



Member Designated Project Resource Guide

For consideration in 2021 Surface Transportation Authorization Legislation

Updated: March 2021



Staff Contact List

Please submit all Member Designated Project requests through my office's form at <https://forms.gle/5oRwWeKDTCzr9Smf6>

- ***The deadline to submit a Member Designated Project request is April 7, 2021 at 11:59 p.m.***

For specific questions, please email:

CommunityProjectsPA03@mail.house.gov

Overview of Surface Transportation Authorization

Background

Surface Transportation Authorization Acts

Federal highway and public transportation programs are funded through multi-year surface transportation authorization acts. The current surface transportation program authorization expires on September 30, 2021.

Congress enacted the five-year Fixing America's Surface Transportation (FAST) Act (P.L. 114-94) on December 4, 2015. In the 116th Congress, the FAST Act was extended by the Continuing Appropriations Act, 2021, and other Extensions Act (P.L. 116-159) for an additional year.

The Highway Trust Fund (HTF)

Federal highways are user-fee financed through federal excise taxes levied on motor fuels and on various highway-related products such as tires and heavy trucks. Revenues from these taxes are deposited into the HTF and may be used only for eligible transportation projects and activities.

Beginning in fiscal year 2008, and in each subsequent fiscal year to date, HTF outlays have exceeded revenues received. Congress has transferred approximately \$157 billion to the HTF from the general fund of the Treasury and other sources (See 26 U.S.C. 9503(f)).

Federal Highway Program Overview

The Federal-Aid Highway Program (FAHP) is an umbrella term for the separate highway programs administered by the Federal Highway Administration (FHWA). These programs are almost entirely focused on construction, and generally do not support operations (such as state DOT salaries or fuel costs) or routine maintenance (such as mowing roadway fringes or filling potholes). The majority of FAHP funds are apportioned through five “core” programs plus the Metropolitan Planning Program. The core programs are the National Highway Performance Program (NHPP), the Surface Transportation Block Grant Program (STBG), the Highway Safety Improvement Program (HSIP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), and the National Highway Freight Program (NHFP).

The FAHP is different from almost all other federal programs in that it is funded almost entirely through a type of budget authority known as “contract authority.” Using contract authority, the Secretary of Transportation is able to give states advance notice of available amounts at the time an authorization act is signed into law and commit to reimbursing states for eligible costs they incur without having to wait for an annual appropriation of funding.

State Apportionments of Federal-aid Highway Funding

At the beginning of each fiscal year that the program is authorized, FHWA distributes contract authority to states through an annual apportionment, pursuant to the formula established under 23 U.S.C. 104. Under current law, this apportionment is divided among five “core” highway formula programs, for obligation by the state department of transportation (or suballocation to a local government, in the case of Surface Transportation Block Grant (STBG) program or the transportation alternatives set-aside). Most FHWA contract authority is available for obligation three years after the last day of the fiscal year (FY) for which the funds are authorized, providing the funding certainty necessary for states to carry out long-term capital construction projects. This same period of availability will apply to Member Designated Projects included in the surface transportation authorization legislation.

Obligation Limitation

In order to control the year-over-year obligations out of the HTF, the Appropriations Committee includes a limitation on total annual obligations for the federal-aid highway program in each annual appropriations act. This “obligation limitation” ensures that the federal-aid highway program stays within established budget caps for a fiscal year, even though the contract authority is available for multiple years. The obligation authority is distributed to states in a similar manner to the contract authority. While not subject to appropriations, a federal highway project needs contract authority and obligation authority to proceed.

Federal Transit Program Overview

Federal funding for U.S. public transportation systems dates back to 1964 with the enactment of the Urban Mass Transportation Act (P.L. 88-365). This law set the stage for the current program of financial assistance for mass transportation administered by the Federal Transit Administration (FTA).

Federal transit programs are primarily funded from revenues in the Mass Transit Account of the HTF, but a portion of the funding – approximately 20 percent – is authorized from the general fund of the U.S. Treasury.

