

Federal-Aid Highway State Match

FY2024 Request: \$91,107,270
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: 07/01/2023 - 06/30/2028 **Contact Phone:** (907)465-2956
Appropriation: Federal Program Match

Brief Summary and Statement of Need:

State match is required for approximately \$795 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 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:	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Total
1003 G/F Match	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$546,643,620
Total:	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$91,107,270	\$546,643,620

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> Ongoing
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> 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:

- Sec14 Ch1 SLA2022 P128 L9 HB281 \$96,900,000
- 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

State match is required for all federally eligible projects. Match calculation includes an additional two percent for potential ineligible costs.

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:

\$863.4 million	Expected Federal Highway funds
<u>\$ 50.0 million</u>	Anticipated August redistribution
\$913.4 million	Expected federal funds, which require an average of 10 percent state match (some at 9.03 percent, and a smaller portion at 20 percent)

\$913.4 million / 90.97 percent = \$1,004.3 million (program total including match amount)

\$1,004.3 million	Program total including match amount
<u>- 913.4 million</u>	Federal funds
\$ 90.9 million	Match needed
+ 1.0 million	Non-Participating portion of Federally-Supported Local Assistance & Grants (FLAG)
<u>+ 5.0 million</u>	Funds for federally-ineligible project costs (1/2 of 1 percent of program total)
\$ 96.9 million	Total match required for FY2023

\$96.9 million FY2023 capital budget project for match, PE at risk, and federally-ineligible costs for highway projects.