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Research

# MEMO

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**TO: ARTBA MEMBERS**

**FROM: WILLIAM BUECHNER, VP, ECONOMICS AND RESEARCH**

**DATE: FEBRUARY 17, 2010**

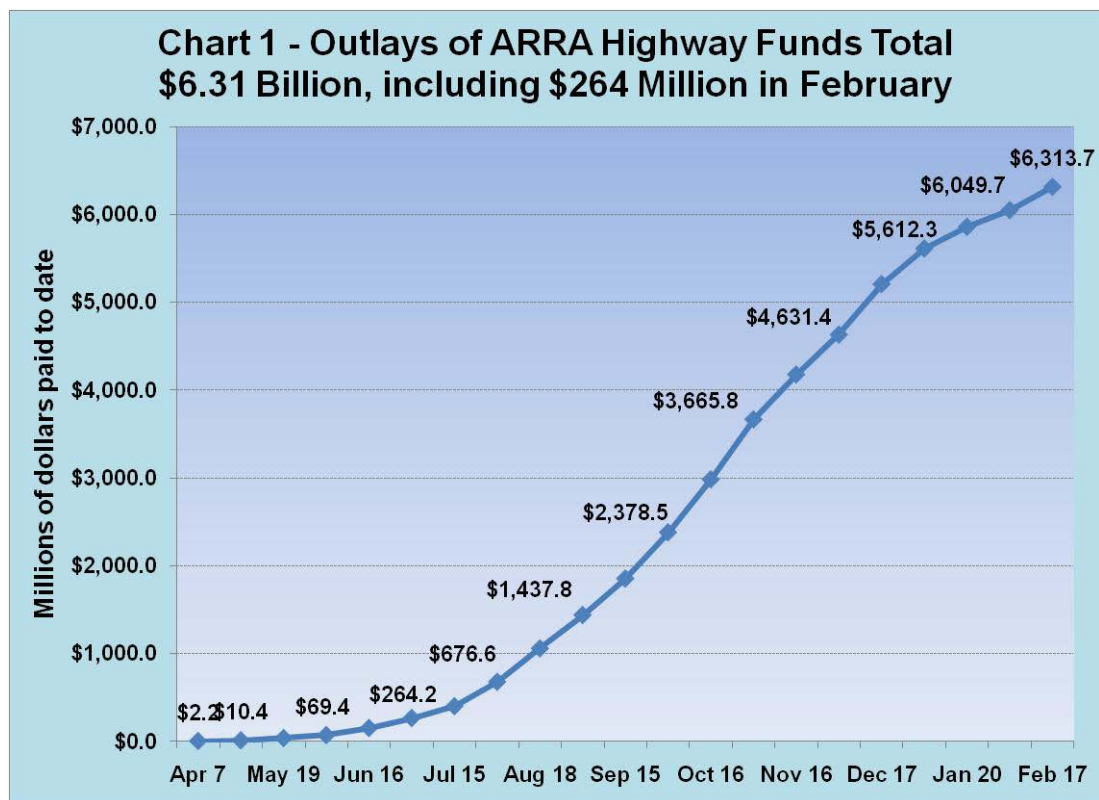
**RE: UPDATE ON OBLIGATION OF ARRA HIGHWAY FUNDS**

The attached charts and tables show obligations and expenditures of American Recovery and Reinvestment Act (ARRA) highway funds as of February 17, 2010, based on data provided to ARTBA by the Federal Highway Administration.

So far during February, state and local DOTs have obligated \$1.45 billion of ARRA highway stimulus funds for highway, bridge and related projects and paid out \$264.0 million to contractors for construction work performed. The following are details on the use of ARRA highway funds as of February 17, 2010:

- On February 5, the Federal Highway Administration issued Notice N4510.720 informing state and local governments that any ARRA highway funds not obligated by 11:59 p.m. March 1, 2010, will be withdrawn by the FHWA and redistributed to other states. This applies to all apportioned funds not obligated by that time, including funds set aside for enhancements and suballocations to local governments. Only states that have no unobligated balance or have only suballocated funds withdrawn may apply for redistributed funds. With just over \$1 billion of ARRA highway funds unobligated as of February 17, this would be the maximum potential redistribution. However, it is likely that most of this will be obligated by the deadline and any actual redistribution will be minimal.
- So far during February, state and local governments have obligated \$1.45 billion of ARRA highway funds for highway, bridge and related construction projects, bringing the total to date to \$25.30 billion or 94.1 percent of the ARRA highway funds apportioned or allocated to date. This is up from \$23.85 billion and 88.7 percent at the end of January.
- \$1.07 billion of ARRA highway funds remain to be obligated as of February 17. The state with the largest unobligated balance is Virginia, with \$175 million or 25 percent of its ARRA funds unobligated. The state with the largest percent of ARRA funds unobligated is Delaware with 36.9 percent yet to obligate. Other states with large unobligated balances include Hawaii with 21.8 percent unobligated, Kansas with 19.6 percent, and Ohio with 12.1 percent.

