U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

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January 21, 2009

SUMMARY OF SUBJECT MATTER

TO: Members of the Committee on Transportation and Infrastructure

FROM: Committee on Transportation and Infrastructure Staff

SUBJECT: Hearing on "Infrastructure Investment: Ensuring an Effective Economic Recovery Program"

PURPOSE OF HEARING

On Thursday, January 22, 2009, at 10:00 a.m., in room 2167 Rayburn House Office Building, the Committee on Transportation and Infrastructure will hold a hearing to examine how infrastructure investment contributes to job creation and economic recovery. The hearing will address infrastructure across the Committee's jurisdiction, including highways, bridges, public transportation, rail, aviation, ports, waterways, wastewater treatment facilities, and Federal buildings.

BACKGROUND

Adequate investment in our transportation and other public infrastructure is critical to our nation's economic growth, our competitiveness in the world marketplace, and the quality of life in our communities. Despite the importance of these investments, many of our nation's infrastructure needs are going unmet.

At the same time, unemployment is skyrocketing. According to the Bureau of Labor Statistics ("BLS"), as of December 2008, there are 11.1 million unemployed persons in the U.S., for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 21.7 million. The unemployment rate in December 2008 was 7.2 percent -- the highest it has been in 15 years.

The construction sector has been particularly hard-hit. According to the BLS, as of December 2008, there are 1,438,000 unemployed construction workers in the nation, and the

unemployment rate in construction is 15.3 percent -- the highest unemployment rate of any industrial sector. In addition, the construction market is shrinking dramatically. The construction market is experiencing the biggest sustained decline in construction in at least four decades.

Within the overall construction sector, seasonally adjusted employment in heavy and civil engineering construction[1] has fallen in each of the past 14 months, from 999,500 in October 2007, to 907,500 in December 2008, a loss of 92,000 jobs. Heavy and civil engineering construction employment is now the lowest it has been since August 2004.

An October 2008 report by McGraw-Hill Construction estimates the value of new construction projects will fall to $515 billion in 2009, down seven percent from 2008, and 25 percent below its peak of $690 billion in 2006.[2] This estimate includes a four percent decline in highway and bridge construction, to an estimated $50 billion in new projects, and a five percent decline in environmental public works, to an estimated $35 billion in new projects. Until recently, construction of hospitals, roads, schools and offices had remained relatively strong, despite a decline in residential housing construction. However, according to the report, States are suffering lower tax revenue, and financing for projects has become prohibitively expensive or unavailable at any cost as banks restrict lending. The result is the biggest sustained decline in construction in at least four decades.

Many have argued that including infrastructure investment in a jobs creation and economic recovery initiative addresses both the skyrocketing construction unemployment and our crumbling infrastructure simultaneously. Infrastructure investment creates family-wage, construction jobs that are needed in the near-term. It also helps address our infrastructure investment needs and produces long-term benefits in terms of economic productivity and growth to increase the United States' global competitiveness.

I. Infrastructure Investment Needs

The National Surface Transportation Policy and Revenue Study Commission recently examined investment needs for all modes of surface transportation (highways, bridges, public transit, freight rail, and intercity passenger rail). The Commission's report identifies a significant surface transportation investment gap, and calls for an annual investment level of between $225 and $340 billion -- by all levels of government and the private sector -- over the next 50 years to upgrade all modes of surface transportation to a state of good repair. The current annual capital investment from all sources in all modes of surface transportation is $85 billion.

For highways and bridges, the Department of Transportation's 2006 Conditions and Performance Report indicates that a total investment by all levels of government of $78.8 billion (in constant 2004 dollars) is needed annually to maintain our highway and bridges in their current condition. To improve the overall condition of highways and bridges, a

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[1] This term includes highway, street, and bridge construction; utility system construction; land subdivision construction; and other heavy and civil engineering construction.

[2] This forecast is based on McGraw-Hill's tracking of new construction projects, including the issuance of building permits.

combined investment of $131.7 billion (in constant 2004 dollars) is needed each year. According to the Department of Transportation ("DOT"), the annual investment gap is $8.5 billion to maintain our current systems and $61.4 billion to begin to improve highway and bridges.[3]

According to DOT's 2006 Conditions and Performance Report:

- Only 42.2 percent of travel on roads for which data are available occurred on pavements with "good" ride quality;
- 13.1 percent of highway bridges are classified as structurally deficient; and
- 13.6 percent of highway bridges are classified as functionally obsolete.

For transit, DOT's 2006 Conditions and Performance Report indicates that a total investment by all levels of government of $15.8 billion (in constant 2004 dollars) is needed annually to maintain transit systems at their current condition and level of performance. To improve the overall condition and performance of transit systems, a combined investment of $21.8 billion (in constant 2004 dollars) is needed each year. According to DOT, the annual investment gap is $3.2 billion to maintain our transit systems and $9.2 billion to begin to improve our transit systems.[4]

According to DOT's 2006 Conditions and Performance Report:

- Over one-half of all urban rail transit stations are substandard;
- One-third of our nation's bus maintenance facilities are substandard;
- 16 percent of elevated transit structures are substandard;
- 13 percent of underground transit tunnels are substandard; and
- 8 percent of transit track is substandard.

For freight rail, DOT estimates that the demand for rail freight transportation—measured in tonnage—will increase 88 percent by 2035. A study conducted by Cambridge Systematics, Inc. estimates that an investment of $148 billion (in 2007 dollars) for infrastructure expansion over the next 28 years is required to keep pace with economic growth and meet DOT's forecast demand. Of this amount, the Class I freight railroads' share is projected to be $135 billion and the short line and regional freight railroads' share is projected to be $13 billion. Without this investment, 30 percent of the rail miles in the primary corridors will be operating above capacity by 2035, causing severe congestion that will affect every region of the country and potentially shift freight to an already heavily congested highway system.

The railroad industry is extraordinarily capital intensive. The Class I railroads anticipate that they will be able to generate approximately $96 billion of their $135 billion

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[3] According to DOT's 2006 Conditions and Performance Report, Federal, State, and local capital expenditures for highways and bridges totaled $70.3 billion in 2004. This is $8.5 billion less than the annual expenditure needed to maintain highways and bridges, and $61.4 billion less than the annual expenditure needed to improve highways and bridges.

