



Understanding the Federal Programming Rules

OneRail Webinar

March 5, 2009

Anne P. Canby, President

Surface Transportation Policy Partnership



A Guide to Transportation Opportunities in Your Community



ARRA Funding Opportunities

- Discretionary Rail Grants
 - HSR
 - State Rail
 - Congestion Relief
- Competitive Discretionary Grants
- State DOT STP formula funds



ARRA Transportation Funding Cont'd

- High-speed rail, intercity passenger grants, congestion relief \$8.0 B
 - Discretionary;
 - 60 days for strategic plan
 - 120 days for guidelines
 - Lapse 9/30/2012
- AMTRAK \$1.3 B
 - \$340 M for use outside the NE Corridor
 - \$510 M for NE Corridor
 - \$450 M for capital security grants



ARRA Transportation Funding

- State Formula \$27.5 B
 - State allocation 17.8 B
 - MPO Sub-allocation 8.0 B
 - Enhancement set aside 0.8 B
- Competitive Discretionary grant \$1.5 B
 - 1 year to award all funds; lapse by 9/30/2011



Rail Programs - Who gets the money?

- Applicants
 - For **high-speed rail corridor** development grants, States (including the District of Columbia), groups of States, Interstate Compacts, public high-speed passenger rail agencies established by one or more States, and Amtrak are eligible to apply
 - For **intercity passenger rail** service corridor capital assistance grants, States (including the District of Columbia), groups of States, Interstate Compacts, and public intercity passenger rail agencies established by one or more States are eligible to apply
 - For **congestion grants**, States and Amtrak (in cooperation with States) are eligible to apply



Who Controls STP Funds?

- State apportionments
 - State apportionments
 - <http://www.fhwa.dot.gov/legsregs/directives/notices/n4510705t2.htm>
 - Metro area apportionments
 - <http://www.fhwa.dot.gov/legsregs/directives/notices/n4510705t3.htm>
- State DOTs
 - Lead programming role in non-MPO area
 - Consult with local elected officials
- MPO Regions
 - >200,000 - MPO consults with State on project selection
 - >50,000 – project selection in cooperation with local MPO



How does the process work?

- All STP funded projects must be in an approved Transportation Improvement Program adopted by MPO and State
- State DOTs and MPOs
 - Issue a call for projects
 - Assemble capital program (STIP) or (TIP)
 - State incorporates MPO program into state plan
 - Hold public hearing on proposed capital program
 - Revisions made
 - Final Program approved by MPO board (TIP) and Governor (STIP)



How does the process work?

- MPO
 - Assembles transportation program for metro area
 - Areas over 200,000 population (TMA)
 - Ability to select projects for STP portion of funds
 - Areas over 50,000 population
 - Cooperative process between state and local governments
 - Involve rail freight operators in regular process (should be some relationship)



How does the process work?

- Local governments
 - Propose projects to State and MPO
- Only in California
 - MPOs are responsible for programming 75% of federal and state funds



STP Eligibility

- The Highway Infrastructure Investment funds resulting are eligible to be obligated for restoration, repair, construction and other activities eligible under Section 133(b) of Title 23, United States Code (U.S.C.), and **for passenger and freight rail transportation** and port infrastructure projects eligible for assistance under Section 601(a)(8) of Title 23, U.S.C.

FHWA Notice **N 4510.705** Issued Mar. 2, 2009



Deadlines

- State STP funds
 - Obligate 50% of funds 120 days from apportionment (Mar. 2, 2009)
 - 2nd half must be obligated within 1 year – March 2010
 - Funds expire 9/30/2010
- MPO STP funds
 - 1 year to obligate 100%



Rules of the Game

- Priority for projects:
 - that can be completed by within 3 years
 - located in economically distressed areas
 - Preference shall be given to projects\activities that can be started and completed expeditiously obligation of at least 50% of the funds by June 17, 2009
 - Recipients shall also use funds in a manner that maximizes job creation and economic benefit



Rules of the Game

- Short timeframe for 1st round of DOT STP funds
 - All ROW acquired; permits in hand
 - Design complete
 - No controversy
- Unobligated balances of DOT and Transit funds from 1st 50% will be redistributed to states/transit agencies that have obligated all their full 50% share of funds
- One year after the apportionment unobligated funds will be withdrawn and redistributed to state that have obligated all of their funds.



Rules of the Game

- Federal share may be "...at the option of the recipient, up to 100% of the total cost..."
- Governor must certify that the state is maintaining current level of spending
- Governor must report on funds spent by type of project
- Reports due 90 & 180 days after enactment, and each year for 3 years



Air Quality Standards

- Areas in many states do not meet national air quality standards
- In non attainment and maintenance areas, ARRA funded projects must be part of a conforming transportation plan and TIP.



Getting into the Game

- Work with State and MPO to identify projects
- Work with shippers
- Make sure local interests are aware
- Work with local elected officials who support
- Involve Governor and state legislators



Questions