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September 18, 2009

The Honorable James L. Oberstar  
Chairman  
U.S. House of Representatives  
Committee on Transportation and Infrastructure  
Washington, DC 20515

Dear Chairman Oberstar:

I appreciate this opportunity to respond to your request for updated information on previously reported data elements, and to explain how Missouri has distributed its Highway Infrastructure Investment Recovery Act funds to both economically distressed areas and geographic locations within the state.

As of August 31, 2009, Missouri was allocated \$638 million in Recovery Act Highway Infrastructure funds, of which \$525 million was allocated directly to the Missouri Highways and Transportation Commission (MHTC) as discretionary funds. To date, all \$638 million has been programmed for specific projects. Project selection was conducted by the Missouri Department of Transportation (MoDOT) staff, Regional Planning Commissions, Metropolitan Planning Organizations, local elected officials, and with assistance from the Federal Highway Administration (FHWA). Projects were selected based on Recovery Act factors, such as shovel ready status, location in economically distressed counties, job creation opportunities, existing Federal rules and regulations and MHTC's funding distribution requirements.

Missouri's final list of Recovery Act projects contains 269 projects, of which 189 are located in economically distressed areas. This accounts for 63% of the total dollars allocated in Missouri going to economically distressed areas or approximately \$404 million. As of August 31, 2009, Missouri has obligated a total of \$388 million and of this amount, 65% (\$252 million) is located in economically distressed areas. Of the total allocation amount of \$638 million, 40% was obligated in economically distressed areas as of August 31, 2009.

Additional background information may be helpful in underscoring the significant impact of these numbers. As required by the Act, funds going to sub-allocated areas are restricted to areas with populations over 200,000. In Missouri, only four (4) of the eleven (11) counties making up the sub-allocated areas are economically distressed. Nevertheless, Missouri was still able to distribute 49% of its sub-allocated funds to economically distressed areas. Moreover, based on calculations completed by FHWA, and derived from the Bureau of Labor Statistics and Bureau of Economic Analysis data, it was determined that out of Missouri's 114 counties and 1 city, not within a county, that 100 of them have been identified as economically distressed.

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Interestingly, 55% of Missouri's population resides in these counties. Following FHWA recommendation, the percentage of projects that are programmed for the economically distressed areas should be at least equivalent to the percentage of population in economically distressed areas within the state. Accordingly, Missouri has exceeded this percentage and shown its commitment in giving priority to economically distressed areas as required by the Recovery Act.

Missouri's distribution to economically distressed areas is also significant in light of the fact that the distribution of the total allocated funds began with the requirements of the Act that \$93 million be sub-allocated to areas with populations over 200,000, \$80 million to areas between 5,000 and 200,000 and \$17 million to areas with a population under 5,000. Further, \$19 million is to be used for Transportation Enhancement projects only.

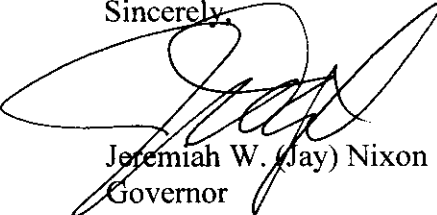
Likewise, MHTC has been diligent in its efforts to equitably distribute funds geographically based upon identified projects that meet Recovery Act requirements. The MHTC's discretionary fund allocation methodology yields \$277 million (48%) to urban areas or transportation management areas with populations greater than 200,000, and \$300 million (52%) to rural. Because these funds were designated based on approved projects rather than a specific dollar amount, it yields a slight variance in percentage allocation for the rural and urban areas but still proves consistent with MHTC current funding distribution policy.

The distribution amount includes an original programmed amount for MHTC discretionary projects worth \$577 million. This is approximately 10% greater than MHTC's actual discretionary allocation of \$525 million. This larger amount was used to take advantage of the current bidding environment and ensure eligibility for any redistributed funds.

As a further part of the equitable distribution to geographic areas, out of the \$577 million, \$254 million (44%) was distributed to preservation/rehabilitation type projects based on lane miles of highways, square footage of bridges, and vehicle miles traveled. The remaining \$322 million (56%) was distributed to system expansion projects based on population, employment and vehicle miles traveled.

Per your request, I have also provided an update to the required data elements in the attached excel spreadsheet. I trust you will find that Missouri is working hard to use its Highway Infrastructure Investment Recovery Act funds to preserve and create jobs, promote economic recovery, assist those most impacted by the recession, and invest in transportation as quickly as possible consistent with prudent management as required by the Recovery Act.

Sincerely,



Jeremiah W. (Jay) Nixon  
Governor