[4] According to DOT's 2006 Conditions and Performance Report, Federal, State, and local capital expenditures for transit totaled $12.6 billion in 2004. This is $3.2 billion less than the annual expenditure needed to maintain transit systems, and $9.2 billion less than the annual expenditure needed to improve transit systems.

share through increased earnings from revenue growth, higher volumes, and productivity improvements, while continuing to renew existing infrastructure and equipment. This would leave a gap of $39 billion or about $1.4 billion per year.

For intercity passenger rail, the Passenger Rail Working Group for the National Surface Transportation Policy and Revenue Study Commission reported in 2007 that the total capital cost estimate for re-establishing the national intercity passenger rail network between now and 2050 is $357.2 billion (in 2007 dollars), for an annualized cost of $8.1 billion.

Increased investment in our airport infrastructure is also necessary to maintain a safe and efficient aviation system. The Federal Aviation Administration's National Plan of Integrated Airport Systems (2009-2013) estimates that there will be $49.7 billion of AIP-eligible projects during the next five years -- an increase of 21 percent compared to the last NPIAS that the FAA issued two years ago. Additional funds are needed to allow the AIP program to keep pace with inflationary cost increases and meet airport safety and capacity needs.

Estimates of the nation's clean water infrastructure needs over the next 20 years exceed $400 billion. The needs are especially urgent for areas trying to remedy the problem of combined sewer overflows and sanitary sewer overflows and for small communities lacking sufficient independent financing ability. Drinking water infrastructure needs are estimated at nearly $500 billion over the next 20 years. Current spending by all levels of government is one-half of the estimated needs.

High quality drinking water and wastewater treatment are critical to protecting human health and the environment. The Congressional Budget Office estimates that there is an annual investment need of between $11.6 billion and $20.1 billion to ensure a safe, clean supply of drinking water, and an additional need of an annual investment of between $13 billion and $20.9 billion in wastewater treatment. Given current funding levels from all sources, there is an annual investment gap for wastewater and drinking water infrastructure of between $3 billion and $19.4 billion.

There are 772 communities in 33 states and the District of Columbia with a total of 9,471 identified combined sewer overflow problems. Combined sewer overflows contribute to the ongoing contamination of the nation's waters by releasing approximately 850 billion gallons of raw or partially-treated sewage annually. In addition, the Environmental Protection Agency ("EPA") estimates that between 23,000 and 75,000 sanitary sewer overflows occur each year in the United States, releasing between 3 to 10 billion gallons of sewage per year. The EPA estimates that more than $50.6 billion is necessary to address combined sewer overflow problems, and an additional $88.5 billion to address sanitary sewer overflows.

With trade expanding and highways and railways congested, efficient water navigation must be provided and maintained through the ports and waterways constructed and maintained by the Army Corps of Engineers. The vast array of navigation and flood damage reduction infrastructure is important to the nation's economy, but this infrastructure

has suffered from many years of inadequate funding for maintenance and replacement. The capital stock value of Corps water resources infrastructure has been decreasing since the late 1970s. Significant increases in investment for maintenance of existing facilities and the construction of modern ones are urgently needed.

II. Impact of Inadequate Investment

The impact of inadequate infrastructure investment is being felt in a variety of ways, most notably through a significant increase in congestion.

Road congestion has become a major national problem. According to the Texas Transportation Institute's 2007 Urban Mobility Study, traffic congestion in the nation's 437 urban areas continues to increase. Congestion now occurs during longer portions of the day and delays more travelers and goods than ever before.

As congestion increases, so does the cost it imposes both on our economy and on motorists. In 2005, traffic congestion cost urban motorists $78.2 billion in terms of wasted time and fuel, compared to $73.1 billion in 2004, and just $14.9 billion in 1982.[5] This level of congestion equates to an average annual cost per traveler of about $710 in 2005, up from $680 in 2004, and $260 in 1982. The hours of delay and gallons of fuel consumed due to congestion are only the elements that are easiest to estimate. The effect of uncertain or longer delivery times, missed meetings, business relocations, and other congestion impacts are not included in this estimate.

Congestion has increased in the air, as well. In 2007, air travelers experienced the highest number of delayed flights – 1.8 million – in the 13 years since DOT has collected such data. The Federal Aviation Administration ("FAA") predicts that, absent needed improvements to the aviation system, including the modernization of the air traffic control system, delays will increase by 62 percent by FY 2014.

According to the Commission on the Future of the U.S. Aerospace Industry, estimates of the cost of aviation delays to the U.S. economy range from $9 billion in 2000 to more than $30 billion annually by 2015. Without improvement, the combined economic cost of delays from 2000-2012 will total an estimated $170 billion.

Delays are also increasing on our inland waterways, which contain a series of outdated and antiquated locks and dams that, unless rehabilitated, replaced or expanded, will continue to hinder the movement of coal, grain, and other bulk products. Fifty-three percent of the lock chambers on the system have exceeded their 50-year design lives. With trade expected to increase, delays are likely to continue to rise with increased traffic using the aging inland waterway system.

Inadequate infrastructure investment is also putting our environment at risk. Communities throughout the United States continue to struggle financially to meet their ever-increasing wastewater treatment infrastructure needs. The EPA has reported that a failure to increase investment in wastewater treatment infrastructure would erode many of

[5] In constant 2005 dollars.

the water quality achievements of the past 30 years.

III. Economic Recovery Legislation

A. H.R. 7110, Job Creation and Unemployment Relief Act of 2008

To create jobs while at the same time meeting important infrastructure investment needs, the House passed the Job Creation and Unemployment Relief Act of 2008 (H.R. 7110) on September 26, 2008, by a vote of 264-158. H.R. 7110 as passed by the House would have provided $61 billion in additional funding, including $30 billion for programs within the jurisdiction of the Committee on Transportation and Infrastructure. The Senate took no action on the bill prior to the end of the 110th Congress.

