Looking Beyond FTA: Some Transportation Programs of Note Under the New Infrastructure Law

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If you're a public transit provider, you've already begun to see some significant funding increases in most of the Federal Transit Administration's (FTA) formula grant programs. This year's 30 percent increase in FTA formula grants is impressive, but did you notice that the Federal Highway Administration's (FHWA) Transportation Alternatives program – for which transit agencies are eligible – saw a 61 percent increase?

Whether you call it the "Bipartisan Infrastructure Law" (BIL), or use its formal name of "Infrastructure Investment and Jobs Act" (IIJA), the most recent federal surface transportation authorizing legislation brought funding growth to many FTA and FHWA programs (for a review of the law's transit features, see our analysis at https://ctaa.org/wp-content/uploads/2021/11/CTAA_TransitReauthorizationFinalized2021_CZrev1.pdf). It also established a lot of new funding programs, although few of those new programs are found within FTA. Below are brief summaries of ten funding programs that may be of interest to transit providers and their partners. Six of these are new programs; four are programs that have been around for decades, but with new features that make them worth noting.

Please note – the descriptions below were prepared by CTAA, based on our reading of statutory language and fact sheets prepared by FHWA and the US Department of Transportation (USDOT). This document is not meant as any form of federal agency guidance, and this document was not prepared under any federal contract, grant, or cooperative agreement. In other words, nothing in this document should be construed as official guidance from USDOT, FHWA, or any other agency of the federal government. Please check official sources, some of which are included in these summaries, before making any decisions about the use of these funds. Also, note that most of these programs are managed by states or metropolitan planning organizations (MPOs), so be sure to contact your state DOT or your MPO to learn more about how any particular program may be used in your state or urban area.

With those thoughts in mind, here are ten programs you may find interesting.

Safe Streets and Roads for All Program (SS4A)

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is $1.0 billion each year from FY 2022 through FY 2026, which USDOT will award as "action plan grants" (these will be between $200,000 and $5 million per grant) and "implementation grants" (these will be between $3 million and $50 million per grant).
- **Short Summary:** The purpose of this program is to reduce roadway deaths and injuries by helping communities (i) develop comprehensive safety action plans ("action plans"), (ii) plan, design and develop activities in support of their action plans, and (iii) carry out the projects and strategies identified in their action plans.
- **Transit Relevance:** Transit agencies are specifically named as eligible SS4A applicants, as well as being eligible partners in others' SS4A projects. Transit providers should want to participate in their communities' SS4A action planning activities, and may benefit from SS4A implementation projects, which can include such things as roadway safety and pedestrian safety improvements, "Complete Streets" projects, safe routes to schools projects, and transit projects that will serve to reduce roadway deaths and injuries.
- **Other Features of this Program:** In addition to transit agencies, other eligible applicants for SS4A grants are units of local government, tribal governments, MPOs, and nonprofit organizations.
- **How It Works:** USDOT issues an annual Notice of Funding Opportunity (NOFO), which includes all information pertaining to applications and uses of SS4A funds. **For 2022, this announcement period is open right now, with applications due September 15, 2022!**
- **For Funding and More Information:** Information about this program including the full FY 2022 NOFO and supporting information, is available at the USDOT's Safe Routes and Roads for All Program website: https://www.transportation.gov/ss4a

Transportation Alternatives Program (TA)

(continuing under the bipartisan infrastructure law, with a few significant changes)

- **Funding Level and Nature:** Annual funding is from $1.4 billion (FY 2022) to $1.5 billion (FY 2026), distributed as formula allocations of contract authority to states.
- **Short Summary:** This program supports a diverse array of projects, such as pedestrian and bicycle facilities, safe routes to schools projects, recreational trails, safety improvements to benefit vulnerable road users, and a variety of transportation-linked community improvements.
- **Transit Relevance:** Transit agencies are specifically named as eligible for receiving TA funds and carrying out TA projects. Although TA funds cannot be used to help finance the costs of operating or providing public transit services, and are not readily used for transit vehicle acquisition, these funds can be used in other transit-related ways, such as improving bicycle or pedestrian access and use of transit, shared-bike and shared-scooter infrastructure, transportation-connected historic preservation, or the rehabilitation and use of historic transportation structures, including their adaptive reuse as transit facilities.