Funds provided under the Mass Transit Account are largely provided through a series of formula programs, including the Urbanized Area Formula Grant program, the Formula Grants for Rural Areas program, the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities program, the Grants for Buses and Bus Facilities formula program, and the State of Good Repair program. Additional funds are provided from the Mass Transit Account for discretionary grant programs including the Passenger Ferry Grant Program, the Bus and Bus Facilities competitive grant program, and the Low- and No-Emission Vehicle Program.

General funded transit programs include the Capital Investment Grants program and FTA oversight and administrative funds.

Transportation Planning

Funding for metropolitan planning, statewide planning, and other planning programs is authorized from both the Highway Account and Mass Transit Account. These programs provide resources for metropolitan planning organizations (MPO) and state departments of transportation to help meet the planning requirements of sections 134 and 135 of title 23 and sections 5303, 5304, and 5305 of title 49, United States Code. These planning activities are jointly administered by FTA and FHWA.

Each state is required to develop a Statewide Transportation Improvement Program (STIP) covering a period of at least four years. Each designated metropolitan area is required to develop a Transportation Improvement Program (TIP). The STIP is a fiscally constrained, multi-year, statewide intermodal program of transportation projects, consistent with the statewide transportation plan as well as metropolitan transportation improvement programs. The STIP must be developed in cooperation with MPOs, public transit providers, and any Regional Transportation Planning Organizations in the state. These documents and project lists guide state and MPO obligation of contract authority over the longer-term horizon required for capital construction projects.

Project Eligibility

Capital projects eligible under title 23, United States Code, and chapter 53 of title 49, United States Code, are eligible for funding requests under T&I's project submission process. The best way to ensure project eligibility is to select projects included on the

STIP or TIP. Projects included on the STIP or TIP already have been certified as eligible for FHWA or FTA funding and do not require further verification of eligibility.

For projects not on the STIP or TIP, the Committee will require additional documentation, including: verification whether the project can be added to the STIP or TIP in a reasonable timeframe if the funding request is included in the legislation; whether the project is on a long-range transportation plan; and verification of eligibility for the proposed activity under title 23 or chapter 53 of title 49 by the relevant federal agency.

FHWA Program Eligibilities

The FHWA programs focus on construction, reconstruction, and improvement of highways and bridges. Eligibilities under the largest FHWA program, NHPP, include projects that improve the condition and performance of the National Highway System (NHS), which includes Interstate System highways and bridges and other major highways. NHPP funds projects to achieve national performance goals for improving infrastructure condition, safety, mobility, and freight movement. The STBG program provides for broad eligibility to fund construction and reconstruction of roads and bridges on the federal-aid highway system, as well as for off-system bridges. In general, STBG projects may not be on local roads or rural minor collectors. There are a number of exceptions to this requirement, such as the ability to use up to 15% of a State's rural suballocation on minor collectors. See FHWA guidance on the [STBG program](#) for additional information. In addition, the HSIP funds projects that improve the safety of road infrastructure by correcting hazardous road locations, such as dangerous intersections, or making road improvements.

In addition to traditional highway and bridge construction projects, title 23 provides broad eligibility for other capital needs. Funds are also available for planning, environmental review, design, right of way acquisition, or operational improvements. Some examples of eligible capital projects include active transportation and transportation alternatives (pedestrian and bicycle infrastructure) under STBG and other programs, environmental mitigation, truck parking, transportation system management and operations, electric vehicle charging infrastructure, and acquisition of clean vehicle fleets under the Congestion Mitigation and Air Quality (CMAQ) program. In addition, multimodal projects, such as freight and passenger rail, may be narrowly eligible under various FHWA programs, including highway-railway grade crossings (23 U.S.C 130), multimodal freight improvements under Nationally Significant Freight and Highway Projects (INFRA) (23 U.S.C. 117) and the NHFP (23 U.S.C. 167), and certain rail projects with air quality benefits under the CMAQ program (23 U.S.C. 149).