B. H.R. __, the American Recovery and Reinvestment Act of 2009

(1) Summary of Draft Legislation

On January 15, 2009, the House Committee on Appropriations released the draft text of H.R. __ , the American Recovery and Reinvestment Act of 2009. This draft bill would provide a total of $550 billion in additional funding, including approximately $63.5 billion for programs within the jurisdiction of the Committee on Transportation and Infrastructure, as follows:

Highways and Bridges:	**$30 billion**
Federal-aid Highway Formula	$29.35 billion
National Park Roads	$250 million
Indian Reservation Roads	$300 million
On-the-Job Training	$20 million
DBE bonding assistance	$20 million
Administrative funding	$60 million
Transit:	**$9 billion**
Transit Urban & Rural Formula	$6 billion
Fixed Guideway Modernization	$2 billion
New Starts	$1 billion
Rail:	**$1.1 billion**
Amtrak	$800 million
Intercity Passenger Rail Funding	$300 million
Aviation:	**$3 billion**
(Airport Improvement Program)	
Environmental Infrastructure:	**$6.9 billion**
Clean Water State Revolving Fund	$6 billion
Superfund Remedial Program	$800 million
Brownfields	$100 million

Army Corps of Engineers:	**$4.5 billion**
Construction	$2 billion
Operation & Maintenance	$2.225 billion
Mississippi River & Tributaries	$250 million
Regulatory Program	$25 million
Federal Buildings:	**$7.7 billion**
Including construction, repair, and alteration of:	
Federal Buildings	not less than $6.7 billion
Border Facilities and Land Ports of Entry	up to $1 billion
Smithsonian Institution:	**$150 million**
Economic Development Administration:	**$250 million**
Coast Guard:	**$150 million**
(Alteration of Bridges)	
Natural Resources Conservation Service:	**$400 million**
International Boundary & Water Commission:	**$224 million**

Transportation and Infrastructure Committee staff estimates that this $63.5 billion would create or sustain more than 1.8 million jobs.[6]

Under H.R. __, the American Recovery and Reinvestment Act of 2009, the funds for highways, bridges, transit (except the transit new starts funding), and environmental infrastructure would be distributed based on the existing statutory formulas that are used by each of these programs. Tables showing the State-by-State distribution of highway, transit, and clean water investments provided under this legislation are attached. The funds for the remaining programs would be distributed through existing competitive project selection processes.

In contrast to tax cuts or rebate checks, virtually all of the economic stimulus effect from these investments will be experienced in the United States. Not only would the construction work be done here, but most transportation construction materials and equipment are manufactured in the United States. These infrastructure programs are subject to Buy America laws which require that the steel, iron, and manufactured goods for projects funded with Federal funds be produced in the United States. In addition, vehicles, such as transit buses or rail cars, must be assembled in the United States.

(2) Suballocation of Highway Funds to Metropolitan Areas

Under H.R. __, the American Recovery and Reinvestment Act of 2009, the $29.35

[6] The estimate is based on Federal Highway Administration's model of the correlation between highway infrastructure investment and employment, and assumes waiver of State matching share of project costs for most programs, as proposed in the draft bill.

billion in Federal-aid Highway ("FAH") formula funds would be distributed to the States based on each State's pro rata share of the FAH program formula obligation limitation in fiscal year ("FY") 2008.

After the initial allocation of the $29.35 billion has been made in this manner, there is a further sub-allocation to metropolitan areas. Within each State's share of the $29.35 billion, 45 percent will be sub-allocated within the State using the Surface Transportation Program ("STP") allocation process. This means that, of the 45 percent of funds that are sub-allocated, 10 percent are set-aside for Transportation Enhancements, and the remaining 90 percent are allocated as follows: 62.5 percent to areas by population, and 37.5 percent to any area of the state. The end result is that areas over 200,000 in population will receive a certain amount of sub-allocated funds, areas under 5,000 in population will receive a certain amount of sub-allocated funds, and areas between 5,000 and 200,000 in population will receive a certain amount of sub-allocated funds.

Under H.R. __, the American Recovery and Reinvestment Act of 2009, areas over 200,000 in population will receive a greater share of funds under the economic recovery program than they do under the regular program. By requiring 45 percent of each States' share of highway economic recovery funds to be sub-allocated within the State using the STP formula, areas over 200,000 in population will receive $3.99 billion, or 13.6 percent, of the total $29.35 billion in highway economic recovery funds apportioned to States.

This can be compared to the percentage of funds received by such areas in FY 2008 under the regular FAH formula program. In FY 2008, areas over 200,000 in population received $2.39 billion in sub-allocated STP funds. In addition to this sub-allocation, $2.1 billion in Congestion Mitigation and Air Quality ("CMAQ") funds were apportioned in FY 2008. Although the CMAQ funds are not necessarily controlled by areas over 200,000 in population, they are typically used to fund projects in those areas. When the $2.1 billion in CMAQ funds is combined with the $2.39 billion sub-allocated to areas over 200,000 in population, a total of $4.5 billion went to areas over 200,000 in population in FY 2008. This $4.5 billion represents 13 percent of the total FAH formula program of $34.7 billion in FY 2008.

(3) Distressed Communities

H.R. __, the American Recovery and Reinvestment Act of 2009, requires that, in selecting projects to be funded, recipients of highway economic recovery funds give priority to projects that, among other criteria, are located in economically distressed areas as defined by section 301 of the Public Works and Economic Development Act of 1965. This definition includes areas with an unemployment rate that is at least one percent greater than the national average unemployment rate; or a per capita income of 80 percent or less than the national average.

(4) Ensuring Transparency and Accountability

(A) Transparency and Accountability Provisions Applicable to All Funds in the Act

Section 1201 of the draft bill establishes transparency requirements that would apply to all funds made available in the Act. Under this provision, each Federal agency shall publish on the website Recovery.gov (to be established and maintained by the "Recovery Act Accountability and Transparency Board") a plan for using funds made available in the Act to the agency. The Federal agency must also publish on the website all announcements for grant competitions, allocations of formula grants, and awards of competitive grants using those funds.

In addition, for funds made available under the Act for infrastructure investments to Federal, State, or local government agencies, each such agency must notify the public of funds obligated to particular infrastructure investments by posting notification on the website Recovery.gov. Such notification must include a description of the infrastructure investment funded, the purpose of the investment, and the total cost of the investment.

Section 1226 of the draft bill establishes minimum requirements for what information shall be posted on Recovery.gov, including the requirement that the website include notification of solicitations for contracts to be awarded, and printable reports on funds made available in the Act obligated by month to each State and congressional district.

(B) Transparency and Accountability Provisions Applicable to Certain Transportation Funds in the Act

Section 12001 of the draft bill establishes additional maintenance of effort and reporting requirements for the AIP, highway, transit, and intercity passenger rail funding in the bill. Under this provision, not later than 30 days after the date of enactment of the Act, each State must submit a certification, signed by the Governor, that the State will maintain its effort with regard to State funding for the types of infrastructure projects that receive funding under these programs. As part of this certification, the Governor shall submit to the relevant Federal agency a statement identifying the amount of funds the State planned to spend, as of the date of enactment, from non-Federal sources in the period beginning on the date of enactment through September 30, 2010, for the types of projects that are funded by these programs.

