



## **Transportation Investment Equals Jobs, Both Now and Later 640,000 Americans Working as a Result of Stimulus Act**

**Six percent of the ARRA funding – the amount dedicated to transportation – has created or supported 30 percent of the jobs created or saved under ARRA.**

In the face of continuing unemployment, America is searching for a solution to jumpstart our economic recovery. Some simple figures can clear the air on what is working now and will continue to work in the future – transportation investment.

- Of the total funding contained in the American Recovery and Reinvestment Act, 6 percent (some \$48 billion) was directed to transportation.
- In a December 3rd report, the House Transportation and Infrastructure Committee, estimated based on state reports, that 210,000 direct on-project jobs were created by ARRA as of Nov. 20.
- The Congressional Budget Office reported that 640,000 direct jobs were created overall by ARRA (including all money). **Therefore, using these numbers, 6% of the funding provided to transportation has created or supported 30% of the ARRA jobs.**

**Without ARRA transportation dollars, the unemployment numbers in transportation construction would be worse.**

The construction industry has been particularly hard hit by the recession and the collapse of the housing industry, with the latest reports showing unemployment levels of over 20 percent. Transportation spending is the only highlight in the otherwise faltering construction spending sector.

- The U.S. Census Bureau reported that highway and street construction spending in November was 5.7% higher than it was in November a year ago, and other public transportation construction spending was up 18.8% from a year ago. By contrast, overall construction spending was down 13% from a year ago, to the lowest level in six years.
- In absolute terms, overall public construction rose by \$8.3 billion in November 2009 from November a year ago. All of that (more than all of that) was accounted for by highways, streets, and other public transportation construction projects, which rose by \$9.2 billion
- As of January 8, 2009 The FHWA reports that 6,333 highway projects were under construction in the U.S. valued at \$15.2 billion. Of the \$26.8 billion made available through ARRA for highway projects, 84% or \$22.5 billion had been obligated or committed to specific projects.

**It's not just about job numbers – it's about REAL people going to work and bringing home a paycheck instead of an unemployment check.**

However, statistics do not tell the story nearly as well as examples. The following are only a few that will be included in an upcoming report from AASHTO on the impacts of the transportation funding under the ARRA.

**Michigan:**

In the northern suburbs of Detroit, the M-59, ARRA project includes approximately five miles of reconstruction and widening for a road that has been a bottleneck for over 10 years. Work is expected to be completed by November 2010.

This project completes a gap in the six lane M-59 freeway, which serves as a major commuter and east-west connector route. The project will have long term economic benefits by improving the capacity of the corridor and relieving congestion along the area that supports many high-tech research and manufacturing facilities, and connects them to the major interstate trade routes of I-75 and I-94. **1,241 jobs have been created or saved (persons who would have otherwise been laid off) as a result of the \$50 million ARRA investment.**

**Texas:**

ARRA funding provided nearly one-fourth of the \$1 billion needed for the 8.4 mile Dallas-Fort Worth Connector, designed to improve heavy congestion affecting commuters and access to one of the nation's busiest airports. **With actual construction beginning in February, more than 150 direct planning and engineering jobs, including designers, construction engineers and oversight engineers and technicians, are now employed on this project. Approximately 400 direct construction jobs will be created as construction begins next month.** It is anticipated that numerous permanent jobs also will be created as a result of the benefits of this project for the region.

**Pennsylvania:**

Using ARRA Dollars, PennDOT opened bids for the first stimulus project, the Pleasant Gap resurfacing project, on March 12, 2009. The \$2.8 million project was aimed at State Route 26, which carries 8,000 vehicles daily between State College (home of Penn State University) and Lock Haven, Pennsylvania. Route 26 also serves as a connector to both Interstates 80 and 99 in the area. **“Without stimulus funding there would be about 200 fewer people working right now,” said Michael Hawbaker, executive vice president for materials and transportation at State College-based Glenn O. Hawbaker, Inc. “This is a very positive end to 2009. Much better than we were expecting last year.”**

**What's Ahead: We need to continue the Jobs creation story -- AASHTO Ready to Go Projects – Facts and Figures**

- AASHTO surveyed its member state DOTs in Dec. 2009 to identify projects they have “ready to go” if more funding were made available. Our survey has found 9,600 projects valued at more than \$70 billion that could be approved within 120 days of enactment of a jobs bill.

- State DOTs have proven that these “ready to go” projects put people back to work, quickly and efficiently. AASHTO strongly encourages Congress to consider using its survey to make the case for greater investment in transportation infrastructure projects which are guaranteed to create jobs.
  
- All 50 states met the June 30 deadline for obligating at least half of their highway and bridge funds. In mid-November the number of transportation recovery projects obligated topped 10,000– that’s almost equal to the number of projects states had identified in a survey released a in December 2009, of “Ready to Go” projects.
  
- All funds provided by the recovery act for transportation infrastructure will be committed by early next year. The House of Representatives has passed legislation (H.R. 2847) to provide another \$37 billion for transportation projects to keep the current momentum going.
  
- State transportation departments stand ready to deliver infrastructure projects that are a “win-win” for the United States. Not only will additional federal investment in transportation construction produce thousands of new jobs, these dollars will also create long-lasting infrastructure to support economic growth, a cleaner environment, and better mobility for millions of Americans.