FTA Program Eligibilities

FTA funds a wide range of public transportation projects. Public transportation or transit is defined as regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income, and does not include—

- intercity passenger rail transportation provided by the entity described in chapter 243 of title 49 (or a successor to such entity);
- intercity bus service;
- charter bus service;
- school bus service;
- sightseeing service;
- courtesy shuttle service for patrons of one or more specific establishments; or
- intra-terminal or intra-facility shuttle services.

Some examples of eligible transit capital projects include constructing or rehabilitating a transit station or transit equipment; purchasing rolling stock including rail cars for public transportation purposes; purchasing buses or ferries, including zero-emission vehicles; transit-related intelligent transportation systems; project expenses related to a capital project including design, engineering, location surveys, mapping, and acquiring rights-of-way; associated transit improvements including bus shelters, pedestrian and bicycle access to a transit station, and enhanced access for persons with disabilities; and preventative maintenance.

Project Requirements

The Committee will publicly post all submitted Member requests on the Committee website.

FHWA Project Requirements

Unless otherwise specified in law, the federal share allowable under the highway program is typically 80 percent of the project cost, per 23 U.S.C. 120. However, there are many provisions that allow a project sponsor to increase the federal share for a project. See this [FHWA guidance](#) for more information.

In addition to non-federal cost share, all FHWA projects are subject to other requirements under title 23, including: statewide and metropolitan planning, environmental review under the National Environmental Policy Act (NEPA), payment of prevailing wages under the Davis-Bacon Act, Buy America, compliance with FHWA or

state design standards, competitive bidding, and more. The project sponsor is responsible for ensuring compliance with all applicable federal requirements. In selecting projects for designated funding, the Committee will seek to ensure that project sponsors are prepared to carry out a project in line with federal requirements.

FTA Project Requirements

Unless otherwise specified in law, the federal share allowable under the transit program is typically 80 percent of the project cost. However, there are many provisions that allow a project sponsor to increase the federal share for a project. See this [FTA guidance](#) for more information.

In addition to non-federal cost share, all FTA projects are subject to other requirements under chapter 53 of title 49 including: statewide and metropolitan planning, environmental review under NEPA, transit employee protective arrangements under 49 U.S.C. 5333, payment of prevailing wages under the Davis-Bacon Act, Buy America, compliance with FTA project and construction management guidance, competitive bidding, and more. The project sponsor is responsible for ensuring compliance with all applicable federal requirements. In selecting projects for designated funding, the Committee will seek to ensure that project sponsors are prepared to carry out a project in line with federal requirements.

Committee on Transportation and Infrastructure (T&I) Authorization vs. Appropriations

The T&I Committee process for Member Designated Projects for consideration in this year's surface transportation authorization legislation is separate and distinct from the House Committee on Appropriations' process.

Projects funded through the surface transportation authorization will be funded directly from the Highway Trust Fund, and do not require a separate or subsequent appropriation.

Projects included in the Committee's surface transportation authorization legislation are provided dedicated contract authority. These projects will receive dedicated obligation limitation under the overall provision of obligation limitation provided through the appropriations process, and will not require further congressional action. How obligation limitation will flow to designated projects versus formula funding will be laid out in the T&I legislative text. Therefore, it is not necessary for a project to seek funding under

both the T&I and Appropriations project processes. The Committee discourages offices from requesting projects under both processes.

Definitions

Allocation: For purposes of this publication as it relates to funding federal-aid highways, an administrative distribution of funds for programs that are not distributed to states by a statutory formula.

Apportionment: For the purposes of this publication as it relates to funding federal-aid highways, the distribution of funds to states as prescribed by a statutory formula.

Authorization: The term “authorization” is typically used in the context of an authorization bill or act (law): substantive legislation that establishes or continues federal programs or agencies and establishes an upper limit on the amount of funds for the program or programs. Within such a bill or act, the term may also refer to the program-specific upper limit.