In addition, section 12001 requires a series of periodic reports to Congress on the use of funds appropriated by the Act for these programs. These reports shall be submitted by each grant recipient to the Department of Transportation, which will compile the submissions and transmit them to Congress. The first periodic report is due not later than 30 days after enactment. This is the first of six reports, at the following intervals: 30 days, 60 days, 120 days, 180 days, one year, and three years after the date of enactment. Each report will track the following:

- the amount of funds apportioned, allocated, obligated, and outlayed;
- the number of projects that have been put out to bid and the amount of funds associated with such projects;
- the number of projects for which contracts have been awarded and the amount of funds associated with such projects;
- the number of projects on which work has begun under such contracts;

- the number of such contracts that have been completed;
- the number of jobs created or sustained by the Federal funds provided, including information on job sector and pay levels; and
- maintenance of effort, as measured by comparing planned State and local spending levels as of the date of enactment to actual State and local spending levels that have occurred since enactment.

(5) Deadlines for Federal Agencies to Award Grants

(A) Deadlines Applicable to All Funds in Act Unless Excepted

Section 1103 of the draft bill establishes deadlines by which Federal agencies must award grants using funds provided in the Act. Under this provision, formula grants using funds made available in the Act must be awarded by the Federal agency no later than 30 days after the date of enactment. Competitive grants using funds made available in the Act must be awarded by the Federal agency no later than 90 days after enactment.

(B) Deadlines Applicable to Certain Transportation Funds

Notwithstanding section 1103, different deadlines apply to certain transportation programs, as follows. For Intercity Passenger Rail funds provided in the Act, preference shall be given to projects that can be awarded within 180 days of enactment. Amtrak funds provided in the Act must be awarded by the Department of Transportation to Amtrak not later than seven days after enactment. Highway funds, Transit Urban and Rural Formula funds, and Transit Fixed Guideway Modernization funds provided in the Act shall be apportioned not later than seven days of enactment.

(6) Use-It-or-Lose-It Deadlines

(A) Deadlines for Entering Into Binding Commitments

Section 1104(a) of the draft bill establishes deadlines by which contracts must be awarded using certain funds provided in the Act. Specifically, section 1104(a) requires the recipient of a grant to enter into contracts or other binding commitments not later than one year after the date of enactment (or not later than nine months after the grant is awarded, if later) to make use of 50 percent of the funds awarded, and enter into contracts or other binding commitments not later than two years after the date of enactment (or not later than 21 months after the grant is awarded, if later) to make use of the remaining funds. These deadlines effectively apply to the following programs: CWSRF, Intercity Passenger Rail funds, and several other programs within the Department of Housing and Urban Development.

If these deadlines are not met, section 1104(b) establishes the process by which unused funds will be redistributed to other eligible grant recipients. Specifically, section 1104(b) requires the Federal agency involved to recover or deobligate any grant funds not committed in accordance with the requirements of section 1104(a), and redistribute such

funds to other recipients eligible under the grant program and able to make use of such funds in a timely manner (including binding commitments within 120 days after the reallocation).

(B) Deadlines Applicable to Certain Transportation Programs

Different deadlines apply to certain transportation programs, as follows. For AIP funds provided in the Act, the deadline for grantees to enter into contracts or other binding commitments to make use of not less than 50 percent of the funds awarded is 120 days after award of the grant. For Transit Urban and Rural Formula funds and Transit Fixed Guideway Modernization funds provided in the Act, the deadline for grantees to enter into contracts or other binding commitments to make use of not less than 50 percent of the funds awarded is 120 days after apportionment. For Transit New Start funds provided in the Act, the deadline for grantees to enter into contracts or other binding commitments to make use of not less than 50 percent of the funds awarded is 120 days after award.

If these deadlines are not met, DOT must recover or deobligate any grant funds not committed in accordance with these deadlines, and redistribute such funds to other recipients eligible under the grant program and able to make use of such funds in a timely manner (including binding commitments within 120 days after the reallocation).

The deadlines for highway funds are more complicated, due to the sub-allocation to metropolitan areas and the use of a different redistribution method. For highway funds provided in the Act, if less than 50 percent of the funds made available to each State and territory are obligated based on awarded contracts within 120 days after the date of distribution of those funds, then the portion of the 50 percent of funds that has not been obligated based on awarded contracts will be redistributed by DOT to other States using a process similar to the Federal Highway Administration's ("FHWA") current "August Redistribution" process. (See Section IV (A) for further information on the FHWA's August Redistribution process.)

For the highway funds that are sub-allocated to metropolitan areas, the metropolitan areas have 90 days to obligate, based on awarded contracts, 50 percent of the funds that have been sub allocated to them. If this deadline is not met, the portion of the sub allocated funds that have not been used in accordance with this deadline will revert back to the State for use anywhere in the State. The State then has 30 days in which to obligate the funds based on awarded contracts before the State's 120-day deadline is reached.

(C) Ability to Meet Deadlines Related to Highway Funds

There have been concerns raised regarding the ability of federal agencies to process project approvals and complete all necessary federal permits and certifications for projects receiving highway funding under economic recovery legislation.

FHWA staff has been preparing for passage of such legislation since late last fall. In November 2008, FHWA officials requested information from all FHWA Division Administrators regarding "ready-to-go" projects and encouraged the Administrators to work

with state officials to initiate the development of project lists and to ensure compliance with all necessary federal requirements. In December 2008 and January 2009, FHWA repeatedly issued "questions and answers" on economic recovery issues and held videoconferences and teleconferences with Division Administrators and AASHTO to work through specific economic recovery issues and concerns that have arisen during this process. The objective was to make certain that all projects identified were "ready-to-go" shortly after enactment of a stimulus package.

The recovery package will not waive federal requirements. Therefore, all projects receiving federal funds must be part of a Statewide Transportation Improvement Program ("STIP") and — where required — a Transportation Improvement Program ("TIP"). According to FHWA staff, amending a STIP, which requires public involvement, is approximately a 30-day process. If the proposed project were in a non-attainment area, a conformity determination would be required for the amendment. This process also takes approximately 30-days to complete, but can be conducted concurrently with STIP public involvement process. Both the amendment and conformity determination processes can be conducted now, prior to enactment of economic recovery legislation. In fact, FHWA encouraged States in November 2008 to determine whether their STIP or TIP needed to be amended in preparation for an economic recovery package, and if so, to start the process immediately. If States began the process last fall, they will have completed the process of amending their STIP or TIP. Even a State that is just starting the process now could complete it by the time economic recovery funds are likely to be distributed to the States in mid-February.

