportation agencies and State and local officials, along with a construction representative, testified about how these funds are already getting workers off the bench and back on the job. The information submitted in your previous reports proved critical to this review of Recovery Act programs. Continued direct reporting to the Committee is essential to our efforts to ensure that every State partner in Federally-funded programs can deliver projects and create urgently needed employment in the tight timeframes set forth in the Act.²

FOCUS ON BEST AND WORST PERFORMERS

The five months since the Recovery Act's enactment has provided enough time for States, MPOs, and public transit agencies, to significantly implement Recovery Act programs by signing contracts for and beginning shovel-ready projects. By now recipients of Recovery Act funds should have completed the diversity of actions and processes that

² The Recovery Act includes specific "use-it-or-lose-it" deadlines by which States and other recipients must invest transportation and infrastructure funding provided under the Act. For Federal-aid Highway formula funds, 50 percent of State-administered funds must be obligated within 120 days of apportionment (June 30, 2009) and all funds must be obligated within one year of apportionment (March 2, 2010). As of June 19, 2009, all States had met the 50 percent requirement for highway funds. For transit formula grants, 50 percent of funds must be obligated within 180 days of apportionment (September 1, 2009) and all funds must be obligated within one year of apportionment (March 5, 2010).

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exist on State and local levels, including public participation and bidding of projects, and be able to quickly and efficiently invest these funds.

Accordingly, beginning in September, the Committee will highlight the best and worst performers in implementing Recovery Act transportation and infrastructure programs.

The Committee plans to focus on the percentage of allocated funds associated with projects under contract and projects underway. Monitoring these indicators, along with the amount of allocated funds associated with obligated projects as well as projects put out to bid, will help us measure the Recovery Act's progress.

Focusing exclusively on the funds outlayed fails to provide a good sense of Recovery Act progress because transportation projects primarily operate on a reimbursement mode. For example, States seek reimbursement for highway projects after construction is underway. Knowing how many funds are associated with projects under contract and projects underway better captures the extent to which Recovery Act funds have arrived on Main Street.

ONGOING REPORTING

The Committee requests that recipients submit updated reports to the Committee by **September 20, 2009**, and **November 20, 2009** (data in these reports should include cumulative information regarding what has occurred as of August 31, 2009, and October 31, 2009, respectively). The Committee will continue to request that direct grant recipients report regularly to the Committee regarding implementation of the Recovery Act.

For the September 20, 2009, and November 20, 2009 submissions, recipients should update the Microsoft Excel form they used to report this month, and rename the form for the appropriate reporting date. If needed, the form may be downloaded by visiting the Transparency and Accountability section of the Committee's website.

If you have any questions regarding this request, please have your staff visit our website or contact Joseph Wender, Counsel to the Committee on Transportation and Infrastructure, at (202) 225-4472 or Joseph.Wender@mail.house.gov.

Thank you for your efforts.

Sincerely,


James L. Oberstar, M.C.
Chairman