



Highlights of [GAO-11-610T](#), a testimony before the Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

The American Recovery and Reinvestment Act of 2009 (Recovery Act) provided more than \$48 billion to the Department of Transportation (DOT) to be distributed through existing programs and through two new competitive grant programs—high speed intercity passenger rail and the Transportation Investment Generating Economic Recovery (TIGER) program. As requested, this testimony addresses the (1) status and use of Recovery Act transportation funds, (2) outcomes and long-term benefits of Recovery Act transportation investments, and (3) lessons learned from DOT's and states' experiences implementing the Recovery Act. GAO reviewed prior and ongoing work, federal legislation, and guidance. GAO also analyzed Recovery Act data and interviewed federal, state, and local officials.

What GAO Recommends

This testimony does not include new recommendations. In our past work, GAO recommended that the Secretary of Transportation take several actions, such as directing the Federal Highway and Federal Transit administrations to determine the data needed to assess the impact of Recovery Act projects; we recently recommended that the Federal Railroad Administration and DOT better document decisions regarding their competitive grant programs. DOT has addressed some GAO recommendations, but others remain open. We will continue to track them. GAO provided a draft of this statement to DOT and incorporated its comments where appropriate.

View [GAO-11-610T](#) or key components. For more information, contact Phillip R.Herr at (202) 512-2834 or herrp@gao.gov or Susan A. Fleming at (202) 512-2834 or flemings@gao.gov

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RECOVERY ACT

Use of Transportation Funds, Outcomes, and Lessons Learned

What GAO Found

As of March 31, 2011, more than \$45 billion (about 95 percent) of Recovery Act transportation funds had been obligated for over 15,000 projects nationwide, and more than \$26 billion had been expended. States and other recipients continue to report using Recovery Act funds to improve the nation's transportation infrastructure. Highway funds have been primarily used for pavement improvement projects and transit funds have been primarily used to upgrade transit facilities and purchase new vehicles. Recovery Act funds have also been used to rehabilitate airport runways and improve Amtrak's infrastructure. DOT continues to obligate funds for its high speed intercity passenger rail and TIGER grant programs. As of March 31, 2011, DOT had obligated nearly all of the \$1.5 billion in TIGER funds for 51 surface transportation projects.

The Recovery Act helped to fund transportation jobs, but long-term benefits are unclear. For example, according to available data, Recovery Act transportation projects supported about 50,000 full-time equivalents (FTE) in the three months from October through December 2010. The most recent data showed that highway projects accounted for about two-thirds of the transportation FTEs reported, and the remaining one-third of the FTEs were attributed to transit and other transportation projects. However, the impact of Recovery Act investments in transportation is unknown, and GAO has recommended that DOT determine the data needed to assess the impact of these investments. Although DOT has set broad performance goals for its high speed intercity passenger rail and TIGER programs—and is currently evaluating the best methods for measuring objectives and collecting data—it has not committed to assessing the long-term benefits of the Recovery Act investments in transportation.

Certain Recovery Act provisions meant to stimulate the economy, but not typically required under existing DOT programs, proved challenging. For example, GAO has reported on numerous challenges DOT and states faced in implementing the transportation maintenance-of-effort requirement, which required states to maintain their planned levels of spending over approximately 18 months or be ineligible to participate in the August 2011 redistribution of obligation authority under the Federal-Aid Highway Program. A January 2011 preliminary DOT report found that 29 states met the requirement while 21 states did not. In this report, DOT also discussed how the maintenance-of-effort provision could be improved. With regard to the high speed intercity passenger rail and TIGER programs, GAO found that while DOT generally followed recommended grant-making practices, DOT could have better documented its award decisions. For example, the Federal Railroad Administration could have developed clearer records for how it made award decisions. Without a clear record of selection decisions, DOT is vulnerable to criticism about the integrity of its decisions. Likewise, DOT did not clearly document its final decisions and rationale for selecting recommended TIGER projects.