Another concern that has been raised with the STIP process is the requirement that plans be "financially constrained". All projects receiving federal funds must have funding sources identified, available, and committed. To address this concern, FHWA has been informing States that for necessary STIP amendments, States should assume that they would receive double their FY 2008 apportionment for FY 2009. The FY 2008 obligation ceiling for federal-aid highways was $41.2 billion. This amended process allows States to complete the STIP process prior to enactment of the economic recovery bill.

Additional concerns have been raised regarding the minimum time periods necessary for the advertising and bids submission process as a potential delay in awarding contracts involving economic recovery funds. Generally, FHWA regulations (23 CFR 635.112) require authorization of projects by the Division Administrator prior to advertisement and that bids remain sealed for a minimum of 21-days after advertisement, approved plans and specifications are made available. Division Administrators do have the authority to allow for shorter timeframes in certain circumstances. With respect to recovery funds, FHWA has notified States that they can begin the process of advance advertising. Given that States cannot be reimbursed until projects are approved by FHWA, the cost of such advertisements would be "at risk", and would be contingent on the receipt of stimulus funds and final project approval.

FHWA has recommended that Division Administrators work with States to shorten the bid process from 21 days to 14 days, as appropriate. Although FHWA is working to shorten the timeframe for advertising and bid process, some States, pursuant to state law, mandate longer advertising and bid processes. For instance, Maryland requires a minimum

45-day bid process. In these circumstances, States are considering changing or waiving the state requirement for the economic recovery funds.

IV. Ready-To-Go Projects

A. Highways and Bridges

State Departments of Transportation ("DOTs") have a tremendous backlog of highway projects that could be implemented quickly if additional funds were made available. For example, State DOTs often have open-ended contracts in place for resurfacing projects, which means that work could begin immediately upon receipt of additional funds. In addition, many State DOTs have projects already in process that could be accelerated if additional funding were provided.

Each year, the FHWA and State DOTs go through a process known as "August redistribution". In this process, FHWA surveys each State to find out if it is going to be able to use all of its obligation authority before the authority expires at the end of the fiscal year on September 30. If a State cannot use all of its obligation authority, it returns the unused amount to FHWA, so that it can be redistributed to another State that can use it before it expires. During the August 2008 redistribution process, States indicated an ability to obligate an additional $8 billion prior to September 30, but only $1.16 billion was redistributed to meet this need. This FHWA August 2008 redistribution illustrates the States' pent-up demand of ready-to-go projects and their ability to obligate large amounts of additional funding very quickly.

A survey of State Departments of Transportation by the American Association of State Highway and Transportation Officials ("AASHTO") identified 5,280 ready-to-go highway and bridge projects at a total cost of $66 billion. The summary table of the AASHTO survey is attached.

Specific examples of ready-to-go highway and bridge projects provided by AASHTO are discussed below. These are illustrative of the types of projects States could choose to fund if additional Federal-aid Highway funds are apportioned to the States.

- Brownville Bridge, U.S. Route 136, Atchison County, Missouri: According to the Missouri Department of Transportation, this project would accelerate necessary repair work on the bridge over the Missouri River at Brownville, Nebraska. The 1,903-foot bridge is 70 years old and is structurally deficient. The bridge has a rating of 3 (serious condition), which is lower than the rating of the I-35W Bridge which collapsed in Minnesota. This rating reflects such a serious condition that if its rating drops to 2, the bridge will be closed. If the bridge has to be closed, residents will have to make a 123-mile detour. Work that needs to be completed on this bridge includes joint repair, substructure repair, painting and redecking. Cost: $13,200,000.

- Osage River Bridge, Route 17, Tuscumbia, Missouri: According to the Missouri Department of Transportation, this project would accelerate the replacement of a structurally deficient and functionally obsolete bridge with the construction of a new

bridge over the Osage River at Tuscumbia. The current bridge is a two-lane, 1,083-foot structure that is 75 years old and rated a 3 (serious condition). If the bridge has to be closed, residents will have to make a 40-mile detour. Cost: $9,270,000.

- I-5/I-205 Interchange, Portland, Oregon: According to the Oregon Department of Transportation ("ODOT"), the I-5/I-205 interchange, which connects two of Oregon's most heavily traveled freight and passenger corridors, was recognized by Portland metropolitan area residents as one of the region's worst congestion chokepoints in a recent poll as well as noted in the State's "Federal Bottleneck Report". ODOT would like to address congestion at this interchange by building an acceleration/auxiliary lane that would allow traffic from the I-205 southbound ramp additional time to safely merge onto I-5 without slowing traffic in the travel lanes. This lane could significantly improve traffic flow on I-5 and I-205 at a relatively small cost. ODOT could quickly put this project out for contract and get construction underway in 2009. Cost: $15,000,000.

- U.S. Route 20, Pioneer Mountain to Eddyville, Oregon: According to ODOT, this design/build project is currently under construction. The project will build seven miles of new alignment between Corvallis and the Oregon coast on U.S. Route 20. Currently, this segment of highway narrowly winds through the Coast Range. It is not updated to modern highway standards, experiences high crash rates, and has freight mobility restrictions. These restrictions cause significant out-of-direction travel for trucks. Improvements to the west end tie-in section, which are designed and ready to go to construction, had to be modified to stay within budget. Additional Federal funding would allow this project to move forward immediately. Cost: $12,000,000.

B. Transit

Transit agencies across the country are experiencing increased demand for transit services. In 2007, 10.3 billion trips were taken on public transportation – the highest number of trips taken in 50 years. Ridership has continued to climb in 2008, with a 4.4 percent increase in trips taken during the first half of 2008 compared to the same period last year, putting 2008 on track to beat last year's modern record ridership numbers.

Additional funds could be put to immediate use to meet this demand and, at the same time, create and sustain good-paying jobs and economic activity. A survey of public transportation agencies by the American Public Transportation Association ("APTA"") identified 736 ready-to-go transit projects at a total cost of $12.2 billion. Typically, these projects involve purchasing buses and rail cars by exercising existing contract options, and accelerating existing construction and maintenance projects. Specific examples, provided by APTA, are discussed below. These are illustrative of the types of projects that transit agencies could choose to fund if additional funds are apportioned to urbanized and nonurbanized areas.