- **Other Features of this Program:**
  - In FY 2022, TA program funding received a **61 percent increase** over previous years' levels, thereafter continuing to grow in more modest annual increments.
  - States are permitted to use up to 5 percent of their TA apportionments to provide technical assistance to TA applicants.
  - In addition to transit agencies, other eligible applicants for TA grants are units of local government, tribal governments, MPOs (in urban areas with populations below 200,000), schools, regional transportation authorities, other local or regional government entities with transportation or recreational trail responsibilities, natural resource or public lands agencies, and nonprofit organizations.
  - States may transfer a portion of their TA apportionments to certain other FHWA-funded programs they administer, provided some specific criteria are satisfied, and may transfer up to 50 percent of certain other FHWA-funded apportionments to TA.
  - There's a mechanism, and procedural criteria, by which states can suballocate 100 percent of their TA apportionments to projects in urban and rural areas, instead of suballocating 59 percent of their TA apportionments (as described below), if they choose to do so.
- **How It Works:**
  - FHWA apportions contract authority for TA projects to each state every year, on a formula basis.
  - States are required to spend 59 percent of their TA apportionments as "suballocations" for projects in
    - (a) urban areas with populations greater than 200,000 (with MPOs in those area responsible for TA program management and project selection),
    - (b) urban areas with populations between 50,000 and 199,999,
    - (c) urban areas with populations between 5,000 and 49,999, and (d) areas with populations less than 5,000.

    The above "suballocation" amounts are distributed to those areas in approximate proportion to population within the state.
  - States are responsible for TA program administration and funding decisions for all other urban and non-urban areas.
  - All TA projects, whether urban or not, must be selected on a competitive basis.
  - States and large-urban MPOs are to give priority to selecting projects in areas and communities of high need (as defined by the state), which the infrastructure law suggests as including communities of low-income households, serving transit-dependent populations, or rural areas.
  - The federal share of funding for TA programs is generally 80 percent. However, the amount of federal share is determined as the aggregate federal share for all TA projects selected by the state or MPO, and individual projects

may have a federal share of up to 100 percent. In addition, it's possible for HSIP funds (see below for more information on HSIP) to be used to meet the non-federal share requirements for safety projects being funded through TA.

- **For Funding and More Information:** Information about this program, including fact sheets of changes enacted as part of the new infrastructure law, is available at FHWA's TA program website: https://www.fhwa.dot.gov/environment/transportation_alternatives/

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

(continuing under the bipartisan infrastructure law, with a few changes)

- **Funding Level and Nature:** Annual funding is from $2.5 billion (FY 2022) to $2.7 billion (FY 2026), distributed as formula allocations of contract authority to states.
- **Short Summary:** CMAQ has been in existence since 1991, providing funds to states and qualifying localities for transportation projects and programs that help meet requirements of the Clean Air Act. The new infrastructure law makes a few modifications to CMAQ, including allowing bike sharing and other shared micro-mobility projects to be eligible, and requiring states to prioritize CMAQ benefits to disadvantaged communities or low-income populations living in or next to Clean Air Act "PM 2.5" (fine particulate matter) nonattainment and maintenance areas. As with most FHWA programs, CMAQ funds generally are used for capital projects, but they sometimes can be used for transit operations and other non-capital projects that are part of a state's plan to help qualifying areas attain and maintain National Ambient Air Quality Standards
- **Transit Relevance:** Transit projects that help alleviate traffic congestion and help qualifying communities attain and maintain air quality standards are an eligible, and frequent, use of CMAQ funds. Under the new infrastructure law, there no longer is a time limit regarding the use of CMAQ funds to support transit operating costs associated with qualifying CMAQ projects.
- **Other Features of this Program:**
    - CMAQ funds are available to states on the basis of their Clean Air Act ozone, carbon monoxide and particulate matter nonattainment and maintenance areas, as identified by the EPA, and are to be used in ways that conform to the state's Clean Air Act State Implementation Plan.
    - Qualifying nonattainment and maintenance areas can be found in both urban and rural areas, and are determined solely on the basis of current and historical air quality data, without regard to local jurisdictional or transportation planning area boundaries.
    - States that never have had nonattainment or maintenance areas may use their CMAQ apportionments on any Surface Transportation Block Grant (STBG, see below for more details)-eligible project in the state.
    - All states may transfer a portion of their CMAQ apportionments to certain other FHWA-funded programs they administer, and may transfer up to 50 percent of certain other FHWA-funded apportionments to CMAQ.

