



**Texas Department of Transportation (TxDOT)
Fiscal Year 2006 – Anticipated Fiscal Year 2011
Rescissions of Federal Highway Funds
June 22, 2011**

A federal rescission of funds reduces the amount of federal funds provided through previous legislation. Rescissions are not unique to Texas. All 50 states have been directed to return federal transportation funds to the Federal Highway Administration (FHWA).

Rescissions are generally targeted at unobligated funds and allow states to decide what categories of spending to reduce, in order to meet the requirements of the rescission. This proved to be true for fiscal years (FY) 2006, 2007, 2009, 2010 and the preliminary notification for 2011.

The FY 2008 and September 30, 2009 rescissions, however, were different. These rescissions provided TxDOT specific dollar amounts to rescind in each eligible transportation category, with the limited flexibility of shifting 10 percent among categories. Basically, this means that money being rescinded had to be equitably divided between different transportation categories, regardless of individual state needs, priorities or obligations. By reducing the appropriation for the “Equity Bonus” category, the obligation authority also had to be reduced, causing TxDOT to be able to award fewer contracts.

The chart below shows a breakdown of TxDOT’s rescissions each year, and TxDOT’s percentage of each nationwide rescission.

| FY 2006 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|---------------------|---------------|-------------------|------------------|------------------------|
| TTHUD | \$158,707,654 | \$1,999,999,000 | 7.94% | 11/30/2005 |
| Defense | \$90,670,526 | \$1,143,000,000 | 7.93% | 12/30/2005 |
| Supplemental | \$55,716,165 | \$702,362,500 | 7.93% | 6/15/2006 |

| FY 2007 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|---------------------|---------------|-------------------|------------------|------------------------|
| Omnibus | \$288,459,698 | \$3,471,582,000 | 8.31% | 2/15/2007 |
| Supplemental | \$72,374,710 | \$871,022,000 | 8.31% | 5/25/2007 |

| FY 2008 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|----------------|---------------|-------------------|------------------|------------------------|
| Omnibus | \$257,989,173 | \$3,150,000,000 | 8.19% | 12/26/2007 |

| FY 2009 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|----------------|---------------|-------------------|------------------|------------------------|
| Omnibus | \$272,403,085 | \$3,150,000,000 | 8.65% | 3/11/2009 |

| Sept. 30, 2009 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|-----------------------|---------------|-------------------|------------------|------------------------|
| SAFETEA-LU* | \$742,240,415 | \$8,708,000,000 | 8.52% | 8/10/2005 |

| February 2010 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|----------------------|----------------|-------------------|------------------|------------------------|
| HR 2847 * | -\$742,240,415 | -\$8,708,000,000 | 8.52% | February 2010 |

| August 8, 2010 | TxDOT | Nationwide | TxDOT’s % | Signed into law |
|-----------------------|---------------|-------------------|------------------|------------------------|
| HR 1586 | \$190,367,982 | \$2,200,000,000 | 8.65% | 8/08/2010 |

| FY 2011 | TxDOT (est) | Nationwide | TxDOT’s % | Signed into law |
|----------------|--------------------|-------------------|------------------|------------------------|
| HR 1473 | \$201,277,433 | \$2,500,000,000 | 8.05% | 4/15/2011 |

| FY 2006- EST FY 2011 | Total TxDOT Rescission | Total Nationwide Rescission | TxDOT’s Total % | |
|---------------------------------|-----------------------------------|--|----------------------------|--|
| | \$1,587,966,426 | \$19,187,965,500 | 8.28% | |

* In February 2010, Congress passed HR 2847 “The HIRE Act” which restored contract authority that was repealed on September 30, 2009. While the contract authority was restored, no obligation authority was given.