- Virginia Railway Express, Alexandria, Virginia: This project would allow the Virginia Railway Express ("VRE") to exercise options to purchase 15 locomotives, which will

allow the transit agency to increase capacity by deploying longer eight- and 10-car trains. In February, VRE signed a contract with MotivePower, Inc. to purchase as many as 20 replacement locomotives. At present, VRE has been able to purchase only five locomotives due to a lack of funding. If Federal resources were made available, the railroad could immediately execute options to purchase as many as 15 locomotives. MotivePower locomotives are manufactured in Boise, Idaho. Cost: $63,000,000.

- Muncie Indiana Transit System, Muncie, Indiana: This project would allow the Muncie Indiana Transit System to exercise existing options to purchase four replacement hybrid electric buses. The Muncie Indiana Transit System is in the final year of an existing bus procurement contract with Gillig Corporation, and it has the option to purchase four diesel-electric hybrid buses. The buses would be Muncie's first deployment of hybrid technology, and they would replace vehicles purchased in 1994 that are well past their expected service life. Diesel-electric hybrid buses reduce fuel consumption by as much as 40 percent, and regenerative braking technology reduces maintenance costs for transit agencies. If Federal resources were made available, the agency could immediately exercise options to purchase the four hybrid buses. Gillig buses are manufactured in Hayward, California. Cost: $2,100,000.

- Regional Transportation District, Denver Colorado: These projects would finance transit station improvements to meet increased demand for transit services. Regional Transportation District ("RTD") ridership has been growing rapidly, increasing by 13.1 percent in 2007 compared to the previous year, and continuing to grow rapidly in 2008 as more commuters switch to transit to minimize their commuting costs. RTD is ready to begin construction on the renovation of Denver's Union Station, but the $478 million project needs $230 million in additional funding. The project has completed all necessary environmental reviews and construction could start in spring 2009 with additional federal funding. The station renovation will incorporate an at-grade, eight-track commuter rail station, relocation of RTD's regional bus facility below grade under 17th Street; and relocation of the light rail station at-grade to the Consolidated Mail Line. RTD's other ready-to-go passenger facility projects include improvements for the Belleview light rail station ($3 million) and a design-build contract for a new park-and-ride facility in the southwest corner of the District with 200 spaces ($2 million) Cost: $235 million.

- New York City Transit, New York, New York: These projects would finance station rehabilitation, rail track improvements, and customer information screens. New York City Transit has identified three projects that are currently under development in anticipation of future funding. If Federal funding were made available, each of the projects could be advanced quickly. Total Cost: $680,000,000.

  - Station Rehabilitation: More than two dozen subway stations with deteriorated conditions are in need of rehabilitation to address structural, architectural, and electrical needs and provide improvements to passenger circulation. Cost: $550,000,000.
  - Welded rail: New York City Transit ("NYCT") would replace obsolete rail and

plates with new continuous welded rail and resilient fasteners. This investment will reduce rail breaks and cracks, which in turn will improve safety and reduce service delays. Cost: $30,000,000.

- Public Address/Customer Information Screens: NYCT's current capital program includes funding to implement communications infrastructure at 44 stations and to develop designs for all 87 stations. With additional funding, the remaining 43 stations could be addressed. Cost: $100,000,000.

C. Passenger Rail

In the course of 2008, Amtrak and a host of commuter railroads posted record gains in ridership. With concerns still high over dependence on foreign oil and greenhouse gas emissions, Amtrak and the States are looking for opportunities to expand service. To realize the potential inherent in the mode and in our nation's existing passenger rail system, Amtrak has provided a number of examples of ready-to-go projects that are over and above their current projected capital budget which will help them expand capacity, improve service, and create U.S. jobs.

- Amfleet Rail Car Overhaul: Amtrak has an urgent need for additional rolling stock. Business on existing services has grown substantially, and Amtrak faces a growing demand for new services as well. Amtrak currently has a total of 81 Amfleet I and II rail cars in storage. Amfleet I cars are single-level coach and lounge cars manufactured in 1975-1977, for use mainly in short-distance service. Amfleet II cars are similar in design, but were manufactured in 1981-1983, for use mainly in long-distance service. These rail cars are needed to meet increased passenger demand, but must be refurbished before they can be returned to service. This refurbishment work includes new interiors, rebuilt air conditioners, Americans with Disabilities Act ("ADA")-compliant restroom modules, rebuilt air brakes, and rebuilt trucks (wheel assemblies).

  This project would enable Amtrak, to meet increasing passenger demand, to refurbish and return to service all Amfleet I and II rail cars currently in storage. Amtrak is in the process of refurbishing and reactivating the Amfleet I coaches, as funding permits. In 2008, a total of five coaches were refurbished, of which two were wreck-damaged. Amtrak plans to bring an additional 24 Amfleet coaches back into service in 2009 and 2010 and has already budgeted for this expense. However, if additional capital funds are made available, returning stored cars to service would be Amtrak's highest priority. An additional $102.1 million would permit Amtrak to return approximately 33 Amfleet I and II cars of various types to service. It will also allow Amtrak to convert obsolete locomotives into "cab baggage" cars for push-pull corridor services and to make improvements to other types of equipment. Cost: $102.1 million.

- Additional Equipment Needs: Funding would enable Amtrak to purchase new *Acela* and *Surfliner* and single level equipment for future revenue service, to ensure that the fleets that provide two of their most popular services will be adequate for future demand. Amtrak also plans to address the growing need for more fuel-efficient and

clean motive power through procurement of new locomotives. The current backbone of Amtrak's electric fleet is a group of aging DC electric-powered engines. To provide motive power for their Northeast Regional trains, Amtrak would purchase a set of AC-powered electric engines, which incorporate such refinements as regenerative braking, a feature that allows the traction motors to slow the train, acting as generators and returning electricity to the catenary. To replace Amtrak's aging switcher fleet, Amtrak would also use funds to purchase a set of new "Genset" switchers, which are specifically designed to limit emissions. They would provide a considerable improvement over the engines they replace, most of which are significantly older than the company. In addition to motive power needs, Amtrak's Engineering Department operates a large construction operation, which in turn maintains a significant fleet of vehicles for various construction tasks. Many of them are approaching the end of their useful life. Additional funds would allow for replacement of obsolescent vehicles with modern and improved equipment. Cost: $346 million.