- **How It Works:**
  - FHWA apportions contract authority for CMAQ projects to each state every year, on a formula basis.
  - Unlike some other FHWA formula-based funding streams, there are no urban or local suballocation features in CMAQ.
  - The federal share of funding for CMAQ projects is generally 80 percent, but some projects are eligible for a federal share of up to 100 percent.
- **For Funding and More Information:** Long-standing statewide and metropolitan transportation processes, as well as states' Clean Air Act State Implementation Plans, all are key to CMAQ project selections and funding. To find out how, or whether, you can participate in CMAQ, you should contact your MPO, if you're in an urban area with a population above 50,000. If you're in a lower-population area, engage with your regional transportation planning organization (if you have one), or contact your state DOT.
  - FHWA's fact sheet regarding the infrastructure law's changes to CMAQ is at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/cmaq.cfm

Surface Transportation Block Grant Program (STBG)

(continuing under the bipartisan infrastructure law, with a few changes)

- **Funding Level and Nature:** Annual funding is from $13.8 billion (FY 2022) to $15.0 billion (FY 2026), distributed as formula allocations of contract authority to states.
- **Short Summary:** This program has been in place since 1991. While primarily used to support highway construction, states may use their STBG funds for more than 20 different kinds of transportation projects, including public transit capital projects, bicycle and pedestrian projects, advanced transportation technologies, congestion pricing, et al.
- **Transit Relevance:** Transit projects that would be eligible capital projects under any FTA program are among the many eligible uses of STBG funds. Eligible transit projects for STBG now include bus rapid transit facilities and establishment of dedicated bus lanes, as well as more "traditional" forms of transit capital projects, such as buses and facilities.
- **Other Features of this Program:** States may transfer a portion of their STBG apportionments to certain other FHWA-funded programs they administer, and may transfer up to 50 percent of certain other FHWA-funded apportionments to STBG. Under the new infrastructure law, MPOs are to consider transportation projects and strategies that better connect housing (including affordable housing) and employment, among the other priorities in their transportation planning and programming activities.
- **How It Works:**
  - FHWA apportions contract authority for STBG projects to each state every year, on a formula basis.
  - States are required to spend 55 percent of their STBG apportionments as suballocations for projects in
    - (a) urban areas with populations greater than 200,000,

    - (b) urban areas with populations between 50,000 and 199,999,
    - (c) urban areas with populations between 5,000 and 49,999, and (d) areas with populations less than 5,000.

  The above "suballocation" amounts are distributed to those areas in approximate proportion to population within the state.
  - MPOs have the leading role in planning and programming of STBG funds in urban areas with populations above 200,000.
  - States must consult with MPOs when selecting and carrying out STBG projects in urban areas of populations between 50,000 and 200,000, and states are to consult with regional transportation planning organizations where they exist in areas with populations below 50,000.
  - The federal share of funding for STBG projects is generally 80 percent, but is higher in qualifying "sliding scale" states with high percentages of federal lands.
- **For Funding and More Information:** Long-standing statewide and metropolitan transportation processes are key to all STBG project selections and funding. To find out how you can participate in STBG, you should contact your MPO, if you're in an urban area with a population above 50,000. If you're in a lower-population area, you should engage with your regional transportation planning organization (if you have one), or contact your state DOT.
  - FHWA's fact sheet regarding the infrastructure law's changes to STBG is at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/stbg.cfm.

Carbon Reduction Program (CRP)

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is from $1.2 billion (FY 2022) to $1.3 billion (FY 2026), distributed as formula allocations of contract authority to states.
- **Short Summary:** This program's funds may be used for all sorts of capital projects that reduce carbon dioxide emissions from on-road highway sources, such as bicycle and pedestrian projects, advanced transportation technologies, congestion pricing, reduced environmental impacts from ports or the movement of freight, publicly accessible alternative fuel infrastructure, et al.
- **Transit Relevance:** Transit capital projects (or CMAQ-eligible transit operations; CMAQ is described above in greater detail) and transportation demand strategies that shift transportation users out of personal vehicles and onto public transit are among the many eligible uses of CRP funds.
- **Other Features of this Program:** By the end of 2023, states are to have developed statewide carbon reduction strategies, which may form the basis of how subsequent CRP projects are selected. States may transfer up to 50 percent of their CRP apportionments to certain other FHWA-funded programs they administer, and may transfer up to 50 percent of certain other FHWA-funded apportionments to CRP.
- **How It Works:**
  - FHWA apportions contract authority for CRP projects to each state every year, on a formula basis.

- States are required to spend 65 percent of their TA apportionments as suballocations for projects in
  - (a) urban areas with populations greater than 200,000,
  - (b) urban areas with populations between 50,000 and 199,999,
  - (c) urban areas with populations between 5,000 and 49,999, and (d) areas with populations less than 5,000.

