



CONGRESSIONAL BUDGET OFFICE  
*U.S. Congress*  
*Washington, DC 20515*

January 28, 2009

Honorable James L. Oberstar  
Chairman  
Committee on Transportation  
and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

As you requested, CBO has reviewed your amendment (numbered 178) to H.R. 1, the American Recovery and Reinvestment Act of 2009. The amendment would shorten the amount of time that grantees—state and local governments—have to obligate funds appropriated for highway, transit, and aviation programs.

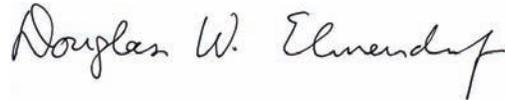
Under H.R. 1, as introduced, most grantees would be required to obligate 50 percent of the funds appropriated for highway, transit, and aviation programs within 180 days of enactment. Your amendment would change that requirement to obligate within 90 days.

Although the amendment could affect how funds would be distributed among states, CBO expects that the amendment would not significantly change the pace of spending for the highway, transit, and aviation funds that would be provided by H.R. 1. In our cost estimate for H.R. 1, dated January 26, 2009, CBO estimated that of the \$42 billion in budget authority for highway, transit, and aviation programs provided in the bill, about \$3.9 billion would be spent in the remaining months of fiscal year 2009, \$9.9 billion in 2010, \$8.9 billion in 2011, and the remaining amounts over the following five years. Those estimates would not change if this amendment were adopted.

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I hope this information is helpful to you. If you have further questions on this issue, the CBO staff contacts are Sarah Puro (for highway and transit) and Megan Carroll (for aviation).

Sincerely,

A handwritten signature in black ink that reads "Douglas W. Elmendorf". The signature is written in a cursive style with a large, looped 'D' and a long, sweeping 'f'.

Douglas W. Elmendorf  
Director

cc: Honorable John L. Mica  
Ranking Republican Member

Honorable David R. Obey  
Chairman  
Committee on Appropriations

Honorable Jerry Lewis  
Ranking Member