

DEPARTMENT OF TRANSPORTATION  
FEDERAL TRANSIT ADMINISTRATION

SUPPORTING STATEMENT

**49 U.S.C. SECTION 5308 Clean Fuels Grant Program**  
OMB Control No. 2132-NEW

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION NECESSARY.

The Section 5308 Clean Fuels Grant Program was initiated as a formula program under the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) in June 1998. The program was developed to assist non-attainment and maintenance areas in achieving or maintaining the National Ambient Air Quality Standards for ozone and carbon monoxide. Although the program was authorized as a formula grant program from its inception, Congress did not fund the program. For this reason, FTA did not request an approval of the Clean Fuels information collection when its OMB approval expired. The program was reauthorized in August 2005 under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) as a grant program. This changed the grant program from a formula-based to a discretionary grant program, but the program retains its initial purpose.

A Notice of Funding Award was published on June 24, 2011, entitles “FY 2011 Discretionary Sustainability Funding Opportunity Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) Program and Clean Fuels Grant Program, Augmented With Discretionary Bus and Bus Facilities Program,” announcing the availability of discretionary funds for these programs.

The provisions of 49 U.S.C. Section 5308, 49 CFR Part 18, the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (the Common Grant Rule), and prudent administration of federal grant funds dictate that grantor agencies review applications for federal assistance to assure eligibility of the grantee and the project activities and other criteria, as appropriate, and monitor approved projects to ensure timely expenditure of federal funds by grant recipients. The reporting requirements are submitted by recipients in two stages, the application stage and the project management stage.

Application Stage

FTA must determine the applicant's eligibility to receive program funds. FTA must know: a) who the applicant is; b) for what purpose the funds are requested; and c) the amount of federal funds requested or needed. FTA has issued FTA Circular 5010 detailing guidance for grant programs. New applicants applying for the first time must submit:

- a. Authorizing Resolution. As required by 49 U.S.C. 1602 (a)(2)(A), this information is necessary to assure FTA that the individuals involved represent the organization seeking federal assistance and are empowered to enter into contracts on the organization's behalf.

- b. Opinion of Counsel. Also required by 49 U.S.C.1602(a)(2)(A) to ensure that the applicant has the legal capacity to carry out the project and that there is no outstanding litigation that would encumber the federal government upon project approval.

In addition, each application must include:

- a. Standard Form 424. Entitled "Application for Federal Assistance," this form must be submitted with each application.
- b. Project Budget. FTA must know how much federal financial assistance is required, the amount and sources of local funds available for this project, and the specific elements and associated costs for each.
- c. Project Description. Some federal funding is limited to specific categories of transit projects. The project description enables FTA to determine whether funding of the proposed project is allowable under federal transit law and the Common Grant Rule.
- d. Project Justification. This information is required for all Section 5308 projects. The information is required by FTA to:
  - 1) ensure compliance with a federally approved Statewide Transportation Improvement Program (STIP);
  - 2) determine whether the project will meet prescribed program objectives; and
  - 3) given the limited amount of federal funding available, determine whether or not the project is cost-effective.
- e. Project Milestone Schedule. This document consists of milestone dates for major activities and an overall project completion date. Milestone dates are provided for such events as bid advertisement, bid award, and contract completion.
- f. List of Labor Unions (DOL Certifications and Assurances). This document is used by the Department of Labor in making the certification of labor protective arrangements required for grants in statutory language at Title 49 U.S.C. at Section 5333(b).

Annual Certifications and Assurances. Before FTA may award a federal grant, the applicant must provide FTA with all certifications and assurances required by federal laws and regulations for the applicant or project. A grant applicant must sign the appropriate certifications and assurances each year for all anticipated grant applications during that particular fiscal year. This annual certification process replaces individual certifications and assurances that grantees used in the past when submitting each grant application or periodically when warranted by specific circumstances.