  The above "suballocation" amounts are distributed to those areas in approximate proportion to population within the state.
- States determine the process by which CRP projects will be selected in their state, working in coordination with MPOs for urban areas with populations greater than 200,000.
- The federal share of funding for CRP projects is generally 80 percent, but is higher in qualifying "sliding scale" states.

- **For Funding and More Information:** To find out how (or whether) you can participate in CRP, contact your state DOT.
  - FHWA's CRP fact sheet is at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/crp_fact_sheet.cfm

Rural Surface Transportation Grant Program (RSTG)

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is from $300 million (FY 2022) to $500 million (FY 2026), awarded on a competitive basis by USDOT.
- **Short Summary:** This program's funds may be used for a variety of surface transportation capital projects in rural areas.
- **Transit Relevance:** The only transit-like projects eligible for this program are rural mobility management activities, rural transportation demand management activities, and the capital portion of on-demand mobility services in rural areas.
- **Other Features of this Program:** Eligible applicants are states, regional transportation planning organizations, units of local government, tribal governments, and multijurisdictional collaboratives of eligible applicants.
- **How It Works:**
  - USDOT issues an annual Notice of Funding Opportunity (NOFO), which includes all information pertaining to applications and uses of RSTG funds. In 2022, USDOT included this as the rural component of its "Multimodal Projects Discretionary Grants" announcement, and is likely to do the same in future years.
  - The federal share of funding for RSTG projects is generally 80 percent, but may be higher in certain situations.
- **For Funding and More Information:**
  - The application period for FY 2022 funding closed in May 2022.
  - Detailed information about this program, which will pertain to future years' grant cycles, is available at the USDOT's Multimodal Projects Discretionary Grants website: https://www.transportation.gov/grants/mpdg-announcement

Reconnecting Communities Pilot Program (RCP)

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is from $195 million (FY 2022) to $205 million (FY 2023), awarded on a competitive basis by USDOT. Up to $50 million of those totals will be awarded as planning grants each year.
- **Short Summary:** According to USDOT, the purpose of this program is "to equitably and safely restore community connectivity through the removal, retrofit, mitigation, or replacement of eligible transportation infrastructure facilities that create barriers to mobility, access, or economic development."
- **Transit Relevance:** If you're seeking transit vehicles, facilities or operating assistance, look elsewhere. However, it's possible that transit-related facilities or amenities may be part of some awardees' RCP projects (for instance, if existing infrastructure is adapted to transit use, or if the removal/mitigation of highway or rail barriers to mobility include improved transit access for disadvantaged or adversely impacted communities). There may be circumstances in which transit providers, already accustomed to managing FTA and other USDOT funds, may be well suited to taking the lead in applying for and managing an RCP project in their community.
- **Other Features of this Program:** Eligible applicants are states, units of local government, tribal governments, MPOs, and multijurisdictional collaboratives of eligible applicants.
- **How It Works:** USDOT issues an annual Notice of Funding Opportunity (NOFO), which includes all information pertaining to applications and uses of RCP funds. For 2022, this announcement is anticipated for "sometime in Summer 2022," according to USDOT, so interested parties should be paying close attention to the USDOT website.
- **For Funding and More Information:** Information about this program, including application information once the FY 2022 NOFO is issued, is available at the USDOT's Reconnecting Communities Pilot Program website: https://www.transportation.gov/grants/reconnecting-communities

Highway Safety Improvement Program (HSIP)

(continuing under the bipartisan infrastructure law, with some changes)

- **Funding Level and Nature:** Annual funding is from $3.0 billion (FY 2022) to $3.2 billion (FY 2026), distributed as formula allocations of contract authority to states.
- **Short Summary:** States use their HSIP apportionments on a variety of projects and activities intended to achieve significant reductions in traffic fatalities and injuries, as identified in their strategic highway safety plans.
- **Transit Relevance:** Transit projects generally are not an eligible use of HSIP funds, but it may be possible for there to be HSIP-supported roadway and pedestrian safety projects that support safe access to and from bus stops or other transit

facilities, or for transit-related roadway safety projects to be carried out that will reduce traffic fatalities and injuries. In addition, states now will be required to complete "vulnerable road user safety assessments" as part of their strategic highway safety plans; these assessments must look at fatalities and injuries of non-motorist roadway users (which are defined as including public transit operators and passengers, bicyclists, pedestrians, individuals with disabilities, motorcyclists, truck drivers and passengers in personal motor vehicles) and must establish programs of projects or strategies for reducing these risks.