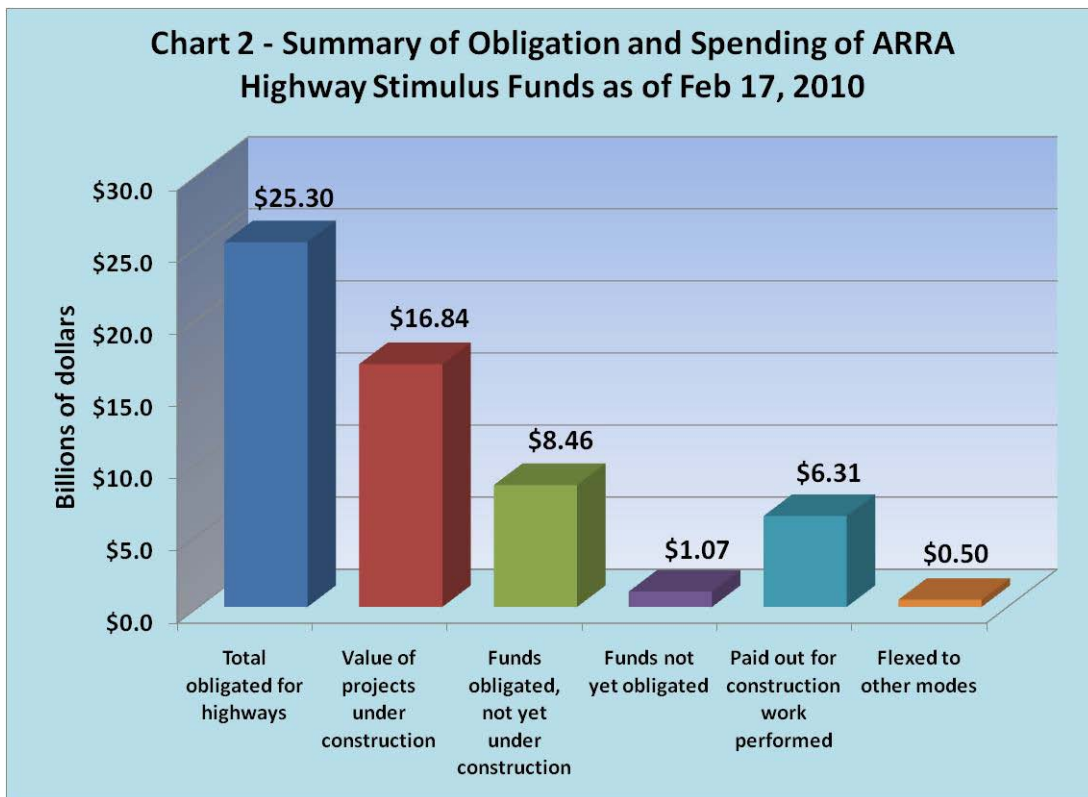
- With highway construction in its annual doldrums because of winter weather, outlays of ARRA highway funds have totaled only \$264.0 million so far during February, or about one-third the rate of outlays recorded during the October 2009 peak. The rate of outlays, however, picked up slightly from the January low (see chart 1 below). Most outlays represent payments to contractors for work performed on ARRA-financed highway and bridge improvement projects.
- Total outlays of ARRA highway funds to date equal \$6.31 billion, representing 23.5 percent of the total appropriated. State and local governments in Illinois continue to lead in outlays for construction work on highway and bridge projects, at \$416.7 million to date, followed closely by Texas at \$399.5 million and California at \$273.3 million. Twenty-three other states have paid out more than \$100 million.