- ADA Station Upgrades: Amtrak is obligated to make stations accessible and ADA-compliant by July 26, 2010. Although many of the stations that serve the majority of Amtrak's customers offer full or barrier-free access, much work remains at many stations across the country for full compliance. Such work includes improvements to parking, entryways, ticketing, restrooms, boarding platforms, lighting, and signage. Amtrak's progress in meeting the ADA access requirements has been limited in large part because of funding constraints, and the total cost for this program is estimated to be several hundred million dollars for full compliance. Funding will allow Amtrak to purchase equipment such as wheelchair lifts and transfer bridges, and work on station improvements such as ramp construction, access improvements, and the rebuilding of restroom facilities to achieve full compliance. Cost: $1.4 billion.

- State-Of-Good-Repair. Funds would allow Amtrak to upgrade its electric traction system on the Northeast Corridor, and repair and improve the right of way, stations, and supporting infrastructure. Funds would also allow Amtrak to undertake a range of needed station and facility improvements to bring them into a state-of-good-repair, which will be done in tandem with Amtrak's ADA compliance work. Cost: $2.4 billion.

- Alleviating Chokepoints: More than 70 percent of Amtrak's train-miles are run on lines other than their own, with varied ownership and condition. Amtrak service on those systems would in many cases be materially enhanced by the construction of improvements to the physical plant. While the exact gain varies with the improvement, benefits include augmented capacity, increased speed, and greater service reliability, as well as the opportunity for some trip time reductions. Amtrak currently has several projects that could begin in FY 2009, with several others at various stages of the design process, in addition to major investment opportunities such as the Grand Crossing and Englewood Flyover projects in Chicago. These projects would remove significant chokepoints and provide improved and enduring access to the center of Chicago for Amtrak, Metra, and the freight railroads. Cost: $1.4 billion.

- Trip Time Savings. Funding would be used to improve track, infrastructure, and signaling systems that are designed to shorten the amount of time it takes to get a train over the line, thereby improving trip times. For the investment of $625 million, Amtrak would be able to slice fifteen minutes off current DC-New York trip times through the modification of their *Acela* equipment, track upgrades for higher speeds, and the replacement of existing electrical catenary (much of which dates to the early 1930s) with modern constant-tension catenary. Once these improvements are made, the next round of speed increases would be obtained through the replacement of major legacy structures, such as the B&P tunnel in Baltimore, with modern structures on improved alignments. Cost: $308 million.

- Safety-Related Infrastructure Projects: Funds would allow Amtrak to accelerate and improve its program of adding fire and life safety features and equipment to major structures such as the tunnels into and out of New York. It would also provide funding for the construction of standpipes at the First Avenue Tunnel in New York, as well as a ventilation system for the adjacent Long Island Tunnel. Cost: $149.1 million.

- Security: Funding would allow Amtrak to increase the pace of implementation of security improvements through accelerated assessment, planning, and construction processes; improve infrastructure and cyber security; and undertake readiness and response exercises. In addition, funds would allow Amtrak to construct backup power systems in major terminals to improve the resilience of their infrastructure. Cost: $23.7 million.

States have also identified a number of projects that will expand capacity, improve service, and create U.S. jobs.

- Wisconsin has $137 million in projects that can be obligated through agreement with Canadian Pacific Railway within 90 days. The projects will complete a substantial portion of the track improvements required to extend passenger rail service in the designated high-speed corridor from Milwaukee to Madison and to increase frequencies between Milwaukee and Chicago. The extension of service in this corridor is a key Wisconsin element of the nine-state Midwest Regional Rail System Plan for high-speed rail service. The proposed work includes all track, signal and grade crossing improvements between Milwaukee and Watertown about half way to Madison. Wisconsin has an FRA-approved "Finding of No Significant Impact" for the entire corridor from Milwaukee to Madison.

- Michigan has $54 million in track, siding, crossover, and signal projects in Michigan corridors, including the designated high-speed corridor between Detroit and Chicago. Michigan trains already operate at speeds of up to 100 mph in this corridor using an advanced "Incremental Train Control System." A portion of this funding will be used to extend this signal system to the Michigan/Indiana state line, completing a 72-mile segment of the corridor.

- The North Carolina Department of Transportation has $220 million in ready-to-go projects in the federally designated Southeast High Speed Rail Corridor (SEHSR). These projects will be conducted via existing agreements with the CSX Transportation Company, Norfolk Southern Railway, the North Carolina Railroad Company, and the North Carolina Department of Transportation. All of these projects are in the North Carolina State Transportation Improvement Program (STIP)

- Washington DOT has $121 million in passenger rail improvement projects in the federally designated Cascades Corridor serving Portland, Seattle and Vancouver. These projects can be obligated within 90 days pursuant to a master agreement already in place with BNSF railroad.

- California Capital Corridor Joint Power Authority has $10 million in projects in the Capital Corridor between San Jose, Sacramento and beyond. Four million is for track work and a universal crossover to increase capacity and service reliability. This work is being done as a part of a master agreement with Union Pacific Railroad. A $6 million San Jose station project matches $46 million in state, local and federal funds and can be obligated within 60 days.

- The California Department of Transportation (Caltrans) has over $342 million in intercity passenger rail projects that can be obligated within 90 days, $258 million in projects that can be obligated within 90 to 120 days and $88 million in projects that can be obligated within 120 to 180 days. These projects are located on the Pacific Surfliner and San Joaquin routes. The projects will be implemented pursuant to master agreements already in place with Union Pacific and BNSF railroads. They are in the state's adopted STIP and are environmentally cleared at the State level.

D. Aviation

According to the FAA, if additional Federal funds were made available, the types of AIP projects that are ready-to-go include runway or taxiway rehabilitations, extensions, and widening; obstruction removal; apron construction, expansion or rehabilitation; Airport Rescue and Firefighting equipment and facilities; and airside service or public access roads. Identifying specific projects to receive funding would pre-judge the FAA's discretionary grant decisions. However, the FAA has identified $1.5 billion of AIP projects that are ready-to-go by Spring 2009, if additional funding is made available. The FAA has identified a total of $5 billion of AIP projects, over and above an assumed FY 2009 and FY 2010 annual obligation limitation of $3.5 billion, that are ready-to-go to construction within two years.

E. Water Quality Infrastructure

While the demand for Clean Water State Revolving Fund ("CWSRF") funds is increasing, appropriations have declined significantly. This has created a pent-up demand in the States for project funding. Needs are driven by new treatment requirements that must be met (e.g., to control nutrients, sewer overflows, stormwater and nonpoint sources). In addition, aging infrastructure must be replaced or repaired. The CWSRF serves

communities of all sizes. Seventy-five percent of loans have been made to communities with populations of fewer than 10,000. In dollar terms, 45 percent of the funds have gone to communities with populations of 100,000 or greater.