- **Other Features of this Program:**
    - States may use up to 10 percent of their HSIP apportionments on safety-related public awareness and information efforts, safe routes to schools safety programs, and a limited number of other "specified safety projects."
    - When an HSIP-eligible activity is carried out as part of a Transportation Alternatives (TA) project, the HSIP funds may be used to satisfy what otherwise would be the non-federal share of the TA project's cost (the TA program is described above in more detail).
    - In those instances where vulnerable road user fatalities account for more than 15 percent of all a state's crash fatalities, the state is required to spend at least 15 percent of its HSIP apportionment on projects that will improve vulnerable road users' safety.
    - States may transfer a portion of their HSIP apportionments to certain other FHWA-funded programs they administer, and may transfer up to 50 percent of certain other FHWA-funded apportionments to HSIP.
- **How It Works:**
    - FHWA apportions contract authority for HSIP projects to each state every year, on a formula basis.
    - Unlike some other FHWA formula-based funding streams, there are no urban or local suballocation features in HSIP.
    - The federal share of funding for HSIP projects is 90 percent.
- **For Funding and More Information:** All HSIP funding decisions are made by states, as identified in their strategic highway safety plans.
    - FHWA's fact sheet regarding the infrastructure law's changes to HSIP is at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/hsip.cfm

National Electric Vehicle Infrastructure Formula Program (NEVI)

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is $1.0 billion per year from FY 2022 to FY 2026, distributed as formula grants to states.
- **Short Summary:** States are to use their NEVI apportionments to deploy electric vehicle charging infrastructure for personal electric vehicle users, primarily along designated "alternative vehicle corridors."
- **Transit Relevance:** There is no transit eligibility for NEVI projects, although it might be possible for NEVI-funded charging facilities to be located on transit agencies' properties or facilities, such as – hypothetically – charging facilities

situated in park-and-ride lots or other parking facilities. However, NEVI-funded facilities must be for public use, not for a transit agency's own electric vehicles.

- **Other Features of this Program:**
    - NEVI funds may be used to deploy charging facilities for electric commercial vehicles (which could include electric transit vehicles), but only if the facility is open for public use for all commercial motor vehicle operators, or at least open to more than one operator of electric commercial motor vehicles (in other words, NEVI funds may not be used to deploy charging infrastructure for an entity's exclusive, non-public use).
    - States are required to develop NEVI program plans, which they must submit to FHWA.
    - In contrast to many other state-administered FHWA programs, states may not transfer NEVI funds to any other FHWA-funded programs they administer.
- **How It Works:** FHWA apportions NEVI funds to each state every year, on a formula basis. The federal share of funding for NEVI projects is 80 percent.
- **For Funding and More Information:** All NEVI funding decisions are made by states, using procedures identified in their NEVI program plans.
    - FHWA's fact sheet regarding the NEVI program is at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/nevi_formula_program.cfm

Charging and Fueling Infrastructure Discretionary Grants

(new under the bipartisan infrastructure law)

- **Funding Level and Nature:** Annual funding is from $300 million (FY 2022) to $700 million (FY 2026), awarded on a competitive basis by USDOT.
- **Short Summary:** USDOT has not yet issued any guidance or notices of funding opportunity for this program, but it is authorized to award discretionary grants for the deployment of publicly accessible electric vehicle charging infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure, and/or natural gas fueling infrastructure along designated "alternative vehicle corridors."
- **Transit Relevance:** Public transit agencies may be among the eligible applicants for these grants, but there is no transit eligibility for projects funding under these grants, although it might be possible for grant-funded charging or fueling facilities to be located on transit agencies' properties or facilities, such as – hypothetically – charging facilities situated in park-and-ride lots or other parking facilities, or commercial motor vehicle charging/fueling facilities located on a transit agency's property but available for shared or public use.
- **Other Features of this Program:**
    - Half of the funding awarded under this program must be for "community grants," intended to expand or fill gaps in public charging and fueling infrastructure, with priority for addressing missing or inequitably distributed charging/fueling available in rural areas, low- and moderate-

income neighborhoods, and communities with high ratios of multi-family housing and/or low ratios of parking spaces to households.
    - Community grant recipients may spend up to 5 percent of their grant awards on educational and community engagement activities.
- **How It Works:** In the absence to date of any NOFOs or program guidance, most important details of this program are "TBD."
- **For Funding and More Information:** For this program, it's a matter of "wait and see," in anticipation of any notices of funding opportunity and/or program guidance from USDOT or FHWA. It's possible that this program may be administered as a discretionary grant component added to the NEVI program (see above), but even in that scenario, statutory provisions, including those mentioned above, must be respected.