- Utah leads in terms of the largest percent of its ARRA highway funds paid out to date at 68.4 percent, followed by Maine at 65.5 percent, Iowa at 59.2 percent, Wyoming at 54.7 percent and Oklahoma at 52.6 percent. Another five states – Illinois, Minnesota, North Dakota, South Dakota and Vermont -- have hit the 40 percent mark. As of February 17, a total of 36 states have paid out more than 20 percent (up from 34 states at the end of January). Contractors have been paid for construction work in every state plus DC, Puerto Rico and the Virgin Islands.
- As of February 17, three states have obligated 100 percent of their ARRA highway funds for highway improvements, including all funds suballocated to

local governments—Nevada, North Dakota and Wyoming—as has the District of Columbia. Four other states have obligated 100 percent of their ARRA funds when funds flexed to transit or other modes are included. All told, forty-one states and the District of Columbia have now obligated at least 90 percent of their ARRA funds for highway improvements, up from twenty states at the end of December. Bringing up the rear are Delaware, which has obligated only 63.1 percent of its ARRA highway funds for highway, bridge or related improvements as of February 17, followed by Virginia at 67.9 percent (74.8 percent including funds flexed to transit projects).

- The Federal Highway Administration reports that 6,950 ARRA-financed projects are under construction or completed, involving \$16.84 billion of ARRA funds. In addition, there are \$8.46 billion of highway projects for which funds have been obligated but work has not yet started (see chart 2 below).



- To date, twenty-four states have obligated \$502.9 million of ARRA highway funds for non-highway improvements, including \$13.1 million so far during February. Of this total, \$422.8 million has been flexed to transit projects, lead by \$175 million by the state of New York, \$53.2 million by Oregon and \$59.7 million by Massachusetts. Six states (Alaska, Indiana, North Dakota, Ohio, Oregon, and Virginia) have obligated a total of \$80.1 million for freight, passenger rail or port infrastructure projects, as is allowed in the bill.

- When funds flexed to transit and other modes are included, a total of \$25.81 billion of ARRA highway funds have been obligated through February 17, or 96.0 percent of the \$26.88 billion apportioned to date.