Additional funds could be put to immediate use in many States, creating much-needed jobs and economic activity. A survey by the Council of Infrastructure Financing Authorities and the Association of State and Interstate Water Pollution Control Administrators ("ASIWPCA") identified $9.12 billion in ready-to-go CWSRF projects in 25 States that cannot be funded within existing appropriation levels. In addition, most wastewater treatment utilities have small capital-related projects on the shelf that could be carried very quickly, such as pumps, compressors, bar screens, trucks, security measures, and polishing pond expansions.

Specific examples, provided by ASIWPCA, are discussed below. These are illustrative of the types of projects States could choose to fund if additional Federal funds are apportioned to the State Revolving Funds.

- Village of Cuba, New York: This project improves a wastewater treatment system. The Village of Cuba is served by a sanitary sewer collection system constructed in the 1920s that utilizes mainly vitrified clay tile piping. The collection system is prone to significant amounts of inflow and infiltration during wet weather. Because of these increases in flow, the Village's wastewater treatment plant frequently exceeds its permitted flow discharge, affecting the water quality of Olean Creek, which supplies the City of Olean, New York, with drinking water. Upgrades to the Village wastewater treatment plant will protect the water quality of Olean Creek and achieve acceptable wastewater treatment for the Town and Village of Cuba. Cost: $2,100,000.

- Westchester County, New York: Westchester County is required, by Order of Consent, to make wastewater treatment and disinfection improvements to its treatment facilities. Westchester County proposes Biological Nitrogen Removal ("BNR") projects at four wastewater treatment facilities that discharge into the Long Island Sound Estuary. These projects are required by the Long Island Sound Comprehensive Conservation and Management Plan. Under the Plan, New York must remove 58.5 percent of the effluent nitrogen from each of these facilities to reduce the frequency, intensity and duration of hypoxia in the bottom waters of Long Island Sound. New York State has executed an Order of Consent with the County of Westchester to govern the BNR upgrades for each of these facilities, as well as improvements to their disinfection systems to prevent acute and chronic toxicity in marine water from chlorine. Cost: $103,000,000.

- North Little Rock, Arkansas: This project improves the White Oak Bayou wastewater treatment plant. North Little Rock has experienced considerable population growth and is seeking to upgrade the White Oak Bayou treatment facility to meet demand. The project will involve increasing the level of treatment and capacity at the White Oak Bayou facility and rehabilitation of the collection system. The project will facilitate the extension of service to new customers. Cost:

$14,000,000.

- Moore Public Works Authority, Moore, Oklahoma: This project improves the existing wastewater treatment facility. The city's current three-million-gallon-per-day wastewater treatment plant was constructed in 1986. The community has experienced rapid population growth within the last few years. To meet existing and future capacity needs as well as recent changes in discharge permit limits for ammonia as required by the Oklahoma Department of Environmental Quality Consent Order, the city would construct improvements to its existing wastewater treatment plant. The project will replace the Rotating Biological Contractor-type treatment process with a Sequential Batch Reactor process and increase treatment capacity to approximately 9.0 MGD, with 12.0 MGD total build-out capacity at a future date. Cost: $30,000,000.

- Pueblo Wastewater Department, Pueblo, Colorado: This project improves the water reclamation facility. Pueblo's existing water reclamation facility was only designed for basic secondary treatment plus disinfection and dechlorination. The 2008 discharge permit renewal contains effluent ammonia limits and a compliance schedule for meeting the limits. It is anticipated that a total phosphorous standard will be imposed by a 2010 nutrient quality rule. The project will convert the water reclamation facility from the existing trickling filter/solids contact process to a three-state activated sludge system for nitrification, first-state denitrification, and biological phosphorous removal. To construct the new facilities and maintain existing ones, a new site dewatering system will be installed. Cost: $22,200,000.

F. Corps of Engineers

Due to relatively flat funding for the Army Corps of Engineers' ("Corps") over the last 20 years, there has been an ever increasing backlog of important flood control, navigation, and environmental restoration projects. This backlog has caused project schedules to lengthen and costs to increase due to inflation. The current total for the backlog of projects is estimated to be $60 billion.

Additional funds could be used for the following purposes:

- to substantially reduce the backlog of critical maintenance and repairs at approximately 360 multiple purpose projects, flood control, hydropower, recreation, water supply and navigation projects and upgrade recreation facilities;

- to repair several high-risk dam safety projects;

- to rehabilitate and upgrade hydropower plants to achieve an industry standard of 98 percent plant availability;

- to recapitalize the oldest and most at-risk projects on our inland waterways system;

- to expedite the construction of critical environmental projects, returning critical

ecosystems to a more natural state sooner than would otherwise be possible. Projects producing beneficial impacts on more than one million acres could be expedited. Of these outputs, approximately 90 percent are nationally significant and would contribute greatly to long-term environmental sustainability;

- to dredge the nation's 296 highest-use, deep-draft commercial ports to their authorized depths. Approximately 94 percent of the nation's imports and exports are carried through these ports;

- to dredge our inland waterways to authorized depth and width to facilitate the movement of approximately 750 million tons of freight per year, including the majority of the nation's agricultural exports and bulk commodities such as iron ore for domestic steel plants, coal for power plants and fertilizer, and bulk road construction materials; and

- to repair and upgrade critical coastal protection projects that serve as a defense to key population centers.

G. **Public Buildings**

According to the General Services Administration ("GSA"), if additional Federal funds were made available, the types of projects that would be ready-to-go include major repair and alteration projects to modernize and upgrade aging Federal buildings nationwide and construction of border stations at both the northern and southern borders of the United States. These projects include critical energy conservation and efficiency initiatives, mechanical, electrical, and plumbing upgrades, and life safety and security projects. Investments in energy conservation and efficiency projects in Federal buildings will significantly lower Federal consumption of electricity. Not only will the projects GSA proposes improve energy efficiency and promote alternative/renewable energy technologies, they will also produce a positive return on investment by reducing operating costs and energy consumption. According to GSA, for every $1 million invested in federal construction, an additional $4.3 million is generated in the local economy. GSA ready-to-go projects include land ports of entry, federal buildings, and courthouses.

WITNESSES

PANEL I

The Honorable Jim Doyle
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The Honorable Astrid Glynn
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