Fiscal Constraint: For the purposes of transportation planning, fiscal constraint means demonstration that a project can be implemented using committed, available, or reasonably available revenue sources. Projects included in the STIP or TIP financial plan must be fiscally constrained under federal regulations at 23 CFR part 450, subparts B and C. Project requests must similarly show that funding necessary to complete the project is, at a minimum, reasonably expected to be available in combination with the requested amount. Please see this [FHWA guidance](#) for examples of future revenue sources that are “reasonably expected to be available.”

MPO: A Metropolitan Planning Organization is the policy board of an organization created and designated to carry out the metropolitan transportation planning process.

NEPA: National Environmental Policy Act.

Obligation: The federal government’s legal commitment (promise) to pay or reimburse a state or other entity for the federal share of a project’s eligible costs.

Outlays: Actual cash (or electronic transfer) payments made to the state or other entity to pay the entity for eligible costs incurred. Outlays generally are provided as work progresses for the federal share for approved highway program activities.

State Transportation Improvement Program (STIP): Each state is required under 49 U.S.C. 5304(g) to develop a statewide transportation improvement program covering a period of at least four years. The STIP is a staged, multi-year, statewide intermodal program of transportation projects, consistent with the statewide transportation plan and planning processes as well as metropolitan plans, transportation improvement programs (TIP), and planning processes.

Transportation Improvement Program (TIP): The TIP is a federally required short-range plan that MPOs must develop listing upcoming transportation projects—covering a period of at least four years. The TIP must be developed in cooperation with the state and public transit providers. The TIP should include capital and non-capital surface transportation projects, bicycle and pedestrian facilities and other transportation enhancements, Federal Lands Highway projects, and safety projects included in the State’s Strategic Highway Safety Plan. The TIP should include all regionally significant projects receiving FHWA or FTA funds, or for which FHWA or FTA approval is required, in addition to non-federally funded projects that are consistent with the Metropolitan Transportation Plan (MTP). Furthermore, the TIP must be fiscally constrained.

Question by Question Guidance

For each project requested, you will be asked to provide the following information:

1. Type of project - by program

Select from the dropdown menu for project type. If the project includes two or more modes, select multimodal. If the project does not fit into any listed category, please write in the project type.

In order to qualify to receive designated funding, projects must be eligible under title 23, United States Code, or chapter 53 of title 49, United States Code. Projects included on the STIP or TIP have been vetted and do not require further verification of eligibility. If you choose to request a project not on the STIP or TIP, further documentation will be required. See questions #19-20.

2. Name of the project

Provide a short name by which the project will be labelled. This name will be listed in legislative text and the Committee on Transportation and Infrastructure legislative report and should provide accurate information to identify the exact project being funded. If the project is on the STIP or TIP, or if you have other information from your state or local

transportation agency or transit agency about the formal name of the project, please use that information in the project request.

3. Location of project

Provide the City, State, and Congressional district where the project is located. Also provide the street name and ZIP code to the extent applicable.

4. Project sponsor

List the public agency that is sponsoring the project – a state DOT, MPO, transit agency, local government, territory, Tribal government or other public entity.

Requests for projects listed on the STIP or TIP, or in some cases the long range transportation plan, will be most successful in receiving designated funding. The Committee seeks to ensure that designated funds will be able to be obligated by an entity versed in the requirements and process of advancing a project with federal surface transportation funding. Please list only one project sponsor—the entity that will be responsible for carrying out the project.

Not-for-profit organizations should coordinate with a public entity that is an eligible recipient of federal-aid funds under title 23 or chapter 53 of title 49.

5. Sponsor Point of Contact

Provide a name, phone number, and email for a point of contact at the public agency that is sponsoring the project.

6. Project description, including a description of the benefits of the project. In addition, please include a link to additional project information, if available. (type box, max 1000 characters)

If the project is on the STIP or TIP, the description of the project as listed on those documents should be incorporated. If the project has a project website, please include a link.

In listing project benefits, please include any benefits, if applicable, to help advance the goals of the surface transportation authorization legislation.

7. Amount requested (type box)

Please provide the amount of funding requested for the project.

