

Highway Program Funding for Oregon Local Governments under the American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act (ARRA, HR 1) will provide Oregon about \$334 million in federal highway program funding. The act requires each state to suballocate 30% of highway program funds to local governments according to the Surface Transportation Program (STP) formula. In Oregon, this amounts to about \$100 million that will be shared with cities, counties, and metropolitan planning organizations (MPO) according to the state's STP distribution formula. Under the ARRA, each jurisdiction will receive more than double their annual allocation of STP funds.

Metropolitan Planning Organizations

Federal law requires that states provide each metropolitan planning organization with a population larger than 200,000 (known as Transportation Management Areas, or TMAs) an allocation of funds. Under the ARRA, each of Oregon's three large MPOs will receive a share of the 30% of funds allocated to local governments based on their share of the state's population. Metro will receive about \$38 million, the Salem/Keizer area will receive about \$6 million, and Eugene/Springfield will receive about \$6.6 million.

Cities and Counties

Oregon distributes STP funds to cities with populations over 5000 that are not in an MPO, counties, and MPOs with populations of 50,000 to 200,000 under a working agreement developed with cities and counties. Under a plan endorsed by the Oregon Local Program Committee, a partnership between ODOT, cities, counties, and the Federal Highway Administration, allocations to each local government will be based on their share of the annual STP formula funding. Cities, counties, and the smaller MPOs will receive a total of about \$44 million.

Other Local Governments

To fulfill a requirement to spend funds in areas with populations under 5000, \$5 million will be set aside for jurisdictions that do not receive STP allocations, primarily small cities. The Oregon Local Programs Committee will select projects from those proposed by eligible agencies.

MPOs, cities, and counties that receive an allocation of stimulus funding are responsible for selecting one or more eligible projects to build. Because all federal highway program funds flow through state DOTs, ODOT will administer the funds and oversee projects. Each project will require signing an Intergovernmental Agreement (IGA) between ODOT and the local government sponsor. ODOT will work closely with local governments to move projects forward quickly through the federal highway process.

Area	Amount
Transportation Management Areas	
<i>Metro</i>	\$38 million
<i>Salem-Keizer Area Transportation Study</i>	\$6 million
<i>Central Lane Metropolitan Planning Organization</i>	\$6.6 million
Cities, Counties, and smaller MPOs	\$44 million
Non-STP agencies	\$5 million