



Iowa Department of Transportation

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March 19, 2009

The Honorable Ray LaHood
Secretary of Transportation
United States Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

RE: Iowa American Recovery and Reinvestment Act of 2009 (ARRA)
Section 1201 Certification

Dear Secretary LaHood:

The purpose of this letter is to serve as a transmittal for Iowa's 1201 Maintenance of Effort Certification duly signed by Iowa Governor Chet Culver and attached. Please note that there are two attachments to the certification, as follows:

1. Attachment 1 fulfills the ARRA requirement to identify the amounts of funds the State of Iowa planned to expend from State sources as of February 17, 2009, for the period of February 17, 2009, through September 30, 2010, for the types of projects funded by ARRA.
2. Attachment 2 lists some of the key assumptions and considerations used by the Iowa Department of Transportation in developing the amounts shown in the first attachment.

I trust that this certification and its attachments, as hereby transmitted to you Thursday, March 19, 2009, satisfy the Section 1201 Certification requirements. Please let me know if you have any questions or comments or need anything additional.

Sincerely,

A handwritten signature in cursive script, appearing to read "Nancy J. Richardson".

Nancy J. Richardson
Director

NJR:ckw
Attachments



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

March 19, 2009

The Honorable Raymond H. LaHood
Secretary of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Certification under Section 1201 of the American Recovery and Reinvestment Act

Dear Secretary LaHood:

Pursuant to Title XII, section 1201 of the American Recovery and Reinvestment Act (Pub. L. 111-5 [February 17, 2009]) (ARRA), I hereby certify that the State of Iowa will maintain its efforts regarding State funding for the types of projects in U.S. Department of Transportation (DOT) "covered programs" funded under ARRA. The attached list of DOT "covered programs" identifies the projected amounts of funds the State plans to expend from State sources from February 17, 2009, to September 30, 2010, for the types of projects under the DOT "covered programs" funded under ARRA.

I understand that, if the State of Iowa is unable to maintain the projected level of effort identified in the attached list, the State of Iowa will be prohibited from receiving additional limitation pursuant to the redistribution of the limitation on obligations for Federal-aid highway and highway safety construction programs that occurs after August 1 for fiscal year 2011.

Sincerely,

Chester J. Culver
Governor of Iowa



American Recovery and Reinvestment Act of 2009 (ARRA)
Attachment to Certification under Section 1201

Iowa will maintain its current state revenue stream for transportation purposes. With the exception of funding for a few non-highway programs, most state transportation user fee revenues are constitutionally dedicated for transportation.

The following list is an estimate of state expenditure amounts under ARRA “covered programs,” based on our current forecast of state revenues available through our state transportation user fees. These estimates represent the planned state expenditures for types of projects under the ARRA “covered programs” and are based on the best information available at this time. Actual state user fees available for transportation improvements may increase or decrease depending on transportation user behavior.

- Supplemental Discretionary Grants for a National Surface Transportation System”- Office of the Secretary of Transportation-
 - To the extent that the state provides funding to eligible projects in this federal category, it is included in the other program specific categories below
- Supplemental Funding for Facilities and Equipment”- Federal Aviation Administration-
 - To the extent that the state provides funding in this federal category, it is included in the “Grants-in-Aid for Airports” category
- “Grants-in-Aid for Airports” - Federal Aviation Administration-
 - \$4.53 million – based on existing appropriations and current projections of state aviation user fees
- “Highway Infrastructure Investment” - Federal Highway Administration-
 - \$ 468.3 million – based on existing appropriations and current projections of state highway user fees
- “Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service”- Federal Railroad Administration-
 - \$0
- “Capital Grants to the National Railroad Passenger Corporation”- Federal Railroad Administration-
 - Not applicable
- “Transit Capital Assistance”- Federal Transit Administration-
 - \$880,000
- “Fixed Guide way Infrastructure Investment”- Federal Transit Administration-
 - Not Applicable
- “Capital Investment Grants”- Federal Transit Administration-
 - Not Applicable
- Supplemental Grants for Assistance to Small Shipyards”- Maritime Administration-
 - Not applicable

American Recovery and Reinvestment Act of 2009 (ARRA)
Attachment to Certification under Section 1201

Key Assumptions and Considerations for Quantifying the State of Iowa's Maintenance of Effort
for Purposes of Complying with Section 1201 of ARRA

1. For Highway Infrastructure Investment program expenditures for highway projects, the term "expend" was defined to mean the funds have been authorized to a project that has been let and awarded. For Highway Infrastructure Investment program expenditures for transportation enhancement projects or other non-highway projects, and for Grants-in-Aid for Airports and Transit Capital Assistance program expenditures, "expend" was defined to mean that funds have been awarded to and contracts executed with successful local applicants.
2. With just a few exceptions, levels of state appropriated funding for Grants-in-Aid for Airports and Highway Infrastructure Investment programs in Iowa are not dollar specific. They are standing appropriations in the Code of Iowa based on the amount of revenue generated from various user fees. As such, the amount available for expenditure is not known until the revenues have been collected by the state. Therefore, the majority of the maintenance of effort amounts for Highway Infrastructure Investment and Grants-in-Aid for Airports shown on Attachment 1 are estimates based on current projections of future state user fee collection levels.
3. The pace at which state funds are expended for the "covered programs" funded under ARRA is an estimate based on using, among other things, historical trend data related to such things as continued project readiness through the development process and construction season work day availability due to weather. As a result of these types of unpredictable and uncontrollable occurrences, expenditure pace will fluctuate from predictions.
4. The vast majority of Iowa's state funding for the "covered programs" funded by ARRA is restricted for specific transportation purposes by the Iowa Constitution. There is a very rigorous process required to amend the Iowa Constitution, which could not be accomplished in the eighteen month period in question. In addition, distribution and more detailed allowable use requirements are further defined in the Code of Iowa. Any change to laws in the Code of Iowa requires legislative action and the Governor's signature. As a result, the commitment of these funds, both in the Iowa Constitution and the Code of Iowa, to the intended transportation purposes affords them a high level of protection and assurance that they must and will continue to be used for the intended transportation purposes.