TABLE 1 - OBLIGATION OF ARRA HIGHWAY FUNDS  
AS OF FEB 17, 2010

STATE	TOTAL APPORTIONED	TRANSFERS TO FTA/OTHER	TOTAL AVAILABLE FOR HIGHWAYS	OBLIGATIONS FOR HIGHWAYS	UNOBLIGATED BALANCE	UNPAID OBLIGATIONS	OUTLAYS TO DATE
ALABAMA	\$515,111,083.00	\$1,767,770.00	\$513,343,313.00	\$489,447,435.79	\$23,895,877.21	\$380,806,835.66	\$108,640,600.13
ALASKA	\$178,520,994.00	\$5,000,000.00	\$173,520,994.00	\$170,461,487.00	\$3,059,507.00	\$127,220,698.51	\$43,240,788.49
ARIZONA	\$521,958,401.00	\$1,047,382.00	\$520,911,019.00	\$503,930,872.00	\$16,980,147.00	\$396,915,050.19	\$107,015,821.81
ARKANSAS	\$351,894,468.00		\$351,894,468.00	\$349,913,279.00	\$1,981,189.00	\$284,151,037.00	\$65,762,242.00
CALIFORNIA	\$2,573,176,537.00	\$30,618,195.00	\$2,542,558,342.00	\$2,526,192,300.00	\$16,366,042.00	\$2,252,938,491.21	\$273,253,808.79
COLORADO	\$404,174,130.00	\$18,600,000.00	\$385,574,130.00	\$385,574,130.00		\$273,718,886.00	\$111,855,244.00
CONNECTICUT	\$302,053,956.00	\$2,800,000.00	\$299,253,956.00	\$280,470,414.00	\$18,783,542.00	\$231,563,881.24	\$48,906,532.76
DELAWARE	\$121,828,650.00		\$121,828,650.00	\$76,831,095.83	\$44,997,554.17	\$51,796,881.27	\$25,034,214.56
DIST. OF COLUMBIA	\$123,507,842.00		\$123,507,842.00	\$123,507,842.00		\$113,701,880.59	\$9,805,961.41
FLORIDA	\$1,349,735,003.00	\$1,254,296.00	\$1,348,480,707.00	\$1,267,291,062.00	\$81,189,645.00	\$1,137,553,558.06	\$129,737,503.94
GEORGIA	\$932,756,775.00	\$30,000,000.00	\$902,756,775.00	\$836,812,218.59	\$65,944,556.41	\$747,321,960.28	\$89,490,258.31
HAWAII	\$125,746,380.00		\$125,746,380.00	\$98,324,690.97	\$27,421,689.03	\$92,753,440.16	\$5,571,250.81
IDAHO	\$181,934,631.00	\$3,056,000.00	\$178,878,631.00	\$175,425,025.00	\$3,453,606.00	\$135,890,333.28	\$39,534,691.72
ILLINOIS	\$935,592,704.00		\$935,592,704.00	\$920,773,151.00	\$14,819,553.00	\$504,065,499.38	\$416,707,651.62
INDIANA	\$657,967,707.00	\$669,596.00	\$657,298,111.00	\$657,298,111.00		\$460,531,040.79	\$196,767,070.21
IOWA	\$358,162,431.00	\$539,424.00	\$357,623,007.00	\$354,748,031.88	\$2,874,975.12	\$142,838,929.47	\$211,909,102.41
KANSAS	\$348,242,169.00		\$348,242,169.00	\$280,095,424.82	\$68,146,744.18	\$235,447,046.09	\$44,648,378.73
KENTUCKY	\$421,784,991.00	\$955,644.00	\$420,829,347.00	\$404,466,638.50	\$16,362,708.50	\$280,947,333.59	\$123,519,304.91
LOUISIANA	\$433,016,357.00		\$433,016,357.00	\$411,201,148.77	\$21,815,208.23	\$383,356,253.71	\$27,844,895.06
MAINE	\$137,552,032.00		\$137,552,032.00	\$131,002,032.00	\$6,550,000.00	\$40,927,618.39	\$90,074,413.61
MARYLAND	\$432,624,777.00	\$17,100,000.00	\$415,524,777.00	\$414,534,777.00	\$990,000.00	\$311,522,883.00	\$103,011,894.00
MASSACHUSETTS	\$437,865,255.00	\$59,659,500.00	\$378,205,755.00	\$378,205,755.00		\$339,050,088.31	\$39,155,666.69
MICHIGAN	\$855,519,289.00	\$606,119.00	\$854,913,170.00	\$807,239,089.91	\$47,674,080.09	\$589,149,012.72	\$218,090,077.19
MINNESOTA	\$505,550,989.00		\$505,550,989.00	\$501,238,519.82	\$4,312,469.18	\$268,793,227.70	\$232,445,292.12
MISSISSIPPI	\$356,269,358.00		\$356,269,358.00	\$345,932,340.16	\$10,337,017.84	\$211,490,126.02	\$134,442,214.14
MISSOURI	\$638,968,056.54		\$638,968,056.54	\$635,566,359.89	\$3,401,696.65	\$456,646,060.16	\$178,920,299.73
MONTANA	\$212,470,571.00		\$212,470,571.00	\$206,068,246.00	\$6,402,325.00	\$144,865,819.12	\$61,202,426.88
NEBRASKA	\$231,739,279.00		\$231,739,279.00	\$214,822,276.00	\$16,917,003.00	\$136,678,965.22	\$78,143,310.78
NEVADA	\$201,352,460.00		\$201,352,460.00	\$201,352,460.00		\$169,297,500.89	\$32,054,959.11
NEW HAMPSHIRE	\$129,440,556.00		\$129,440,556.00	\$127,671,397.30	\$1,769,158.70	\$79,574,996.62	\$48,096,400.68
NEW JERSEY	\$651,774,480.00		\$651,774,480.00	\$644,405,716.00	\$7,368,764.00	\$500,559,897.55	\$143,845,818.45
NEW MEXICO	\$252,644,377.00		\$252,644,377.00	\$249,275,192.44	\$3,369,184.56	\$189,002,165.27	\$60,273,027.17
NEW YORK	\$1,125,934,723.00	\$175,466,000.00	\$950,468,723.00	\$944,468,723.00	\$6,000,000.00	\$745,049,676.00	\$199,419,047.00
NORTH CAROLINA	\$735,526,684.00	\$5,117,000.00	\$730,409,684.00	\$710,684,939.00	\$19,724,745.00	\$528,628,811.00	\$182,056,128.00
NORTH DAKOTA	\$170,126,497.00	\$2,980,000.00	\$167,146,497.00	\$167,146,497.00		\$92,435,842.47	\$74,710,654.53
OHIO	\$936,477,030.00	\$16,850,000.00	\$919,627,030.00	\$806,404,257.68	\$113,222,772.32	\$686,721,943.38	\$119,682,314.30

