Perspectives

Federal  National

Norm’s

Norm Stoner
Division Administrator – FHWA, Illinois Division
Illinois Asphalt Paving Association Annual Meeting
March 10, 2009
Critical Cornerstones for a National Transportation Policy

#1: National Vision
Critical Cornerstones for a National Transportation Policy

#2: Smarter Investment Decisions
Critical Cornerstones for a National Transportation Policy

#3: Linkage to the Users

Highway Trust Fund Balances
FY2004-FY2009*

Highway Account
Transit Account

($billions)

American Recovery and Reinvestment Act (ARRA) Main Objectives

• Job preservation and creation
• Infrastructure investment
• Energy efficiency and science
• Assistance to unemployed, and
• State and local fiscal stabilization
ARRA Highlights

• Provides $48.1 billion for transportation, including:
  – $27.5 billion for highways
  – $8.4 billion for transit
  – $8.0 billion for high speed rail
  – $1.3 billion for Amtrak
  – $1.5 billion for National Surface Transportation Discretionary Grants

• Significant accountability, transparency and reporting requirements
ARRA Use It or Lose It Provisions

• First Redistribution
  – Fifty percent of funds apportioned to the State – excluding funds suballocated – must be obligated within 120 days or the remainder will be redistributed.

• Second Redistribution
  – After 1 year all unobligated balances of apportioned funds, included funds suballocated, will be redistributed. Recipients of redistributed funds will have until Sept. 30, 2010 to obligate.
“Every American will be able to hold Washington accountable for these decisions by going online to see how and where their tax dollars are being spent.”

- President Barack Obama
ARRA Accountability

• FHWA developing ARRA Risk Management Plans.
• FHWA will focus use a variety of techniques to conduct in-process examination of areas identified as high risk.
• Financial management and State oversight of local projects will be areas of particular attention.
• A higher level of accountability and increased attention by GAO and OIG is expected.
• OIG given additional resources to guard against perceived high risk for fraud scenario = More Money + Pressure to Rush Delivery
Fraud Awareness

- Product Substitution
- Bid Rigging & Collusion
- DBE Fraud
- Materials Overcharging
- Quality Control Testing
- Kickbacks
- Conflict of Interests
- Time Overcharging
- Bribery
Critical Cornerstones for a National Transportation Policy

Public Trust

Linkage to Users

National Vision

Smarter Investment Decisions
My Perspectives

Thanks for your Attention

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