The requested amount may not exceed the federal share allowable under highway and transit programs, which is typically 80 percent of the project cost. However, there are

exceptions to this standard. More information is [here](#) for FHWA projects and [here](#) for FTA projects.

In addition to identifying non-federal match, the Committee is requiring that project requests identify all funds necessary for the project in addition to the requested amount, to ensure the project can advance in a reasonable timeframe. Please see question 9 and question 19, if applicable. The Committee will not designate funding for projects for which the requested amount represents a portion of the project costs, without the remainder of funding identified.

8. Total project cost (type box)

Please provide the total project cost. This information must come from your state DOT, local transportation agency, transit agency, territory, Tribal government, or other project sponsor. Please check the STIP or TIP for this amount.

9. Sources of funding for the non-Member designated share of the cost of the project (type box and upload option)

In addition to the statutory requirements for non-federal match, if the requested amount plus the non-federal match does not fully make up the total project cost, the Committee is requiring that projects have funds identified for the project outside of the requested amount. This requirement is to ensure the project can advance in a reasonable timeframe and that designated funds do not sit unspent.

Additional amounts may come from federal funding, such as FHWA formula funding, provided that the total amount of federal funding does not exceed the allowable federal cost share. Acknowledgement of the availability of this funding for this purpose by your state DOT or other public agency that administers this funding is required. All funding does not have to be “in the bank” at the time of the request, but the specific sources must be identified and reasonably expected to be available within the obligation window. The STIP or TIP is the easiest way to identify project funding. If a project is on the STIP or TIP, funding reasonably expected to be available is sufficient to ensure the project is obligated within the period of availability for the project funding.

If you choose to request a project not on the STIP or TIP, it is the responsibility of the requesting office to demonstrate identified funding to the Committee, and commitment by the transportation agency that controls the identified funding to use those funds on the project. The Committee will not designate funding for projects for which the requested amount represents a portion of the project costs, without the remainder of funding identified.

10. Project Phase (drop down)

Please select the phase of the project for which funding is sought from among the following choices. The STIP or TIP is the easiest way to identify the project phase. If a project is not on the STIP or TIP, the requesting office should work with the project sponsor to identify this information. If 'other' is selected, please verify with the project sponsor to ensure use of the correct term.

- a. Planning and Environmental Review
- b. Final Design
- c. Right of Way
- d. Capital purchase or lease (including bus purchases)
- e. Construction
- f. Other (type box, max 30 characters)

In the case of a funding request limited to planning, the project sponsor must commit to moving the project through the planning phase. All applicable transportation planning and environmental review processes will still apply to the project phase. Note that a funding request for preconstruction that seeks to artificially narrow the scope of alternatives considered or to advance one alternative over other reasonable alternatives would not comply with the requirements of *NEPA*. See 40 CFR 1506.1(a)(2).

11. NEPA category of action (drop down)

Please select the category of action under NEPA applicable to the project from among the following choices. The requesting office should work with the project sponsor to identify this information.

- a. Categorical exclusion
- b. Environmental assessment
- c. Environmental impact statement
- d. Undetermined

12. Status of environmental review (drop down)

Please select the status of environmental review for the project from the options provided. These options are recognized phases of the environmental review process carried out to satisfy *NEPA*. The requesting office should work with the project sponsor to identify this information. If other is selected, please verify with the project sponsor to ensure use of the correct term.

- a. Pre-review
- b. Categorically excluded

- c. Notice of intent published
- d. FONSI issued
- e. Draft EIS published
- f. Final EIS published
- g. ROD issued
- h. Other (type box, max 30 characters)

13. A description of the process that will be followed to provide an opportunity for public comment on the project (type box, max 1,000 characters)

Projects that are on an approved STIP or TIP that have been through public comment do not need to solicit additional public comment. If the project has solicited public input as it advanced through the *NEPA* process, that can also be cited under this question. If the project is not on the STIP or TIP, the requesting party should identify whether the project sponsor has provided other opportunities for public input.

