

Federal-Aid Highway State Match

FY2023 Request: \$70,200,000
Reference No: 64125

AP/AL: Allocation

Project Type: Construction

Category: Transportation

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Dom Pannone

Estimated Project Dates: 07/01/2022 - 06/30/2027

Contact Phone: (907)465-2956

Appropriation: Federal Program Match

Brief Summary and Statement of Need:

State match is required for approximately \$670 million in federal-aid highway funding. These funds may also be used for advanced acquisition of Right-of-Way (ROW) parcels for projects that are eligible for federal funding. These ROW parcels can be used in lieu of the State matching funds on a federally-funded project. It is also allowable that match funds be used for correcting off-system bridges. When the State performs work on improving bridges with non-federal funds, the value of this work can be credited as required match toward federally-funded bridge work. This means each such match dollar serves the State twice, once correcting a bridge problem and again as a match credit.

Funding:	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total
1003 G/F Match	\$70,200,000	\$70,200,000	\$70,200,000	\$70,200,000	\$70,200,000	\$62,400,000	\$413,400,000
Total:	\$70,200,000	\$70,200,000	\$70,200,000	\$70,200,000	\$70,200,000	\$62,400,000	\$413,400,000

State Match Required
 One-Time Project
 Phased - new
 Phased - underway
 Ongoing
 0% = Minimum State Match % Required
 Amendment
 Mental Health Bill

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec8 Ch1 SLA2021 P84 L7 HB69 \$71,200,000
 Sec5 Ch8 SLA2020 P68 L14 HB205 \$47,340,939
 Sec11 Ch8 SLA2020 P75 L14 HB205 \$8,109,305
 Sec11 Ch8 SLA2020 P80 L28 HB205 \$9,549,756
 Sec1 Ch1 SLA2019 P6 L26 SB2002 \$60,000,000
 Sec1 Ch19 SLA2018 P10 L28 SB142 \$51,850,000
 Sec1 Ch1 SLA2017 P8 L23 SB23 \$34,100,000
 Sec1 Ch2 SLA2016 P8 L3 SB138 \$42,600,000
 Sec1 Ch38 SLA2015 P7 L19 SB26 \$50,000,000
 Sec1 Ch16 SLA2013 P86 L23 SB18 \$40,000,000
 Sec1 Ch17 SLA2012 P141 L23 SB160 \$47,200,000
 Sec1 Ch5 SLA2011 P102 L28 SB46 \$42,000,000
 Sec7 Ch43 SLA2010 P39 L5 SB230 \$41,100,000
 Sec1 Ch15 SLA2009 P22 L32 SB75 \$27,880,000
 Sec13 Ch29 SLA2008 P161 L25 SB221 \$40,600,000
 Sec4 Ch30 SLA2007 P105 L17 SB53 \$40,000,000

Project Description/Justification:

Each year the Department estimates the amount of State matching funds based on the amount and type of federal highway funds expected to be available in a fiscal year. This budget is based on preliminary estimates of the federal-aid highway funding that will be available in FY2023. The Department has estimated federal funding levels to be approximately \$670 million in program funds.

The requested match amount is calculated as follows:

\$619.5 million	Expected Federal Highway funds
<u>\$ 50.0 million</u>	Anticipated August redistribution
\$669.5 million	Expected federal funds, which require an average of 10% State match (some at 9.03%, and a smaller portion at 20%)

$\$669.5 \text{ million} / 90.97\% = \736.0M (program total including match amount)

\$736.0 million	Program total including match amount
<u>- 669.5 million</u>	Federal funds
\$ 66.5 million	Match needed
<u>+ 3.7 million</u>	Funds for federally-ineligible project costs (1/2 of 1% of program total)
\$ 70.2 million	Total match required for FY2023

\$70.2 million FY2023 capital budget project for match, PE at risk, and federally-ineligible costs for highway projects.