TABLE 1 - OBLIGATION OF ARRA HIGHWAY FUNDS (Cont.)  
AS OF FEB 17, 2010

STATE	TOTAL APPORTIONED	TRANSFERS TO FTA/OTHER	TOTAL AVAILABLE FOR HIGHWAYS	OBLIGATIONS FOR HIGHWAYS	UNOBLIGATED BALANCE	UNPAID OBLIGATIONS	OUTLAYS TO DATE
OKLAHOMA	\$464,655,225.00		\$464,655,225.00	\$451,854,855.00	\$12,800,370.00	\$207,233,090.66	\$244,621,764.34
OREGON	\$338,006,997.00	\$62,276,713.00	\$275,730,284.00	\$271,182,463.12	\$4,547,820.88	\$156,018,221.12	\$115,164,242.00
PENNSYLVANIA	\$1,027,679,012.00		\$1,027,679,012.00	\$1,027,679,012.00		\$775,997,750.92	\$251,681,261.08
RHODE ISLAND	\$137,445,725.00		\$137,445,725.00	\$130,185,203.12	\$7,260,521.88	\$82,924,540.90	\$47,260,662.22
SOUTH CAROLINA	\$465,346,229.00		\$465,346,229.00	\$424,689,621.32	\$40,656,607.68	\$330,746,865.59	\$93,942,755.73
SOUTH DAKOTA	\$186,877,359.00		\$186,877,359.00	\$183,278,273.26	\$3,599,085.74	\$106,979,495.33	\$76,298,777.93
TENNESSEE	\$576,501,043.00	\$500,000.00	\$576,001,043.00	\$573,001,043.00	\$3,000,000.00	\$348,719,657.27	\$224,281,385.73
TEXAS	\$2,257,215,146.00	\$17,000,000.00	\$2,240,215,146.00	\$2,123,184,633.71	\$117,030,512.29	\$1,723,721,162.21	\$399,463,471.50
UTAH	\$215,881,395.00		\$215,881,395.00	\$205,990,523.41	\$9,890,871.59	\$58,275,486.47	\$147,715,036.94
VERMONT	\$125,791,291.00		\$125,791,291.00	\$122,949,536.12	\$2,841,754.88	\$62,359,805.09	\$60,589,731.03
VIRGINIA	\$695,660,823.00	\$48,430,459.00	\$647,230,364.00	\$472,196,594.00	\$175,033,770.00	\$421,583,193.00	\$50,613,401.00
WASHINGTON	\$492,992,337.00	\$652,443.00	\$492,339,894.00	\$490,752,961.45	\$1,586,932.55	\$328,965,495.79	\$161,787,465.66
WEST VIRGINIA	\$210,852,204.00		\$210,852,204.00	\$198,847,833.00	\$12,004,371.00	\$124,135,752.53	\$74,712,080.47
WISCONSIN	\$531,307,063.00		\$531,307,063.00	\$529,111,915.00	\$2,195,148.00	\$331,445,543.14	\$197,666,371.86
WYOMING	\$157,616,058.00		\$157,616,058.00	\$157,616,058.00		\$71,337,703.79	\$86,278,354.21
<b>STATE TOTALS</b>	<b>\$26,732,829,529.54</b>	<b>\$502,946,541.00</b>	<b>\$26,229,882,988.54</b>	<b>\$25,161,303,461.86</b>	<b>\$1,068,579,526.68</b>	<b>\$18,854,357,434.11</b>	<b>\$6,306,946,027.75</b>
AMERICAN SAMOA	\$4,500,000.00		\$4,500,000.00	\$4,500,000.00		\$4,448,132.60	\$51,867.40
GUAM	\$18,000,000.00		\$18,000,000.00	\$18,000,000.00		\$18,000,000.00	\$0.00
PUERTO RICO	\$105,000,000.00		\$105,000,000.00	\$105,000,000.00		\$98,396,615.90	\$6,603,384.10
N MARIANA	\$4,500,000.00		\$4,500,000.00	\$4,500,000.00		\$4,480,650.00	\$19,350.00
VIRGIN ISLANDS	\$18,000,000.00		\$15,462,845.00	\$11,511,629.11	\$3,951,215.89	\$11,404,954.73	\$106,674.38
CORPS OF ENGINEERS	\$429,596.00		\$429,596.00		\$429,596.00		
<b>GRAND TOTAL</b>	<b>\$26,883,259,125.54</b>	<b>\$502,946,541.00</b>	<b>\$26,377,775,429.54</b>	<b>\$25,304,815,090.97</b>	<b>\$1,072,960,338.57</b>	<b>\$18,991,087,787.34</b>	<b>\$6,313,727,303.63</b>
Source: ARTBA analysis of Federal Highway Administration data							
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TABLE 2 - PERCENT OF ARRA HIGHWAY FUNDS OBLIGATED AND PAID OUT  
AS OF FEB 17, 2010

