

Bell, Tammi [DOT]

From: Nordholm, Gail [DOT]
Sent: Tuesday, September 30, 2008 3:35 PM
To: Bell, Tammi [DOT]
Subject: Federal Highway Trust Fund Update

TO: Cities, Counties, and Consultants
Tammi Bell Iowa DOT - Local Systems tammi.bell@dot.iowa.gov

CC: District Local Systems Engineers, Service Bureau
and Office of Local Systems

FROM: Office of Local Systems

SUBJECT: Federal Highway Trust Fund Update

DATE: September 30, 2008

If your agency is currently developing or constructing a Federal-aid highway project, please read this notice carefully:

On September 5, 2008, we sent a notice titled, [Highway Trust Fund Alert](#) regarding the impending insolvency of the Highway Trust Fund (HTF). We are pleased to inform you that Congress passed and the President signed legislation that transferred approximately \$8 billion from the General Fund to the HTF. This will alleviate the HTF cash flow problems for the immediate future, and as a result, you should not encounter any significant delays in reimbursements for Federal-aid project costs.

However, you should be aware that unless Congress takes additional action to address the continuing imbalance between receipts and disbursements from the HTF, a similar situation could develop again. The Federal Highway Administration (FHWA) plans to implement procedures that will provide more advance notice of HTF shortfalls that may occur in the future. If this occurs again, we will pass along any such notices as soon as possible.

If you have any questions, **please do not reply to this e-mail**. Instead, you may contact me at the phone or e-mail shown below.

Sincerely,

M.J. "Charlie" Purcell
Deputy Director, Office of Local Systems
Iowa Department of Transportation
515-239-1532
Charlie.Purcell@dot.iowa.gov

Bell, Tammi [DOT]

From: Nordholm, Gail [DOT]
Sent: Friday, September 05, 2008 2:59 PM
To: Bell, Tammi [DOT]
Subject: Federal Highway Trust Fund Alert

TO: Cities, Counties, and Consultants
Tammi Bell Iowa DOT - Local Systems tammi.bell@dot.iowa.gov

CC: District Local Systems Engineers, Service Bureau
and Office of Local Systems

FROM: Office of Local Systems

SUBJECT: Federal Highway Trust Fund Alert

DATE: September 5, 2008

If your agency is currently developing or constructing a Federal-aid highway project, please read this notice carefully:

The Iowa DOT has been notified that, unless Congress and the President act very quickly to provide additional funding, the Federal Highway Trust Fund (HTF) is in immediate danger of becoming insolvent. This means the balance of the HTF may soon reach a level where requests for Federal-aid reimbursement cannot be processed in a timely manner. Since the HTF is the source of reimbursements for all Federal-aid highway projects, this impending shortfall has potential for significant impacts to both the Iowa DOT and local agencies.

Therefore, there is a strong possibility that future requests by local agencies for Federal-aid reimbursement will be delayed, beginning as early as next week. The duration of such delays is not yet known; however, the Iowa DOT is currently assessing the situation, and if reimbursements to local agencies must be delayed, we will provide you with additional information as soon as it becomes available.

If you have any questions, **please do not reply to this e-mail**. Instead, you may contact me at the phone or e-mail shown below.

Sincerely,

M.J. "Charlie" Purcell
Deputy Director, Office of Local Systems
Iowa Department of Transportation
515-239-1532
Charlie.Purcell@dot.iowa.gov