



Policy Position

Federal Economic Stimulus and Infrastructure Investment Plan

The MARC Board supports efforts by Congress to authorize and fund a stimulus package that provides resources for local communities to address important and timely transportation, water, sewer and other infrastructure and energy conservation investments. The stimulus package should be designed to meet the scale of the economic challenges facing the country and offer a robust approach to tackle the nation's current economic problems as well as longer-term systemic issues. The funds should be used to support investments that will have lasting benefit to local communities and the nation.

Policy Considerations

Immediate vs. Strategic Impact: The economic crisis facing the nation will require a sustained effort over a period of time, and as such, Congress should consider that investments through a stimulus package might occur in a series of stages, with the first stage focused on immediate infrastructure projects. The second and if necessary subsequent stages of investment should be more strategic in helping position the nation to respond to global economic, social and environmental challenges and opportunities. Funds should be included in the initial program to support necessary planning and engineering work to advance projects for subsequent phases.

Economic Stimulus through Metropolitan Areas to Maximize Impact: The metropolitan areas in the US generate 90 percent of the nation's gross domestic product and 86 percent of the nation's jobs. An economic stimulus package should direct funds to where they will have the most potential for short-term and long-term impact. If the funds are allocated to the states, Congress should ensure that a significant proportion of the resources are made available for metropolitan areas.

Local Government Role: Congress should require a clear role for local governments in decision making and in receipt and use of the funds. Local government projects are those most likely to quickly add jobs to the local economy, and capacity already exists to streamline decision making at the metropolitan and local level.

Congress should make use of existing metropolitan processes such as the Metropolitan Planning Organizations (MPO for transportation) for funding allocation decisions to ensure that short-term investments are consistent with longer term community plans.

Use Existing Programmatic Structures: Congress should allocate funds through existing federal agencies and programs to expedite the release of funds to states, regions and local governments. The federal government has a number of agencies and programs

designed as conduits for allocating federal dollars to projects that will have economic benefits.

These programs require that state and local governments work collaboratively to make decisions on the use of funds. Congress should use these existing programs and processes to ensure that investments are consistent with plans, technical criteria and community and state goals to have lasting impact. Allocations within these programs, especially transportation, may need to be adjusted to ensure appropriate funding for both state and local government projects.

These federal programs include, but may not be limited to:

- ✓ US Department of Transportation: SAFETEA-LU Surface Transportation Program (for a range of multi-modal investments such as bicycle/pedestrian, transit and roadway projects), Public Transit, Rail Modernization, Airport Improvement Program
- ✓ US Economic Development Administration: Public Works and Facilities
- ✓ US Housing and Urban Development: Community Development Block Grant Program (Public Facilities and Infrastructure)
- ✓ US Environmental Protection Agency: Water and Sewer Grants/Loans
- ✓ US Department of Energy: Energy and Environment Block Grant Program (Energy Efficiency Programs)

Streamline Project Delivery Processes: Congress will need to consider adjustments to current program requirements, particularly those involving federal review and approval processes and approval of state and metropolitan Transportation Improvement Programs.

Reduce or Waive Matching Requirements: Local and state governments face budget crises, and matching requirements should be reduced or waived to allow for the effective and timely investment of the federal dollars.

Strategic Investments for the Long-Term Economic Recovery: Congress should consider the investment of funds through one or more stimulus packages to create mechanisms to move the economy and the nation in new directions, particularly by encouraging investments in new energy opportunities; reinvest in metro areas' economies; address social equity; and encourage long-term sustainability.