

State Rewarded With More Project Funds

Pace of SB 1 Work Helped Land \$438 million in Federal Redistribution Money

The roster of 2018 highway repair and construction projects in California got an additional boost last year with \$438 million in federal transportation funds.

Caltrans and local transportation agencies were the beneficiaries of the "August Redistribution" that represents a pot of Federal Highway Administration (FHWA) money that was budgeted for use by other states but not used during the 2017-18 fiscal year.

The last fiscal year's redistribution was especially lucrative for California and other states. The pot of available money totaled almost \$4.2 billion, more than past years because of the accumulation of unspent funds from two grant programs.

The money is awarded on a competitive basis. States that apply must demonstrate that in addition to using up all available funds, there are more transportation projects lined up and ready with the eligible type of funds as soon as FHWA provides the authority.

California has been aggressive — and successful — in landing August Redistribution money, ranking at or near the top of the recipient list each year.

Last year, California received the highest amount of

redistributed funds among all states. The \$438 million redirected here represented more than 10 percent of the total pot of \$4.2 billion available nationwide. The next highest award went to Florida, which received \$243 million. Third-place Texas got \$240 million.

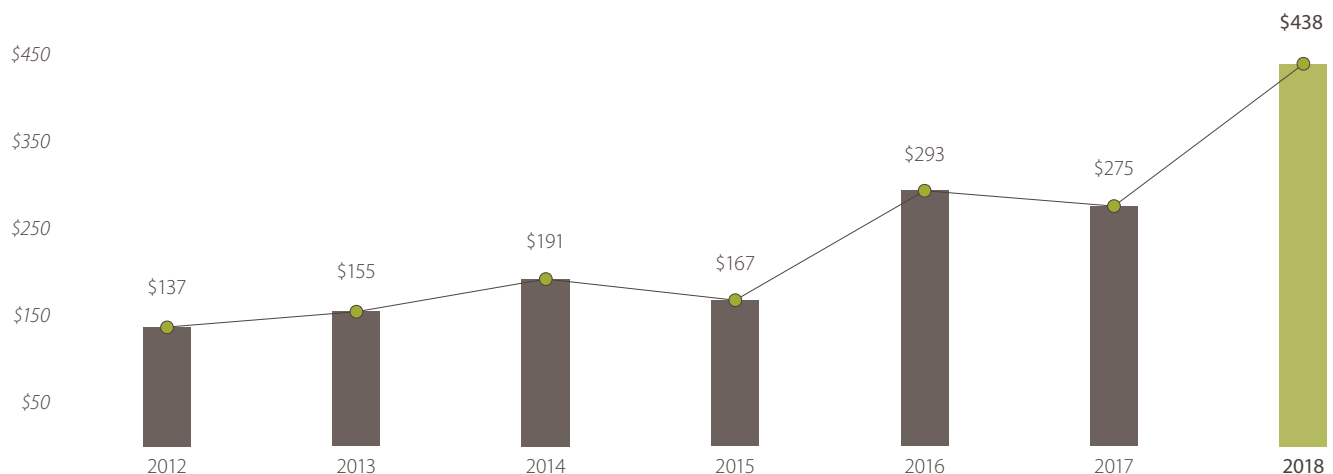
Helping boost California's case for receiving federal redistribution funds was the amount of road and repair work done in 2018, the first full year of revenues from the Road Repair and Accountability Act of 2017 (Senate Bill 1). Caltrans awarded or completed construction on about 100 projects last year, and started work on nearly 400 more that were wholly or partially funded by SB 1.

The redistribution money will help SB 1 funds go further in rehabilitating California's local and State roads network.

Altogether, California has collected more than \$2 billion from the redistribution program in the past decade. Caltrans passes along about 40 percent of the redistribution amount to local agencies with transportation projects waiting or underway. **MM**

Source: Clark Paulsen, Chief, Caltrans Division of Budgets

August Redistribution to California by Year (in millions of dollars)



California has been among the top beneficiaries of transportation funds made available through the federal government's annual "August Distribution" for shovel-ready projects. The \$438 million landed by California in 2018 comes from two grant programs rather than one as awarded previously.