American Rescue Plan Act Survey Responses

AASHTO Staff sent out a survey to Committee on Funding and Financing members on 8/6/21. Responses were collected until 8/20/21

The American Rescue Plan Act (ARPA) signed into law in March 2021 provides \$350 billion in additional funding to state and local governments. In May, the Department of Treasury released <u>details</u> on the ways funds can be used to respond to pandemic response needs, fill revenue shortfalls, and support communities hardest hit by the pandemic.

The following are the survey questions:

- 1) Is your State DOT receiving a direct allocation of their state's portion of ARPA funds?
- 2) If so, from which of the seven categories above is the State DOT utilizing eligibility? If available to share, the allocation of State DOT funds under these categories would be helpful.

Seven categories identified by the Treasury Department for use of state and local ARPA funds:

- 1) Supporting the public health response
- 2) Addressing the negative economic impacts caused by the public health emergency
- 3) Serving the hardest-hit communities and families
- 4) Replacing lost public sector revenue
- 5) Providing premium pay for essential workers
- 6) Investing in water and sewer infrastructure
- 7) Investing in broadband infrastructure

Summary of responses:

- We received responses from 24 states, with the following breakdown:
 - Five states (CO, FL, LA, MD, and WA) have already received funding. Colorado and Florida received direct funds while Louisiana and Washington secured their funds indirectly through a legislature-approved budget. Maryland received both direct and indirect allocations.
 - All five states received funding for replacement of lost public sector revenue (#4). Florida had funding allocated for addressing the negative economic impacts caused by the public health emergency (#2), Maryland has funds for providing premium pay for essential workers (#5), and Washington received funds for investing in water and sewer infrastructure (#6).
 - Three states (DE, OR, and SC) anticipate receiving funds for the DOT in the near future.
 - The remaining 16 states are unsure if they will receive a direct allocation of ARPA funds or have been told they will not receive direct allocations but may receive the funds indirectly through legislative measures, like a budget.

Individual State Responses:

Colorado: Colorado DOT is receiving \$343.5 M through the ARPA, with the funds coming to us under category 4.

Connecticut: No. CT DOT was not allocated any of the Coronavirus State and Local Fiscal Recovery Funds administered by the U.S. Department of the Treasury. - The only ARPA funds allotted to CTDOT were from FTA public transit funds under sections 5307, 5310 and 5311.

Delaware: Del DOT will receive funding from the ARPA, but the state senate is currently drafting the budget so there is no detailed information on the apportionment yet.

Florida: Yes, FDOT is receiving ARPA funds

- Yes, \$1,634,807,337
- #2 and #4. We are allocating \$250M to Florida's seaports to offset revenue losses and address economic impacts (categories #2 and #4), and \$1.38B for state highway system projects. We are prioritizing state highway system projects that were deferred or deleted due to revenue shortfalls as a result of COVID-19 (category #4)

Georgia: GDOT has not received funds as of this date

Illinois: Illinois DOT did not receive any of these ARPA funds for transportation

Iowa: The Iowa DOT is not receiving a direct allocation of ARPA funds.

Louisiana: Louisiana's legislature appropriated \$563M to DOTD under the category of government services as pay go funded building of infrastructure. This was part of the State's allocation for replacing loss public sector revenue (#4).

Maryland: In addition to the direct ARPA funding that the Maryland Department of Transportation is receiving for transit and airports, MDOT is also receiving \$501M from the State's ARPA funds. \$1M is for category 5, providing premium pay for essential workers. \$500M is for category 4, replacing lost public sector revenue. The \$500M was the result of a joint executive-legislative agreement on a framework for use of ARPA funds.

Michigan: Not at this point. There is funding for Aeronautics and Transit, but we assume you are referring to other funds in ARPA. There was a proposal by the Legislature to fund bridge improvements, but at this time we don't believe this would be an eligible use of ARPA funds. No Legislative action has been taken at this time for the ARPA funds

Mississippi: Mississippi DOT is not receiving a direct allocation of our state's portion of ARPA funds.

Missouri: Missouri is still discussing how the ARPA funds will be distributed. Much of the discussion currently is focused on broadband improvements, a variety of capital improvements (many at colleges and universities) and workforce/education.

Montana: The Montana Department of Transportation isn't receiving a direct allocation of the \$350 B in ARPA funding set aside as additional funding to state and local govt. We did receive some transit/aero funding through the bill -but I believe those are outside of the category of funds you are asking about. –

 In Montana - there is an application/award process in place for the state/local additional funds. MDT had some initial discussions of applying - but haven't pursued submitting an application.

Nebraska: The decision for ARPA funding allocation has not been made yet.

New Hampshire: It is uncertain at this time whether New Hampshire DOT will receive ARP funds.

New York: The use of these funds for transportation related purposes remains under discussion. Given that New York was hit extraordinarily hard by the pandemic, our State Division of Budget (our equivalent of OMB) continues to assess the economic impacts to the State. Even with the state and local relief included in the recovery bills, New York and its municipalities are still facing significant recurring pandemic related deficits in the out years

North Carolina: North Carolina DOT is not receiving a direct allocation of their state's portion of ARPA funds.

North Dakota: To answer your question, at this point it is undetermined if we will receive any of the American Rescue Plan Act funds.

Ohio: Ohio DOT did not receive a direct allocation of our state's portion of ARPA funds. Ohio's ARPA funds went directly to the Ohio Office of Budget & Management (OBM). At this point in time, Ohio DOT has submitted a request for Ohio ARPA funds for key DOT initiatives currently pursuing

Oregon: Oregon DOT will receive about \$130 million in ARP funds, either directly for ODOT projects or as pass-through to local government projects. These funds were all earmarked by the Legislature. We believe these will be under the category of replacing lost public sector revenue but that has not yet been made clear to us.

South Carolina (Attachments):

- The final determination on how South Carolina's ARP funds is still in development. The Governor convened a special committee to review possible allocations. The committee considered favorably a proposal by SCDOT to use \$156M to rebuild the interchange at I-26 and I-95 and move that project up by approximately six years. The General Assembly is making final appropriations decisions on the use of ARP funds and recently started committee work on determining distributions.
- SCDOT used the revenue loss calculation for making a case for ARP funds. Find attached a preliminary calculation we used to determine eligibility for \$156M based on Treasury's guidance. Also attached is SCDOT's white paper on how ARP funds can be used for transportation projects.

Texas: No, there has been no direct allocation of the state's portion of ARPA funds to TxDOT. ARPA did include small direct distributions for economic relief to eligible commercial service, reliever, and general aviation airports as well as funds to assist with operating costs and to support rural transit agencies, transit service for the elderly and individuals with disabilities that were received directly to TxDOT.

Virginia: Virginia DOT has not received any ARPA funding; however, the Department of Rail and Public Transportation (DRPT) is separate from VDOT, but \$4,693,949 in ARPA funds were appropriated to DRPT for the following purposes:

- Other Grants: Enhanced Mobility of Seniors & Persons with Disabilities State (US DOT)
- Other Grants: FTA Intercity Bus Formula
- Other Grants: FTA Nonurbanized Area Formula (US DOT)

Washington:

- 1) Is your State DOT receiving a direct allocation of their state's portion of ARPA funds?
 - a. No, but a portion was indirectly allocated to the Washington State Department of Transportation through the biennial budget process
- 2) If so, from which of the seven categories above is the State DOT utilizing eligibility? If available to share, the allocation of State DOT funds under these categories would be helpful.
 - a. \$600 million is allocated for category 4 (Replacing lost public sector revenue) and \$400 million is allocated for category 6 (Investing in water and sewer infrastructure)