STATE	TOTAL APPORTIONED	TOTAL OBLIGATED FOR ALL MODES AS OF FEB 17 /1	OBLIGATIONS AS PERCENT OF TOTAL APPORTIONED /1	OUTLAYS AS OF FEB 17	OUTLAYS AS PERCENT OF TOTAL APPORTIONED
ALABAMA	\$515,111,083.00	\$491,215,205.79	95.4%	\$108,640,600.13	21.1%
ALASKA	\$178,520,994.00	\$175,461,487.00	98.3%	\$43,240,788.49	24.2%
ARIZONA	\$521,958,401.00	\$504,978,254.00	96.7%	\$107,015,821.81	20.5%
ARKANSAS	\$351,894,468.00	\$349,913,279.00	99.4%	\$65,762,242.00	18.7%
CALIFORNIA	\$2,573,176,537.00	\$2,556,810,495.00	99.4%	\$273,253,808.79	10.6%
COLORADO	\$404,174,130.00	\$404,174,130.00	100.0%	\$111,855,244.00	27.7%
CONNECTICUT	\$302,053,956.00	\$283,270,414.00	93.8%	\$48,906,532.76	16.2%
DELAWARE	\$121,828,650.00	\$76,831,095.83	63.1%	\$25,034,214.56	20.5%
DISTRICT OF COLUMBIA	\$123,507,842.00	\$123,507,842.00	100.0%	\$9,805,961.41	7.9%
FLORIDA	\$1,349,735,003.00	\$1,268,545,358.00	94.0%	\$129,737,503.94	9.6%
GEORGIA	\$932,756,775.00	\$866,812,218.59	92.9%	\$89,490,258.31	9.6%
HAWAII	\$125,746,380.00	\$98,324,690.97	78.2%	\$5,571,250.81	4.4%
IDAHO	\$181,934,631.00	\$178,481,025.00	98.1%	\$39,534,691.72	21.7%
ILLINOIS	\$935,592,704.00	\$920,773,151.00	98.4%	\$416,707,651.62	44.5%
INDIANA	\$657,967,707.00	\$657,967,707.00	100.0%	\$196,767,070.21	29.9%
IOWA	\$358,162,431.00	\$355,287,455.88	99.2%	\$211,909,102.41	59.2%
KANSAS	\$348,242,169.00	\$280,095,424.82	80.4%	\$44,648,378.73	12.8%
KENTUCKY	\$421,784,991.00	\$405,422,282.50	96.1%	\$123,519,304.91	29.3%
LOUISIANA	\$433,016,357.00	\$411,201,148.77	95.0%	\$27,844,895.06	6.4%
MAINE	\$137,552,032.00	\$131,002,032.00	95.2%	\$90,074,413.61	65.5%
MARYLAND	\$432,624,777.00	\$431,634,777.00	99.8%	\$103,011,894.00	23.8%
MASSACHUSETTS	\$437,865,255.00	\$437,865,255.00	100.0%	\$39,155,666.69	8.9%
MICHIGAN	\$855,519,289.00	\$807,845,208.91	94.4%	\$218,090,077.19	25.5%
MINNESOTA	\$505,550,989.00	\$501,238,519.82	99.1%	\$232,445,292.12	46.0%
MISSISSIPPI	\$356,269,358.00	\$345,932,340.16	97.1%	\$134,442,214.14	37.7%
MISSOURI	\$638,968,056.54	\$635,566,359.89	99.5%	\$178,920,299.73	28.0%
MONTANA	\$212,470,571.00	\$206,068,246.00	97.0%	\$61,202,426.88	28.8%
NEBRASKA	\$231,739,279.00	\$214,822,276.00	92.7%	\$78,143,310.78	33.7%
NEVADA	\$201,352,460.00	\$201,352,460.00	100.0%	\$32,054,959.11	15.9%
NEW HAMPSHIRE	\$129,440,556.00	\$127,671,397.30	98.6%	\$48,096,400.68	37.2%
NEW JERSEY	\$651,774,480.00	\$644,405,716.00	98.9%	\$143,845,818.45	22.1%
NEW MEXICO	\$252,644,377.00	\$249,275,192.44	98.7%	\$60,273,027.17	23.9%
NEW YORK	\$1,125,934,723.00	\$1,119,934,723.00	99.5%	\$199,419,047.00	17.7%
NORTH CAROLINA	\$735,526,684.00	\$715,801,939.00	97.3%	\$182,056,128.00	24.8%
NORTH DAKOTA	\$170,126,497.00	\$170,126,497.00	100.0%	\$74,710,654.53	43.9%
OHIO	\$936,477,030.00	\$823,254,257.68	87.9%	\$119,682,314.30	12.8%