14. Has the project received federal funding in the past (yes/no)

If the project has received federal funding for any phase of the project, please list the source and amount of federal funding received. This should include any formula funding received under FHWA or FTA programs.

15. Has the project applied for U.S. DOT discretionary grants in the past (yes/no)

If the project has applied for U.S. DOT discretionary grants, please list which discretionary grant program and attach the project application.

16. Letter(s) of support from the state, local government, or non-federal sponsor (upload)

The Committee is requiring demonstrated support from the sponsor of the project to accompany each request. The submission must be on letterhead from a public agency responsible for carrying out the project, and must include an expression of willingness to carry out the project and the ability for the funding to be obligated within the time period set forth under federal-aid highway or federal transit requirements.

17. Is the project on the state, Tribal, or territorial transportation improvement program (yes/no)?

If the project is on the STIP or Tribal or territorial transportation improvement program, please upload the STIP or provide a link. STIPs are publicly available documents and most are posted on state DOT websites. Offices may provide a link to the STIP in lieu of uploading the document. In addition to a link, the project ID number listed on the STIP should be included to confirm which project is being requested.

If the project is not on the STIP, please see question 19 for additional requirements.

Documentation that the project is on the STIP is a clear way to document project readiness and funding availability beyond the requested amount and demonstrates that a transportation agency is ready and able to carry out a project consistent with federal requirements. The Committee strongly encourages all Member offices to engage with your state DOT, regional transportation and metropolitan planning organizations, transit agencies, territory, Tribal governments, and other local agencies as you gather priorities in your districts. While the Committee is accepting project requests that are not on the STIP, please explain why that is the case.

18. Is the project on the metropolitan transportation improvement program, if applicable? (yes/no)

If the project is on the TIP, please upload the TIP or provide a link. TIPs are publicly available documents and most are posted on MPO websites. Offices may provide a link to the TIP in lieu of uploading the document. In addition to a link, the project ID number listed on the TIP should be included to confirm which project is being requested.

If the project is not on the TIP but the project is located in a metropolitan planning area, please see question 19 for additional requirements.

19a. If funding is provided for this project, can it be added to the STIP/TIP in a reasonable timeframe? (yes/no)

This question will only pop up if you are requesting a project that is not on the STIP or TIP. The only way to get the answer to this question is to ask your state DOT or MPO. If the answer is yes, the Committee is requesting a letter from the agency indicating this is the case. If the answer is no, that is a likely indicator that the project may not be ready for designated funding.

19b. Documentation from relevant federal agency that the project is eligible for funding under title 23 (Highways) or chapter 53 of title 49 (Public Transit)

This question will only pop up if you are requesting a project that is not on the STIP or TIP. While the Committee realizes that the timeframe to submit projects into the database is short, ensuring projects are eligible for funding is a fundamental requirement for project designation.

20. If the project is not included on the STIP/TIP, is the project on a regional or statewide long-range transportation plan? (Drop down options)

If the project is not on the STIP or TIP, inclusion of a project or a suite of projects on a statewide, regional, or local transportation plan will help to indicate whether the project

has had a sufficient level of planning and scoping to advance in a reasonable timeframe. If the project is not on the STIP or TIP or a long-range plan, that is a likely indicator that the project may not be ready for designated funding.

21. Are you submitting this project request in coordination with another Member Office?

Please include the name(s) of the coordinating Member office of which you are submitting the same project request for. The project names on both Member requests should be identical. Request amounts should be coordinated between the project sponsor and any other members making requests for the same project.

Additional Resources

Reports:

- [Federal-Aid Highway Program \(FAHP\): In Brief](#)
- [Funding and Financing Highways and Public Transportation](#)
- [Highway and Public Transit Funding Issues](#)
- FHWA [Funding Federal-aid Highways](#)

CRS Webinar:

- [Reauthorizing Federal Highway Programs](#)

NEPA:

- [National Environmental Policy Act Review Process](#)
- [Overview of NEPA as Applied to Transportation Projects](#)