### Project Management Stage

The reporting requirements under this stage are necessary to ensure the proper and timely expenditure of federal funds within the scope of the approved project. The requirements

comply with the Common Grant Rule and are contained in FTA Circular 5010.1C, and also may also be included in sections of the grant contract. These reporting requirements are:

- a. Semi-annual Milestone/Progress Reports (QPR). These narrative reports define the level of activity for each project element during the reporting period. Delays, problems, and milestone achievements are reported to FTA. The reports greatly reduce the need for on-site visits by staff. Since March 2007, recipients of 5308 projects that operate transit from small urbanized areas are no longer required to submit quarterly reports, but instead are required to submit semiannual Milestone/Progress Reports for the first three years of the useful life of the vehicle.
- b. Quarterly Federal Financial Reports (FFRs). These quantitative reports provide a financial picture of project activity. The reports include information regarding obligations, payments, receipts, and other pertinent financial data required to ensure proper expenditure of federal funds.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED AND CONSEQUENCES IF THE INFORMATION IS NOT COLLECTED.

The information collected is used to determine the applicant's eligibility for funding and to monitor approved projects. The reporting requirements are submitted during the application stage and the project management stage. During the application, FTA must determine the applicant's eligibility to receive funds. FTA must know who the applicant is, for what purpose the funds are requested and the amount of federal funds requested. Information reported during the project management stage is necessary to ensure the proper expenditure of federal funds within the scope of the project and to assess program effectiveness. The milestone/progress reports provide information on the level of activity for each project element during the reporting period. Problems, delays and milestone achievements are also reported to FTA during the project management stage.

3. CONSIDERATION OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN AND ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN.

FTA's Transportation Electronic Award and Management (TEAM) system electronically assists grantees with submitting applications for federal funds. This program is designed to aid FTA grant applicants by reducing paper and time. Reporting can be done electronically using TEAM.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSES DESCRIBED IN ITEM 2.

The reports are project specific and the information is not available elsewhere.

5. METHODS USED TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES.

The information collected does not involve small businesses.

6. CONSEQUENCES TO FEDERAL PROGRAMS OR POLICY ACTIVITIES IF INFORMATION WAS NOT COLLECTED OR COLLECTED LESS FREQUENTLY, AS WELL AS ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING THE BURDEN.

- a. Application Stage. If applicants did not submit requested information during the application stage, FTA would not be able to determine project eligibility or the amount of funds needed by the applicant. FTA would not be able to verify the legality of applicants, or provide the certifications and assurances required by federal laws and regulations.
- b. Project Management Stage. If applicants did not submit requested information during the project management stage, FTA would not be able to track expenditures for approved projects as federally required.

Further reduction of reporting information would make it impossible to determine the reliability, benefits and costs of operations and performance of clean fuel technology buses and conduct trend analyses.

7. SPECIAL CIRCUMSTANCES THAT REQUIRE THE COLLECTION TO BE CONDUCTED IN A MANNER INCONSISTENT WITH 5 CFR 1320.6.

The information collected is consistent with the guidelines in 5 CFR 1320.6.

8. EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS.

A 60-day Federal Register notice was published on May 6, 2011, (pages 26336 and 26337) soliciting comments prior to submission to the Office of Management and Budget (OMB). No comments were received. A 30-day Federal Register notice was published on August 3, 2011, (pages 46892 and 46893).

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES.

No payment is made to respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED RESPONDENTS.

There is no assurance of confidentiality regarding these submissions.

11. ADDITIONAL JUSTIFICATION FOR QUESTIONS OF A SENSITIVE NATURE.

None of the information is of a sensitive nature.