1 Includes amounts obligated for transit and other eligible modes

TABLE 2 - PERCENT OF ARRA HIGHWAY FUNDS OBLIGATED AND PAID OUT (Cont.)

AS OF FEB 17, 2010

STATE	TOTAL APPORTIONED	TOTAL OBLIGATED FOR ALL MODES AS OF FEB 17 /1	OBLIGATIONS AS PERCENT OF TOTAL APPORTIONED /1	OUTLAYS AS OF FEB 17	OUTLAYS AS PERCENT OF TOTAL APPORTIONED
OKLAHOMA	\$464,655,225.00	\$451,854,855.00	97.2%	\$244,621,764.34	52.6%
OREGON	\$338,006,997.00	\$333,459,176.12	98.7%	\$115,164,242.00	34.1%
PENNSYLVANIA	\$1,027,679,012.00	\$1,027,679,012.00	100.0%	\$251,681,261.08	24.5%
RHODE ISLAND	\$137,445,725.00	\$130,185,203.12	94.7%	\$47,260,662.22	34.4%
SOUTH CAROLINA	\$465,346,229.00	\$424,689,621.32	91.3%	\$93,942,755.73	20.2%
SOUTH DAKOTA	\$186,877,359.00	\$183,278,273.26	98.1%	\$76,298,777.93	40.8%
TENNESSEE	\$576,501,043.00	\$573,501,043.00	99.5%	\$224,281,385.73	38.9%
TEXAS	\$2,257,215,146.00	\$2,140,184,633.71	94.8%	\$399,463,471.50	17.7%
UTAH	\$215,881,395.00	\$205,990,523.41	95.4%	\$147,715,036.94	68.4%
VERMONT	\$125,791,291.00	\$122,949,536.12	97.7%	\$60,589,731.03	48.2%
VIRGINIA	\$695,660,823.00	\$520,627,053.00	74.8%	\$50,613,401.00	7.3%
WASHINGTON	\$492,992,337.00	\$491,405,404.45	99.7%	\$161,787,465.66	32.8%
WEST VIRGINIA	\$210,852,204.00	\$198,847,833.00	94.3%	\$74,712,080.47	35.4%
WISCONSIN	\$531,307,063.00	\$529,111,915.00	99.6%	\$197,666,371.86	37.2%
WYOMING	\$157,616,058.00	\$157,616,058.00	100.0%	\$86,278,354.21	54.7%
<b>STATE TOTALS</b>	<b>\$26,732,829,529.54</b>	<b>\$25,664,250,002.86</b>	<b>96.0%</b>	<b>\$6,306,946,027.75</b>	<b>23.6%</b>
AMERICAN SAMOA	\$4,500,000.00	\$4,500,000.00	100.0%	\$51,867.40	1.2%
GUAM	\$18,000,000.00	\$18,000,000.00	100.0%	\$0.00	0.0%
PUERTO RICO	\$105,000,000.00	\$105,000,000.00	100.0%	\$6,603,384.10	6.3%
N MARIANA	\$4,500,000.00	\$4,500,000.00	100.0%	\$19,350.00	0.4%
VIRGIN ISLANDS	\$18,000,000.00	\$11,511,629.11	64.0%	\$106,674.38	0.6%
CORPS OF ENGINEERS	\$429,596.00				
<b>GRAND TOTAL</b>	<b>\$26,883,259,125.54</b>	<b>\$25,807,761,631.97</b>	<b>96.0%</b>	<b>\$6,313,727,303.63</b>	<b>23.5%</b>
Source: ARTBA analysis of Federal Highway Administration data					
1 Includes amounts obligated for transit and other eligible modes					
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