**12. ESTIMATE OF THE HOUR BURDEN OF THE COLLECTION, AND ANNUALIZED COST TO RESPONDENTS.**

<b>Requirements</b>	<b># Annual submissions</b>	<b>Burden hours per submission</b>	<b>Total burden hours</b>
<b><u>Application Stage (includes all of the following):</u></b>			
Standard Assurance	100	3	300
Opinion of Counsel	100	19	1900
Project Description	100	1	100
Project Budget	100	2	200
Project Justification	100	2	200
Project Milestones	100	7	700
List of labor unions (DOL Certifications/Assurances)	100	4	400
Completion of SF-424	(100)	(1)	(100)
<b>Total Application</b>	<b>100</b>	<b>41</b>	<b>4100</b>
<b><u>Project Management Stage</u></b>			
Federal Financial Report (quarterly)	400	2	800
Milestones/Progress Report (semi-annually) 16,696	200	2	400
<b>Total Project Management</b>	<b>600</b>	<b>4</b>	<b>1200</b>
<b>Total Application and Project Management</b>	<b>700</b>	<b>43</b>	<b>5300</b>

Estimate of the cost to respondents:

Application Stage:

The number and complexity of applications submitted each year may vary slightly; however, the applications are simple and straightforward. The figures below are representative of a straightforward application meeting all of the criteria for federal funding.

FTA estimates that it takes approximately 41 person-hours to develop and submit an application to FTA for review. Since FTA expects to receive approximately 100 applications per year, the total hours required are estimated to be (41 hrs. x 100 applications = 4100 hrs.). Although various personnel are involved in the development of an application, the average salary is estimated to be \$33 per hour. Therefore, the cost to the respondents is computed at \$135,300 (4100 hrs. x \$33 = \$135,300).

The number of burden hours associated with this submission in FTA's information collection inventory is 5,300 (4100 hours application stage + 1,200 hours project management stage). An additional 100 burden hours associated with the use of the Department of Health and Human Services (HHS's) Standard Form 424 (grants.gov application form) is shown above (1 hour x 100 applicants for completion of the SF-424 application). These hours have been reassigned to HHS's information collection approval for their SF-424.

Project Management Stage:

Staff time devoted to the preparation of Project Management reports takes approximately 2 hours at an average salary of \$32 per hour or \$64 per report. There are expected to be 600 reports annually; therefore, the cost is estimated to be (\$64 per report x 600 reports = \$38,400).

The total cost for the application and project management stages is \$173,700 (\$135,300 + \$38,400).

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION (NOT INCLUDING THE COST OF ANY HOUR BURDEN SHOWN IN ITEMS 12 AND 14.

There is no additional cost beyond that shown in items 12 and 14.

14. ESTIMATE OF THE ANNUALIZED COST TO THE FEDERAL GOVERNMENT.

The cost is calculated as follows:

Application Stage:

Our experience indicates that it takes approximately 3 person-hours to review each application received by FTA. It should be noted that this figure assumes that the application is: 1) complete, 2) fundable and 3) non-controversial. More complex

projects or programs of projects would consume additional time.

Although reviewed by several different staffers, from secretaries to the Administrator, we estimate that the average grade level of the reviewers is GS-12/step 5, paid \$40 per hour. Since we expect receive and review approximately 100 applications per year, the cost to the federal government is \$40,000 (10 hours x 100 applications = 1,000 hours x \$40 = \$40,000).

Project Management Stage:

Individuals managing projects throughout FTA vary from GS-9 to GS-14; however, in looking at the averages it can take a GS-13 (average salary, \$42 per hour) about 2 hour per report to review it. There are approximately 600 reports per year. The cost to the federal government is \$50,400 (2 hrs. x 600 submissions = 1200 x \$42).

The total cost to the federal government is \$90,400 (\$40,000 + \$50,400).

15. EXPLAIN REASONS FOR CHANGES IN BURDEN, INCLUDING THE NEED FOR ANY INCREASES.

This a new request.

16. PLANS FOR TABULATION AND PUBLICATION FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL BE PUBLISHED.

FTA does not plan to publish the results of the information collected for statistical use.

17. IF SEEKING APPROVAL NOT TO DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL, EXPLAIN THE REASONS.

There is no reason not to display the expiration date of OMB approval.

18. EXPLAIN ANY EXCEPTIONS TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19 OF OMB FORM 83-I.

No exceptions are stated.